

# **Measuring National Well-being - A UK Perspective**

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## Measuring National Well-being – A UK Perspective

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### Abstract

The Measuring National Well-being Programme began in the UK in November 2010. Traditional measures of progress such as Gross Domestic Product (GDP) have long been recognised as an incomplete picture of the state of the nation. Following a six month National Debate that elicited 34,000 responses, ONS developed a framework for measuring national well-being consisting of 10 domains and 40 headline indicators. The indicators include a mixture of both subjective and objective measures. Through supplementing existing economic measures, such as GDP, with measures that reflect social and environmental well-being, national well-being looks at the state of the nation through a broader lens. The paper will describe the development of the framework of indicators, including developing subjective well-being measures, and the dissemination of this information using a range of interactive tools developed for this purpose. This is a long term development programme and is still in its early days of measurement. How these data are used to improve policy design, delivery and evaluation will be important to assess the success of the programme. In particular, having a more complete picture of national well-being will lead to a better understanding of policy impacts on well-being; better allocation of resources; more informed decisions; assessment of government performance; and international comparisons.

Key words: subjective well-being; sustainability; beyond GDP; interactive tools.

### **Introduction**

In November 2010, the Office for National Statistics (ONS) launched the Measuring National Well-being development programme with the aim to ‘develop and publish an accepted and trusted set of National Statistics which help people understand and monitor well-being’. Traditional measures of progress such as Gross Domestic Product (GDP) have long been recognised as an incomplete picture of the state of the nation. It is about looking at ‘GDP and beyond’ and includes:

- greater analysis of the national economic accounts, especially to understand household income, expenditure and wealth;
- further accounts linked to the national accounts, including the UK Environmental Accounts and valuing household production and ‘human capital’;
- quality of life measures, looking at different areas of national well-being such as health, relationships, job satisfaction, economic security, education and environmental conditions;
- measures of ‘subjective well-being’ - individuals’ assessment of their own well-being; and
- headline indicators to summarise national well-being and the progress we are making as a society.

Having a more complete picture of national well-being will lead to:

- better understanding of policy impacts on well-being;
- better allocation of scarce resources via more informed policy evaluation and development;
- comparisons between how different sub-groups of the population are doing, across a range of topics;
- more informed decisions on where to live, which career to choose, based on well-being information for that area/organisation;
- assessments of the performance of government; and
- comparisons between the UK with other countries.

The programme recognises the importance of communication and stakeholder engagement, providing links with the UK Cabinet Office and policy departments, international developments, the public and other stakeholders. The programme is working closely with the Department of the Environment, Food and Rural Affairs (Defra) on the measurement of 'sustainable development' to provide a complete picture of national well-being, progress and sustainable development.

### **National debate**

The ONS programme began with a six month National Debate asking people, 'what matters', in order to understand what should be included in measures of national well-being. This employed both conventional and innovative methods of communicating, to ensure engagement with as many people as possible. The National Debate ran 175 events that were held around the UK, involving around 7,250 people and received more than 34,000 responses, some from organisations representing thousands more.

Following the National Debate, ONS undertook a public consultation on initial proposals of domains and headline measures of national well-being. The aim of this consultation was to gather feedback on whether the domains and measures proposed reflected the broad scope of well-being, were easy to understand, and whether users felt there should be any additions or changes.

### **Framework**

The first task after the National Debate was to develop a framework for reporting national well-being. At the centre is an individual's view of their own well-being: their Personal Well-being estimated using subjective measures. Then there are the factors directly affecting an individual's well-being: Our relationships; Health; What we do; Where we live; Personal finance; and Education and skills. Other domains are more contextual, reflecting the environment in which we live and include: The economy; The natural environment; and Governance.

In addition, the domains and measures need to be able to reflect both the sustainability and equity or fairness of these measures. This will require a multi-dimensional model to allow users to understand the inter-relationships across all the indicators to be best able to measure progress, both in a sustainable and fair manner. More work is planned to be able to incorporate the sustainability and equality issues.

