

If it makes you happy...

What role does subjective wellbeing play in Levelling Up?

BRIEFING PAPER

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In the Levelling Up White Paper, the Government promised to make a legal commitment to increasing subjective wellbeing in the UK and reducing disparities in wellbeing between different parts of the country. This paper considers how subjective wellbeing fits with the rest of the levelling up strategy, especially in relation to places that are prosperous, healthy and well educated, but nevertheless have low wellbeing.

KEY POINTS

- Improving and equalising subjective wellbeing is not just one of the 12 Levelling Up missions, but – along with raising living standards – is presented by the Government as one of two *fundamental* missions.
- Yet there seems to be a tension between promoting prosperity and supporting mental wellbeing:
 - On average, places that are richer tend to have lower subjective wellbeing: large parts of Northern Ireland, Wales, and the South West are relatively content, whereas many London Boroughs are among the least happy places in the UK.
- The implications for the Government's Levelling Up strategy are unclear:
 - It could restrict its focus to areas like Blackpool and Thanet that rank poorly for both wellbeing and other metrics, but this would substantially scale back the project
 - It could treat 'economic' and 'psychological' levelling up as two separate projects, but if so it needs to better flesh out what psychological levelling up looks like
 - It sometimes appears to favour an indirect strategy of trying to raise wellbeing in places like London by making other places more attractive to live and thus 'relieving pressure'.

RECOMMENDATIONS

The Department for Levelling Up, Housing and Communities should investigate the drivers of differences in subjective wellbeing between different areas, and develop a more targeted plan for closing disparities.

A MILESTONE MOMENT FOR WESTMINSTER WELLBEING POLICY

The breadth and scale of February's Levelling Up White Paper – running to 300 pages, covering everything from the origin of cities in the ancient Middle East to investment in the UK Games Fund in Dundee – means that it will take some time to digest its contents and appreciate its implications.¹ One feature of the report that has not received as much attention as it might have done is the prominence given to subjective wellbeing.

As the BBC's Christian Fraser observed, for the first time in the UK “wellbeing will be by law, a metric of Government success”.² The White Paper contains 12 “missions” – measurable targets intended to inspire societal change and hold the Government accountable. The eighth of those missions is to ensure that “By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing”. Legally, the Government will have to report annually on its progress against this objective.

That represents a significant milestone in the journey of UK wellbeing policy. Back in November 2010, then prime minister David Cameron tasked the Office for National Statistics (ONS) to develop measures of wellbeing and to start tracking it.³ As promised, over the past decade the ONS has collected substantial amounts of data on how well British people's reported happiness, life satisfaction, anxiety, and sense of purpose.⁴ However, it is less apparent that Cameron's vision of using that information to “make sure those government decisions on policy and spending are made in a balanced way, taking account of what really matters” has been achieved.⁵

Instead, the locus of excitement around wellbeing policy has shifted away from Westminster. In 2019, the New Zealand government attracted much attention for publishing a ‘Wellbeing Budget’ in place of its annual fiscal plan. Finance minister Grant Robertson claimed that it signalled “a new approach to how government works, by placing the wellbeing of New Zealanders at the heart of what we do”.⁶ However, it is worth emphasising that this involved a rather broad (and as such, less focused) conception of wellbeing, with subjective wellbeing only one of twelve different types of indicator (others included jobs and earnings, health, cultural identity and civic engagement). In that regard, it is similar to the Scottish Government's National Performance Framework, which was launched in 2007, passed into law in 2015, and is presented as “Scotland's wellbeing framework”.⁷ However, subjective wellbeing measures only account for two of the 81 metrics in the Scottish NPF (‘Child wellbeing and happiness’ and ‘Mental wellbeing’).⁸ The Welsh Government also has 50 legally binding national wellbeing indicators⁹, of which two (mental wellbeing and loneliness) are subjective.¹⁰

