

# Measuring National Well-being - Discussion paper on domains and measures

Author Name(s): **Jen Beaumont, Office for National Statistics**

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## Abstract

This paper discusses proposals for domains and headline measures of national well-being and is published in order to obtain your views. These proposals build on the responses to the national debate on measuring national well-being in 2010-11, research into well-being and related international initiatives. The proposals are part of the Office for National Statistics Measuring National Well-being (MNW) Programme. The consultation will be open until 23 January 2012.

## Introduction

The Office for National Statistics Measuring National Well-being (MNW) Programme was launched in November 2010 to provide a fuller understanding of 'how society is doing' than economic measures alone can provide. It started with a national debate on 'What matters to you?' to improve understanding of what should be included in measures of the nation's well-being. More information about the MNW Programme and the report on the debate can be found [here](#).

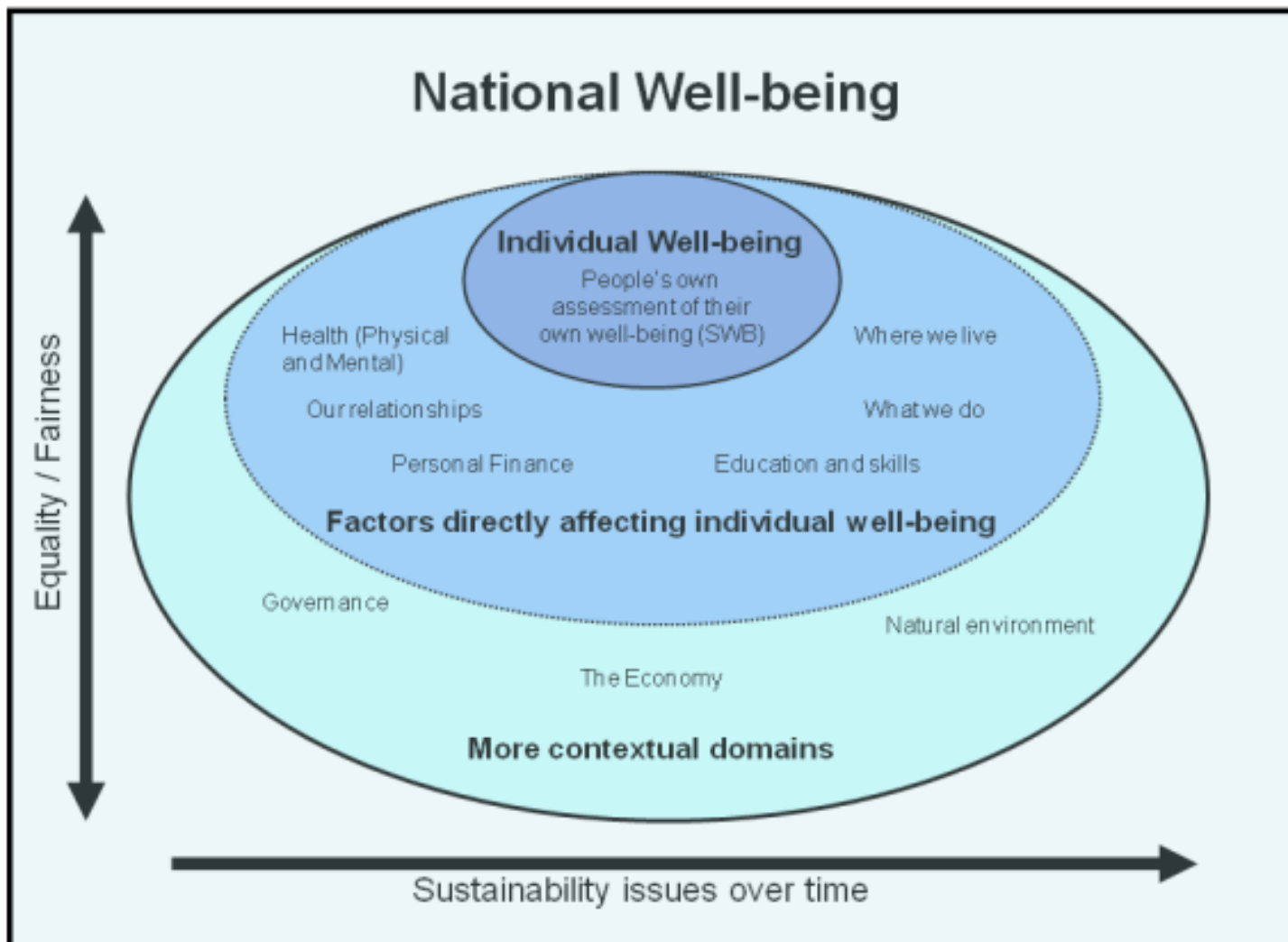
The aim of the programme is to develop and publish an accepted and trusted set of National Statistics that helps people to understand and monitor national well-being. This discussion paper sets out for consultation a proposed set of domains (aspects of national well-being) and headline measures of national well-being. These reflect input from the national debate and examination of research, and are proposed in order to stimulate discussion with experts and users. The development process will continue and responses to this consultation will be used to refine the domains and measures for further discussion. The programme also includes bringing together and analysing all relevant information on national well-being and its domains.

There is a wide range of opinions about what constitutes national well-being. However, there are common themes found in the research and reflected in responses to the national debate. The debate showed that the well-being of the individual is central to an understanding of national well-being. There are a number of factors that are thought to particularly influence individual well-being and so should be included in providing a picture of well-being in the UK.