### **Subjective Well-being**

The programme considers subjective well-being to aid the measurement of quality of life in the UK; something that has not traditionally been carried out by the national statistics office. Indeed the Joseph Stiglitz led *Commission on the Measurement of Economic Performance and Social Progress* made a specific recommendation that national statistical agencies should collect and publish this type of information and noted that:

*Research has shown that it is possible to collect meaningful and reliable data on subjective well-being. Subjective well-being encompasses three different aspects: cognitive evaluations of one's life, positive emotions (joy, pride) and negative ones (pain, anger, worry). While these aspects of subjective well-being have different determinants, in all cases these determinants go well beyond people's income and material conditions... All these aspects of subjective well-being should be measured separately to derive a more comprehensive measure of people's quality of life and to allow a better understanding of its determinants (including people's objective conditions).*

In April 2011, four experimental subjective well-being questions were introduced in ONS's household surveys with a view to allow further analysis of the determinants of subjective well-being. The four experimental subjective well-being questions are therefore as follows:

- Overall, how satisfied are you with your life nowadays? (*evaluative*)
- Overall, to what extent do you feel the things you do in your life are worthwhile? (*eudemonic*)

- Overall, how happy did you feel yesterday? (*experience – positive affect*)
- Overall, how anxious did you feel yesterday? (*experience – negative affect*)

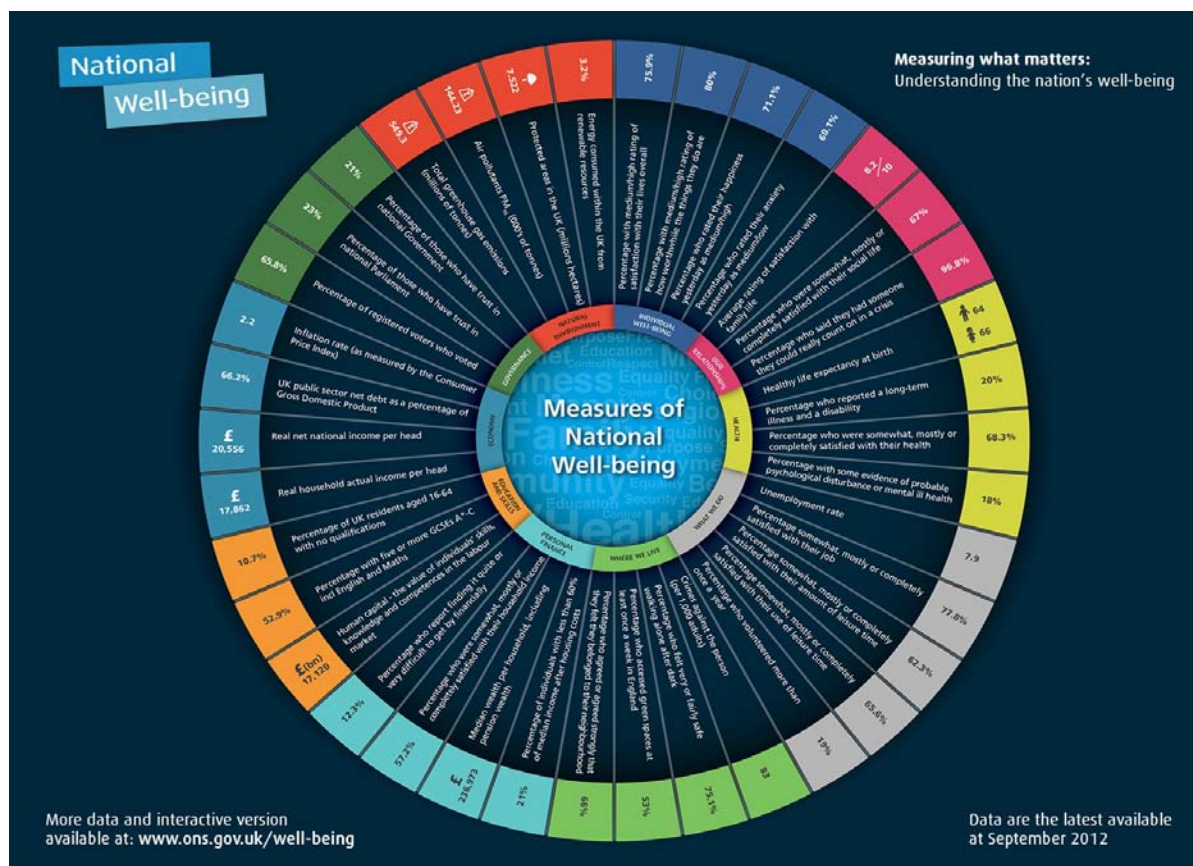
(All asked using a 0 to 10 scale where 0 is “not at all” and 10 is “completely”)

