

Wellbeing evidence at the heart of policy

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Contents

Foreword > 3

Introduction > 5

1

Getting to clarity.
What we mean by
wellbeing and how
we measure it

Wellbeing is a meaningful and useful concept that can be a guiding framework and the basis for decision making, when understood and measured effectively. We present the dominant definitions and measures being used in the UK and elsewhere.

> 8

2

Creating
cost-effective
policy with
a wellbeing lens

How wellbeing in the UK can be improved. Includes reviewing the evidence of what works, but also the tools that institutions and individuals making decisions in a policy context need to implement these findings.

> 34

3

The role of businesses,
communities and
individuals in
improving wellbeing

Explores some of the challenges and opportunities of implementing a wellbeing approach, from both a conceptual and pragmatic perspective.

> 52

4

This is a
journey - with
some issues
still to tackle...

Discusses some of the areas for further research and development needed to put a wellbeing approach into practice.

> 60



Foreword

Wellbeing is the idea that we can judge a society by how much the people are thriving. It's the ultimate goal of policy: it brings together the social, economic and environmental. Pursuing wellbeing is an end in itself; not because it will improve GDP or productivity, but how economic and other policies work together to improve people's lives.

In the 2014 report *Wellbeing and Policy*, from the Commission on Wellbeing and Policy, my fellow economists and I recommended making wellbeing the government's overriding objective when designing policy.

In the six years since that report, there have been gains in improving wellbeing: the What Works Centre for Wellbeing was established; the UK has a minister for loneliness; and schools have wellbeing on the curriculum – to name just a few shifts.

The growing importance attached to assessing progress by better measures – such as wellbeing rather than GDP – are likely to continue to have profound effects on policy over the next decade.

Indeed, we as a society have put GDP on a pedestal: no one really believes it is the best measure. Even Nobel laureate, economist Simon Kuznets, noted that it is a measure of activity, not how well we're doing. If you take money from the poorest and give it to the richest, GDP doesn't change. It's not a measure of success.



The What Works Centre for Wellbeing was established in 2014 to identify and communicate the evidence of what works to improve wellbeing in order to support decision makers seeking to inform policy and practice in the UK.

As we start 2020, the UK is in a state of uncertainty, polarisation, with stagnant wages, declining living standards, and still affected by the effects of austerity. Brexit has dominated the policy space. Wellbeing gives us an emphasis on social cohesion – bringing people back together.

Wellbeing also offers us the practical opportunity to inform public spending in general. Through a wellbeing lens, we can better see how to deal with policies where the costs are spent by one department, but the benefits or savings are received by different departments. Greenbook changes are fundamentally important – you can now analyse with respect to wellbeing rather than just income.

Over the last six years, data collection on subjective wellbeing has improved, and will continue to do so. Because of this, this report can go further to draw out the increasing evidence to identify priority wellbeing areas. We know, for example, that the biggest impacts to wellbeing can come from focussing on improving relationships; mental and physical health; and deprivation.

Research also tells us that wellbeing mobility is low. If you start off with low wellbeing, your chances of improving are low. This means it's essential to reach the estimated four million people in the UK experiencing low wellbeing. We need to make sure we're not spending more money on failure than prevention.



Gus O'Donnell

Former Cabinet Secretary
and Head of the Civil Service
currently Chairman of
[Frontier Economics](#).

Introduction

There has been a quiet revolution in the UK. An evidence-informed movement, spanning at least 50 years, has swept wellbeing into the policy landscape as a relevant, credible, and measurable way to connect policy goals with policy outcomes in a way that matters to people's lives.

From central and local government to businesses of all sizes to the smallest local community organisations, improving wellbeing is already widely recognised as a goal of policy and practice. Now, this report sets out the state of the evidence and next steps for applying a wellbeing approach to decision making in the UK.

What difference does it make if wellbeing is the goal?

In the UK, a wellbeing focus in policy has meant shifting priorities towards:

- **Employment** Employment has a relatively big and long lasting impact on our wellbeing.
- **Mental health** Emotional health is the top driver of wellbeing from childhood through to adulthood.
- **Loneliness** Having someone to rely on in times of trouble is the top driver of difference between high and low wellbeing countries.

The purpose of all areas of policy and of actions in civil society is to improve lives. The question to ask is: does it improve people's lives and how do we know?

The UK has ministers for both loneliness and suicide prevention. What does it look like if we build on the positive assets and preventative measures, instead of an overfocus on tackling the negative impacts?

If a policy helps people thrive, it's a success

Whatever the intended outcome of a policy is, if it leaves people struggling – and decreases their wellbeing – in their daily lives, we cannot call it a success. This isn't to say all policy should lead to giant and instant rises in wellbeing. But it does mean that we cannot evaluate a policy without taking into account its consequences on national, local, and individual wellbeing.



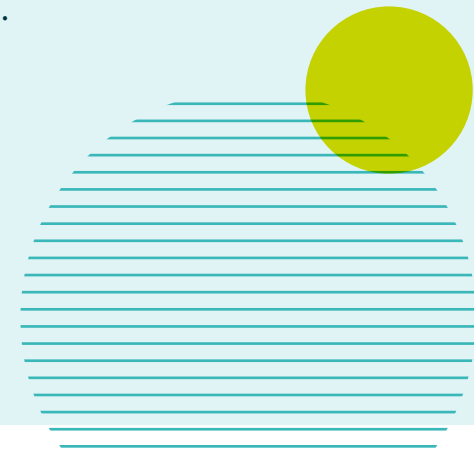
A wellbeing 'lens' helps us make sense of complex policy goals and impacts

Wellbeing is an essential complement to purely economic measures of success, particularly Gross Domestic Product. Most people now recognise this economic measure's inadequacy to account for so much of what is important in our lives. As a shared goal, wellbeing can break down departmental or jurisdictional silos. It recognises how different parts of our lives and experiences intersect.

Using a wellbeing 'lens' highlights complex problems that require cooperation and joint strategies to tackle. Improvements to our lives can also be bolstered when we design interventions to maximise the impact on all aspects of our wellbeing, rather than a narrow focus on a specific target. Wellbeing is explicit that the lives of people, how we feel and our lived experiences are what determines success.

There is already evidence of what works to improve wellbeing, and how to measure impact

The evidence in this report shows what works to improve wellbeing. This provides a compelling contribution to making impactful decisions. And this report recommends approaches to evaluate the quality and efficacy of those decisions. Decision making at both the institutional and individual level is informed by a complex and diverse range of factors, from deeply held beliefs and ideology, to pragmatism, logic and budgets, but this report argues that wellbeing evidence can contribute a coherent and common approach for determining the efficacy of different policies and interventions.



1

Getting to clarity.
What we mean by
wellbeing and how
we measure it

What is wellbeing? 9

Measuring wellbeing 19



What is wellbeing?

Wellbeing is personal and subjective, but also universally relevant.

Wellbeing encompasses the environmental factors that affect us, and the experiences we have throughout our lives.¹ These can fall into traditional policy areas of economy, health, education and so on. But wellbeing also crucially recognises the aspects of our lives that we determine ourselves: through our own capabilities as individuals; how we feel about ourselves; the quality of the relationships that we have with other people; and our sense of purpose.²

These psychological needs are an important part of what makes us human, along with our ability to feel positive and negative emotions. It matters how often, and for how long, we experience positive emotions – such as pleasure and a sense of purpose – or potentially negative emotions, like anxiety.³ If we accept that some aspects of wellbeing are subjective, we can better understand the interactions and trade-offs between different experiences.

We can also take into account the longer-term effects and the different importance of these things to different people. Part of the value of wellbeing as a concept is that wherever you are and whatever your cultural background or personal circumstances, people intuitively understand the value of happiness and wellbeing. But this universality that adapts to so many different contexts and perspectives, can sometimes make it difficult to share a common understanding of what exactly wellbeing is.

Figure 1

Summary of wellbeing factors that matter



Wellbeing encompasses all the things in life that are important to us.

To thrive as humans, we need the following conditions:

- **Self-direction and autonomy** A sense that we are in control of our own lives.
- **Sense of achievement** Feeling we have competencies; that we are engaged with things that interest us, and that we have the ability to choose or change our environment and lives.
- **Esteem** Having a realistic and healthy attitude about ourselves, our lives, and our abilities; marrying this with the mental construct others have about us.

- **Relatedness, or connection** Feeling we belong and are accepted; that we have friendships and connections that matter to us; that we can trust other people and institutions.
- **Purpose** Sensing that what we do is worthwhile and has meaning for us.
- **Emotions** A healthy balance of happiness and anxiety for us to function well.

To meet these conditions for thriving, we can now be more specific about which factors matter. Current evidence on the relationships between different aspects of our lives and individual wellbeing outcomes means we can identify categories that have the greatest impact. As individuals, we can distinguish between external factors that affect our lives, and our own internal psychological needs.



Improving wellbeing is a collective endeavour, with outcomes at the community and national levels.

We may be able to take action as an individual to improve our wellbeing. However, the scope for understanding what is important to us goes well beyond this: wellbeing cannot be usefully understood without thinking about broader, systemic influences on our communities and individual lives.

Wellbeing at work, for example, is not just about the extent to which we are encouraged as individuals to be healthy. It is also about the relationships we have with our line managers and how secure we feel in our jobs which can be determined by a sector's economic performance.

Beyond this, the wellbeing of a community or nation is more than the sum of how each individual in that place is feeling; it's the relationships between people and institutions, social cohesion, integration, trust and social capital, as well as the quality and sustainability of the natural world.

Wellbeing captures connections and collective attitudes between people that result in a well-functioning and close-knit society. This can also be defined and measured as social capital. The collective and shared wellbeing of communities is an important measure of success for policy makers, particularly those responsible for communities of place, where local leaders seek to support thriving communities. This, in turn, has an important positive impact on the wellbeing of the people living in those communities.



Wellbeing provides a shared and dynamic vision for decision-making.

The determinants and aspects of wellbeing are diverse, but ultimately interconnected. For example, the quality of our health can have an impact on our relationships. This in turn affects our trust in others around us, which then affects our individual happiness. This loops right back around with a knock-on effect to our health.

As such, improving wellbeing – especially for those with the lowest self-reported wellbeing scores – requires that we look outside narrowly defined policy areas or goals. It means understanding the diversity of factors that are important for people and communities and how they are connected.

Getting wellbeing right by investing in the core assets we value is likely to prevent future negative outcomes. This early stage intervention avoids the need to tackle social, economic and environmental problems further down the line.



Improving wellbeing is a fundamental goal for individuals, communities, and nations.

A measure of progress that is broader than income, profit, or GDP is widely accepted as necessary. Wellbeing already has a number of well-established metrics that can meet this challenge of measuring what really matters to us. These complementary concepts and measures provide direction and inform decision making (see [Box 1](#) below). Wellbeing sits within this family of definitions and concepts, and in some cases can be used interchangeably, as so-called ‘beyond GDP’ concepts.

As described above, wellbeing is a particularly powerful goal in explicitly recognising the importance of:

- **The breadth of issues** that matter to people and places.
- **People** and their self-reported and subjective wellbeing.
- **Collective outcomes** at the community and national level.
- **A shared vision,** breaking down departmental and sectoral silos and time horizons.



Box 1

Concepts and measures that go beyond GDP as a measure of success.

Standard of living

This is a measure of the wealth and comfort of individuals and households, based on material inputs.

➤ See IFS report on living standards in the UK

Application

Standard of living measures can be used to augment basic income measures, to take into account other material factors that are important to people (for example assets like housing). Generally measured on an absolute scale, it can identify thresholds to identify people in poverty and deprivation.

Relationship with wellbeing

We know that absolute income and wealth and levels of deprivation matter to people, this is one aspect of wellbeing. Wellbeing however recognises that relative outcomes matter too, as well as an individual's interpretation of the quality of their material inputs.



Quality of Life

This takes into account material and non-material factors that are important to people's lives.

➤ See international rankings: [Social Progress Index](#)

Note: Quality of life is also used in the [health context](#), to augment years of life expectancy with a consideration of a person's ability to carry out the activities of daily life, and freedom from pain and mental disturbance during those years.

