

Article

Measuring national well-being: Life in the UK: 2015

A snapshot of life in the UK today across the 10 domains of national well-being.



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1. Key points

- Assessment of change in measures of national well-being are presented for the first time. Compared with a year earlier, 33% of indicators had improved, 42% showed no overall change, 21% were not assessed and 5% deteriorated
- The proportion of people in the UK giving the highest ratings for each aspect of personal well-being increased significantly in the financial year ending 2014
- Healthy life expectancy in the UK improved between 2006 to 2008 and 2009 to 2011, while the proportion of people satisfied with their health in the financial year ending 2013 (59.3%) showed no overall change
- Adult participation in 30 minutes of moderate intensity sport at least once a week in the UK improved over 3 years between 2010 to 2011 (35.2%) and 2013 to 2014 (35.8%) but deteriorated compared with 2012 to 2013 (36.2%)
- In the financial year ending 2013, 21% of people in the UK lived in households with less than 60% of median income
- In the financial year ending 2013, 10.1% of people found it difficult to get by financially in the UK, an improvement since the financial years ending 2012 (10.9%) and 2010 (12.3%)

2. Introduction

The Measuring National Well-being (MNW) programme began in November 2010 with the aim to “develop and publish an accepted and trusted set of National Statistics which help people understand and monitor well-being”. We describe well-being as “how we are doing” as individuals, as communities and as a nation, and how sustainable this is for the future.

Life in the UK presents the full set of 41 headline measures of national well-being, organised by the 10 domains, or areas, such as Health, Where we live, What we do and Our relationships. The measures include both objective data (for example, number of crimes against the person per 1,000 adults) and subjective data (for example, percentage who felt safe walking alone after dark). The report also shows for the first time how measures of national well-being have changed over time and highlights which measures have “improved”, “deteriorated” or show “no overall change”.

By examining the headline measures, for example, ratings of life satisfaction, our sense of belonging to our neighbourhoods, and measures of inflation, the report considers “how we are doing” across each of the domains. There is reference to how sustainable our well-being is for the future through measures such as green house gas emissions, but the majority of measures focus on current well-being, how we are doing now. How sustainable national well-being is for the future is examined by looking at the work of the MNW programme around stocks of things like education, natural resources and community cohesion, known as “capitals”. Valuing the stocks we have now provides important benchmark information to help ensure they can be sustained for the future.

Measures are updated in March and September. Where possible, data are presented for the UK. Where this is not the case, the best available geography is used. Data are the latest available at March 2015.

Feedback is welcome at nationalwell-being@ons.gov.uk

Also released today:

- [National Well-being Measures spreadsheet \(1.05 Mb Excel sheet\)](#) containing the latest data, time series data and detailed information on assessments of change as well as links to data sources