## Results

ONS domains and measures were developed based on responses to the National Debate, existing research and international initiatives. After identifying approximately 3,000 potential measures, a number of criteria were applied. For example, statistically robust, available for the UK, policy relevance, etc.

In October 2011, ONS published a set of proposed domains measures of national well-being for consultation, and received nearly 1,800 responses. Overall there was broad support for the domains and measures proposed. The complete list of the 10 domains and 40 headlines measures can be found at Annex A. An illustration of the measures of national well-being is below (figure 2).

Figure 2:



For subjective well-being, the large sample (165,000 people interviewed per annum) has already allowed for analysis by small sub-groups of the population and comparisons below the national level. As the sample grows further detail will be available and will allow users with a large dataset to undertake further analysis, and for ONS to present estimates at a more local level and for small sub-groups of the population with more precision. These subjective well-being estimates will complement objective measures of well-being and progress and help provide a fuller picture of the well-being of people in the UK.

## First Annual Report

The ONS published the first ‘Measuring National Well-being Annual Report – Life in the UK’ in November 2012. The report is the first snapshot of life in the UK to be delivered by the programme

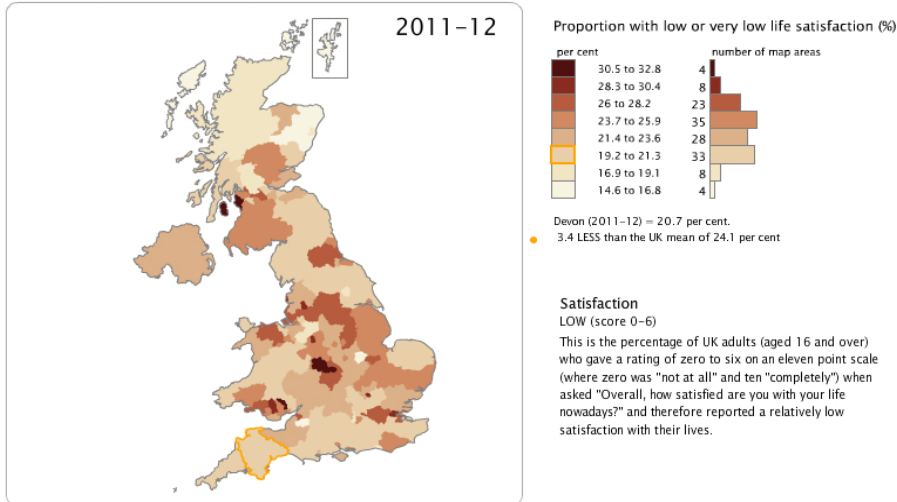
and will be updated and published annually. Alongside this report, the programme also published an interactive wheel of measures (figure 3), interactive maps (figure 4) and graphs (figure 5).