The UK Government's signalled intention to prioritise wellbeing – to raise it to the level of a national ‘mission’ – seems significant, then. Indeed, enhancing and equalising wellbeing is not merely presented as one of twelve goals for the Government. Along with the mission to improve and reduce disparities in living standards, the wellbeing mission is one of only two “outcomes-based” missions.¹¹ In that respect, they are presented as more fundamental than the other ten, which do not matter in themselves but are there ultimately to promote wellbeing and living standards. As such, the wellbeing mission is described as one of the two most critical “measures of success for levelling up”.¹² Elsewhere, the White Paper calls wellbeing “the very essence of levelling up”.¹³

AN APPARENT PARADOX: SUBJECTIVE WELLBEING IS POORLY CORRELATED WITH OTHER LEVELLING UP INDICATORS

Yet for all the Government's efforts to present subjective wellbeing as central to the project of levelling up, the two agendas do not fit entirely comfortably together. The Levelling Up White Paper presents a chart, reproduced in Figure 1, showing the correlation at a regional level between different outcomes. It shows that the parts of the country where people have higher life satisfaction tend to be poorer, less productive and lower educated. The point is illustrated by the contrasting cases of Northern Ireland – consistently ranking highest for subjective wellbeing and towards the bottom for household incomes – and London – clearly the most prosperous region, but performing worst on life satisfaction.¹⁴

Figure 1: Correlation between outcomes across UK regions, 2016

	Productivity	Disposable income	Education	Broadband access	Life expectancy	Employment	Voter turnover	Homicide rate	Life satisfaction	Perceived network	Rooms per person
Productivity	1.00										
Disposable income	0.92	1.00									
Education	0.85	0.89	1.00								
Broadband access	0.58	0.72	0.65	1.00							
Life expectancy	0.51	0.72	0.50	0.51	1.00						
Employment	0.40	0.67	0.62	0.67	0.55	1.00					
Voter turnover	0.31	0.52	0.59	0.70	0.18	0.79	1.00				
Homicide rate	-0.16	-0.28	-0.20	-0.10	-0.28	-0.26	0.23	1.00			
Life satisfaction	-0.27	-0.12	-0.12	0.17	-0.12	0.10	0.40	-0.05	1.00		
Perceived network	-0.50	-0.42	-0.39	0.19	-0.31	-0.21	0.19	0.36	0.70	1.00	
Rooms per person	-0.59	-0.46	-0.37	-0.26	-0.28	0.18	0.07	0.10	-0.30	-0.03	1.00

Source: HM Government, *Levelling Up in the United Kingdom*; originally published in *Industrial Strategy Council, UK Regional Productivity Differences: An Evidence Review*

The comparison between London and Northern Ireland is one drawn in the White Paper itself, before concluding rather limply that it highlights “the importance of social factors”.¹⁵ Elsewhere, the apparent paradox is described as a “powerful illustration of the importance of factors beyond income, such as people’s mental and physical health, quality of work and housing, and relationships in explaining their lived experiences in different places”.¹⁶ This is all rather unsatisfying. At the heart of the

levelling up strategy there appears to be an ambiguity as to which parts of the country it is that require 'levelling up', and which gaps it is that the Government is trying to bridge.

On the day that the Levelling Up White Paper was published, the ONS launched the Levelling Up Subnational Data Explorer.¹⁷ This contains data at local authority level on a range of measures, grouped under the headings 'Boosting productivity, pay, jobs and living standards' and 'Spreading opportunity and improving public services', the same categories used to organise policy initiatives in the report.¹⁸ These are not necessarily the best or only indicators on which to evaluate levelling up, but they are clearly ones that the Government wants to track.

In total, there are 25 metrics, of which four relate to subjective wellbeing – life satisfaction, happiness, anxiety, and feeling that life is worthwhile. I ranked each local authority on each of these outcomes (inverting the ranking where appropriate to reflect, for example, that lower anxiety is better) and explored the relationships between them. In line with the regional-level analysis in the White Paper, there is a negative relationship between subjective wellbeing indicators and the productivity, pay, jobs and living standards indicators. The associations with other opportunity and public service indicators tend to be positive, but the relationship is weak and often weaker than those other indicators' fit with economic metrics.