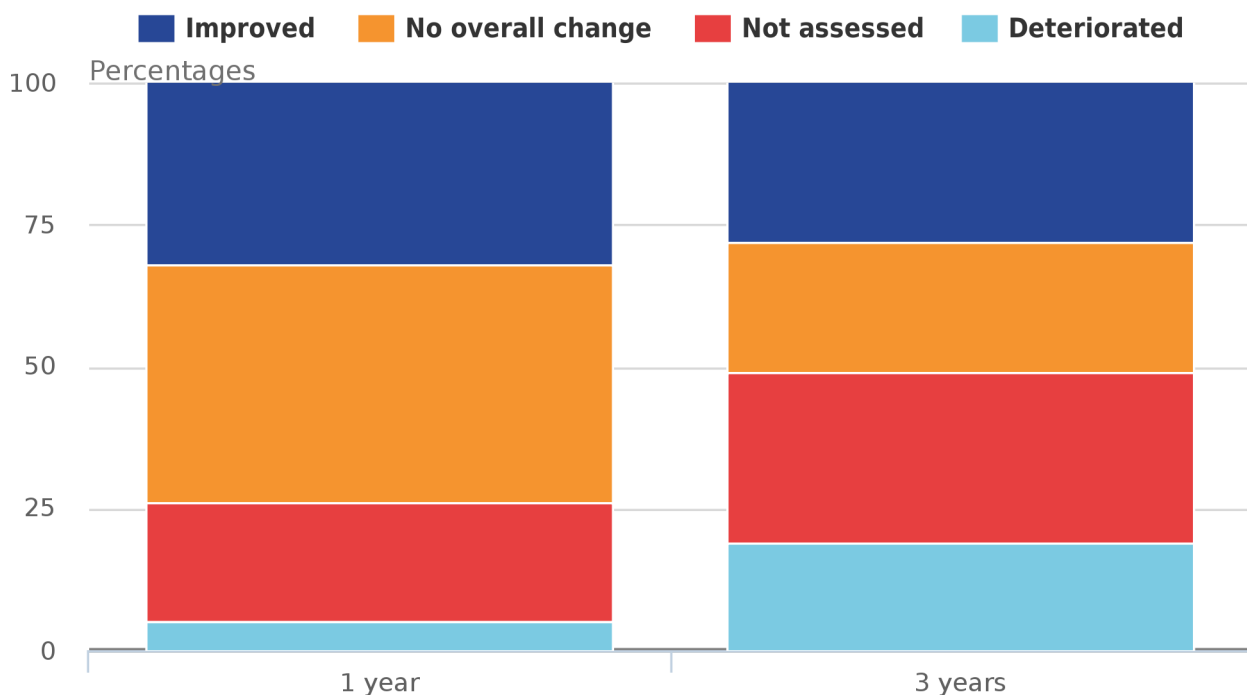
- [Interactive wheel of measures](#) which includes data for the latest and previous periods plus time series charts.
- [Wheel of measures PDF \(809 Kb Pdf\)](#) “print and keep” version showing the latest data and assessments of change
- [Interactive charts](#) showing the latest data for selected measures by region and country.

3. Assessing change in national well-being

The Measuring National Well-being (MNW) programme set out to establish measures which would help people to understand national well-being, and also help them monitor it. This report includes for the first time assessments showing the direction of change for each of the measures, whether they have improved, shown no overall change, or deteriorated. Comparisons have been made with the previous year's data, or the previously published figure where year on year data are not available, as well as an assessment of change over a three year period. In future years, as more data become available, we will publish assessments of change over a longer time series.

Figure 1 summarises the assessments of change in measures of national well-being. Measures of healthy life expectancy and feeling safe walking alone after dark are presented for both men and women, and so there are 43 measures to assess.

Figure 1: Assessments of change - National Well-being measures



Looking at the most recent change¹:

- 33% (14 measures) had improved
- 42% (18 measures) showed no overall change
- 5% (2 measures) had deteriorated
- 21% (9 measures) were not assessed for this publication

Over the three year period¹:

- 28% (12 measures) had improved
- 23% (10 measures) showed no overall change
- 19% (8 measures) had deteriorated
- 30% (13 measures) were not assessed

A number of measures have not been assessed, because data are not available for comparison, or where the direction of change is not a clear indication of either improvement or deterioration.

Individual measures of change can be viewed in the [Wheel of measures PDF \(809 Kb Pdf\)](#) . Details of how each measure has been assessed are available in the [National Well-being Measures spreadsheet \(1.05 Mb Excel sheet\)](#).

It is recognised that the measures on which assessments of change have been made are headline measures and therefore only provide a snapshot of how national well-being is changing. There are many other measures that will affect national well-being that have not been considered here. However, it is hoped that assessing change in this way will help to signpost areas in need of closer evaluation and intervention.

Your opinions matter to us, and we would welcome your feedback on the way in which change has been assessed. Please email: nationalwell-being@ons.gov.uk

Notes for assessing change in national well-being

1. Figures may not add to 100% due to rounding.

4. Summary of life in the UK, 2015

Assessments of change show that overall 74% of measures had improved or shown no overall change in the short term, while 5% had deteriorated and the remaining 21% were not assessed. Over the 3 year period, just over half (51% of measures) had improved or shown no overall change, while 19% had deteriorated. The remaining 30% were not assessed. It is important to examine the detail beneath these assessments to better understand “how we are doing”.

