

## MEASURING NATIONAL WELL-BEING: A UK PERSPECTIVE

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The Measuring National Well-being program began in the UK in November 2010. Traditional measures of progress such as GDP have long been recognized 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 program 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 program. 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.

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### INTRODUCTION

In November 2010, the Office for National Statistics (ONS) launched the Measuring National Well-being development program, 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 recognized 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

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- headline indicators to summarize 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/organization;
- assessments of the performance of government; and
- comparisons between the UK and other countries.

The program recognizes 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 program 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 program 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 organizations representing thousands more.

Following the National Debate, ONS distilled the responses and proposed an initial set of domains and headline measures of national well-being for a public consultation. 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 center 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, in both a sustainable and fair manner. More work is planned to be able to incorporate the sustainability and equality issues.

### SUBJECTIVE WELL-BEING

The program 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* (Stiglitz *et al.*, 2009) 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—e.g., 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 in Appendix A. Figure 1 illustrates the measures of national well-being.

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 to undertake further analysis with a large dataset, and 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.

Recent key findings have included small improvements in the average life satisfaction, worthwhile, and anxiety measures between 2011/12 and 2012/13. At the UK level, improvements in the labor market, and special events such as the Queen’s Diamond Jubilee and the 2012 Summer Olympic and Paralympic games were suggested as factors which could have positively influenced people’s assessment of their personal well-being. Further ONS analysis has found the factors most associated with personal well-being are health, employment situation, and relationship status.

### FIRST ANNUAL REPORT

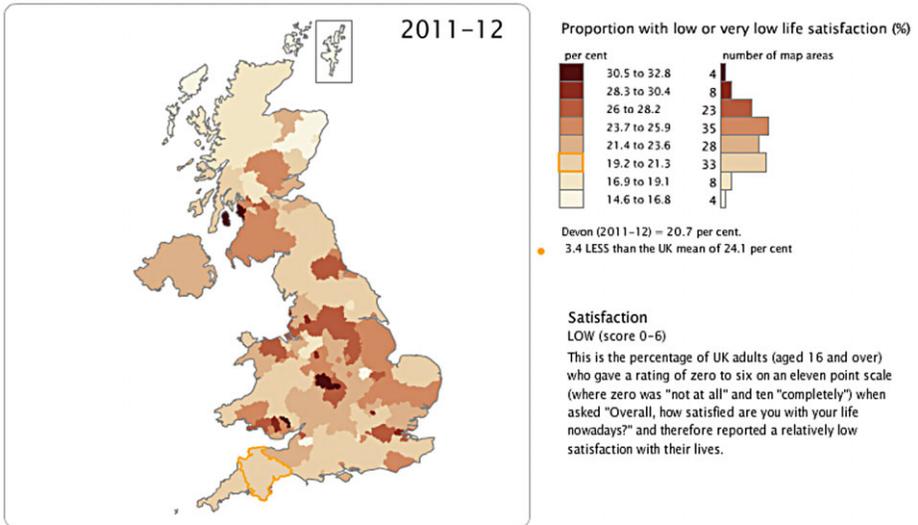
The ONS published the first “Measuring National Well-being Annual Report—Life in the UK” in November 2012 (ONS, 2012). The report is the first snapshot of life in the UK to be delivered by the program and will be updated and published annually. Alongside this report, the program also published an interactive wheel of measures (Figure 2), interactive maps (Figure 3), and graphs (Figure 4).

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



Figure 2. Interactive Wheel of Measures (ONS, 2014a)

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 3. Interactive Maps (ONS, 2014b)