These factors, described by the proposed domain names, and the central role of individual well-being are reflected in Figure 1. Individual well-being is intended to be measured here by people's overall assessment of their own well-being. This assessment includes not only people's thoughts and feelings but also how much meaning and purpose they attribute to the activities they do in their lives. Figure 1 also shows that individual well-being is best understood by relating it to areas that directly affect overall individual well-being, as well as to more contextual domains that are important but contribute less directly to individual well-being. The overall effect of these different factors varies for different individuals, raising important considerations for analysis and policy beyond looking at individual well-being. The figure therefore also shows that equality, fairness and sustainability issues are part of national well-being measures.

**Figure 1**

### National Well-being framework



The Government has made a commitment to build on and renew the long-standing sustainable development indicators, work led by the Department for Environment, Food and Rural Affairs (Defra)

and further discussion is needed on how the proposed national well-being measures fit with this. National well-being measures and sustainable development indicators both cover the 'triple bottom line' of the economy, society and the environment. The Office for National Statistics (ONS) and Defra will discuss further how to ensure the approaches are complementary.

The intention is to publish measures for the UK as a whole. There is increasing interest in having measures that can be compared between member states of the European Union (EU) or the Organisation for Economic Co-operation and Development (OECD), in the way that Gross Domestic Product (GDP) and other national economic accounts measures are currently constructed to internationally agreed standards. In working towards this goal, we must also be aware that many policy areas that support well-being are devolved to the devolved administrations of Northern Ireland, Scotland and Wales, which have programmes and relevant measures already in place. Making comparisons between places, whether within the UK or internationally, and how to do this without causing confusion between indicator sets designed for different purposes, are things that we need to clarify as we take forward all of this work.

This paper proposes a first set of headline measures of well-being some of which are interim and also provides links to a series of Excel workbooks to let you examine the data for many of the measures.

### **What will happen after the consultation?**

- In Spring 2012 ONS will publish a summary of views expressed during the consultation and further indications of the timetable for the next steps
- ONS will continue to develop the domains and measures for further discussion, along with methods of presentation for individual measures and for the set of headline measures overall. Such developments will include consideration of responses to this consultation, the availability of data and international developments. ONS will continue to explore with users and experts the issues raised and possible ways of filling gaps in measurement
- Approximately every month starting in February 2012 ONS will publish papers showing, for each domain, what the measures can tell us about individual and national well-being. These papers will draw on the headline measures that have been included in this paper and the other measures which have been considered or proposed during the consultation. This domain level analysis will include international comparisons and contextual information
- Consideration is also being given to the best way of presenting measures of well-being. ONS will consider a range of methods and published examples of presenting information on well-being, for example, OECD's How's Life index, and will consult on proposed methods in 2012.

**The consultation will be open until 23 January 2012 and you can find out how to respond [here](#).**

### **Proposed domains**

In the development of the domains the following were considered to be important:

- The domains proposed should be a comprehensive and mutually exclusive set of categories to describe and help understand aspects of national well-being. They will provide a structure not

only for the headline measures but also to provide routes to more detailed information, analysis and source data

- The domains should reflect what was considered to be important by those who responded to the national debate
- They should take into account sub-divisions used by others (for example, the Stiglitz-Sen-Fittoussi report, OECD and Eurostat) in the measurement of well-being, progress and sustainability
- They should also reflect evidence from research

More detail of how the domains were selected can be found in the Background discussion. Links between the proposed domains and the key issues which emerged from responses to the national debate are shown in more detail in the first table in the Annex. Other tables in the Annex show how these domains relate to the classifications used by others.

The domains proposed are:

- Individual well-being

Factors directly affecting individual well-being

- Our relationships
- Health
- What we do
- Where we live
- Personal finance
- Education and skills

More contextual domains

- Governance
- The economy
- The natural environment

Cutting across each of these domains are issues of equality and fairness, for which distributions of the data will be needed, and issues of sustainability over time, to be measured with appropriate indicators and analyses.

### [Why these domains were chosen and their scope](#)

**Individual well-being** is an area which the national debate showed was important to people and which is shown at the heart of Figure 1. It is proposed that this domain should include individual's feelings of satisfaction with life, whether they feel their life is worthwhile and their positive and negative emotions. That is, this domain will include only the headline subjective well-being measures to be derived from new ONS survey data. Subjective measures of other themes would be included with objective measures in the other domains.

### **Factors directly affecting individual well-being**

**Our relationships** was chosen as a domain because it reflects many of the responses received during the national debate and because many theories of well-being report the importance of this area to an individual's well-being. The scope of this domain is intended to be the extent and type of individuals' relationships to their immediate family, their friends and the community around them.

**Health** also includes areas which were thought to be important by respondents to the national debate. An individual's health is recognised as an important component of their well-being. It is anticipated that this domain would contain both subjective and objective measures of physical and mental health.

**What we do** aims to include work and leisure activities and the balance between them, all of which were common themes in the national debate responses. In this domain there are likely to be both subjective and objective measures of aspects of work and leisure activities and of work-life balance.

**Where we live** is about an individual's dwelling, their local environment and the type of community in which they live. Measures will be sought which reflect having a safe, clean and pleasant environment, access to facilities and being part of a cohesive community. ONS has taken Defra advice on the indicators in this area.

**Personal finance** is intended to include household income and wealth, its distribution and stability. Measures within this would also be used during analysis to address the concepts of poverty and equality mentioned in the national debate responses.

**Education and skills** is chosen as various aspects of education and life-long learning were mentioned during the national debate. The scope of this domain is the stock of human capital in the labour market with some more information about levels of educational achievement and skills.