In the financial year ending 2014, more people in the UK were feeling positive about their lives than in the financial year ending 2012, according to questions on personal well-being. Young people were less likely than adults to feel a sense that the things they do in life are worthwhile, but more likely to report higher feelings of life satisfaction and happiness.

We are generally living longer and healthier lives. However, a significant proportion of the population have health concerns: 3 in 10 people (31.4%) were dissatisfied with their health in the financial year ending 2013 and around 2 in 10 people (18.8%) reported having a long-term illness or a disability that was either work-limiting or limited their day to day activities in July to September 2014.

Research also shows that people with higher levels of personal well-being make better health and lifestyle choices – they are more likely to eat healthily, be physically active, and are less likely to smoke ¹. Conversely, where the quality and quantity of relationships is poor, people can feel lonely, which is bad for both individual well-being and health. The influence of social relationships is similar to other, well-understood, mortality risk factors,

such as smoking and alcohol consumption, and is even greater than the influence of physical activity and obesity²

Most of us have good relationships with friends, family and neighbours, with over 8 in 10 (86.7%) reporting that they had a spouse, family member or friend to rely on a lot if they had a serious problem in the financial year ending 2011.

How we use our time has obvious links to our well-being. Active pursuits, such as engaging with the arts, being physically active and volunteering, boosts well-being, while inactivity can have a negative impact. In spite of this, more than half (58.1%) did not participate in 30 minutes or more of moderate intensity sport on a regular basis between October 2013 and October 2014, and 8 in 10 (81.1%) reported that they never, or almost never, did unpaid voluntary work in the financial year ending 2013. However, most of us reported engagement or participation in an arts or cultural activity (83.4%) in the financial year ending 2014, and more than three-quarters of us (77.6%) were at least somewhat satisfied with our work in the financial year ending 2013.

Most of us are either fairly or very satisfied with where we live (in terms of accommodation and the local area). However, there are important differences. For example, in 2012 to 2013 94.9% of owner occupiers in England were very or fairly satisfied with their accommodation and 90.7% were very or fairly satisfied with their local area, compared with 80.6% and 81.9% of social renters.

Around 2 in 10 (21%) of people lived in relative poverty (in households with less than 60% of median income after housing costs) in the financial year ending 2013. One in 10 (10.1%) of us reported finding our financial situation difficult, and median household income in the financial year ending in 2013 was at its lowest level since the financial year ending 2003.

Increases in GDP suggest that the economy is getting stronger. However, since 2011, net national disposable income – that is, the income that is available to the government, businesses and households through production at home and abroad – has remained broadly flat, at £21,888 in 2013, compared with £22,146 in 2011. This suggests that while production in the UK is increasing, the income available to us from that net national disposable income is not increasing in the same way.

The value of human capital in 2013, while broadly stable compared with 2012, has deteriorated over the 3 year period and remains at its lowest since 2005. The proportion of people aged 16 to 64 with no qualifications has fallen significantly over the past decade, and the proportion of pupils gaining 5 or more GCSEs at grades A* to C, including English and Mathematics, has increased over this period. However, the gender gap for GCSE attainment widened over the last few years.

Data from autumn 2014 suggest that the majority of people in the UK are not politically engaged. Almost two-thirds (62%) of people in the UK tend not to trust the government, but this is not a particularly high proportion when compared to other EU countries and is considerably lower than, for example, France, Italy and Spain, where the proportion is closer to three-quarters. Voter turnout at the last general election, while higher than the last two general elections, was the third lowest since 1945. In comparison, however, more than 8 in 10 people voted in the Scottish Independence Referendum in 2014.

The UK is making progress towards key targets such as emissions of greenhouse gasses, renewable energy production and recycling. For example, the UK has a target to recycle compost or reuse at least 50% of the waste generated by households by 2020. In 2012, this figure was 43.9%, an increase of almost 4 percentage points compared with 2010. This figure varies across the constituent countries, and Wales has already exceeded the 2020 target, having recycled, composted or reused 52.5% of household waste in 2012.

