



**Wales Institute of Social & Economic  
Research, Data & Methods**

Sefydliad Ymchwil Gymdeithasol ac  
Economaidd, Data a Dulliau Cymru

# **WISERD & Welsh Government Evidence Symposium: Wellbeing in Wales**

## **Report on Symposium**

**June 2012**



## **Introduction**

Attendees were welcomed and introduced themselves. It was explained that this event was the first of a series co-funded by the ESRC, to be held in collaboration with the Wales Institute for Social and Economic Research, Data & Method (WISERD). The aim of these events will be to facilitate a regular and genuine dialogue between policy makers and practitioners.

The programme for the event was introduced. It was noted that attendees reflected the broad spectrum of interest in wellbeing, an area of growing interest within government. The Welsh Government has committed to developing wellbeing measures within Wales within the Programme for Government. With this in mind, it is important for all those involved in policy making to know more about the meaning of wellbeing and to begin to understand what the Government can do to contribute to the wellbeing of citizens. There is a large amount of statistical data available currently on wellbeing. However wellbeing is about more than counting, it is about people. Therefore it is important to take into account subjective wellbeing with a view to developing indicators and using this data in the development of policy. There is not yet a systematic programme of work across government with regards to wellbeing, it is hoped that today's discussion will begin to shape this for Wales.

## **The Measuring National Well-being Programme, Office for National Statistics**

The presentation gave an overview of the background to the Measuring National Wellbeing Programme. In 2007 the ONS began to look at societal wellbeing, examining existing datasets and how these could be used to help build a clear picture of societal well-being. In 2010, Prime Minister David Cameron launched the ONS National Well-being Programme 'today the government is asking the Office of National Statistics to devise a new way of measuring wellbeing in Britain'

The debate on wellbeing is not simply focused on numbers but on establishing what wellbeing is and how it can be improved. The programme takes into account both objective and subjective measures of wellbeing, looking not just at averages but also at distributions.

In terms of the definition of wellbeing, the ONS have identified ten domains: governance; economy; relationships; health; where we live; what we do; environment; education and skills; personal finance; and subjective wellbeing. For each domain, the aim is to present up to four headline indicators. Domains are divided into individual wellbeing (factors directly effecting individual wellbeing) and the more contextual domains. Sustainability cuts across all domains, as does equality and fairness.

There is data available already, including a range of sources on economy, society and environment and sustainability. Further sources will be released soon including: environmental accounts in July 2012; estimates of human capital in August-October 2012; and the State of the Nation 2 year report in November 2012.

Work on wellbeing is a part of large scale international developments. The ONS programme will require ongoing engagement between the ONS and the public, government departments and other stakeholders. There will be further testing and development of the subjective wellbeing (SWB) questions and continued evaluation of the list of domains and measures. In addition, there will be continued input into international developments.

National wellbeing is made up of the sum of individual wellbeing, with SWB measures supplementing rather than supplanting other socio-economic indicators. The aim is to present SWB measures along with more objective indicators as part of framework to monitor national well-being, focusing on longer term trends rather than short term change.

In terms of subjective wellbeing, the measures being used were selected on the basis of existing research; questions used in other national/international surveys; advice from the academic community; and advice from a technical advisory group. This resulted in four questions being introduced into the (Annual Population Survey) APS in April 2011. These were:

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

There are experimental questions. The aim of having a series of four questions rather than just a single question was to try and get a sense of people's happiness and anxiety. The second question is an evaluation question, designed to provide context.

To date the ONS have data results from April to September 2011. These suggest that overall, 22% of people report relatively high anxiety. This correlates with economic changes, with people beginning to save money, spend less, and suggest an increasing dissatisfaction with peoples work-life balance.

The findings will be used to assist the government in establishing the best ways of helping to improve people's wellbeing. The green book will be updated to reflect different evaluation approaches, and will utilise SWB. SWB measures can also be used to help with identifying need and targeting policies; and assist in allocation of resources. In looking at findings, it is important to consider objective circumstances against levels of SWB and to focus on not only sub-groups of the population, but also smaller geographic areas.

It is important to note that SWB is not a happiness index and that measures of wellbeing need to take into account objective and subjective data. For policy there can be a tension between growth and wellbeing and there is a need to balance this in terms of developing policy. Such measures can however, be used for better targeting scarce resources and are useful in terms of policy design, evaluation and monitoring.