**Figure 3**



**Figure 4**

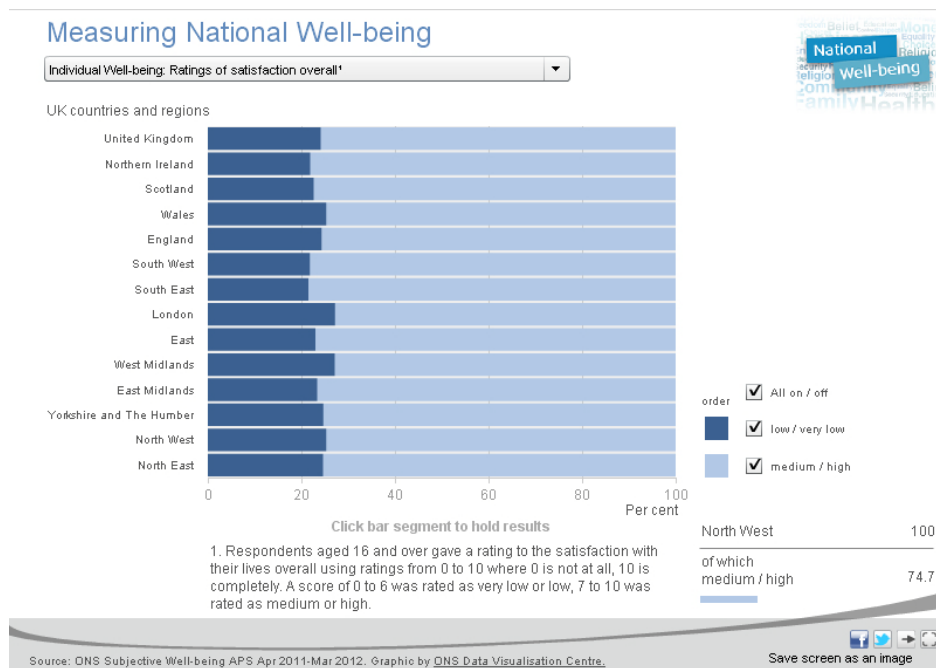
UK experimental subjective Well-being estimates  
 Satisfaction – LOW (score 0–6)  
 UK by County and Local Authority, Province of Northern Ireland



Source: ONS Subjective Well-being APS Mar 2011–Apr 2012. © Crown copyright and database right 2011. Ordnance Survey 100019153. Note: Survey extrapolated to ONS Mid-Year Population Estimates.

Graphic by: ONS Data Visualisation Centre  
 Office for National Statistics, UK

**Figure 5**



Alongside the domains and measures, a range of supporting outputs have been published. Measures of economic well-being which better reflect the household and individual position, as opposed to the national picture have been published in outputs such as the ‘Economic position of households’; Environmental Accounts have been published which measure the impact the economy has on the Environment; etc. A full list of outputs can be found at <http://www.ons.gov.uk/well-being>

Separate initiatives to investigate well-being are being undertaken by the UK’s Devolved Administrations (i.e. Scotland, Wales and Northern Ireland). These include: the National Performance Framework, which forms part of the ‘Scotland performs’ initiative and the recently published ‘Analysis of subjective well-being in Wales: Evidence from the Annual Population Survey’. These initiatives reflect the specific needs of the countries they represent.

An illustration of the Measuring National Well-being journey can be found at Annex B.

### Future developments

Future developments for the Measuring National Well-being programme will include:

- continuing to develop and refine the domains and measures throughout the programme. The next steps will further consider the findings from the consultation and include a review of both the measures and the criteria used to select them. Updates of the domains and measures will be published in Spring 2013;
- developing means to measure change and appropriately assess whether domains and/or measures are getting better or worse;
- continued development of measures of natural, human and social capital;
- researching drivers of well-being;
- development of estimates of environmental goods and services, as well as environmental protection estimates;
- identifying and exploring in more detail those areas which deviate from ‘norms’ and to investigate what if any relationships exist between the factors affecting well-being.
- report on subjective well-being regression analysis;

- engaging with users has been critical to the success of the MNW programme and will continue. This includes regularly consulting with a broad audience including analysts, policy makers, academics, technical advisory forum, the public, the media and others;
- exploration of the social and economic position of different groups using 2011 Census of Population data, to identify those at risk of social exclusion; and
- continuing to develop visual tools for better access to well-being data and aid understanding.

Longer term, the programme will:

- investigate international comparisons of economic well-being;
- analyse the distribution of real income, wealth, foreign direct investment and material well-being;
- build on the development of experimental estimates of the value of childcare to produce wider estimates of household production;
- continue to develop estimates of natural capital and ecosystems;
- further test the subjective well-being measures;
- further analyse the drivers of subjective well-being among different sub-groups of the population and over time; and
- further explore the framework for presenting national well-being to include sustainability and equality issues.