How sustainable is our future

Stocks of things like education, natural resources and buildings are known as capitals and provide one means by which to assess how sustainable our future is. This report shows that the value of human capital has remained broadly flat over the last few years, but is below pre-recession levels. Research shows that the greater a country's human capital, the greater potential for economic growth. Valuation of natural capital is still in development but appears to show long term decline. In 2011, the value of selected components of UK natural

capital was £1,573 billion. This had declined by 4.1% since 2007. Measures of social capital, which were published for the first time in January 2015, look at personal relationships, social network support, civic engagement and trust, and cooperative norms, show that in 2011/12, 95% of people had at least one close friend, and in 2012, voluntary activity in the UK was valued at £23.9 billion, which is equivalent to 1.5% of GDP.

Development of natural, human and social capital is still relatively new. By measuring the stocks of things which are important, we develop benchmarks so that decision makers can better consider the impact of their decisions on the nation's future well-being and in turn, how sustainable it is.

Notes for summary of life in the UK, 2015

1. Well-being and health policy, Department of Health
2. Holt-Lunstad J, Smith TB, Layton JB (2010) Social Relationships and Mortality Risk: A Meta-analytic Review. PLoS Medicine 7(7).

5. How do we evaluate our own lives?

Assessments of change - Personal well-being

	1 year	3 year
Very high rating of satisfaction with their lives overall	Improved	Not assessed
Very high rating of how worthwhile the things they do are	Improved	Not assessed
Rated their happiness yesterday as very high	Improved	Not assessed
Rated their anxiety yesterday as very low	Improved	Not assessed
Population mental well-being	Not assessed	No overall change

Personal well-being is a subjective assessment of how people feel about their own lives. How satisfied people are with their lives, their levels of happiness and anxiety, and whether or not they think the things they do are worthwhile are strongly associated with numerous aspects of national well-being, for example, people's health, education and employment.

Personal well-being

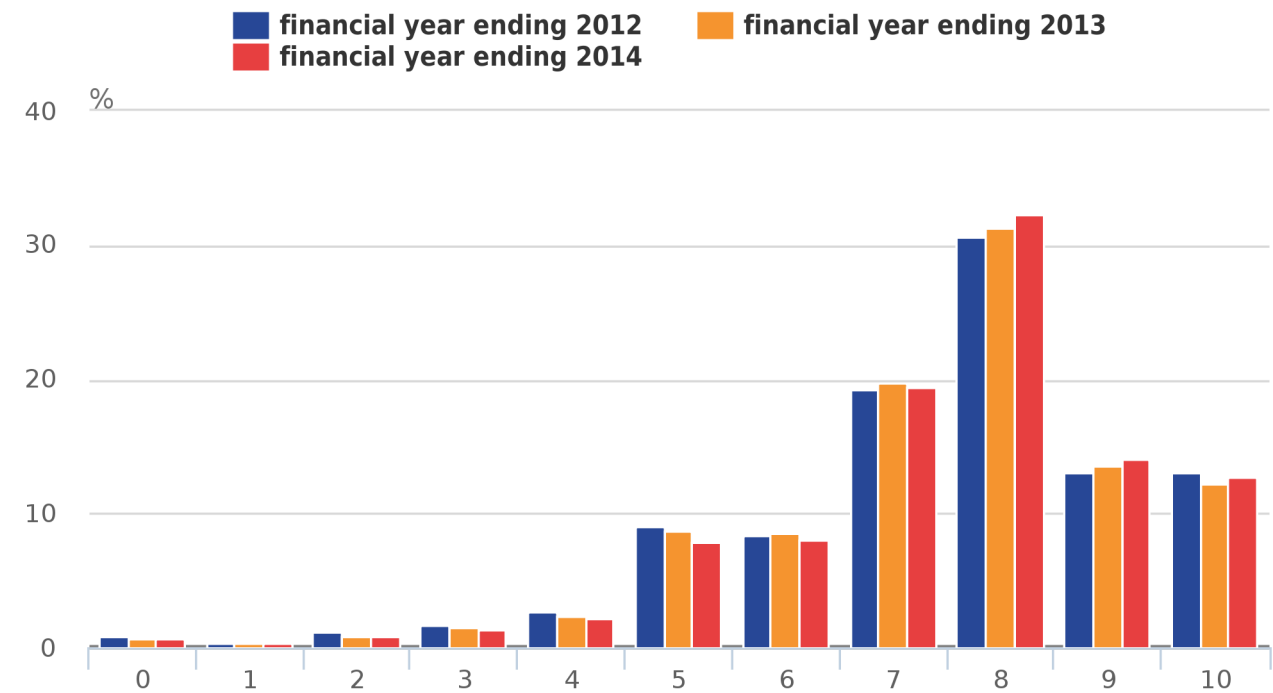
Most UK government departments and the devolved administrations are actively engaged in well-being research. Analysis is focused on how people's ratings of their personal well-being are associated with particular policy areas including housing, crime, adult learning, sport, culture, volunteering and health.