### **More contextual domains**

**Governance** is the domain which is intended to include democracy, trust in institutions and views about the UK's interaction with other countries. All of which were included in responses to the national debate.

**The economy** is an important contextual measure for national well-being. The scope of this domain is intended to be measures of economic output and stock.

**The natural environment** is proposed as a domain in order to reflect areas mentioned during the national debate such as climate change, the natural environment, the effects our activities have on the global environment and natural disasters. It is planned to include measures which reflect these areas at the national level. ONS has taken Defra advice on the indicators for this area.

### **Using the domains**

The focus of the remainder of this discussion paper is a set of headline measures for each domain as a way of summarising 'how the UK is doing'. The domains will have other important uses, to provide a structure in common with that for the headline indicators to provide routes to more detailed information, analysis and source data. As mentioned before, approximately every month starting in

February 2012, ONS will publish papers showing, for each domain, what the measures can tell us about individual and national well-being.

### Questions about domains

1. Do you think the proposed domains present a complete picture of well-being? If not, what would you do differently?
2. Do you think the scope of each of the proposed domains is correct? If not, please give details.
3. Are there any areas where proposed domains should be merged or divided further? If yes, please give details.
4. Are the names chosen for the proposed domains easy to understand? If no, please give details.
5. Do you think that these proposed domains adequately reflect the responses to the national debate?

**The consultation will be open until 23 January 2012 and you can find out how to respond [here](#)**

### How the initial measures were developed

At the start of the process to develop an initial set of measures there were three conflicting requirements. These have had different effects on what has been suggested:

1. There should be relatively small set of measures in order to present information that can be considered in the round; which means that some potentially good measures identified have not been included to avoid a proliferation of measures that has tended to cloud earlier exercises. We want to give a fair assessment of how the country is doing overall, recognising that more detailed information should be available for in-depth study;
2. The set should effectively cover the scope of the domain without overlapping; this has resulted in some less highly evaluated measures being included to maximise coverage;
3. The individual measures should fulfil a number of specific criteria as described in the National Statistician's report on the findings from the national debate; however, as noted under the previous requirement, the draft measures do not always fulfil all the criteria.

A domain is an 'area' within which potentially a very large set of measures could be chosen. ONS proposes that the headline set of national well-being measures should be relatively limited in number while extensive enough in coverage to provide a good picture of 'how the UK is doing'. In general, we would aim to include in each domain one or more of each of the following types of indicator:

- Subjective well-being measures – these are based on direct questions of what people say about their feelings, including self-reported health, sense of personal safety and views on the local community
- Objective well-being measures – these are based on 'facts', e.g. mortality statistics, employment rate, educational achievements. These may be derived from surveys of individuals and so have an element of 'self reporting' or may be from separate statistical sources (and subject to statistical variability if derived from a survey rather than from an administrative source).

In practice many useful measures contain a mix of subjective and objective elements, e.g. 'healthy life expectancy' uses self-reported health measures along with actuarial calculations from mortality statistics.

ONS would prefer to use measures which are:

- Available for the UK
- Policy relevant
- Internationally comparable
- Have a time series and are likely to be available in the future
- Can be shown and compared for countries in the UK, regions of England, and smaller geographic units where required
- Can be analysed in ways which show distribution of outcomes for individuals or households, e.g. analysis for poorest and richest households or by age group or employment status

Based on these criteria, ONS worked through a very long list of potential measures. The selection presented below inevitably includes an element of judgement. It was often not possible to satisfy all the criteria, which is why we are consulting now and why there will be further work, consultation and trade-offs before reaching an accepted and trusted set of measures.

More detail of how the measures were selected is available in the Background discussion.

### **Proposed headline measures for each domain**

This section proposes UK headline measures for consultation. In some cases these are interim and illustrative. For example, the first annual measures from the ONS Integrated Household Survey (IHS) proposed for the 'Individual well-being' domain in the future will not be available until the middle of 2012, so an interim measure is used. Also, in order to provide coverage of the areas for specific domains, the source for several measures is the Citizenship Survey. There are two issues with using this survey for UK measures of national well-being: the survey only covers England (though similar questions may be included in surveys in other parts of the UK) and, while there is a time series of reasonable length, the survey has now been discontinued. ONS are investigating ways of collecting data like this in future if measures along these lines are confirmed during the consultation.

The data for the measures proposed below are given in the Excel workbook available for each domain. At this stage our interest is in how these measures bring into focus the topics and issues identified as important for measuring national well-being during the national debate. As well as securing data sources for all the measures eventually used in measuring national well-being, we will be carrying out more research into how they meet the criteria for good measures summarised above. We will also want to be able to describe the underlying level of variability in each measure, to help users assess the significance of movements in the series over time.

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

The measures to be used in this domain in future will be based on individual well-being monitoring questions asked in the Integrated Household Survey (IHS). The current experimental questions

measure overall life satisfaction, feeling worthwhile and both positive and negative feelings. An indication of the output will be available in early 2012, with the first annual data in July 2012. See further explanation of the approach to measuring individual well-being measures in the Background discussion.

## Individual well-being

Measure	Description
Life satisfaction	The response to the life satisfaction question from the British Household Panel Survey (Understanding Society) is used as an interim headline measure. Data are available for the UK as a whole and there is a long time series. These data may be used in future contextual analysis of this domain, together with responses to the life satisfaction question from the module used with 10-15 year olds

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The available data for this measure is available here [RFT Individual Well-being](#)

## Factors directly affecting individual well-being


### Our relationships

Several measures are being tested in the ONS Opinions Survey which will also contribute to this domain as the data become available. These include questions about satisfaction with personal relationships, having someone to confide in or ask for help, loneliness and trust in other people. There is also a question about satisfaction with the well-being of children.