Figure 2: Correlation between subjective wellbeing rank and rank on other outcomes in ONS subnational indicators explorer

	Life satisfaction	Life worthwhile	Happiness	Anxiety
Boosting productivity, pay, jobs and living standards				
Productivity	-0.09	-0.14	-0.12	-0.12
Pay	-0.08	-0.13	-0.09	-0.08
Employment	0.21	0.09	0.14	0.13
Gigabit broadband	-0.22	-0.21	-0.23	-0.14
4G coverage	-0.29	-0.29	-0.29	-0.27
Public transport / walking travel time to nearest employment centre	-0.38	-0.30	-0.33	-0.29
Cycling travel time to nearest employment centre	-0.39	-0.31	-0.33	-0.31
Car travel time to nearest employment centre	-0.36	-0.29	-0.31	-0.29
Spreading opportunity and improving public services				
Female healthy life expectancy	0.35	0.12	0.29	0.13
Male healthy life expectancy	0.39	0.21	0.31	0.15
Smoking	0.28	0.14	0.21	0.11
Overweight children	0.17	0.01	0.09	-0.03
Overweight adults	0.00	-0.04	-0.02	-0.12
Early years communication	0.24	0.08	0.16	0.10
Early years literacy	0.26	0.03	0.22	0.06
Early years maths	0.30	0.07	0.24	0.06
GCSE attainment	0.23	0.14	0.20	0.11
School/nursery Ofsted ratings	-0.05	-0.22	0.00	-0.23
Apprentice starts	-0.25	-0.25	-0.20	-0.09
Apprentice completions	-0.21	-0.21	-0.19	-0.08
Life satisfaction	1.00	0.67	0.69	0.45
Feeling life is worthwhile	0.67	1.00	0.61	0.41
Happiness	0.69	0.61	1.00	0.60
Anxiety	0.45	0.41	0.60	1.00
Restoring a sense of community, local pride and belonging				
Net additions to housing stock	-0.12	-0.16	-0.06	-0.06

Source: ONS, Subnational indicators explorer; SMF analysis

I then produced two composite metrics for each local authority, reflecting performance against the two “outcomes-based” missions implied by the White Paper to be most fundamental. The subjective wellbeing score is calculated by averaging the rank of each local authority on the four subjective wellbeing metrics. The economic performance score is calculated by averaging each local authority’s ranking for pay, productivity and employment. Tables 1 and 2 show the 20 local authorities with the worst performance on subjective wellbeing and the 20 local authorities with the worst economic performance. In other words, which local authorities are most in need of levelling up in each case.

Table 1: 20 Local Authorities with worst subjective wellbeing outcomes

	SWB Rank	Econ rank
Barrow-in-Furness	1	179
Cannock Chase	2	250
Islington	3	320
Lichfield	4	212
Camden	5	287
Sheffield	6	93
Ipswich	7	175
Maldon	8	229
Southwark	9	347
Hackney	10	243
Stevenage	11	244
Wirral	12	68
Chichester	13	148
Bristol	14	221
Liverpool	15	105
Lewisham	16	273
Wrexham	17	108
Rhondda Cynon Taf	18	180
East Staffordshire	18	75
Carlisle	20	107

Table 2: 20 Local Authorities with worst economic outcomes

	SWB Rank	Econ Rank
Derry City and Strabane	284	1
Causeway Coast and Glens	359	2
Fermanagh and Omagh	364	3
Denbighshire	333	4
Mansfield	322	5
West Devon	375	5
East Lindsey	301	7
Ards and North Down	245	8
Redcar and Cleveland	262	9
Blackburn with Darwen	187	10
Scarborough	70	11
Gwynedd	212	12
Middlesbrough	119	13
Blackpool	22	14
South Tyneside	101	15
Thanet	31	16
Tendring	50	17
Rochdale	41	18
Great Yarmouth	146	19
Torridge	369	20

Source: ONS, Subnational indicators explorer; SMF analysis

There is no overlap between the two. The local authorities that score poorly on economic performance and living standards look more like the places associated with the levelling up agenda in the popular imagination: poorer, more provincial, more seaside towns. Yet many of them have relatively high subjective wellbeing: most of the bottom 10 are well above average for subjective wellbeing. West Devon is the 5th most deprived local authority in terms of the economic measures, but ranks second on subjective wellbeing. Torridge, is 20th from bottom economically, and 9th from top on subjective wellbeing.