### **Well-being evidence and policy: Making well-being data useful for policy**

The New Economics Foundation (NEF) is an independent think tank founded in 1986. Its wellbeing programme was established in 2001. NEF is interested in what policy would look like if it focused on improving wellbeing. The starting point for this is using the policy cycle to consider the different ways in which wellbeing data could be used in developing, implementing, monitoring and evaluating policy. The introduction of SWB requires the creation of a new framework for using wellbeing indicators.

Wellbeing is important for both policy and the public, therefore there is a need to present in a way that the public and press understand to ensure that the link between wellbeing measures and policy is effective.

The development of sustainable wellbeing for all is the ultimate aim. Wellbeing data can be used to challenge traditional economic measures. For example, in terms of income and wellbeing, it has been found that a higher level of economic inequality in a country seems to reduce the average subjective wellbeing of its citizens. In addition, loss of income damages wellbeing significantly more than a comparative gain enhances it.

In terms of policy development, it is important to focus on what the problems are and highlight the potential solutions. In terms of this process there are three ways of using wellbeing data: use of micro-data to identify pockets of wellbeing; use of generic data to highlight key drivers of wellbeing and identify weak drivers (and consider how to address

these); use of data to develop frameworks and ways of thinking to stimulate ideas for ways of improving wellbeing.

It is important also to consider the inequalities of wellbeing between localities. It has been found that factors that characterise wellbeing can flourish within objectively deprived wellbeing areas. This is where measuring subjective wellbeing is important. It is important to begin to try and understand the relative importance of wellbeing drivers. In terms of data, the integrated household survey has lots of information on people's lives that can be linked to the APS wellbeing questions; this can also be geo-tagged. Causation also needs to be established.

One important use of the data would be to create frameworks for stimulating thinking about the kind of policies that may establish wellbeing. Wellbeing data can also be used to assist in cost benefit analysis, assisting policy makers in questioning implicit assumptions with regard to policy impacts and correcting the current bias towards market based outcomes.

### **An Analysis of Subjective Well-Being in Wales: Evidence from the Annual Population Survey**

WISERD colleagues at Swansea University were commissioned by the Welsh Government to analyse the new questions on SWB recently included in the APS. The results relate specifically to Wales. The research builds on the publication, by ONS, of some of the initial findings from the APS in February 2012. The findings as a whole typically report mean levels of SWB for the 4 measures for different socio-economic groups. The focus of the analysis carried out by WISERD was on the distribution of responses amongst groups within Wales, especially those reporting low SWB. In addition, care has also been taken to highlight spatial differences within Wales.

The team focused on the four categories used by ONS, with particular emphasis being given to the first two (low and very low). Spatial factors were important and lower layer super output area data was used in conjunction with the Welsh Index of Multiple Deprivation (WIMD). The team looked at deprivation quartiles, from least to most deprived. They considered how subjective wellbeing varied across quartiles. The sample size was high enough to allow analysis, with 80,000 adults responding across the UK, 9,000 of those within Wales.

The team found that there was very little regional variation across the UK and little variation across countries of the UK. Some regions of UK displayed a high incidence of low levels of subjective wellbeing. In the case of Northern Ireland, there was a lower incidence of low anxiety compared to other countries. In terms of Wales, there was variation across Unitary Authorities, with the South Wales Valleys experiencing the highest level of very low satisfaction. There were also rural and urban differences, with a higher incidence of low or very low satisfaction reported in towns in comparison to villages and hamlets.

Bigger differences were displayed by demographic subgroups. It was found that the characteristics of respondents can make a big difference, particularly in terms of age and gender differences. Mid-life respondents for example, reported higher low or very-low satisfaction, whilst younger people reported higher satisfaction overall. In addition, employment emerged as an important factor effecting SWB. The team also split the inactives into a separate group, with those inactive due to ill-health most likely to report very low subjective wellbeing. Analysing by the self-reported ill-health question in the APS made these differences even larger, with those in very bad health reporting 40% lower levels of satisfaction. Health and employment therefore, emerged as key concerns.