Application

Indices which capture the various aspects that contribute to Quality of Life, include the [OECD Better Life Index](#), the [Social Progress Index](#). The consideration for the combination of material and non-material elements can be extended to the workplace, in the application of quality of work/jobs.

Relationship with wellbeing

This can be used interchangeably with wellbeing in some contexts (eg in Norway where there is no word in Norwegian for wellbeing), but dashboards and indices tend to focus on objective measures, with less emphasis on an individual's perspective and sustainability.

Prosperity

Prosperity is commonly understood as the accumulation of material wealth, but it has been [interpreted](#) to be broader, to include the joy of everyday life and the prospect of an even better life in the future – for individuals as well as nations.

➤ See [Commission for Economic Justice definition of Prosperity for the UK](#)

Application

Similar to Quality of Life, prosperity has been interpreted to be the result of combination of factors, presented in an index, eg. [The Legatum Prosperity Index](#).

Relationship with wellbeing

Prosperity emphasises the importance of income and wealth as enabling factors for broader positive wellbeing outcomes, rather than those outcomes being recognised as part of the definition of wellbeing itself.



Social value

Social value is the explicit quantification of the changes people experience in their lives. Based on the relative importance that people place on different aspects of their lives.

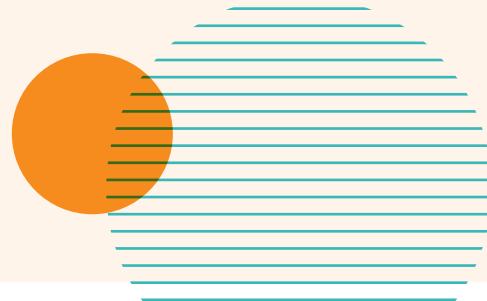
➤ See UK Social Value Act

Application

Social value explicitly converts factors that are important to people and communities into a common monetary currency. Measuring and monetising socially important outputs can facilitate decision making, particularly procurement of services.

Relationship with wellbeing

Services and interventions that are calculated to deliver a high social value are likely to be instrumental and complementary to wellbeing outcomes.



Public value

Compares the quality of public policy outcomes with total funding spent on those policies. This emphasises the need for appropriate outcome measures (as opposed to outputs) to determine the value of policies for the UK.

➤ See UK government Public Value Framework

Application

The public value framework is used in UK policy making to measure and improve public sector productivity, where the outcomes are defined as measurable improvements to people's lives.

Relationship with wellbeing

Wellbeing can be used as an appropriate outcome measure in the public value framework, with public spending assessed against this outcome.

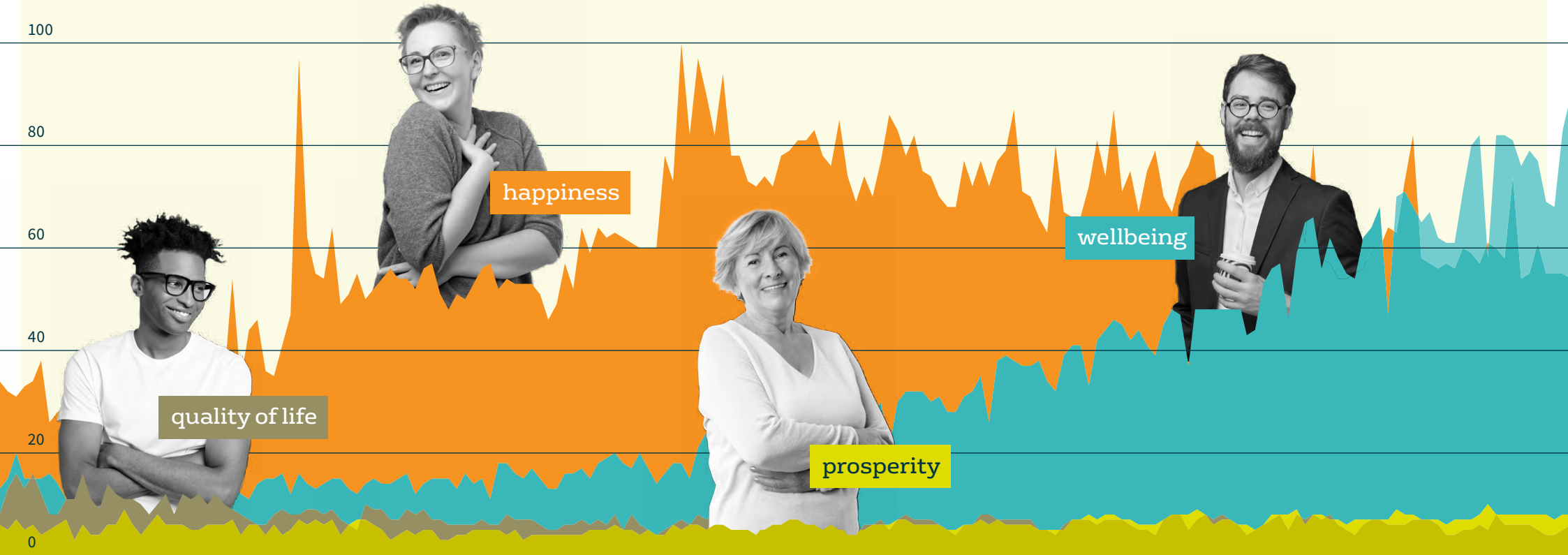


Wellbeing has been increasingly finding its way into our language and culture.

Figure 2
Number of 'wellbeing'-related searches in the UK, since 2004

There has been a marked increase in the use of the term 'wellbeing' in research and policy, as well as in common usage – both nationally and internationally. There are mixed interpretations and definitions of the term, but it is now commonly recognised as a positive and relevant goal in multiple contexts.

Source: Google trends analysis, use of wellbeing as a search term in the UK <https://trends.google.com/trends/explore?date=all&geo=GB&q=wellbeing>. Also see Google N grams for usage of 'well-being' and 'wellbeing' in books



Measuring wellbeing

Measuring wellbeing and identifying variations over time – and between people and places – contributes to a coherent and common approach for determining which policies and interventions work.

It is often obvious when there is a difference between high and low levels of wellbeing. Places and people that are thriving are different to those that are struggling. But in order to understand these differences in a way that allows us to recognise patterns and effects, we need to measure them. Fortunately, there is now no shortage of valid measures that capture aspects of wellbeing.

What we measure informs what we do. And if we're measuring the wrong thing, we're going to do the wrong thing.

Joseph Stiglitz
Economist at the World Economic Forum

We already have well-established measures for some of the determinants of individual wellbeing, including our employment status, our mental health, and physical health.

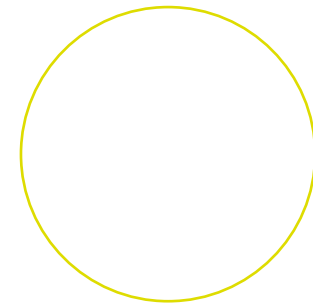
These measures can be aggregated across populations at the local, or national level to provide information about how we are doing. This helps us understand how we could be doing better in a place. We can also measure specific aspects of community wellbeing, including through the use of the social capital measures developed by the ONS.

Well-designed survey questions can measure personal subjective wellbeing.

Personal subjective wellbeing is about:

- How satisfied we are with our own lives.
- Our sense that what we do in life is worthwhile.
- Our day-to-day emotional experiences (happiness and anxiety).
- Our general mental wellbeing.

Subjective wellbeing measures ask people directly how they feel about their own lives and their own experiences.



The alternative to this approach is determining success by top-down measures, observed at a national or international level. Using subjective wellbeing measures ensures that our understanding of things like ‘opportunity’, ‘progress’, or ‘a life well-lived’ is informed by people from a range of backgrounds, with different life experiences and perceptions.⁴

We can also tell a lot about the distribution of wellbeing based on people’s answers to the subjective wellbeing questions. The answers complement, and relate to, the effects of the more tangible aspects of wellbeing that can be measured objectively – for example, the level of crime in my area – but also those that are harder to measure, such as: do I trust my neighbours? Do I feel I belong in this community? Do I feel safe?

Different concepts and measures can be complex: bringing different aspects of wellbeing together can help.

There are multiple levels on which different policies and interventions can affect our wellbeing. With a wellbeing lens, policy makers and practitioners can consider all the interrelated layers in the design of policies and interventions. And we can measure each layer of impact in a robust, evidence-informed way.

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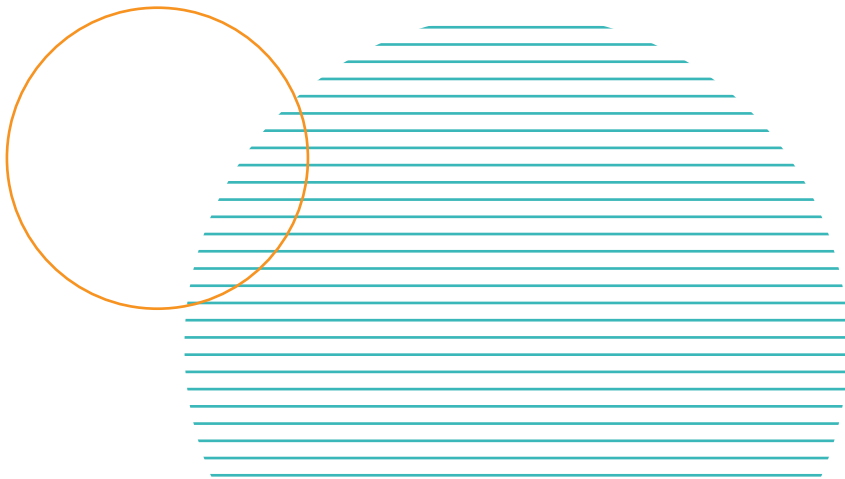


Figure 3

Interrelation of wellbeing factors in policy and intervention design

For example, we know that objective factors – such as **our own employment status** – have a direct impact on our own wellbeing. So does the **unemployment rate in our society**. But our satisfaction with our job is based on more than just our employment status: it's dependent on our **relationships with colleagues and line managers**; and **the way that our employment status is treated and perceived by others**. We know that **autonomy in the workplace** and achieving a **balance between our personal lives and and working life** is important for people's wellbeing. There is great potential for optimising a policy's impact on job quality and job satisfaction, as well as increasing the employment rate.



This illustration highlights the connections made between different aspects of the text, and is not intended as a definitive guide to the evidence.

Global measures of wellbeing

A range of international measures now exist that compare how nations are doing.

The [Sustainable Development Goals](#) endorsed by more than 150 countries include targets for the environment, safety, and health. Crucially, and unlike their predecessor the Millennium Development Goals, these apply to all countries, no matter their economic status. This recognises the progress necessary, regardless of income levels. The OECD developed the [Better Life Index](#) to score and compare the issues that matter to us, from housing to the quality of our jobs. The [Social Progress Index](#) includes indicators on health and environment, as well as access to basic services and personal freedoms for 128 countries around the world.



Many indicators with broader outcomes, but this makes consensus on frameworks and measures difficult.

International wellbeing indices tend to break wellbeing down into its constituent parts and provide international comparisons. These are effective in facilitating international dialogue on specific aspects of wellbeing, such as safety and security or the sustainability of the environment.

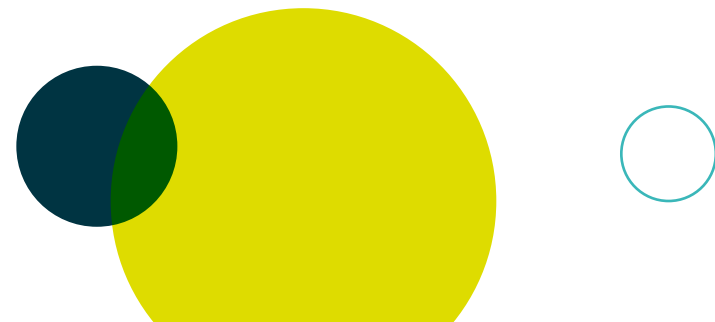
In terms of a more direct measure for wellbeing, since 2012, [The World Happiness Report](#) has also scored and ranked countries on the basis of how happy people are with their lives,⁵ with Finland topping the ranking in the 2018 edition.