## Our relationships

Measure	Description
Satisfaction with your spouse/partner	<p>This measure is proposed to reflect the perception of individuals about the quality of their relationship with their spouse or partner. It is available for the UK, can be disaggregated to different geographies and sub groups of the population and has a long time series ending in 2008/09.</p> <p><i>Source: British Household Panel Survey</i></p>
Satisfaction with your social life	<p>This measure is proposed to reflect the perceived quality of individual's social life. It is available for the UK, can be disaggregated to different geographies and sub groups of the population and has a long time series ending in 2008/09.</p> <p><i>Source: British Household Panel Survey</i></p>
% of people who trust other people in their neighbourhood	<p>This measure is proposed as a reflection of individuals' trust in people around them. It has been asked in a survey in England.</p> <p><i>Source: Citizenship Survey, CLG</i></p>
% of people who feel that they belong strongly to the neighbourhood	<p>Belonging strongly to a neighbourhood has been shown to have a positive effect on well-being. This measure is chosen to reflect the individual's attachment to their local community. It has been asked in a survey in England.</p> <p><i>Source: Citizenship Survey, CLG</i></p>

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The available data for each of the draft measures in this domain is available here [RFT Our Relationships](#)

### Health

Measures related to this domain which are being tested in the Opinions Survey include questions about satisfaction with physical health and mental well-being.

## Health

Measure	Description
Healthy life expectancy	<p>This measure is proposed not only to reflect longevity but also individual's health: i.e. it is a reflection of both mortality and self-reported health. It is available for the UK, can be disaggregated to sub groups and geographies within the UK and can be compared with other countries. Other life expectancy measures at different age groups and objective health measures, such as disease prevalence, will be used in analysis for this domain.</p> <p><i>Source: ONS, Statistical Bulletin</i></p>
People not reporting a long term limiting illness or disability	<p>This measure is of those of working age who do not report long term illness or disability and is proposed as a measure of self-reported health status. It is available for the UK and can be disaggregated to sub groups and geographies within the UK.</p> <p><i>Source: ONS, Labour Force Survey</i></p>
Satisfaction with your health	<p>This measure was chosen to reflect how satisfied individual's are with their health. It is available for the UK, can be disaggregated to different geographies and sub groups of the population and has a long time series.</p> <p><i>Source: British Household Panel Survey/ Understanding Society</i></p>
GHQ12 assessment of mental well-being	<p>This measure is proposed as GHQ12 is used in several health surveys to assess individual mental well-being. It is available for the UK, can be disaggregated to different geographies and sub groups of the population and has a long time series. There are other measures of mental well-being which will be used in contextual analysis.</p> <p><i>Source: British Household Panel Survey/ Understanding Society</i></p>
<i>How satisfied are you with your mental well-being?</i>	<p><i>The distribution of responses to this question will be available from experimental work using the ONS Opinions Survey. ONS will be further investigating a subjective measure for mental health.</i></p>

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The Excel workbook with available data for the draft measures in this domain is available here [RFT Health](#)

## What we do

Measures related to this domain which are being tested in the Opinions Survey include questions about satisfaction with work situation, the balance between the time spent at work and on leisure activities and the amount of time available to spend on leisure activities. Other measures being explored through this Survey are job satisfaction, training at work and commuting.

## What we do

Measure	Description
Proportion of working age population in employment/unemployment/inactivity	<p>Whether an individual is employed, unemployed or inactive in the labour market and whether this status fits with the individual's wishes and expectations can have a considerable effect on their well-being. These data indicate labour market status. They are available for the UK, can be disaggregated to different geographies and sub groups of the population and have a long time series.</p> <p><i>Source: ONS, Labour Force Survey</i></p>
Proportion of working age population in employment working long hours	<p>Working hours can have an effect on an individual's wellbeing, in particular, whether the hours people work fit with the individual's wishes, needs and expectations. Contextual analysis will look at the distribution of working hours and the relationships between full- and part-time working. Data on working hours are available for the UK can be disaggregated to different geographies and for sub groups of the population with a long time series.</p> <p><i>Source: ONS, Labour Force Survey</i></p>
Satisfaction with your job (if employed)	<p>This measure is proposed because an individual's well-being can be related not only to their employment status but also to their feelings about their job. It is available for the UK, can be disaggregated to different geographies and sub groups of the population and has a long time series.</p> <p><i>Source: British Household Panel Survey/ Understanding Society</i></p>
Satisfaction with the amount of leisure time you have	<p>As an individual's well-being is considered to be related to the balance between their occupation (including unpaid work) and leisure time, this measure is proposed for the first draft set of measures. It is available for the UK, can be disaggregated to different geographies and sub</p>

groups of the population and has a long time series.

*Source: British Household Panel Survey/  
Understanding Society*

% who have undertaken any volunteering in the last year

Being a volunteer has been shown to be related to better well-being. It has been asked in a survey in England.

*Source: Citizenship Survey, CLG*

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The Excel workbook with available data for the draft measures in this domain is available here [RFT What we do](#)

## Where we live

Measures related to this domain which are being tested in the Opinions Survey include questions about satisfaction with the local area, being involved in and belonging to the local area, being able to influence decisions locally, green spaces and other facilities and feeling safe in the local area. This is a domain in which in particular we welcome comments on the balance of subjective and objective measures (for example are house price indices helpful here?) and on issues raised in the national debate for which we have not proposed headline indicators, such as culture and heritage, quality of housing and quality of and access to local services.