Conversely, the list of local authorities that perform least well on subjective wellbeing includes a number of places generally perceived to be successful. In particular, there are a number of London Boroughs and cities featuring prominently, and there is a negative correlation between population density and subjective wellbeing. Southwark is the 9th worst for subjective wellbeing but 27th best for economic performance. Bristol is towards the bottom on subjective wellbeing, but above average on jobs, wages and productivity.

CAN THE PARADOX BE RESOLVED?

Is there a contradiction here? One possible interpretation is to say that levelling up ought to focus on the places that do badly both in terms of subjective wellbeing and economic outcomes. Around one in four local authorities are below median on both counts. Twenty-two are in the bottom quartile for both – places like Blackpool and Thanet (see Table 3). It certainly makes sense to prioritise these areas as the focus for levelling up. But that would seem to draw the scope of what is intended to be a national project too narrowly. What about the rest of the country?

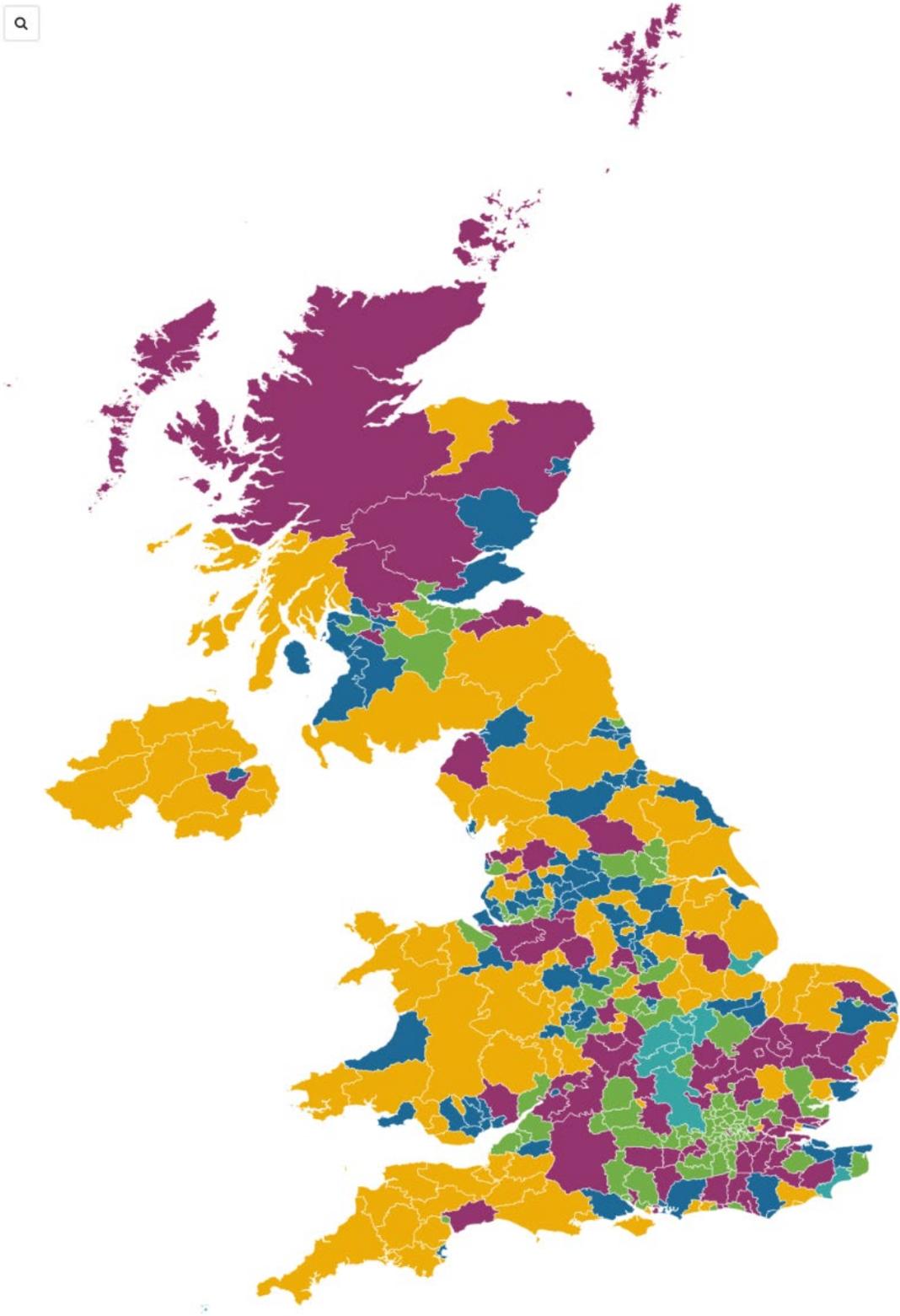
Table 3: Local Authorities in bottom quartile for both subjective wellbeing and other indicators