While this allows us to compare between countries on the same measure, a meaningful and useful alternative or complement to the more standard economic measures has not yet gained sufficient traction at the international level. This means the range and diversity of measures and metrics can be confusing, particularly when seeking a common measure for comparing between different policy interventions and their impact.

Governments around the world are starting to explicitly target and value wellbeing as a national goal.

Thirty-four out of 35 OECD countries now collect life evaluation data. More than three-quarters of National Statistical Offices have collected at least some data on eudaimonia – sense of purpose – and affect.⁶

New Zealand is leading the charge to implement a wellbeing approach. The 2019 budget was explicitly titled the ‘wellbeing budget’. Five priority areas were identified from a review of the [Living Standards Framework](#). This included identifying population groups where wellbeing was low, specifically children living in poverty and the health and wellbeing of the indigenous population. Each budget submission from different departments also has to detail how the extra spending will address different aspects of wellbeing for New Zealanders.



The UK approach to measuring wellbeing

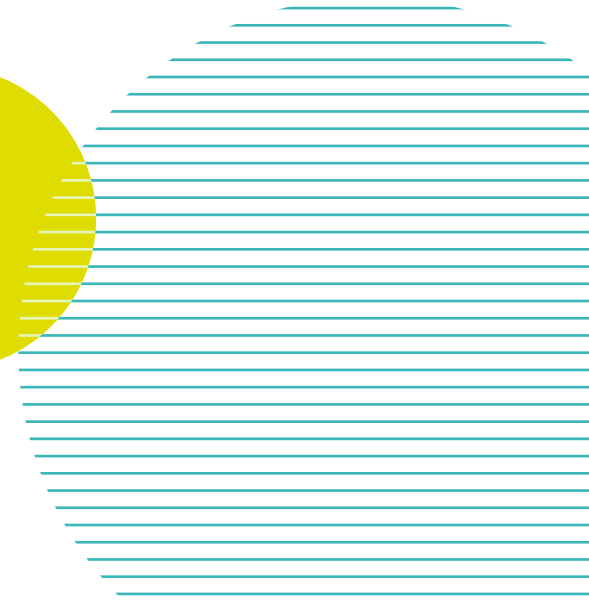
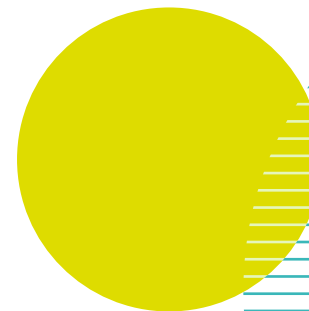
In 2011 a National Wellbeing Measurement programme was established for the UK.

The Measuring National Wellbeing Programme at the UK ONS asked people across the nation what matters most to them and the results have been organised into a live dashboard, of 10 broad dimensions. The dimensions are: the natural environment, our relationships, health, what we do, where we live, personal finance, the economy, education and skills, governance and personal wellbeing.

Some of these dimensions are measured by well established indicators, such as those measuring level of education or health outcomes. Others are less well established, such as sense of community and support network of family and friends.

Wellbeing, put simply, is 'how we are doing' as individuals, communities and as a nation.

UK definition of wellbeing
Office for National Statistics



For the personal wellbeing dimension, it was necessary for the ONS to develop national measures which capture subjective wellbeing in the UK.

Four questions were identified which captured different aspects of individual wellbeing:

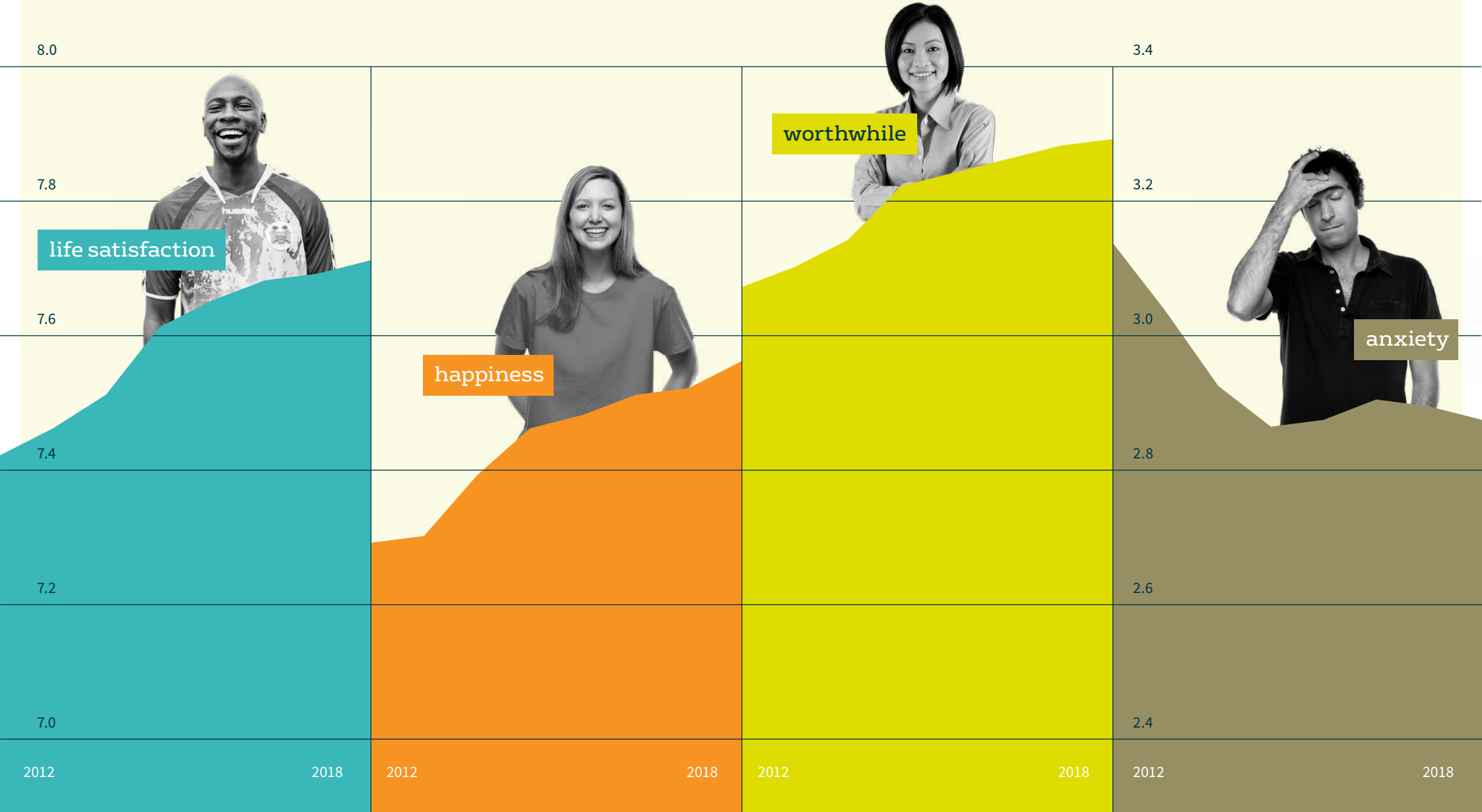
- **Positive and negative affect** is measured by questions on how happy and anxious we were yesterday.
- **Eudaimonia**, which is sense of purpose, is measured by a question on whether we feel that our life is worthwhile.
- **General evaluation of our lives** and how we are doing is measured by a question which asks how satisfied we are with our life overall.

Subjective data on wellbeing has been systematically collected since 2012 alongside the collection of data on the other nine objective dimensions of wellbeing. These are publicly available on an [online dashboard](#). The ONS collect this data quarterly as part of the annual population survey, with a sample size of 150,000. This allows the data to be disaggregated to the local authority level.



Figure 4

ONS four questions, data from 2018-19.



Systematic collection of subjective wellbeing data allows us to explore the relationship between wellbeing determinants and subjective outcomes.

When we look at the ONS wellbeing data, what people say is important and is consistent with empirical analysis that looks at the links between different objective factors and subjective wellbeing measures. For example, during the ONS consultation, people said that health, social connections, job satisfaction and economic security were important in their lives. These factors also show up in empirical research as determinants of people's subjective wellbeing, as measured by the four main personal wellbeing questions.⁷

During the ONS consultation, people said that health, social connections, job satisfaction and economic security were important in their lives.



Individual wellbeing data identifies where there are opportunities for policies to make a positive impact for particular groups of people.

People with the poorest personal wellbeing were most likely to have at least one of the following characteristics or circumstances:

- Self-report very bad or bad health.
- Be economically inactive with long-term illness or disability.
- Be middle-aged.
- Be single, separated, widowed or divorced.
- Be renters.
- Have no or basic education.

Three groups of people at particular risk of having the poorest personal wellbeing were identified as:

- Unemployed or inactive renters with self-reported health problems or disability.
- Employed renters with self-reported health problems or disability.
- Retired homeowners with self-reported health problems or disability.⁸



Subjective individual wellbeing data shows part of the wellbeing picture, but it's a common currency, allowing us to compare very different determinants and interventions.

Research from the What Works Centre for Wellbeing has been consolidated to identify a range of positive and negative drivers of wellbeing, quantified in terms of the effect on people's reported life satisfaction.

Other individual measures of wellbeing can be converted to the 0–10 scale of life satisfaction.⁹ This helps to improve our understanding of the relative impacts of circumstances and life events, demonstrating that while many things are important to us, some life events, like losing a job, can have a far more dramatic effect on our life satisfaction than others.

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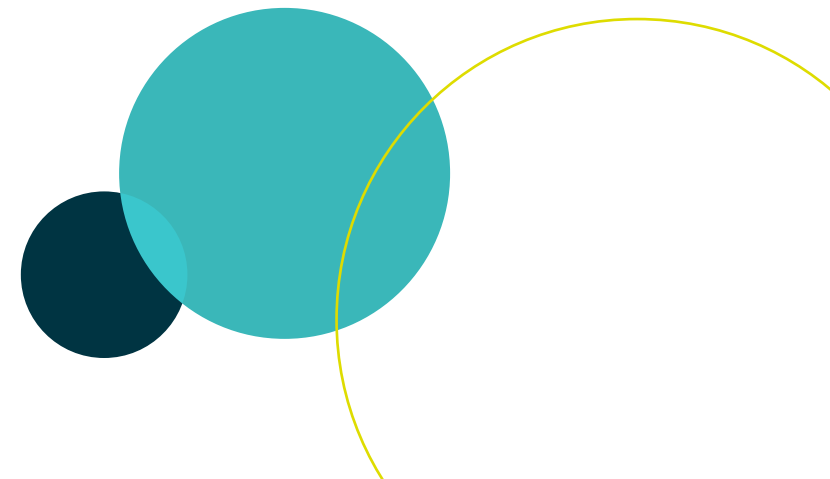
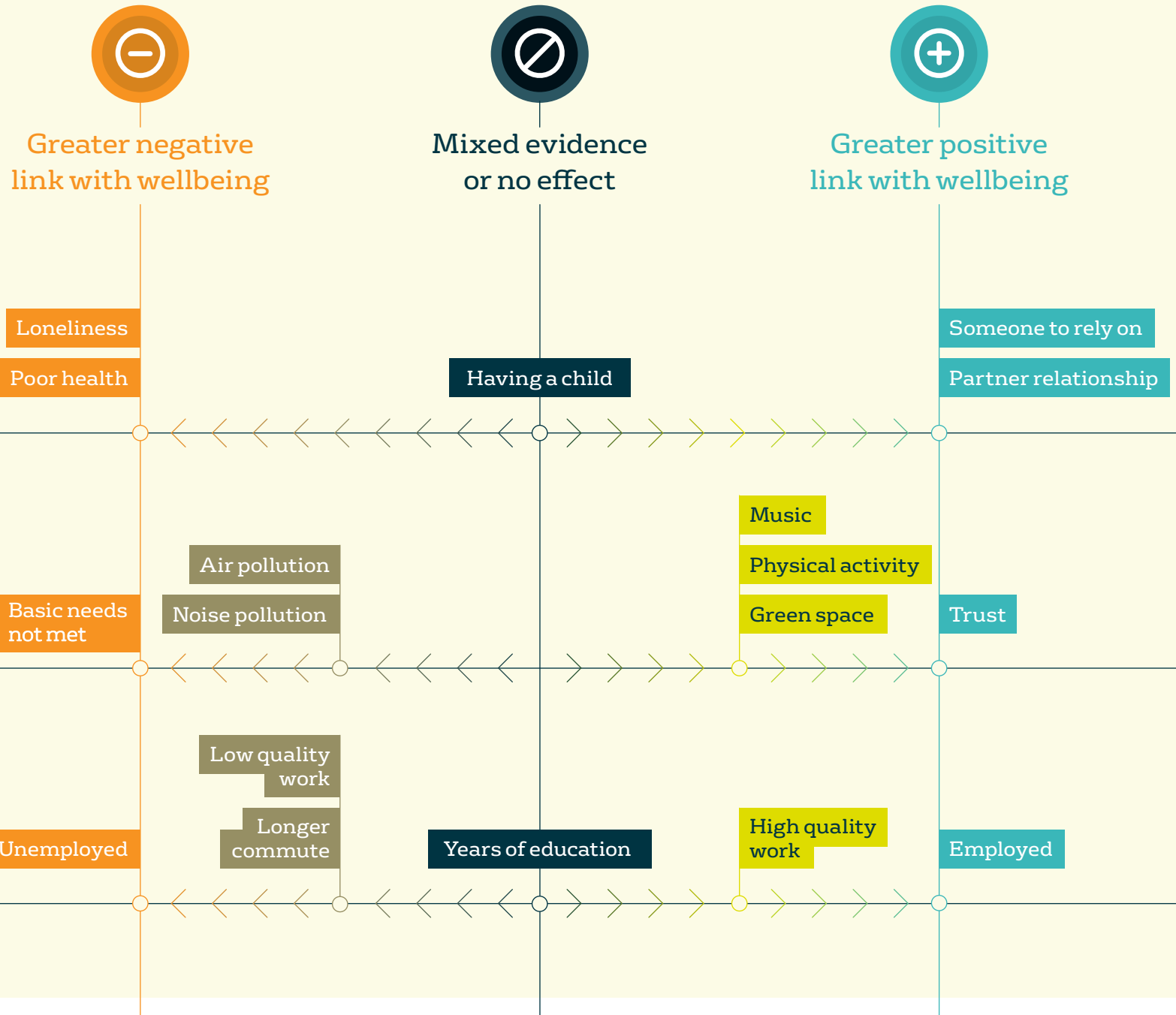