## **Conclusion**

The Measuring National Well-being Programme will continue to work with policy makers to ensure that the outputs produced by the programme are policy relevant and aid decision making. ‘Better policies for better lives’ were words used by the OECD to describe the importance of going beyond GDP when measuring progress and national well-being.

To measure well-being and progress adequately in our rapidly changing societies requires new approaches. Subjective well-being measurement is one of these approaches, but there is also a need to supplement these measures with already existing objective measures. Despite the significant step forward that has been made, ONS does not believe that subjective well-being estimates alone provide the whole answer. They will need to be considered against other more traditional socio-economic indicators appropriate for measuring National Well-being. The interaction between more objective indicators and subjective well-being indicators is important, not least because people’s experiences do not necessarily tie up with the objective measures. Although they may correlate in ways we may expect on the whole, the divergence between objective and subjective measures illustrates the importance of this kind of information as a complement to the objective approach for making a full assessment of the well-being of the nation.

## **Annex A:**

### **Measuring National Well-being Domains and Measures**

#### **Individual well-being**

Percentage with medium/high rating of satisfaction with their lives overall  
Percentage with medium/high rating of how worthwhile the things they do are  
Percentage who rated their happiness yesterday as medium/high  
Percentage who rated their anxiety yesterday as medium/low

#### **Our relationships**

Average rating of satisfaction with family life (1-10)  
Percentage who were somewhat, mostly or completely satisfied with their social life  
Percentage who said they had someone they could really count on in a crisis

#### **Health**

Healthy life expectancy at birth - Male  
Healthy life expectancy at birth - Female  
Percentage who reported a long term illness and a disability  
Percentage who were somewhat, mostly or completely satisfied with their health  
Percentage with some evidence indicating probable psychological disturbance or mental ill health.

#### **What we do**

Unemployment rate  
Percentage who were somewhat, mostly or completely satisfied with their job  
Percentage who were somewhat, mostly or completely satisfied with their amount of leisure time  
Percentage who were somewhat, mostly or completely satisfied with their use of leisure time  
Percentage who volunteered more than once a year

#### **Where we live**

Crimes against the person (per 1,000 adults)  
Percentage who felt very or fairly safe walking alone after dark  
Percentage who accessed green spaces at least once a week in England  
Percentage who agreed or agreed strongly that they felt they belonged to their neighbourhood

#### **Personal finance**

Percentage of individuals living in households with less than 60 per cent of median income after housing costs  
Median wealth per household, including pension wealth  
Percentage who were somewhat, mostly or completely satisfied with the income of their household  
Percentage who report finding it quite or very difficult to get by financially

#### **Education and skills**

Human capital - the value of individuals' skills, knowledge and competences in the labour market (£bn)  
Percentage with five or more GCSE's A\*-C incl English and Maths  
Percentage of UK residents aged 16 to 64 with no qualifications

#### **The economy**

Real household actual income per head  
Real net national income per head  
UK public sector net debt as a percentage of GDP  
Inflation rate (as measured by the Consumer Price index)

#### **Governance: involvement in democracy and trust in how the country is run**

Percentage of registered voters who voted  
Percentage of those who have trust in national Parliament  
Percentage of those who have trust in national Government