### [Prt Where we live](#)

The Excel workbook with available data for the draft measures in this domain is available here [RFT Where we live](#)

## Personal finance

One measure related to this domain which is being tested in the Opinions Survey is 'satisfaction with one's financial situation'. In general we have sought in this and other domains to think about how well-being is different from deprivation, given that indices of multiple deprivation are compiled across the UK and would be drawn on in more detailed analysis of this and other domains.

## Personal finance

Measure	Description
% of individuals in households below 60 per cent of median income	<p>This is a measure which is frequently used to indicate households which are in relative poverty, and being poor can affect individual's well-being. While this may be used as the headline measure for well-being, the distribution of household income and other thresholds of measurement are likely to be used in analysis of this domain, together with different household structures and the number of children living in households within these thresholds.</p> <p><i>Source: Family Resources Survey, DWP</i></p>
Household wealth	<p>The proposal is to use a headline measure of the median net total wealth (assets less liabilities) of private households in Great Britain from the Wealth and Assets Survey. In analysis the distribution of household wealth for and the net wealth of different types of household, together with household debt will be analysed so that inequalities can be assessed.</p> <p><i>Source: Wealth and Assets Survey, ONS</i></p>
Satisfaction with the income of your household	<p>This proposed measure was chosen to reflect whether household income is perceived as sufficient. It is available for the UK, can be disaggregated to different geographies and sub groups of the population and has a long time series</p> <p><i>Source: Source: British Household Panel Survey/Understanding Society</i></p>
% of households which are entirely workless	<p>This measure is proposed as reflecting a particular subset of households where there are no adults who are working: most of these households will be entirely dependent on benefits. For the headline measure student households will be excluded. The data are available for the UK and can be analysed for different types of household, including those where children are resident.</p> <p><i>Source: Labour Force Survey, ONS</i></p>

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## Education and skills

Measures related to this domain which are being tested in the Opinions Survey include questions about the importance of learning new things and satisfaction with the quality of the national education system.

## Education and skills

Measure	Description
Human capital	<p>The value of human capital in the labour force is measured through knowledge, skills and competencies acquired during participation in formal education. This measure is proposed as reflecting the stock of human capital within the labour market and change in this over time.</p> <p><i>Source: ONS, Article</i></p>
Programme for International Student Assessment (PISA)	<p>The PISA is a worldwide evaluation of 15-year-old school pupils' scholastic performance, performed first in 2000 and repeated every three years. It is coordinated by the Organisation for Economic Co-operation and Development (OECD), with a view to improving educational policies and outcomes. This measure is proposed as an indication of these achievements compared with other countries in the OECD. It is intended that other measures of the educational achievements and participation of children and young people which are available within the UK will be used in analysis of this domain.</p> <p><i>Source: OECD</i></p>
Percentage of the population with different levels of qualification	<p>While human capital reflects the overall stock of knowledge, skills and competencies in the labour force it is not available for the sub UK geographical levels and the sub groups of the population which are intended to be used in our future work. This proposed measure will allow analysis which indicates how qualifications are distributed and how this current distribution relates to other measures proposed here.</p> <p><i>Source: Labour Force Survey, ONS</i></p>

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### More contextual domains

## The economy

One issue not covered is the competitiveness of the economy.

## The economy

Measure	Description
Gross Disposable Household Income per capita indexed to 2001 = 100	Gross Disposable Household Income (GDHI) represents the amount of money left available within the household sector for spending or saving, after expenditure associated with income, for example taxes and social contributions, property ownership and provision for future pension income. This is a key measure of income and the prosperity of residents and is expressed here per head of the population. <i>Source: National Accounts, ONS</i>
Net National Income indexed to 2001=100	Net national income is a measure of the UK economy's output in a specified period that takes into account how much of the UK's assets have been used up in producing the output and income flows into and out of the UK. It shows the new wealth available to the UK residents at the end of the period. <i>Source: National Accounts, ONS</i>
Total net worth of all sectors of the economy	The net worth of the UK is the total value of all the assets owned by UK residents - both organisations and households - minus the total value of what these residents owe to the rest of the world. This includes the worth of all non-financial assets and all financial assets minus their liabilities. <i>Source: National Accounts, ONS</i>
Research and Development expenditure indexed to 2001=100	This measure is proposed as an indication of innovation in the economy. <i>Source: National Accounts, ONS</i>

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## Governance

Measure	Description
Percentage of registered voters who voted	This measure reflects engagement in the electoral process at the time of general elections.  <i>Source: The International Institute for Democracy and Electoral Assistance</i>
% who trust in Parliament a lot or a fair amount	These two measures are proposed to help assess the trust in national and local elected bodies. These have been asked in a survey in England.
% who trust in their local council a lot or a fair amount	<i>Source: Citizenship Survey, CLG</i>

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### The natural environment

These measures are intended to reflect the some of the concerns with the global environment which were expressed in responses to the national debate.