Figure 5
Determinants of subjective wellbeing, based on quantitative analysis of effect sizes.



personal



wider environment & play



work

Local and targeted measures of wellbeing

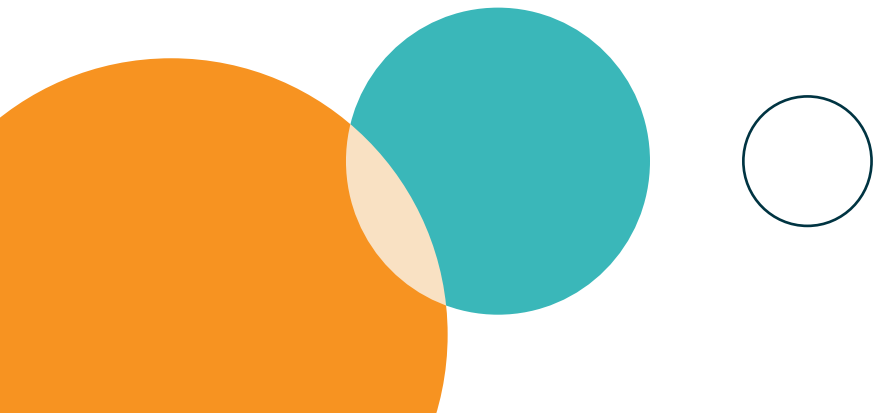
Many other valid and relevant measures and frameworks have been developed to capture aspects of wellbeing that are suited to local contexts and targeted populations.

The set of nationally endorsed measures may fail to provide the granularity that reveal the complexity of people's lives and the places they live. As such, for different applications, it is worth considering the wider range of established measures available which capture important aspects of wellbeing.

At the individual level, detailed questions can provide a more thorough picture of how people are doing and feeling.

The ONS questions provide a powerful subjective snapshot of how individuals are doing, but there are also instruments such as The Warwick-Edinburgh Mental Wellbeing Scales (WEMWBS). This asks a series of 14 questions that provide a more nuanced perspective of a person's mental wellbeing, covering both how we feel and how we function.

In the health context, the [General Health Questionnaire](#) is also a well-established instrument designed to capture aspects of mental and psychological health. The [PERMA+](#) framework helps to capture the psychological needs outlined on page nine. Happy City's [Happiness Pulse](#) is an online survey tool to measure individual wellbeing. It focuses on mental and emotional wellbeing, behavioural wellbeing, and social wellbeing. It is a ready-to-go survey that can be used by individuals, local authorities, or charities.



At the local level, there are many different indicators and frameworks to capture community wellbeing.¹⁰

Happy City's [Thriving Places Index](#) gives a robust reporting framework showing whether the conditions are in place for people to thrive at a local level, including sustainability and fairness. Data for around 60 indicators is available for England and Wales, and updated annually. The [Co-op's community wellbeing](#) index gives an insight into what's important to people in a local community. From the quality of education, housing affordability, and public transport, to the amount of green space and the number of community centres.



2

Creating cost-effective policy with a wellbeing lens

Setting the goal 36

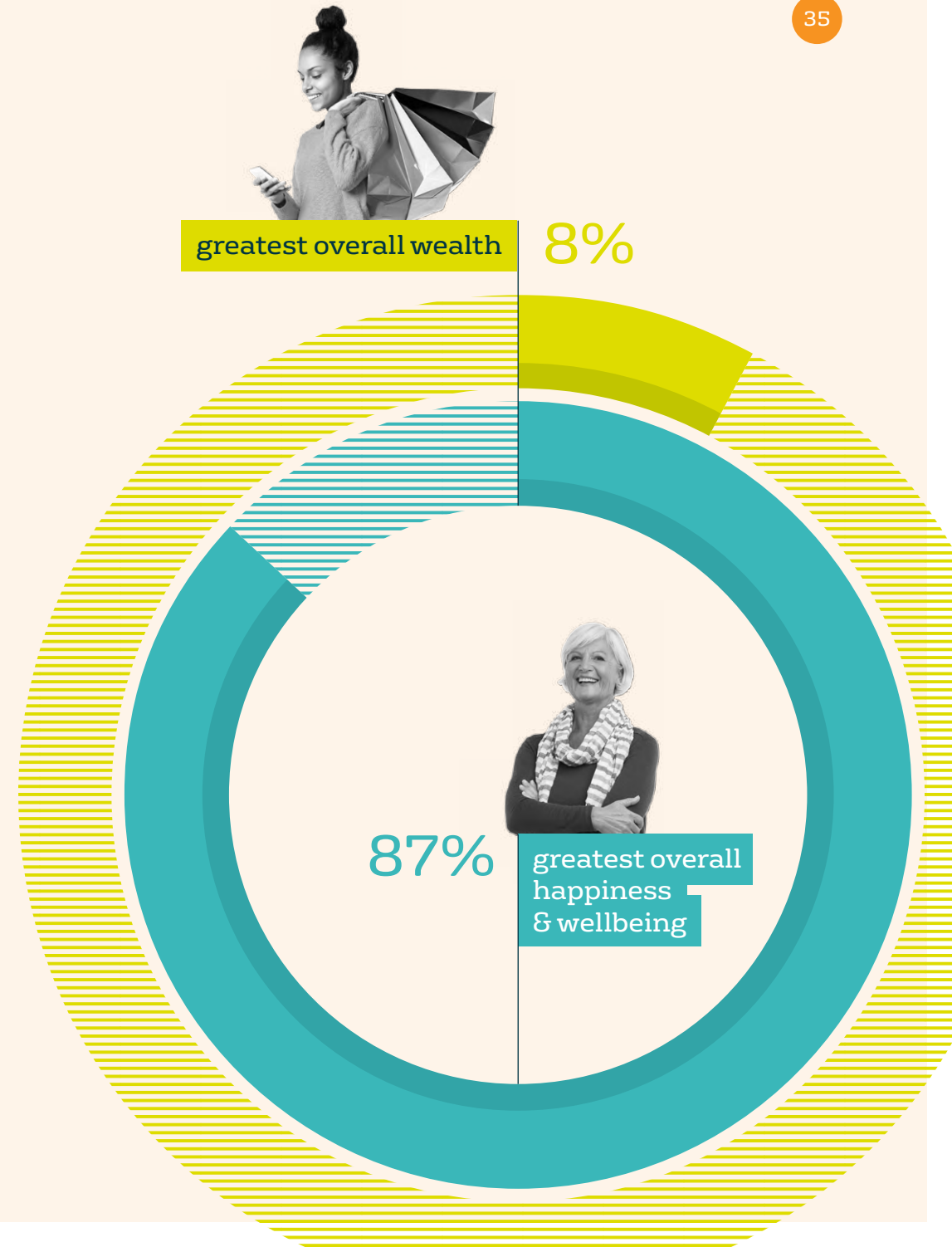
Investing in what works 41

Making it happen 45



A majority (87%) of UK adults preferred the 'greatest overall happiness and wellbeing', rather than the 'greatest overall wealth' (8%), for the society they live in.

YouGov survey in 2014,
2,391 respondents, NatRep,
commissioned by
Action for Happiness.



Setting the goal

Wellbeing provides a coherent vision for the UK, which takes into account the things that are important to people.

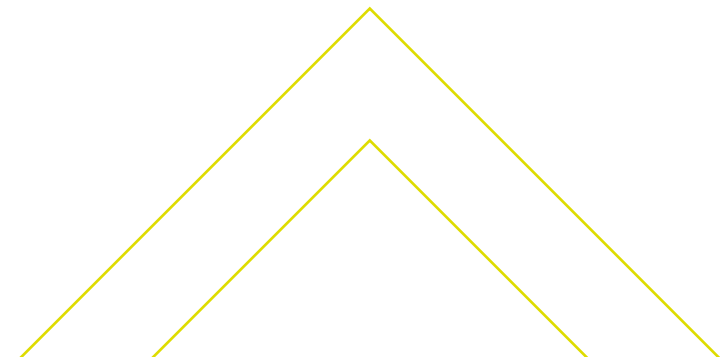
People care about wellbeing and are prepared to vote accordingly. Recent analysis from the 2019 World Happiness Report¹¹ finds a link between a person's wellbeing and their voting behaviour: happier people are more likely to vote, and are more likely to vote for the incumbent.

National happiness level is a more significant predictor for the vote share achieved by the incumbent government than GDP growth or unemployment. What's more, wellbeing was also an important indicator of how different regions voted in the EU

Referendum.¹² This signals the demand from the electorate for the government to improve wellbeing, first and foremost.

It is clear that the challenges facing people in the UK today are multifaceted. From our health and education to the quality of our transport infrastructure and community cohesion, the government has set targets across different departments to address diverse aims.

Wellbeing provides a framing for understanding what all these aims and targets add up to. It offers a way to link these targets directly to the impact on people and what they want. It helps to explain why mental health and loneliness have, rightly, risen up the policy agenda in recent years. An understanding of wellbeing also highlights the need to invest in preventative health measures, as well as early interventions in other sectors, such as crime and justice.



Box 2

The case for wellbeing as a policy goal

There are two fundamental advantages of a wellbeing approach in making policy:



People-centred

- Evaluation of the impact of policy programmes on people's lives and the things that are important to them (rather than abstract concepts/GDP etc).
- Highlighting inequalities and the diversity of experience through providing data at the granular, people-centred level.



Comprehensive, joined-up approach to policy

- Providing a more complete picture of people's lives and intersectionality, recognising the value of both individual, community and national wellbeing.
- Supporting the strategic alignment of outcomes across government.
- Consider both wellbeing outcomes today and resources for tomorrow.

The UK government has taken important steps to establish wellbeing, and related concepts, as a frame for making decisions.