	Subjective Wellbeing Rank	Economic indicator rank
Sheffield	6	93
Wirral	12	68
Rhondda Cynon Taf	18	75
Blackpool	22	14
Blaenau Gwent	24	35
Manchester	25	46
Kirklees	25	79
Thanet	31	16
Nottingham	35	42
Rochdale	41	18
Swansea	43	82
Gateshead	48	78
Tendring	50	17
Eastbourne	56	49
Sunderland	57	94
Birmingham	66	60
Bradford	69	27
Scarborough	70	11
Ceredigion	78	97
Hull	79	35
Newcastle upon Tyne	81	48
Sandwell	82	79

Source: ONS, Subnational indicators explorer; SMF analysis

Figure 3: Local authorities categorised by whether they are above or below median for subjective wellbeing and economic indicators

■ Poor & miserable ■ Deprived but content ■ Rich but dissatisfied ■ Prosperous & flourishing ■ No data



Source: ONS, Subnational indicators explorer; SMF analysis

Is it possible to economically level up deprived but relatively contented places, and simultaneously psychologically level up more prosperous but unhappy areas? It might be that the two are best treated as separate and parallel projects. But that raises the question of what specific initiatives are needed to level up subjective wellbeing. The strategy for economic levelling up seems clear enough (if tricky to deliver in practice): trying to increase investment, build skills, expand employment opportunities. It is less obvious what a targeted effort to improve how people in a particular place feel about their lives looks like.

A clue as to how the Government is thinking about this problem may lie in the fact that the wellbeing levelling up mission is grouped with three others: education (ensuring 90% of primary school children achieve the expected standard of reading, writing and maths), skills (increasing the number of people completing skills training, especially in the lowest skilled areas) and health (raising healthy life expectancy by five years, and making it more equal). In the White Paper, it says that “Taken together, these missions will help achieve the overarching ambition to improve well-being in every area of the UK, with the gap between top performing and other areas closing”.¹⁹

Yet as Figure 1 showed, the link from education, skills and health to wellbeing is not clear cut. Improving and equalising healthy life expectancy is the most promising of these missions for increasing subjective wellbeing and improving the situation of the least happy and contented areas – not least because there is a well-established connection between health and subjective wellbeing at the individual level as well.²⁰ Yet many of the least happy parts of the country (particularly in London) do not have particularly bad health outcomes. Notably, Camden ranks 13th in the country for male healthy life expectancy and 5th lowest for adult obesity, and nevertheless suffers some of the worst subjective wellbeing of any local authority. Education and training can enhance wellbeing – certainly at individual level²¹ – but again, the relationship is complicated, with job-related training found to have a modest or even negative effect in some cases.²² Many of the local authorities with the lowest subjective wellbeing tend to have relatively good educational outcomes. For example, Warrington ranks 28th from bottom on subjective wellbeing, but is in the top quartile of local authorities for early years and GCSE performance and over 95% of its schools and nurseries are rated outstanding by Ofsted.