## The natural environment

Measure	Description
Green house gas emissions	<p>This proposed measure is to reflect the concerns with climate change expressed in the national debate. The headline measure will be total greenhouse gas emissions to be supplemented by other emissions and sources in analysis</p> <p><i>Source: ONS, Environmental Accounts</i></p>
Air pollutants	<p>The measure proposed is PM<sub>10</sub> emissions which will be supplemented in analysis by information about other pollutants and sources.</p> <p><i>Source: ONS, Environmental Accounts</i></p>
The extent of protected areas	<p>This measure is proposed as an indication of areas where biodiversity is protected within the UK and an interim measures while ONS consult with Defra to further develop measures of biodiversity.</p> <p><i>Source: Defra</i></p>
% of electricity generation by renewable means	<p>This is to give a measure of changes in use of renewable sources in energy generation.</p> <p><i>Source: DECC</i></p>

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### Questions about the initial measures

1. Should any of the measures be removed? If yes, please give details.
2. Are there any measures which should be added? If yes, please give details. If an alternative measure is suggested, which measure might be removed, to keep the total number the same?
3. Are there any variants on the measures suggested which would be more appropriate? If yes, please give details.
4. If only one or two measures only should be used (for each domain), which ones should be chosen?
5. Is the number of measures about right? Please give details.
6. Is the balance between objective and subjective measures about right? Please give details.

**The consultation will be open until 23 January 2012 and you can find out how to respond [here](#)**

## Background discussion

The Stiglitz-Sen-Fittoussi report suggests that using changes in GDP as the only measure of national well-being is insufficient and that other measures of the economy than GDP should be used together with wider measures of social progress, the state of the environment and sustainability. Subsequent international responses to this report include OECD's *Better Life* initiative and Eurostat's Sponsorship Group on *Measuring progress, well-being and sustainable development*. It is difficult to come up with an agreed definition of national well-being and many attempts have been made, over a long period of time, to define it. Dolan, Peasgood and White in a 2006 paper for Defra (summarised in the new economics foundation (nef) response to the national debate (nef, 2011)) outlined five main approaches to the measurement of individual well-being, which is generally agreed to be at the heart of understanding national well-being:

- Objective lists approach – this approach involves defining an objective list of needs or conditions which foster well-being. Well-being can then be measured as to the extent to which these needs are met
- Preference satisfaction approach – this is an economic approach. It assumes that people make rational choices and use their resources to satisfy their wants and desires (preferences). Income can therefore be used as a proxy for well-being as people's well-being will be highest when they have more income with which to satisfy their preferences (to the extent that preferences can be bought with money)
- Hedonic approach – here well-being is defined as the balance between pleasure and pain
- Evaluative approach – this approach is based on people's assessment of how well their life is going. Here well-being can only be judged by the individual themselves rather than by some objective measurement
- 'Capabilities and functioning' approach based on the work of Amartya Sen

Theoretical approaches are also discussed in the paper 'Developing a Framework for Understanding and Measuring National Well-being' which was published as a supplementary paper to 'Measuring what Matters' (the National Statistician's Reflections on the National Debate on Measuring National Well-being) which can be found here <http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/index.html>.

Although there are a number of different approaches that can be taken when trying to define well-being, interestingly there is a considerable degree of overlap in what these approaches suggest should be measured. These include:

- people's material living standards (income, expenditure, housing conditions)
- health
- education and skills
- work (not just employment but the quality of people's working lives)
- leisure time and Individual relationships

- subjective well-being (emotions, life satisfaction and sense of meaning and purpose)

### Approach to measuring individual well-being

ONS' method of measuring individuals' reports about their own well-being (subjective well-being) is a broad based approach that not only takes account of evaluative (life satisfaction) and hedonic (positive and negative emotions) measurement but also draws from the psychological approach (also sometimes referred to as functioning, flourishing or eudemonic approach). In the Integrated Household Survey (IHS) the single psychological question seeks to assess meaning and purpose in people's lives. ONS recognise that there is more to the psychological approach than this single measure.

However, in the interest of keeping the indicator set small, this is the single psychological indicator currently proposed as one of four measures to illustrate individuals' subjective well-being. Further testing and development work of additional indicators from this perspective is being carried out using the ONS Opinions Survey and this information will help with building a deeper understanding of how internal psychological factors and personal attributes can mediate external determinants and contributors of individual well-being as part of further analysis within this domain. Related to this is the measurement of mental well-being and the importance of personal relationships, which are covered separately within the proposed framework.

These four experimental questions have also been asked, along with more detailed questions, in the ONS Opinions Survey for testing and development purposes and initial estimates from this source for Great Britain will be published on 1 December 2011.

### How responses to the national debate were used

The domains outlined in this paper reflect those key issues which respondents to the national debate identified. They include those which were considered important to individuals such as health, good connections with friends and family, job satisfaction and economic security, present and future conditions of the environment, education and training, individual and cultural activities, crime, ability to have a say on local and national issues and income and wealth.

In response to the question in the national debate about sets of information which would help measure well-being at the national level in the UK, the measures suggested included health, life satisfaction, employment and unemployment rates, education levels, income distributions, life expectancy, environmental statistics and crime figures. Table A1 gives a mapping of the proposed domains to the underlying themes which emerged from the national debate as described in '*Findings from the National Well-being Debate*'. There were also common underlying themes of fairness and equality which will be covered by the availability and analysis of measures for different geographical areas and sub groups of the population. It will also be important therefore for the analysis of measures to not just focus on the average but examine the distribution. One specific sub group which responses indicated was important is children and young people and ONS have initiated a workstream to look at measures of children's and young people's well-being.

### Approach to selection of domains

Despite the differences in theoretical approaches to well-being there is a lot of overlap in the categorisations and specific measures used by different organisations. The domains outlined in this paper have been developed by examining the theoretical research and the classifications which others have used such as the Stiglitz-Sen-Fittoussi domains, those used in OECD's *'How's Life'*, Defra's sustainable development measures and those proposed by Eurostat. An additional and very important consideration has been the output from the national debate, specifically the key priorities as identified above. The mapping of the proposed domains to the key issues which emerged from the national debate, the areas in the Stiglitz-Sen-Fittoussi report, OECD's *'How's Life'* classifications and the domains currently being proposed by Eurostat are shown in the four tables in the Annex.