In 2014, the What Works Centre for Wellbeing was explicitly established to improve the use of wellbeing evidence in informing UK policy. The aim of good cost-benefit analysis has always been to maximise the wellbeing of the population, using the terminology of increasing social value. But [The 2018 update to the Green book](#) – the guidance for how policies are appraised and evaluated – now explicitly states that wellbeing is the aim of policy appraisal. The Commission for Wellbeing and Policy, also in 2014, identified 12 areas to prioritise, listed below. Many of these areas have seen surprisingly big shifts in policy and public opinion despite turbulent political times.

Box 3

The Commission for Wellbeing and Policy's priority areas, and key shifts in policy and practice



Mental health and character-building

- Treat mental ill-health as professionally as physical ill-health.
- Support parents.
- Build character and resilience in schools such as character, resilience, empathy, self-control, perseverance, gratitude & savouring, cope with shocks.

What's shifted since they were created?

Mental health has remained a priority for each of the last three prime ministers. Mental health service and research investment is improving as is action on physical health of those with mental illness and mental health of those with physical health conditions. Mental health and related subjects are now part of the curriculum and OFSTED inspection.



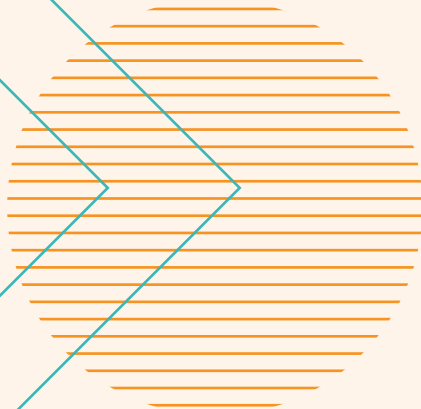
Community

- Promote volunteering and giving.
- Address loneliness.
- Create a built environment that is sociable and green.

What's shifted since they were created?

The Jo Cox Commission on Loneliness resulted in:

- a cross-government strategy on loneliness.
- a Minister for Loneliness.
- significant cross sector activity led by British Red Cross, the Co-op and researchers.





Income and work

- Promote economic growth.
- Reduce unemployment through active welfare.
- More wellbeing at work.

What's shifted since they were created?

Wellbeing at work is a priority in many sectors. Many large and medium organisations now have a staff wellbeing strategy in place.



Governance

- Treat citizens with respect and empower them more.
- Measure wellbeing and make it a policy goal.
- Give citizens the wellbeing data they need.

What's shifted since they were created?

How we do things, as government, charities and businesses, is getting more attention, whether that's how to increase participation in sport activities or the idea of kindness in the delivery of services.



2 Creating cost-effective policy

The Social Value Act compels all commissioners of public services to consider social impacts in their procurement decisions, whilst the public value review¹³ emphasised the importance of socially important outcomes in the assessment of public sector productivity (see [Box 1](#) for explanation of the complementarity of terms). However, as yet, there is no overarching wellbeing framework established as a goal for decision making. Devolved administrations have established frameworks that are explicit in the need for public policy to address outcome measures for improving wellbeing:



In Northern Ireland, the 2016–2021 draft Programme for Government (PfG) and its supporting delivery plans set out desired outcomes of societal wellbeing and the things that need to be done to help realise those outcomes. This outcomes-based approach represents a fundamental shift in how Northern Ireland plans to deliver improvements in public services. It focuses on outcomes of societal wellbeing, rather than inputs, processes and outputs of public services, and requires a major cultural change in public bodies.¹⁴



In Wales, the 2015 Future Generations Act obliges 44 public bodies, including local authorities and health trusts to work towards all seven wellbeing goals. These are: Global responsibility, prosperity, resilience, health, more equal, cohesive communities and vibrant culture. A key aspect of the Act is about thinking sustainably, which requires looking at the implications for the long term, preventing problems from happening in the first place, working with others and involving people in decision making.^{15,16}



In Scotland, the government's National Performance Framework was first published as part of the 2007 Spending Review. It is a 10 year vision for Scotland which uses an outcomes-based approach to measuring government's achievements, rather than inputs and outputs. The National Performance Framework forms the basis of performance agreements with public service delivery bodies, and is used to monitor their effectiveness. There are 16 national outcomes, underpinned by 55 indicators. The indicators featured in the Scotland Performs framework include mental wellbeing (derived from an average score on the Warwick-Edinburgh Mental Well-Being Scale (WEMWEBS) for young people and adults aged over 16 years old).

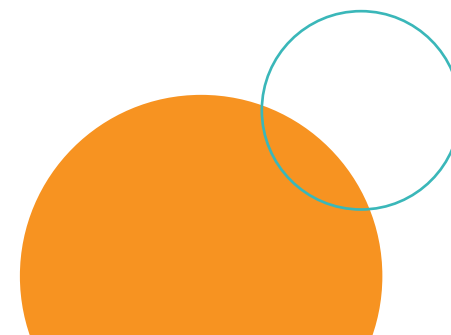
Investing in what works

Wellbeing can be improved with well designed policies across all departments.

Some determinants of wellbeing, like losing a partner, are outside of direct government influence. But there are determinants that can be directly influenced by government – for example, by providing more income support to deprived families to ensure their basic needs are met – or indirectly – for example, rehabilitating green spaces to encourage people to use them.

When developing a policy, we can ‘design in’ wellbeing across all sectors and departments by considering the impact that it will have on people and communities, beyond the departmental objectives.

An example of this might be transport infrastructure that explicitly takes into account the health and wellbeing impacts associated with travel, as well as economic efficiencies from reduced journey times. It is also important to recognise that alongside addressing the factors that affect people’s lives that we can see and measure – such as health, or income – it is also important that interventions and policies recognise the opportunity to improve wellbeing through addressing a person’s psychological needs (outlined on page nine) too.



Box 4

Selected evidence of what works to improve wellbeing in different sectors and examples of implementation in practice.



Health

Intervention/policy

Invest in mental health treatment.

Relationship with wellbeing

Health, both mental and physical is the most important determinant of subjective wellbeing. Effects are permanent, we do not adapt to poor health.

Opportunity for intervention

About one in five adults are suffering from a diagnosable mental illness but only 1/3 of them are in treatment.

Practice example/case study

Improving Access to Psychological Therapy archives 50% recovery rates for those suffering mental illness.



Employment

Intervention/policy

Incentivise quality jobs, with good people management practices.

Relationship with wellbeing

We know that having a job is important for wellbeing, but having a good job (which includes good quality management) further boosts our wellbeing.

Opportunity for intervention

Unemployment is at record lows, but job satisfaction has been in decline. Employers are increasingly recognising the productivity benefits to higher wellbeing of employees.

Practice example/case study

NHS Trusts that made the most extensive use of good people management practices were over three times more likely to have the lowest levels of staff sickness absence and at least four times more likely to have the most satisfied patients.



Communities

Intervention/policy

Protect places and spaces for people to interact, and involve communities in the design of these projects.

Relationship with wellbeing

Community hubs can: promote social cohesion by bringing together different social or generational groups; increase social capital and build trust; and interaction between community members; and increase people's knowledge or skills. Involving communities in urban renewal may improve the wellbeing of those participating in decision-making, and the wellbeing of the wider community. It may also lead to greater improvements in the physical environment in which people live.

Opportunity for intervention

From public parks to libraries, a decade of cuts to local authority budget have threatened the viability of community spaces and infrastructure, requiring a new approach to their value and funding models.

Practice example/case study

Prosocial Place worked with the Halton Lea Healthy New Town Partnership (HNT) to undertake a Community Insights study, as one of the NHS' Healthy New Town demonstrator Sites. The study developed a collective understanding of how the urban environment can be improved to benefit the health and wellbeing of Halton residents and made several recommendations based on people. Power and Place.





Continuous (adult) learning

Intervention/policy

Improve access to adult learning courses and facilities, including wellbeing training and workplace training.

Relationship with wellbeing

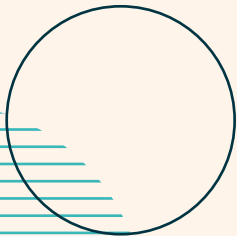
There is strong evidence that adult learning is positive for wellbeing, this can build confidence and self esteem particularly for marginalised groups. Wellbeing training is effective and a wide range of approaches work.

Opportunity for intervention

Over the past 15 years we have lost 2mil places in publicly funded further education for adults. Over the past five years we have seen a 56% reduction in part-time (and overwhelmingly mature) students in English higher education. British employers have spent less on training after the financial crash.

Practice example/case study

A trial of 330 civil servants in the UK tested if a new online version of a goal-setting and action-planning (GAP) training programme could actually make an improvement to working adults' wellbeing. Participants reported improved wellbeing (greater life satisfaction, more positive emotions, less negative emotions, and a greater sense of purpose) five weeks after starting the programme and three months later.



Making it happen

First step: establish wellbeing as a valuable and credible outcome.

There is a range of terminology that is being promoted as the overarching agenda for the UK, once it looks ‘beyond GDP’ (See [Box 1](#)). Wellbeing is complementary to many of these approaches, but also comes with the added advantage of being evidence-informed. It also has existing framing and tools implementable, making it possible to achieve buy-in that can cut across partisan or departmental divisions.

The [All Party Parliamentary Group on Wellbeing Economics](#) was established in 2009 to advocate for the use of wellbeing as a goal. It was reinvigorated in 2018 in order to share evidence from all sectors within parliament.

Wellbeing can be a primary consideration at all stages of policy development.

From setting the agenda for a policy and agreeing what is the primary outcome, to evaluating the impact of policy,¹⁷ wellbeing can helpfully provide the overarching goal.

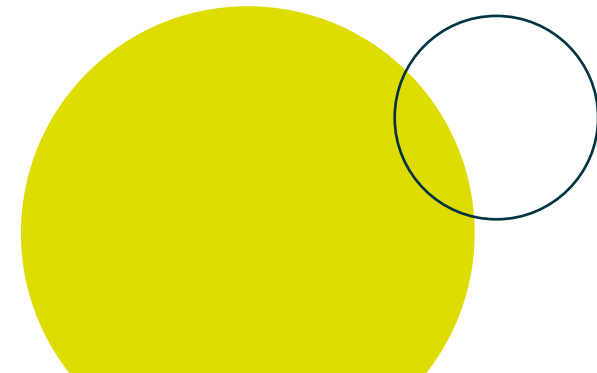


Figure 6

Wellbeing: Goals and Impact



1 What is your goal?

Define wellbeing as the goal

'How we are doing as people, communities and a nation, now and in the future' (Office for National Statistics, UK). Wellbeing is a way to understand what is needed – and how we can all work together – to improve our lives in a complex world. It brings together everything that is important to us and our communities including economic, social, environmental and personal outcomes and avoids focusing on specific areas at the expense of others.

2 How do you contribute to improving wellbeing?

Understand what affects wellbeing

The science of wellbeing is developing. We have a better understanding now about what affects wellbeing, thanks to research. The What Works Centre for Wellbeing presents headline summaries of the relationship between each of the main domains and wellbeing. These can inform decisions about the type of intervention you choose; where it happens; who it is for; and how it is run.

Map your spheres of influence

Map against the multiple dimensions of wellbeing and their determinants. There are many different ways to map the constituent parts of wellbeing and their determinants. These include, for example, the 17 Sustainable Development Goals or the 10 Office for National Statistics (UK) Domains. To map the responsibilities and spheres of influence of your work against these different domains, we have organised these domains and determinants into a spreadsheet.

3 What are you currently doing with regards to wellbeing?

Understand what is currently being done

Mapping existing policies, programmes or interventions in the areas that have been identified as of influence can help identify gaps. Revisiting existing policies and adjusting may make it possible to usefully include wellbeing. This is an effective way to further the 'happiness agenda'.

4 What can you do to improve wellbeing?

'Design in' wellbeing

Consider not only the domains that you have direct influence over, but also the psychological needs of individuals. These can be enhanced through the design of any policy or intervention.

5 What do you want to do to improve wellbeing?

Understand what to prioritise

Evaluate how your current policies, programmes or interventions are impacting wellbeing. But also look at national and international data or relevant wellbeing domains. You can then integrate this with priorities of your organisation or department. This will help you prioritise and understand where to act and how, whether it's about creating a new programme or improving a pre-existing one.

6 How do you expect change to happen across multiple domains at the same time?

Model it

... taking into account the various different transmission mechanisms, with costs and benefits occurring in different places.