The team used regression analysis in an attempt to estimate the impact of individual effects more precisely. Two broad sets of models were used for each measure for both the UK (with

regional controls) and Wales (UA controls). This analysis produced similar results. Firstly, there was a very steep health gradient, with the difference of over 50% between the probability of being below the threshold level of life satisfaction between those in very good and very bad health, after other controls included. In addition, self-reported ill-health appears more important than disability. The effect of unemployment also remains important, with the unemployed demonstrating over 20% difference compared to the employed in the threshold models. The team also found that there were relatively small differences across spatial areas, with SWB differences for WIMD quartiles tending to be insignificant.

To conclude, ill health and unemployment are important to SWB regardless of where people live. However, it is important to note that using cross-sectional data only gives a single snapshot and says little about causation and the relation between subjective wellbeing and other potential driving factors. It is important therefore to also look at panel data, which may be possible in the future given the larger samples afforded by Understanding Society and the APS boost. It is also important to look at types of health; there is currently no question on the duration of health. Mental health appears to be the most significant determinant area. This also suggests we need to look further at panel data. Further insights could be drawn from analysis of additional questions on SWB included in the National Survey for Wales.

## **Discussion**

Wellbeing provides a big challenge for the knowledge and analytical services department. The department is currently in the process of developing a work programme and would welcome a policy focused discussion to feed into this. The aim will be to target those lower down the scale of SWB, taking into account changes over time also. Based on today's presentations for example, there may be policy interests around mitigating the impact unemployment has on wellbeing. In terms of key questions, a fundamental question for the Welsh Government is: what is meant by wellbeing?

It was noted that the sustainable development bill implies a lot in the area of wellbeing. Overall there are three key policy challenges: reducing the gap between high and low levels of SWB; doing this in a way that maximises change over the life course rather than causing a short term change; and doing this in a way that doesn't negatively affect the wellbeing of future generations.

It was suggested that there were real issues that needed to be addressed in terms of the wellbeing agenda. It was noted that there was currently a substantial amount of evidence on wellbeing available, far more than the current research suggests. It was agreed that there was a need for more general usable information on wellbeing. It was agreed that if research focused too heavily on quantitative survey data, there was a possibility of overlooking the important insights that could be gained from micro studies. It was noted that it was important to link the two. It was agreed that there was a need for more longitudinal data, in particular, and data with more contextual information. It was agreed that a key challenge for policy makers was how to interpret and use both micro and macro data to feed into policy development.

It was noted that stated that the ONS' intention was to build-up data on wellbeing over time, including time series and longitudinal data. It was suggested that as well as policy makers needing to understand the importance of using micro and macro data, the academic community also needed to understand policy making cycles and engage with these more effectively. It was agreed that public engagement was also important. It was reported that NEF have completed a literature review on wellbeing.

It was noted that there were issues around how much of the Welsh Government's budget could be allocated to tackling longer term and future issues, and how much was focused on the here and now. It was mentioned that the new social services bill is predicated on

wellbeing. It was suggested that it was important to ensure that the wellbeing factor is embedded into all policy development, and that multi-department input was important to ensure the Welsh Government was addressing things from more than one angle.

In terms of the ONS wellbeing questions, it was noted that these were not set in stone and that further consultation and research, was important. It was suggested that hope and values were important and should be taken into account when reviewing questions.

## **Conclusions**

The chair highlighted a number of key points from the discussion:

- The role of macro versus micro data: how can the Welsh Government use both types of data to brief ministers and develop policy? In addition, how can micro be used to influence macro?
- How can the Welsh Government further develop its engagement with academia and present cases in a way that's understandable and accessible?
- How can the Welsh Government use wellbeing data to begin to address issues at the source rather than downstream? This is particularly important in light of the current economic climate.

It was stated that the Welsh Government will establish a programme of work with regards to research needs on wellbeing. A steering group will be established to ensure policy input into the programme. A set of wellbeing indicators will need to be developed by next May in line with the Programme for Government. It will be important to work further with the ONS and the academic community on this. In addition, stakeholder engagement is also of fundamental importance.

It was agreed that there was vast potential for future linked research, particularly linked to the APS, looking at language, disability, gender etc. In addition, there was the possibility of data linkage. It was agreed that it was important to develop data on Wales specifically. The national survey will contain Wales-specific data and can be cross referenced with the APS wellbeing data. In addition, questions on wider community issues related to wellbeing have also been added to the national survey, with the possibility of further questions if needed. Also, in 2013 there is an EU survey on income and living conditions, this will include a one-off entry on wellbeing delivered through the Family Resource Survey with the module being repeated in the national survey to ensure robust results for Wales.