### **Approach to selection of draft measures**

The selection process of measures to populate the areas within domains included the criteria described in the National Statistician's report on the findings from the national debate which were:

- 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
- effective coverage of the domains in the framework
- demonstrable measurement of different things
- provision of a coherent and consistent picture within the domain
- relevance for measuring well-being or an aspect that can be shown to be related to well-being

While the domains were being developed, a large number of potential measures were gathered together and assessed. Most of the criteria for individual measures were applied using a scoring system. Few measures met all the criteria.

Measures were then matched to the proposed domains to examine the balance and completeness within domains. Where several highly rated measures were measuring very similar areas, they were considered together. Within the domains, when similar scores were obtained, or when there were several measures which seemed to be related to the same topic then selection was made by prioritising those measures which were available for the UK and/or were internationally comparable. For example, within the Education and skills domain the PISA measure was chosen because of its availability at UK level and because of the international comparability. Measures such as 5 A\*-C GCSEs at age 16 and NEET were not included as headline measures because comparison across the UK or internationally were more problematic.

Choices also had to be made between competing and equally good measures such as the multiple measures of life expectancy and healthy life expectancy at different ages – in this case healthy life expectancy at birth was chosen and others will be used in contextual analysis.

Measures not proposed as headline measures may nevertheless be useful in providing further context when analysing the domains. Where the most highly rated measures did not completely cover the scope of the domain, measures which were less highly rated were included. So some of

the interim measures are not available at the UK level or cannot be disaggregated for sub groups and others are currently unlikely to be available in the future. We are further investigating coverage of these gaps.

## **Consultation and contact details**

**The consultation will be open until 23 January 2012 and you can find out how to respond [here](#)**

Please ensure that your response is clearly marked if you wish your response and your name to be kept confidential. Confidential responses will be included in any summary of numbers of comments received and views expressed.

## **Confidentiality and data protection**

Information provided in response to this consultation, including personal information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you would like the information, including personal data, that you submit to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, among other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. Before disclosing any information that is personal to you, we will inform you of this in advance of any disclosure. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Office for National Statistics.

## **Consultation timetable**

This consultation will run from 31<sup>st</sup> October 2011 to 23<sup>rd</sup> January 2012

## **After the consultation**

We will publish a summary of the comments made approximately eight weeks after the consultation closes.

## **How to comment on the consultation process**

If you would like to make any comments about the consultation process we have followed, please contact:

Darran Tucker, Consultations Co-ordinator

Office for National Statistics

Room 1.101

Government Buildings

Cardiff Road

Newport

NP10 8XG

If you would like more detail regarding the content of this document, please contact:

Jen Beaumont ([jen.beaumont@ons.gov.uk](mailto:jen.beaumont@ons.gov.uk))

Office for National Statistics

Room 2.164

Government Buildings

Cardiff Road

Newport

NP10 8XG

01633 651622

## **Supporting Information**

### **Glossary**

#### **Domain**

A category within which related measures can be grouped.

#### **Human Capital**

The value of human capital in the labour force is measured through knowledge, skills and the competencies acquired during participation in formal education.

## **Annex: Comparisons of proposed domains to classifications used by others**

**Table A1: Key responses to the national debate**

<b>Key Area</b>	<b>Sub-areas</b>	<b>Proposed domains*</b>
Environment	Access to green spaces	Where we live
Environment	Quality of local environment	Where we live
Environment	Global environmental issues	The natural environment
Environment	Animal welfare including farm practices	
Environment	Weather	The natural environment
Economic issues	Household finances	The economy
Economic issues	Distribution of wealth and income	Individual finance plus The economy
Economic issues	Poverty – related to distribution of wealth and income	Individual finance
Economic issues	Government spending	Governance
Economic issues	The stability and sustainability of the economy	The economy
Employment	Job satisfaction	What we do
Employment	Job security and sustainability of employment	What we do
Employment	Availability of employment	What we do
Home and housing	Access to affordable housing	Where we live
Home and housing	Quality of housing	Where we live
Home and housing	Homelessness	Where we live
Health and healthcare	Individual health and fitness	Health
Health and healthcare	Mental and emotional health	Health

Health and healthcare	The NHS	Health
Health and healthcare	Care of, and support for, the vulnerable in society	Health
Services: Education and learning	Quality of education for children	Education and skills
Services: Education and learning	Free/affordable university education	Education and skills
Services: Education and learning	Opportunities to improve education and skills as an adult	Education and skills
Services: Transport	Availability, affordability and efficiency of public transport	Where we live
Services: Transport	Catering for walking and cycling	Where we live
Services: Local services	Quality and availability of e.g. libraries, playgrounds, leisure centres and local shops	What we do
Services: Security	National security, Justice	Governance
Services: Security	Feeling safe in home and local neighbourhood	Where we live
Services: Security	Crime rates	Where we live
Services: Security	Anti-social behaviour	Where we live
Services: Technology	Access to Internet and other communications technology	Could be a contextual measure – potentially for economic growth
Services: children and young people	Child welfare	Health
Services: children and young people	Opportunities for young people	Education and skills plus What we do