7 Measure, review, learn and evaluate

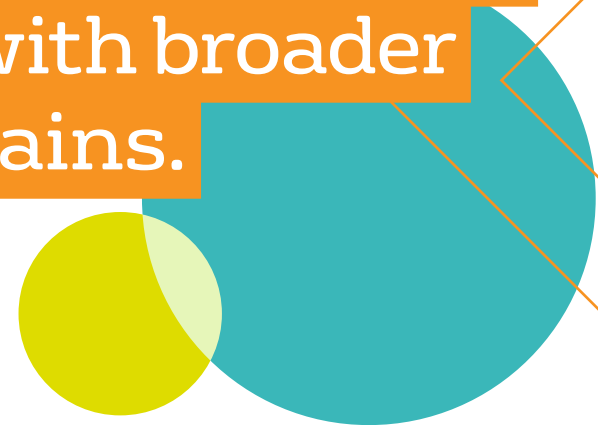
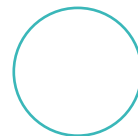
Consider:

- Who will benefit? Consider equity.
- How does this impact stakeholders and partners?
- Time horizon (and sustainability) of benefits.
- Costs and opportunity costs.
- Spillover effects (indirect effects).

For the more detailed design process of a policy, there is much wellbeing evidence to draw on in terms of what we know can improve outcomes. However, many evidence gaps remain, particularly with respect to how different interventions affect different people.¹⁸

Policy design for wellbeing can be further complicated by the challenge of understanding the complexities of this multi-dimensional issue that operates at the individual and community level. Selecting the right indicators for wellbeing can be difficult. Yet the process of addressing these complexities can result in more robust policy with broader social gains. It also doesn't have to happen from scratch, or be insurmountably difficult, as a solid foundation of emerging evidence from UK and overseas research offers a starting place to build the evidence.

Selecting the right indicators for wellbeing can be difficult. Yet the process of addressing these complexities can result in more robust policy with broader social gains.



Box 5

Local authorities that are establishing wellbeing approaches and plans for their regions to inform policy and spending.

It can be difficult to translate high level wellbeing goals to programmes on the ground. This can particularly be the case at the local level. However, there are many examples of how this can be done.



Cardiff

The Cardiff Wellbeing Plan sets out the Cardiff Public Service Board's priorities for action. It focusses on the areas of public service delivery that require partnership working between the city's public and community services, and the citizens of Cardiff. The Plan contains Wellbeing objectives: high-level priorities that the Board has identified as being most important. It also contains 'commitments,' or practical steps that the city's public services, together, will deliver over the next five years.

The Plan responds to a wide ranging evidence base on the quality of life and public services in Cardiff, and how these might change over the years to come. This includes:

Cardiff's Local Wellbeing Assessment.

A comprehensive study of the quality of life in Cardiff undertaken in 2017.

The Cardiff Future Trends report.

A report for the Cardiff Public Services Board that sets out the long term trends facing Cardiff and the impact these will have on the city's public services.

The views of the people of Cardiff.

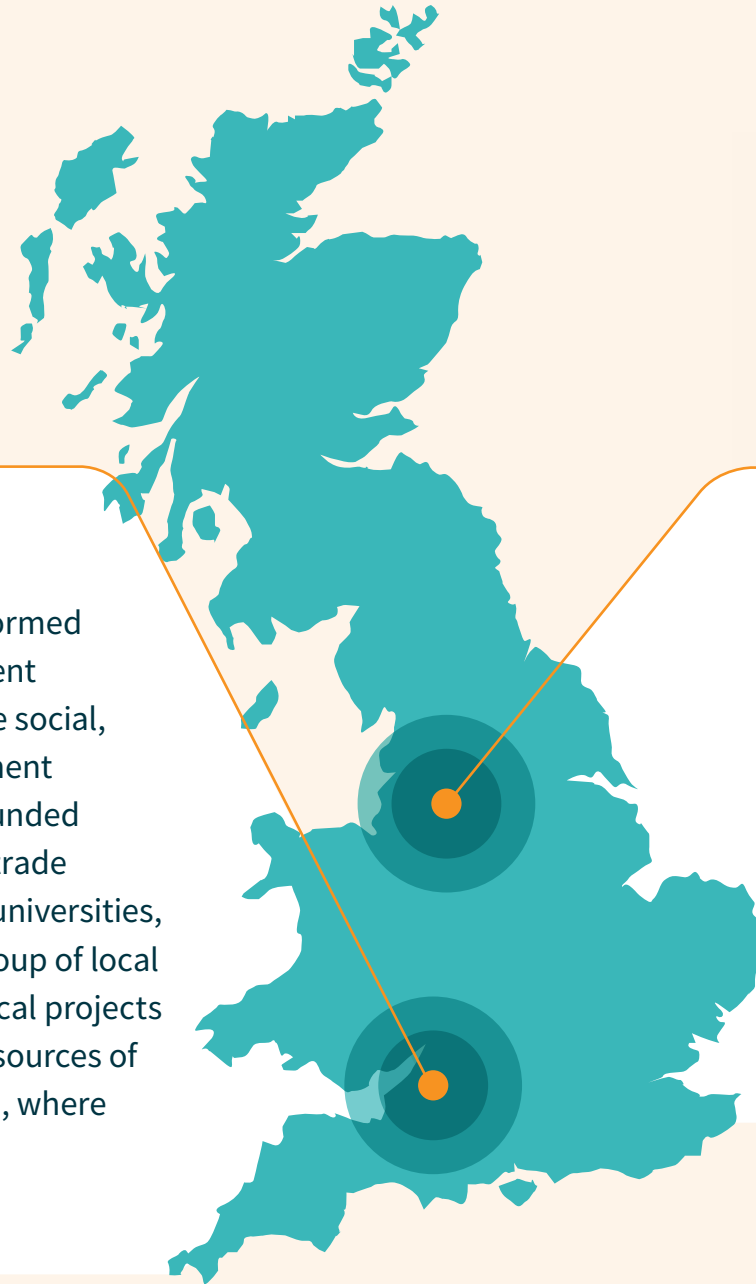
A programme of engagement on the development of the plan.





Bristol

Bristol and Bath Regional Capital was formed in 2015 as a local 'public good' investment company, with a mission to enhance the social, environmental and economic development of the West of England region. It was founded with support from Bristol City Council, trade associations, foundations, businesses, universities, and third sector groups. This diverse group of local stakeholders came together to assist local projects to get off the ground by helping to find sources of finance, local and external to the region, where they would otherwise struggle.¹⁹



Manchester

More than 90% of Greater Manchester pharmacies are now accredited as Healthy Living Pharmacies. This means they are committed to actively promoting wellbeing and helping people to lead healthier lives. A number of pharmacy staff have become Health Champions, completing special training to better advising patients and customers on health and wellbeing.


3

The role of businesses,
communities and
individuals in
improving wellbeing



National and local governments are not the only agents of change for improving wellbeing in the UK.

Wellbeing is a relevant goal for decision-makers in every organisation, in every walk of life. For businesses, profit may be the primary motive driving decisions, whereas community groups may be driven by the local environment, faith, or another special interest. Wellbeing can clearly play an important complementary role to an organisation's existing purpose.

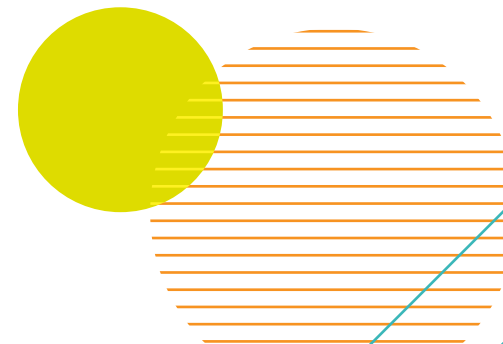


Wellbeing is a relevant goal for decision-makers in every organisation, in every walk of life.

Businesses and employers appreciate that a healthy and happy workforce is good for productivity, as well as for employees themselves.

The job quality evidence review from the What Works Centre for Wellbeing, and the 2017 Taylor review²⁰ into modern working practices, both emphasised the importance of going beyond a focus on employment, and ensure the work is high quality.

The Farmer Stevenson review in 2017 also highlighted how important it was for employers to pay attention to the mental health of their employees.²¹ In the Sunday Times list of best employers to work for, many of the criteria are directly related to wellbeing, including the quality of management relationships and a sense of purpose.²² Businesses that choose to invest in wellbeing as an outcome, are likely to see significant business benefits.²³ Research from the What Works Centre for Wellbeing finds that companies with higher levels of employee wellbeing have better performance, reduced staff turnover, lower costs and higher creativity. Moreover, a growing movement of businesses around the world recognise that a business's purpose doesn't stop at generating profit and that making a contribution to the wellbeing of society is an intrinsic goal in and of itself.



There is a growing body of evidence demonstrating what works to improve employee wellbeing.²⁴

We know that people are happier in some occupations than in others, despite how much the jobs pay.

There is now also good evidence on some of the aspects of jobs and our working lives that we appreciate. The growth in attention to 'wellness' in the workplace and the proliferation of services being offered, has value in recognising that as human beings, we have mental and physical health needs that need to be nurtured, from nutrition to physical activity. Employers can support and facilitate these needs through workplace interventions. However, wellness tends to miss the opportunity for employers to confront key drivers of wellbeing in the workplace that are determined by the design of a job, for example how much autonomy an employer has, or the workplace culture, for example, how well employees get on with their line managers. Opportunities abound for employers to draw on the literature of what works to improve employee wellbeing in these areas, which in turn has benefits for the business.

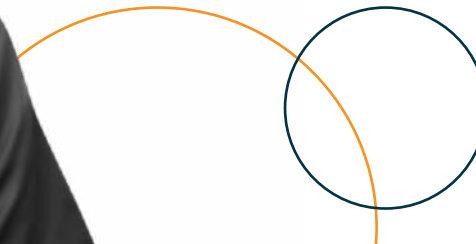
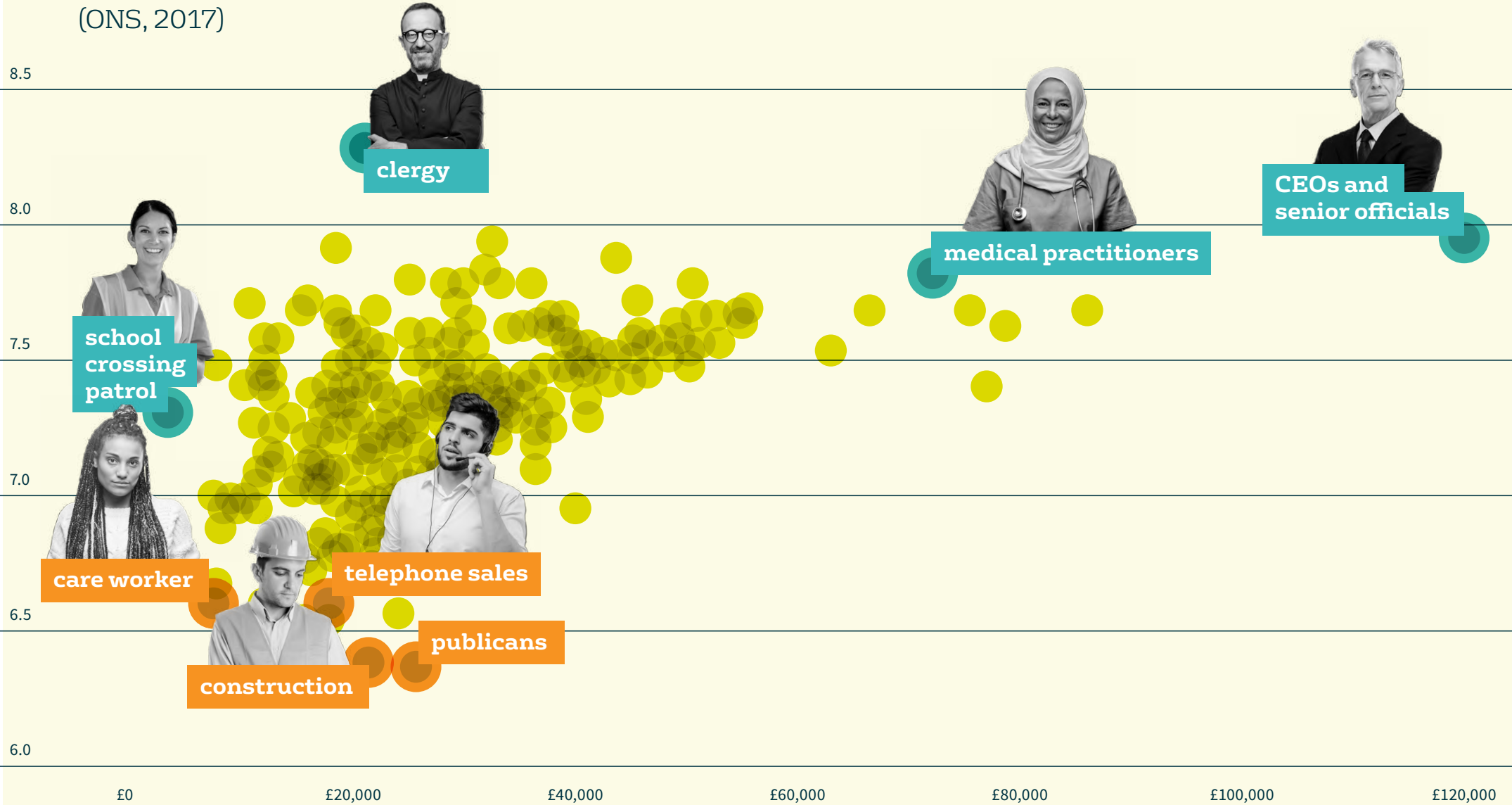


Figure 7
Life satisfaction and salary, by profession
(ONS, 2017)



Box 6

What can employers do to improve employee wellbeing?