Of course, we should be wary of over-generalising from average data at an area level. In places like Camden and Warrington, there will still be many individuals whose subjective wellbeing would be improved health, education and skills. Achieving the missions related to those outcomes could well go some way to achieving the first part of the wellbeing mission – improving wellbeing in every part of the UK – though it is debateable whether the outcomes targeted by the Government are sufficiently closely related to subjective wellbeing for its approach to work.

What is less clear is how the Government intends to achieve the second part of its wellbeing mission – closing the gap between the places with the highest and lowest levels of subjective wellbeing. Indeed, given the relatively good health and performance in health and education of some of the lowest wellbeing areas, focusing on these channels may in fact *increase* gaps in subjective wellbeing between different

areas. Take Stoke-on-Trent, which has very low life expectancy but above average subjective wellbeing. Reducing the health inequality between it and a place like Camden could exacerbate the wellbeing inequality.

The Levelling Up White Paper does not offer a clear indication of what the Government intends to do for places that suffer high levels of misery, anxiety and dissatisfaction, but where health, educational and economic factors are not the main issue. Measures elsewhere in the White Paper, particularly those related to community, local pride and belonging, might help. Urban areas could well benefit disproportionately from measures to improve town centres and amenities, reduce crime and raise housing quality. Yet these policies are not explicitly linked to subjective wellbeing in the White Paper. Moreover, the White Paper's promise to "invest in more homes in the North and Midlands" in preference to London, on the face of it suggests that low wellbeing Boroughs in the capital will be overlooked on housing policy too.²³

That is not how it is presented in the White Paper itself, though, which claims that shifting housing development away from the South East will "relieve pressure".²⁴ The same metaphor is used earlier in the report, where the Government claims "levelling up can improve well-being in the South East by improving productivity in the North and Midlands" by reducing pressure on public services, housing, and green fields. This argument – what we might call the 'indirect strategy' – is as close as we have to a theory of change for improving low subjective wellbeing in more prosperous urban areas.

This is not implausible. It could be the case that some of the unhappiness and dissatisfaction found in places like Islington, Camden, Southwark and Hackney is driven by people that feel economically compelled to move to London even though life in the capital does not fit with their other preferences and broader temperament. The Government seems to be betting that Levelling Up will allow such people to live in places they find more amenable and feel greater connection to without substantially compromising their career prospects. That, in turn, could make London more pleasant for those that remain, by reducing strains on infrastructure and services, not least housing. The net result, it is to be hoped, is to bring subjective wellbeing in those Boroughs closer to the national average.

The merits of this strategy are debateable. It would be good to have more evidence that the best way to raise wellbeing in London is to improve other parts of the country. The implication that the capital ought to shrink in size, or at least grow much less quickly, will also be controversial. However, the indirect strategy appears even more problematic when we recall that other cities also score poorly on subjective wellbeing, but relatively well on other levelling up metrics. Consider Bristol and Liverpool in Table 1. Does the indirect strategy apply to them as well? Does the Government expect to improve wellbeing in those cities by 'reducing pressure' and encouraging people to move elsewhere?

CONCLUSION

For those of us that believe improving subjective wellbeing ought to be at least one of the explicit goals of government, there is much encouragement to be taken from the Levelling Up White Paper. To reiterate, as well as designating improving wellbeing as one of its 12 core ‘missions’ (and plausibly as one of two higher-order ‘ultimate’ missions), the Government will legally commit to being held accountable on its performance against this goal. It is less clear that the Government understands how exactly to bring about higher wellbeing, but many of the other missions could well be expected to achieve it – especially improvements in health outcomes, but also those relating to housing, crime, education and employment.