In the financial year ending 2014, over a quarter (26.8%) of people aged 16 and over in the UK rated their life satisfaction at the highest levels¹ compared to 5.6% at the lowest. Just under a third (32.6%) rated their sense that what they do in life is worthwhile at the highest levels, compared to 4.2% at the lowest levels. Similarly, just under a third (32.6%) rated their happiness at the highest levels, while 9.7% rated their happiness at the lowest levels and a higher proportion (39.4%) rated their anxiety at the lowest levels, and 20.0% rated it at the highest levels.

Figure 2: Distribution of personal well-being ratings, financial year ending 2012 to financial year ending 2014 (1,2,3)

Life Satisfaction

United Kingdom



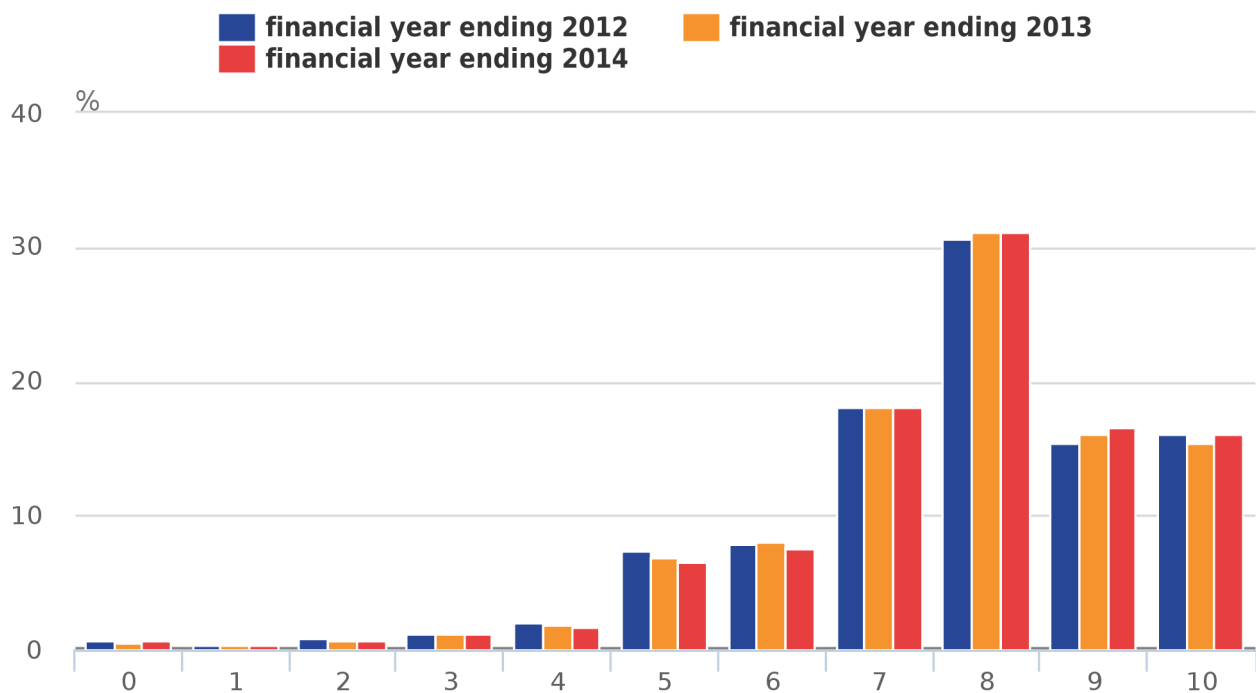
Source: Annual Population Survey (APS) - Office for National Statistics