Political voice and governance	Trust in and accountability of politicians	Governance
Political voice and governance	Democracy	Governance
Political voice and governance	Citizenship and rights	Governance
Political voice and governance	How the UK acts and is perceived abroad	Governance
Social connections and relationships	Relationships with spouse or partner, children, wider family, friends and pets	Our relationships
Social connections and relationships	Sense of community	Our relationships
Social connections and relationships	Immigration and population (population density)	Contextual data
Time use and Individual activities	Religion, faith, belief, spirituality	Our relationships
Time use and Individual activities	Work life balance	What we do
Time use and Individual activities	Recreation	What we do
Time use and Individual activities	Arts, culture and heritage	What we do
Subjective well-being	Happiness and life satisfaction	Individual well-being
Subjective well-being	Purpose	
Subjective well-being	Morals and ethics	
Subjective well-being	Hopes for the future	
Subjective well-being	Less consumerism and more altruism	
Cross-cutting issues	Equality,	To be covered in analysis and context of measures

Cross-cutting issues	Fairness	To be covered in analysis and context of measures
Cross-cutting issues	Equitable society	To be covered in analysis and context of measures
Cross-cutting issues	Freedom to travel	What we do
Cross-cutting issues	Sustainability of environment and national knowledge	Education and skills plus The natural environment
Cross-cutting issues	Importance of research and development and technology	The economy

**Table notes:**

- \*These domains will be used to structure headline indicators and more detailed analysis.

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**Table A2: Stiglitz domains****Table A2: Stiglitz domains**

<b>Stiglitz Domains</b>	<b>Stiglitz suggestions for inclusion</b>	<b>Proposed ONS domains</b>
Material living standards	Income	The economy
Material living standards	Consumption	Individual finance
Material living standards	Wealth	Individual finance
<i>Quality of Life domains</i>		
Health	Mortality	Health
Health	Morbidity	Health
Education	Throughput and outcome measures	Education and skills
Individual Activities including work	Paid work	What we do

Individual Activities including work	Unpaid domestic work	What we do
Individual Activities including work	Commuting	What we do
Individual Activities including work	Leisure time	What we do
Political voice and governance	Democratic participation	Our relationships
Political voice and governance	Judicial institutions	
Political voice and governance	Political and social rights	
Social Connections and relationships	Social trust	Our relationships
Social Connections and relationships	Social isolation	Our relationships
Social Connections and relationships	Informal support	Our relationships
Social Connections and relationships	Workplace engagement	What we do
Social Connections and relationships	Religious engagement	
Social Connections and relationships	Bridging social capital	Our relationships
Environmental (present and future conditions)	Environmental conditions and human health	
Environmental (present and future conditions)	Access to environmental services	
Environmental (present and future conditions)	Environmental amenities and disamenities	Where we live (for local)
Environmental (present and future conditions)	Climatic variations and "natural" disasters	The natural environment (for global)
Insecurity of an economic as well as Individual nature	Crime, accidents, natural disasters, climate change	Where we live, The natural environment

Insecurity of an economic as well as Individual nature	Unemployment, fear of unemployment, recurrent or persistent unemployment	What we do
Insecurity of an economic as well as Individual nature	Economic insecurity because of illness, old-age, etc.	Individual finance

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### Table A3: Eurostat proposed measures

These do not yet include the proposed macro-economic (HH Income, wealth, consumption and expenditure domain) and environmental measures (Environment domain), although all of these will be included in the evaluation process. The measures in **bold** are headline.

### Table A3: Eurostat proposed measures

OECD Section	Domain	Proposed ONS domains
<i>Material Living Standards</i>	Income and wealth	Individual finance
<i>Material Living Standards</i>	Jobs and earnings	What we do plus Individual finance
<i>Material Living Standards</i>	Housing	Where we live
<i>Quality of life</i>	Health status	Health
<i>Quality of life</i>	Education and skills	Education and skills
Quality of life	Environmental Quality	The natural environment and Where we live
Quality of life	Civic Engagement and Governance	Our relationships and Governance
Quality of life	Individual Security	Where we live
Quality of life	Social Connections	Our relationships
Quality of life	Work and Life Balance	What we do
Quality of life	Subjective Well-being	Individual well-being

*Sustainability over time*

Preservation of:	Natural capital	The natural environment
Preservation of:	Economic capital	The economy
Preservation of:	Human capital	Education and skills
Preservation of:	Social capital	Our relationships

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**Table A4:OECD 'How's Life?'****Table A4: OECD How's life**

<b>OECD Section</b>	<b>Domain</b>	<b>Proposed ONS domains</b>	
<i>Material Living Standards</i>	Income and wealth	Individual finance	
	Jobs and earnings	What we do plus Individual finance	
<i>Quality of life</i>	Housing	Where we live	
	Health status	Health	
	Education and skills	Education and skills	
	Environmental Quality		The natural environment and
			Where we live
	Civic Engagement and Governance	Our relationships and Governance	
	Individual Security	Where we live	
	Social Connections	Our relationships	
Work and Life Balance	What we do		
Subjective Well-being	Individual well-being		
<i>Sustainability over time</i>	Preservation of:	Natural capital	The natural environment
		Economic capital	The economy
		Human capital	Education and skills
		Social capital	Our relationships

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The framework of the OECD compendium is:

- the well-being of people in each country rather than macro-economic conditions of economies
- the well-being of different groups of the population (inequalities – which will be discussed in more depth in the report)
- well-being achievements (outcomes) as opposed to well-being drivers (input or output measures)
- objective and subjective aspects of well-being

(Output of measures currently proposed by OECD can be seen for the UK at the Better Life Index <http://www.oecdbetterlifeindex.org/countries/united-kingdom/>).