There are greater uncertainties still around the Government’s objectives to reduce inequalities in wellbeing between different places, given that many parts of the country that have the worst reported happiness and contentment performance are relatively prosperous, healthy and well-educated. The Government might choose to narrow its focus to those places that do poorly on subjective wellbeing *and* other levelling up indicators, but this would severely limit the scope of what is clearly presented as a national project. It could treat ‘economic’ and ‘psychological’ levelling up as two separate projects, but it needs a better explanation of what the latter entails if so. At times, it seems as though the Government favours an indirect strategy of ‘relieving pressure’ on economically successful but emotionally struggling places in London. That would require the economic arm of levelling up to be so successful that fewer people feel compelled to move there, and that this in turn would improve the quality of life of those that remain. Is this plausible, and does it apply beyond the capital?

Ultimately, what is missing from the Levelling Up White Paper is a systematic diagnosis of why it is that some places have higher subjective wellbeing than others. Without a more nuanced understanding of why Barrow-in-Furness, Islington, and Ipswich are faring so badly psychologically, and critically the differences in drivers between them, it is hard to see how much progress can be made in closing the gap they face to happier and more fulfilled parts of the country.

The ‘missions’ at the heart of the Levelling Up strategy are intended to be broad statements of intent to be adapted and developed over time, rather than detailed and fully worked-out blueprints. It is perfectly understandable, therefore, that the White Paper does not contain all the answers on subjective wellbeing. However, if real progress is to be made, and the challenge to be tackled strategically and systematically, the Department for Levelling Up, Housing and Communities needs to invest time and analytical resources into better understanding the geographical differences in subjective wellbeing it seeks to reduce.

ENDNOTES

- ¹ HM Government (2022), Levelling up the United Kingdom.
- ² <https://whatworkswellbeing.org/blog/levelling-up-and-measuring-wellbeing/>
- ³ <https://www.gov.uk/government/speeches/pm-speech-on-wellbeing>
- ⁴ <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/bulletins/measuringnationalwellbeing/previousReleases>
- ⁵ <https://www.gov.uk/government/speeches/pm-speech-on-wellbeing>
- ⁶ New Zealand Treasury (2019), The Wellbeing Budget.
- ⁷ Scottish Government (2019), Scotland's Wellbeing – Delivering the National Outcomes.
- ⁸ <https://nationalperformance.gov.scot/index.php/measuring-progress/national-indicator-performance>
- ⁹ <https://gov.wales/wellbeing-wales-2021>
- ¹⁰ <https://gov.wales/wellbeing-wales-national-indicators>
- ¹¹ HM Government, Levelling up the United Kingdom, p121
- ¹² Ibid.
- ¹³ HM Government, Levelling up the United Kingdom, p186.
- ¹⁴ <https://www.ons.gov.uk/economy/regionalaccounts/grossdisposablehouseholdincome/bulletins/regionalgrossdisposablehouseholdincomegdhi/1997to2019> ; <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/datasets/headlineestimatesofpersonalwellbeing>
- ¹⁵ HM Government, Levelling up the United Kingdom, p46.
- ¹⁶ HM Government, Levelling up the United Kingdom, p24.
- ¹⁷ HM Government, Levelling up the United Kingdom, p151.
- ¹⁸ <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/subnationalindicatorsexplorer/2022-01-06>
- ¹⁹ HM Government, Levelling up the United Kingdom, pxxiii.
- ²⁰ Ngamba, K.H. et al (2017), How strongly related are health status and subjective well-being? Systematic review and meta-analysis, European Journal of Public Health 27:5. 6
- ²¹ <https://esrc.ukri.org/files/news-events-and-publications/evidence-briefings/the-wellbeing-effect-of-education/#:~:text=Findings%20indicated%20a%20clear%20association%20between%20education%20and%20wellbeing.&text=n%20Higher%20levels%20of%20education,less%20hostile%20attitudes%20towards%20immigrants.>
- ²² What Works Wellbeing (2018), Adult education and life satisfaction.
- ²³ HM Government, Levelling up the United Kingdom, pxxvi
- ²⁴ Ibid.