Notes:

1. Adults aged 16 and over were asked 'Overall, how satisfied are you with your life nowadays?' where 0 is 'not at all satisfied' and 10 is 'completely satisfied'.
2. Data are for financial year ending 2012, 2013 and 2014.
3. All data weighted.

Worthwhile

United Kingdom



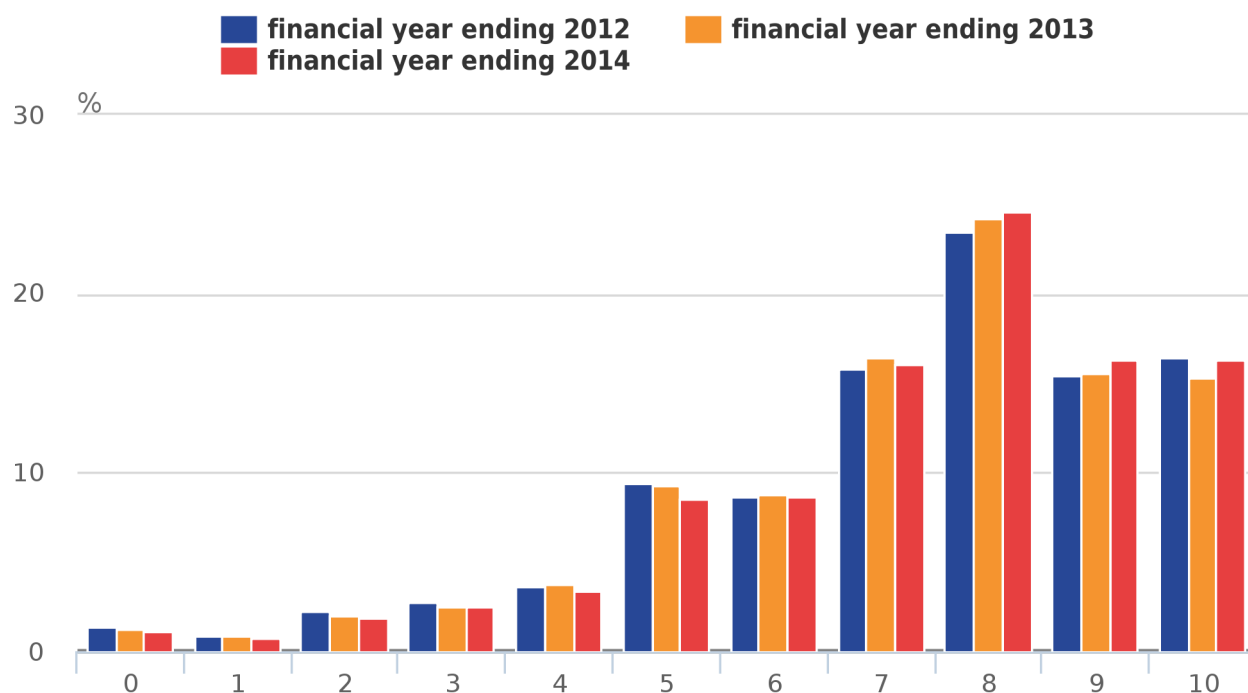
Source: Annual Population Survey (APS) - Office for National Statistics

Notes:

1. Adults aged 16 and over were asked 'Overall, to what extent do you feel the things you do in your life are worthwhile?' where 0 is 'not at all worthwhile' and 10 is 'completely worthwhile'.
2. Data are for financial year ending 2012, 2013 and 2014.
3. All data weighted.