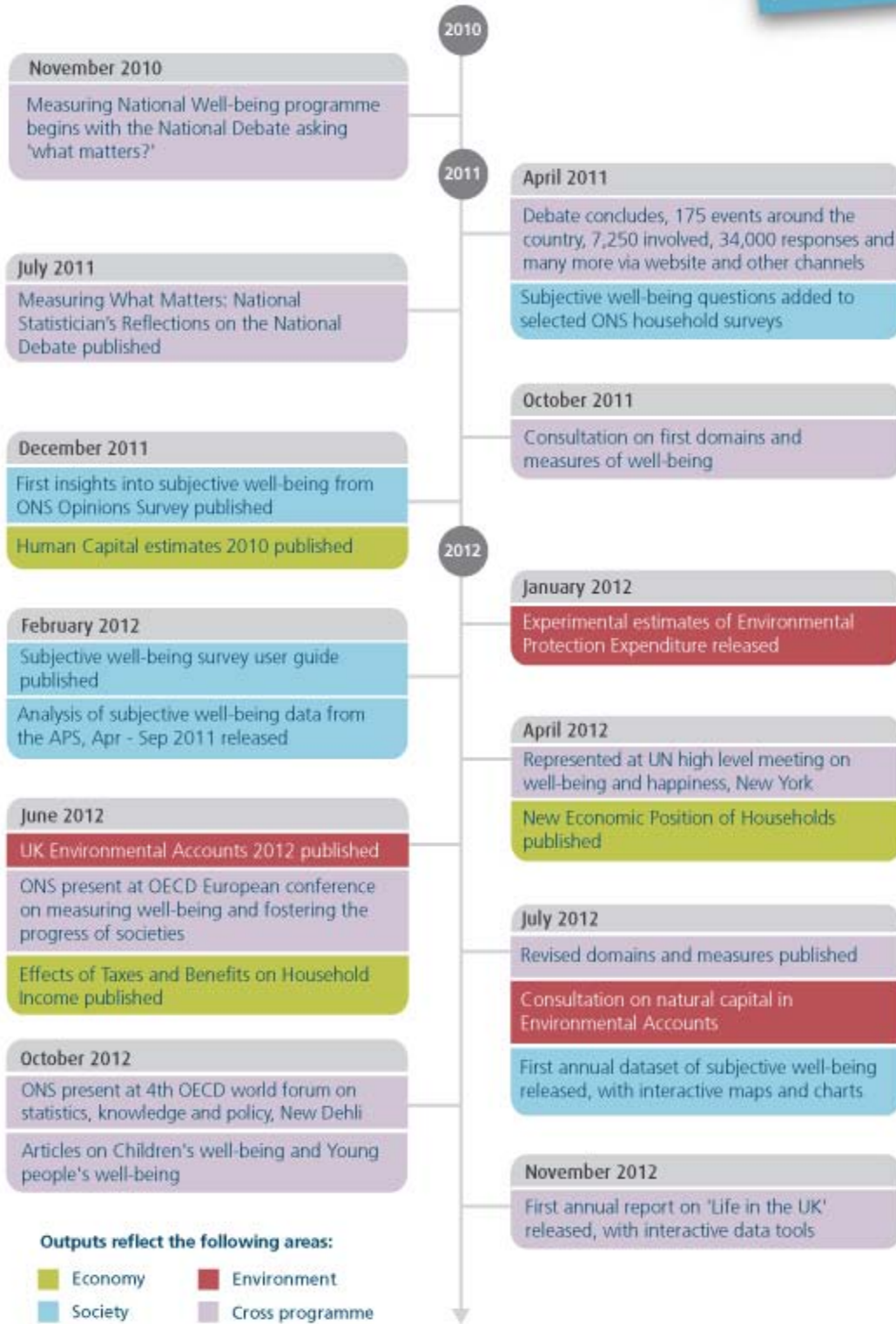
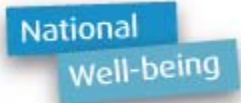
#### **The natural environment**

Total greenhouse gas emissions (millions of tonnes)  
Air pollutants - PM<sub>10</sub> (000's tonnes)  
The extent of protected areas in the UK (Millions hectares)  
Energy consumed within the UK from renewable sources



**Annex B:**

## The Measuring National Well-being journey



## References

Measuring National Well-being: Life in the UK 2012 Report  
[http://www.ons.gov.uk/ons/dcp171766\\_287415.pdf](http://www.ons.gov.uk/ons/dcp171766_287415.pdf)

National Well-being Interactive Wheel of Measures  
<http://www.ons.gov.uk/ons/interactive/well-being-wheel-of-measures/index.html>

National Well-being Interactive Graphs  
<http://www.ons.gov.uk/ons/interactive/well-being-interactive-graph/index.html>

National Well-being Interactive Maps  
[http://www.neighbourhood.statistics.gov.uk/HTMLDocs/dvc34/Well-being\\_map.html](http://www.neighbourhood.statistics.gov.uk/HTMLDocs/dvc34/Well-being_map.html)

Full list of Measuring National Well-being publications  
<http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/publications/index.html>