Summary of the evidence from the What Works Centre for Wellbeing's three year evidence programme.

High quality jobs produce higher individual wellbeing. Improving how the job is carried out and other practices to support workers to do their jobs improves worker wellbeing and performance.

[Find out more](#)

Training leaders to be effective and supportive in managing employees may enhance wellbeing for both managers and employees.

[Find out more](#)

Shared activities can improve wellbeing and performance by improving the social atmosphere in the workplace.

[Find out more](#)

Programmes directed at encouraging a **healthy lifestyle** and wellbeing can improve self-reported health, productivity and reduce absence.

[Find out more](#)

There are steps organisations can take to **minimise problems** for struggling workers and to improve wellbeing and minimise costs associated with absence.

[Find out more](#)

3 The role of businesses, communities and individuals

Community groups, charities and other civil society organisations can demonstrate the relevance of their project or intervention and the impact that it is having on people's lives using wellbeing outcomes.

Not-for-profit organisations' missions are diverse and can be specific to particular population groups, or users of specific services. The rich tapestry of not-for-profit organisations in the UK supports many different people, communities and causes through very different means. Ultimately, however, what is common to these organisations, is the goal to make lives and communities better and as such, wellbeing can be identified as a common objective, in the same way that it cuts across government policy departments and political parties. Wellbeing provides a narrative for non-profits to express the importance and impact of their activities in a way that can be universally appreciated and valued. By drawing in wellbeing evidence and evaluating interventions with wellbeing in mind, it can also help to ensure that resources are being used to best maximise wellbeing impact.

Box 7

Wellbeing goals for the non-profit sector, expressed in the context of organisations' identities and focus.

- **Canal and Rivers Trust**

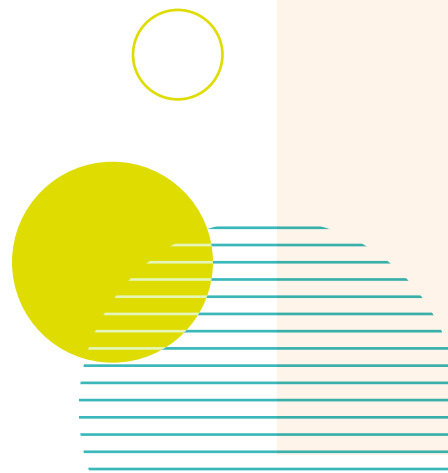
"We're working with volunteers and communities across England and Wales to transform canals and rivers into spaces where local people want to spend time and feel better. We know this will bring wellbeing opportunities to millions".

- **Spirit of 2012**

"We are the London 2012 legacy charity. We invest in happiness by funding projects that enable people to be active, creative and connected".

- **National Lottery Community Fund**

"We support people and communities to thrive".



Box 8

What can individuals do to improve their wellbeing? A popular framing – Five Ways to Wellbeing

As individuals, we can also have an impact on our own wellbeing through our own behaviours, attitudes and activities. There is good evidence that there are things that we can do as individuals to improve our own wellbeing.²⁵

Connect Connect with the people around you: your family, friends, colleagues and neighbours. Spend time developing these relationships.

➤ [Learn more in Connect for mental wellbeing](#)

Be active You don't have to go to the gym. Take a walk, go cycling or play a game of football. Find an activity that you enjoy and make it a part of your life.

➤ [Learn more in Get active for mental wellbeing](#)

Keep learning Learning new skills can give you a sense of achievement and a new confidence. So why not sign up for that cooking course, start learning to play a musical instrument, or figure out how to fix your bike?

➤ [Find out more in Learn for mental wellbeing](#)

Give to others Even the smallest act can count, whether it's a smile, a thank you or a kind word. Larger acts, such as volunteering at your local community centre, can improve your mental wellbeing and help you build new social networks.

➤ [Learn more in Give for mental wellbeing](#)

Be mindful Be more aware of the present moment, including your thoughts and feelings, your body and the world around you. Some people call this awareness “mindfulness”. It can positively change the way you feel about life and how you approach challenges.

➤ [Learn more in Mindfulness for mental wellbeing](#)



4

This is a journey
with some issues
still to tackle...



Improving ease of making
evidence-informed wellbeing
policy decisions in practice 62

Inequalities of wellbeing
can be accounted for,
with investments where
wellbeing is lowest 65

Improvements in one aspect
of wellbeing can have negative
consequences for others 69

Conclusion 72

We are confident that wellbeing can be a powerful goal, which cuts across political and departmental interests, in order to focus on what matters most for people in the UK. The evidence base is growing with respect to what works to improve wellbeing. It is encouraging to see the growing appreciation of wellbeing among people and organisations in the public, private and not-for-profit sectors.

It is also clear, however, that we are some way from wellbeing being the dominant narrative which underpins the decisions taken, particularly by policy makers. In this section we outline some of the issues which have yet to be tackled in order for this to happen, and which will inform the centre's work in the coming years.



We are some way
from wellbeing being
the dominant narrative
which underpins the
decisions taken.



Improving ease of making evidence-informed wellbeing policy decisions in practice

The UK government is not currently well set up to pursue wellbeing as an overarching goal for policy and a shared objective for all departments.

Government agencies and ministries tend to focus on the specific outcomes for which they are directly accountable and for which they have built up knowledge and expertise in delivering. Expanding the range of outcomes for which policy is responsible might see the encroachment of agencies into areas which they do not have sufficient knowledge or experience. The result could be challenges for ownership between different departments: for example, does it make sense that the Ministry of Education or the Ministry of Health be responsible for healthy education programs? There may also be dimensions of wellbeing, such as the importance of relationships, that are critical for wellbeing, but that no department has direct responsibility for.



Building consensus for the measure of wellbeing, and how changes in wellbeing can be quantified for budget allocation decisions.

There are well-established metrics for wellbeing collected at the national level, and we have a choice of measures which can capture changes in wellbeing. These are fit for different purposes:

- **Hedonic measures** that capture ‘in the moment’ changes (happiness) may be more appropriate for shorter-term interventions. This is because overall evaluative measures, such as life satisfaction, are harder to move.
- **Objective measures** may also be preferred in some cases for tracking changes in specific determinants of wellbeing.

Much progress has been made in the UK in developing a methodology for quantifying the wellbeing impacts of policy for comparative appraisal.

Wellbeing cost effectiveness analysis²⁶ involves systematically adding up the costs, and cost savings, associated with a policy or intervention. These are then compared against the change in wellbeing achieved, generally measured by a ‘common currency’ metric such as life satisfaction. Integrating this in the appraisal of government policies is now explicitly endorsed by the Green Book. It is, in turn, possible to convert wellbeing changes into a monetary figure. This is done by concurrently estimating the effect of income on life satisfaction, and calculating the amount of income required to achieve the same change in life satisfaction. This is perhaps most useful where the majority of impacts are monetised and wellbeing impacts can then be additionally measured, for example in the transport sector.

Implementing wellbeing cost-effectiveness in practice.

In order to use cost-effectiveness analysis to make a decision regarding funding a policy or not, further work is necessary to address the following:

- There is no formal or standard method for wellbeing in appraisal accepted by HM Treasury yet.
- We have limited confidence in causality, and the quality and comprehensiveness of the evidence, regarding the scale of the impact of different interventions on wellbeing.
- No formal approach exists to deal with bundled goods, the intensity and duration of changes to wellbeing, or the value of non-use policies/interventions.

- Because of the multidimensional nature of wellbeing, the interlinkages between different wellbeing metrics can be difficult to map out and identify. There is a risk of double counting where outcomes are captured by wellbeing valuation techniques as well as other non-market valuation techniques.

Because of the multidimensional nature of wellbeing, the interlinkages between different wellbeing metrics can be difficult to map out and identify.

Inequalities of wellbeing can be accounted for, with investments where wellbeing is lowest

Agreeing on an approach to understanding and tackling inequalities of wellbeing.

The What Works Centre for Wellbeing has the explicit objective not only to improve levels of wellbeing in the UK, but also to reduce wellbeing inequalities. Wellbeing inequalities are measured by the ONS as the proportion of people in a given population that score below four on the subjective wellbeing questions.

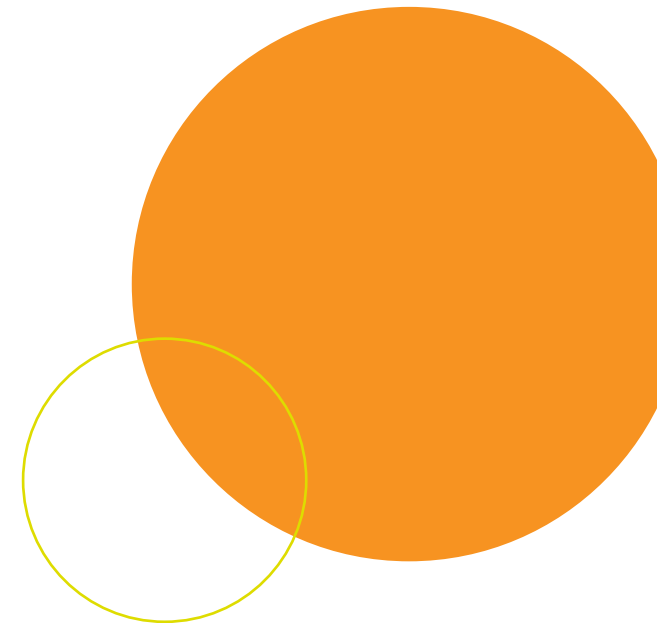
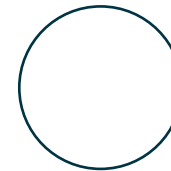
Areas with a higher proportion of people who have low scores are deemed to be high inequality areas. This is an important measure to find out where areas suffer from high levels of misery. This can then be tackled, and further analysis of this data has helped to identify the characteristics of these people in the UK, as well as some of the intersecting inequalities that affect people negatively.²⁷

This data is particularly important where it contrasts with high levels of average wellbeing in the area. This disparity suggests that significant numbers of people are being left behind, but who are lost in the aggregate measures. This provides the opportunity for the explicit targeting of people with low levels of wellbeing.

Wellbeing inequality is not, however, an explicit measure of the distribution of wellbeing as measured by the differences between people in a place. A binary approach to categorising people as above or below a score of four, misses out on a lot of important information about the difference between people in the rest of the distribution. It also overlooks how people can move up from being 'at risk', or relatively low wellbeing, to fully thriving.

We know that the distribution, as measured by inequality, is important for wellbeing and that our own subjective wellbeing is related to our perceptions of how others around us are doing. This suggests a need for us to take a fuller look at how we measure and understand inequality in the UK.