Happiness

United Kingdom



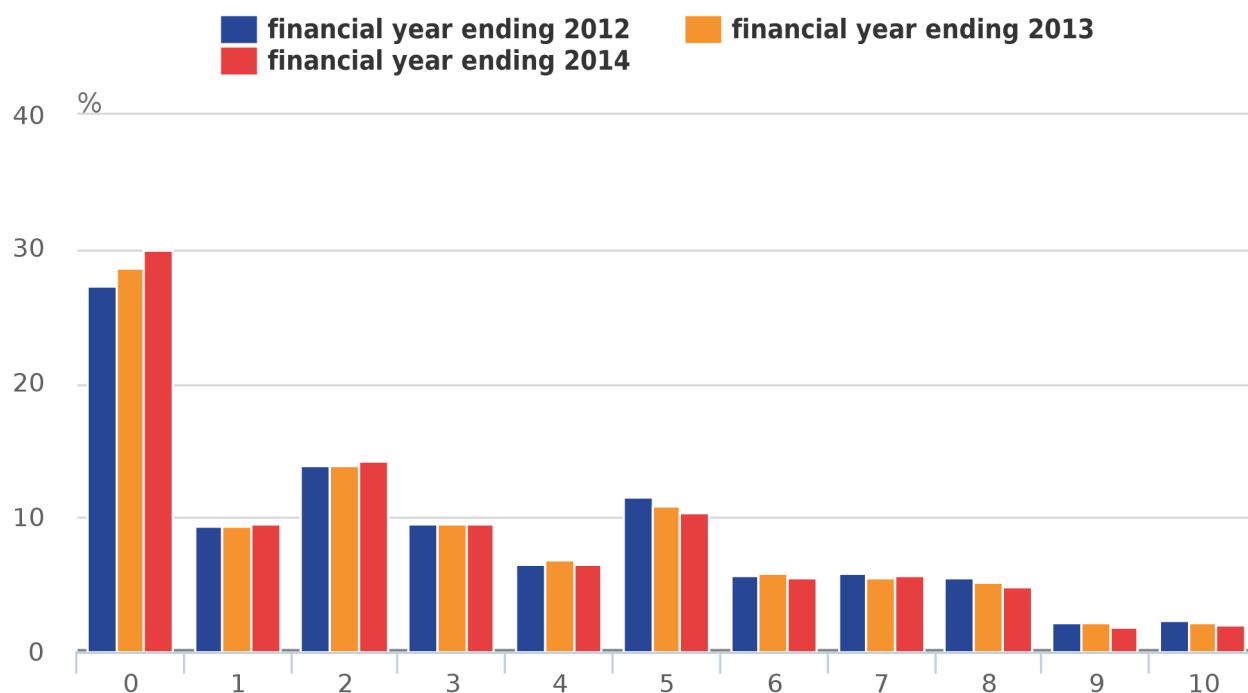
Source: Annual Population Survey (APS) - Office for National Statistics

Notes:

1. Adults aged 16 and over were asked 'Overall, how happy did you feel yesterday?' where 0 is 'not at all happy' and 10 is 'completely happy'.
2. Data are for financial year ending 2012, 2013 and 2014.
3. All data weighted.

Anxiety

United Kingdom



Source: Annual Population Survey (APS) - Office for National Statistics

Notes:

1. Adults aged 16 and over were asked 'Overall, how anxious did you feel yesterday?' where 0 is 'not at all anxious' and 10 is 'completely anxious'.
2. Data are for financial year ending 2012, 2013 and 2014.
3. All data weighted.

The proportion of people giving the highest ratings for each aspect of personal well-being increased significantly in the financial year ending 2014, compared to the previous year (Figure 2). This suggests that more people in the UK are feeling positive about their lives. For those reporting lowest personal well-being, the picture is more mixed. There were significant reductions in the proportions of people giving the lowest ratings of happiness (down 0.7 percentage points) and highest ratings of anxiety (down 0.9 percentage points). The proportions rating their life satisfaction and the sense that what they do in life is worthwhile at the lowest levels remained stable in the financial year ending 2014, compared to the previous year.