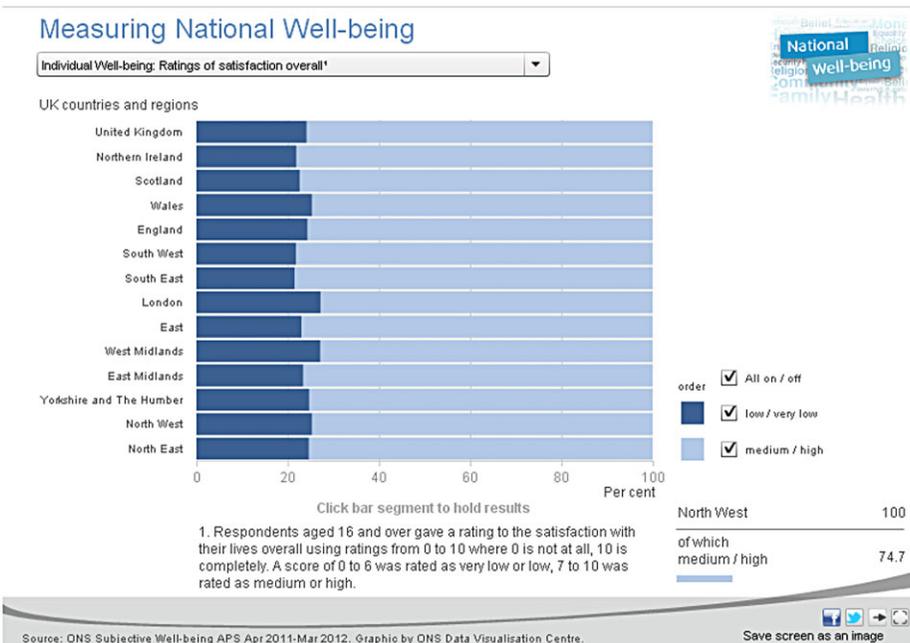


Figure 4. Graphs for Measuring National Well-Being (ONS, 2014c)

published in outputs such as the “Economic Position of Households” (ONS, 2013); Environmental Accounts (ONS, 2014d) 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 in Appendix B.

## USES

Although the current indicators are still in development and their development is a long-term process, the UK government is putting in place the foundations for departments to use well-being data where it is relevant and adds value to their work. In 2011, the Government published a Green Book discussion paper on how to use subjective well-being data to inform cost–benefit analysis and to monetize non-market goods and services.

Most UK departments are actively engaged in well-being research in some way, particularly analyzing and using individual subjective well-being data. Activities include adding subjective well-being questions into policy surveys to explore the detailed relationships with their policy areas; examples include housing, crime, adult learning, sport, culture, and health.

The impact of policies is increasingly being evaluated in well-being terms, allowing the most robust capture of their effect on individuals. Specific examples include the National Citizenship Service, support for the long-term unemployed, Universal Credit, universal parenting classes, and troubled families interventions, which are all measuring impact on the personal well-being of those involved. Subjective well-being data are increasingly being used to value social goods, services, and impacts in monetary terms; for example, unpaid care, volunteering, food safety, community learning, and occupational injuries.

## FUTURE DEVELOPMENTS

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

- Continuing to develop and refine the domains and measures throughout the program. 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 Measuring National Well-being program and will continue. This includes regularly consulting with a broad audience including analysts, policy makers, academics, technical advisory forums, 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.
- Continuing to develop visual tools for better access to well-being data and aid understanding.

Longer term, the program will:

- Investigate international comparisons of economic well-being.
- Analyze the distribution of real income, wealth, foreign direct investment, and material well-being.
- Build on the development of experimental estimates of the value of child-care to produce wider estimates of household production.
- Continue to develop estimates of natural capital and ecosystems.
- Further test the subjective well-being measures.
- Further analyze the drivers of subjective well-being among different sub-groups of the population and over time.
- Further explore the framework for presenting national well-being to include sustainability and equality issues.

## CONCLUSION

The Measuring National Well-being program will continue to work with policy makers to ensure that the outputs produced by the program 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 difference between subjective and objective measures can be important for policy. For example, if reported crimes (an objective measure) is

falling but fear of crime (a subjective measure) is static or rising, the delivery of the crime reduction policy may need to be adjusted, particularly in relation to the communication strategy. 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.

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#### SUPPORTING INFORMATION

Additional Supporting Information may be found in the online version of this article at the publisher’s web-site:

**Appendix A:** Measuring National Well-being Domains and Measures

**Appendix B:** The Measuring National Well-being journey 2010–12