Our analysis of the distribution of subjective wellbeing within local authorities in the UK explored different ways of measuring inequality in a place,²⁸ as well as unpacking the drivers of high levels of wellbeing inequality.²⁹ It found that higher deprivation, unemployment, and rurality are associated with higher inequality in life satisfaction. Higher median income, female life expectancy, engagement in heritage activities and use of green space are associated with lower inequality in life satisfaction.



The implications of an inequalities approach will help to inform and make explicit whose wellbeing matters most for policy makers.

Without an approach to measuring inequalities and identifying the differences between people in a given population group, it is difficult to target interventions in a way that improves wellbeing overall and reduces wellbeing inequalities.

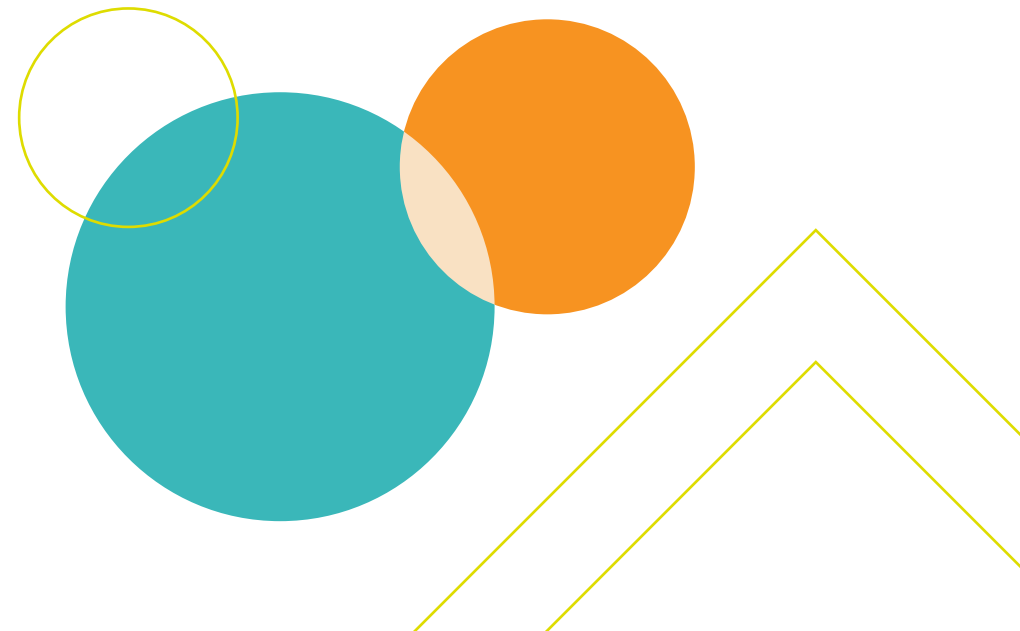
When presenting the wellbeing impacts, it is important to set out which groups are affected. Additionally, we can look at whether a group with already low levels of wellbeing will suffer a further drop in relation to a policy, or whether an investment supports the wellbeing of an already happy group.



We know that there are opportunities to reduce inequalities in a way that can improve overall levels of wellbeing if we just consider one determinant of wellbeing: income.

Because the marginal utility of income is inversely proportional to the income of the recipient (£10 is more valuable to a poor person than to a rich person) there is the potential to increase average wellbeing by redistributing that money from someone who is rich to someone who is poor.

The Green Book sets out the government's guidance for how policies should be assessed for their value to the UK and therefore whether they should be funded. It has, stressed, along with many government departments, that distributional effects need to be allowed for. The Department of Work and Pensions – where the organisational objectives are distributional – have been applying weighting based on the diminishing marginal utility of income / consumption for some time. A weightings approach to people's starting level of wellbeing could be instructive, yet so far there is no agreed approach to do this from a wellbeing perspective.

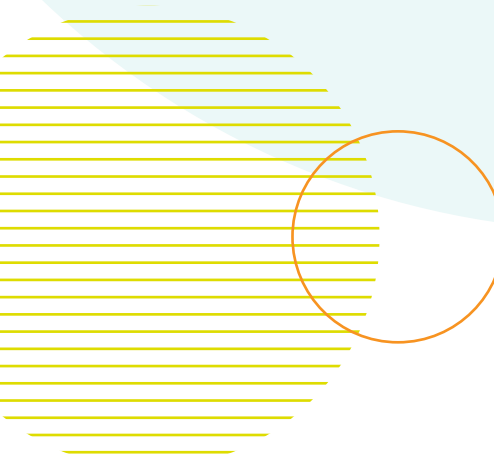


Improvements in one aspect of wellbeing can have negative consequences for others

For many policy areas, wellbeing complements other explicit objectives and targets.

In the private sector for example, higher employee wellbeing complements the profit incentive. This is done through reducing employee costs of absenteeism and presenteeism, as well as improving productivity. This has helped to build the 'business case' for wellbeing, even where audiences have been reluctant to recognise wellbeing as the overall goal.

This can also be applied in the health sector, where investing in people's wellbeing can prevent future health cost and improve health outcomes in the future. So even if health targets remain the primary objective, interventions to improve wellbeing will be valued. However, it is not always the case that there are no downsides, or costs, of an intervention that targets wellbeing as the primary outcome. Usually, there is at least an alternative policy or project that could have been preferred under a different set of objectives or priorities.



Recognising trade-offs in an wellbeing approach.

Investing in one person's wellbeing may be more important than another's based on their starting level of wellbeing. This is just one difficult decision highlighting the trade-offs that must be recognised as part of a wellbeing approach.

An economic redistribution policy can increase the wellbeing of a person on low income and the overall wellbeing of society. But because income remains a positive determinant for wellbeing – even at higher income levels, albeit to a lesser extent – the higher income earner will still experience a net loss.

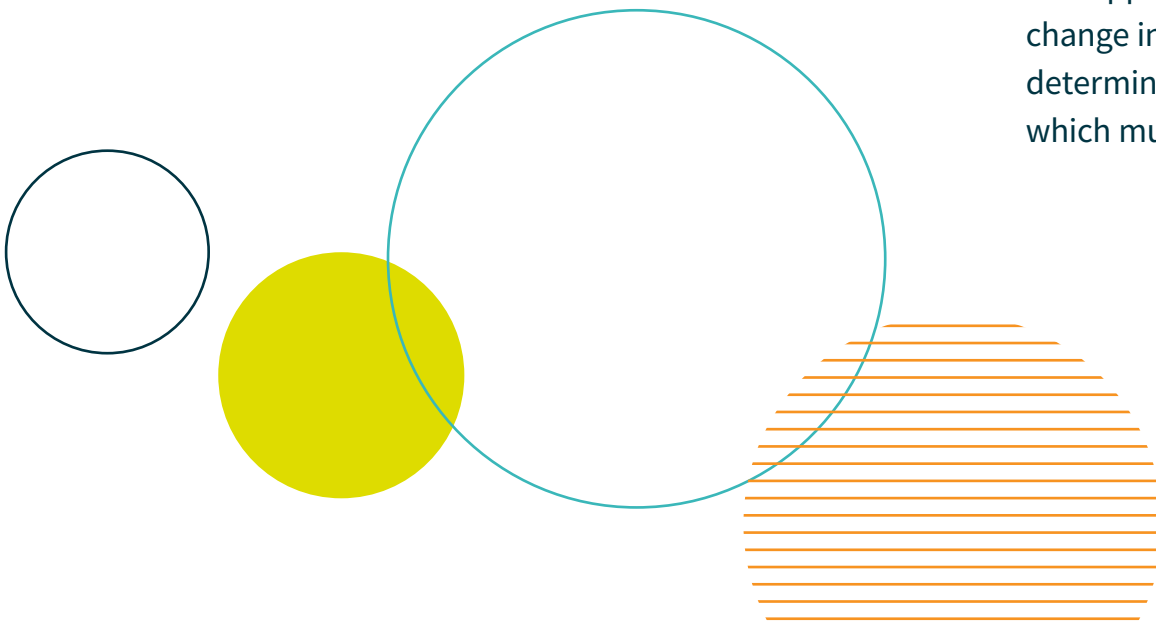
A weighted approach to different people's wellbeing would provide a way to address this, while recognising that there are also tradeoffs, based on the multitude of determinants of wellbeing. For example, we know that commuting can be bad for our wellbeing and a reduction in commute time increases our wellbeing. But if this is achieved through an investment in road infrastructure, which decreases air quality in the place we live, we have made the implicit trade-off between commuting time and air quality. You could rank the importance of different determinants of wellbeing based on studies that quantify their impact on subjective wellbeing. But some determinants, like air quality, have longer-term consequences on our health and wellbeing as well as spillover effects on other groups. So, clearly, making a comparison between the different impacts is complex.



Given the limited resources of governments, making choices between different aspects of wellbeing is inevitable.

This is particularly clear when using a dashboard approach to wellbeing.

We know how to tackle a lot of the drivers of poor wellbeing: reducing poverty, better health, lower crime and so on. All these policy areas cost money, which is arguably fungible within and between departments. How do you make a decision between physical and mental health care expenditure for example, when you know that both will have positive impacts on people's wellbeing? How much more money does it make sense for the government to spend on trying to get people back into work that are unemployed, compared to investing in their communities and opportunities for learning that may result in a smaller net change in their wellbeing? The allocation of resources to different determinants of wellbeing inevitably comes with tradeoffs, which must be addressed.



Conclusion: the updated set of evidence-informed priority areas

After five years of building the evidence base, the What Works Centre for Wellbeing is now able to build on the Commission for Wellbeing and Policy's 12 priority areas. Below are the implications for creating evidence-informed wellbeing policy.

The WISER wellbeing priority areas



- Aim for stable employment and low unemployment.
- Good Work: create jobs with purpose; challenge; decent income and good social connections; clear expectations; reasonable freedom, control and agency; consultation, support, recognition and opportunity; reasonable work-life balance to allow time with friends, family and for leisure.



- Promote balanced, stable economic growth
- Look at effects of expenditure, debt and insecurity
- Invest in health and welfare systems to protect us, give us choice and free time for leisure, arts and education.



Society and governance

- Treat citizens with respect and encourage citizen-led action and participation to happen in a meaningful way.
- Devolve power and control; carry out more meaningful consultation; increase trust in our collective institutions; reduce corruption; acknowledge our dignity, agency and control; reduce the hassle of bureaucracy, better feedback loops for services, faster less contracted legal process especially for children and families.
- Measure wellbeing as a policy goal.
- Use approaches like behavioural insights and design thinking to base understanding and action on how people actually behave rather than how we think they should.
- Give citizens the wellbeing data they need.



Emotional-mental health

- Treat mental ill-health as professionally as physical ill-health.
- Support parents in their parenting, their relationships and mother's mental health.
- Build social and emotional skills in schools and work skills such as: character, resilience, empathy, self-control, perseverance, gratitude & savouring, cope with shocks.



Relationships and communities

- Promote volunteering giving, and culture.
- Connections - develop opportunities for building social connections, which will also help to address loneliness.
- Livability - create a built environment that is sociable and green that allows for shorter, better commutes, and connection to the natural world, with reduced environmental stressors like noise and air pollution. Create opportunities for us to know neighbors, but give us a choice about the amount of contact.

Endnotes

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- 15 <https://gov.wales/sites/default/files/publications/2019-06/easy-read-a-guide-to-the-wellbeing-of-future-generations-act.pdf>
- 16 [Thriving Places Wales, released in April 2018, was developed by Happy City, Data Cymru and the five Gwent public service boards. It uses a broad range of 55 measures that reflect the increasing understanding that wellbeing is a multi-dimensional concept, determined by many diverse factors. Scorecards were produced for all 22 Welsh councils.]
- 17 See the What Works Centre for Wellbeing's guide to measuring wellbeing impact: <https://measure.whatworkswellbeing.org/>
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We are an independent collaborative centre, part of the What Works Network. We develop high quality evidence on wellbeing for decision-makers in government, communities, businesses and other organisations. We bring pioneering thinkers together from across sectors to share ideas, identify gaps, and create solutions.

Our goal: to improve lives through better policy and practice for wellbeing.

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