Looking at how ratings have changed over the period 2012 to 2014, there have been statistically significant gains in the proportions of people reporting very high personal well-being for each of the 4 measures. The largest gain was in the proportion of people rating their anxiety as very low (up 2.8 percentage points). The smallest gain was in the proportion of people giving the highest ratings of life satisfaction (up 0.6 percentage points). The proportions of people rating their personal well-being at the lowest levels decreased significantly for all 4 measures. The reductions in very low personal well-being ratings ranged from 0.7 percentage points in the case of low ratings for "worthwhile" to 1.8 percentage points in the case of very high ratings of "anxiety".

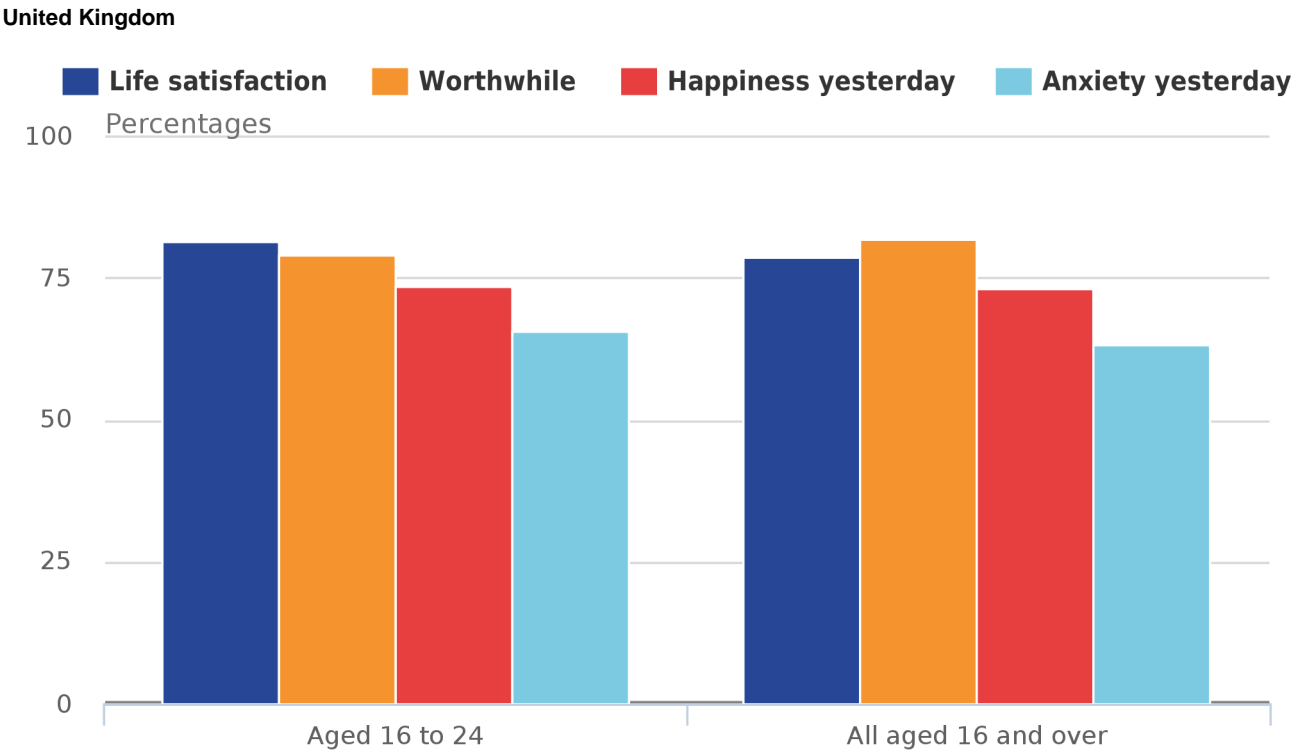
Children's and young people's well-being

Children and young people make up around 30% of the population of the UK. The Children's Society reported that "Improving levels of subjective well-being and preventing the resulting negative outcomes will reduce the

personal impact to children and their families, and help ensure every child growing up in the UK has a good childhood, and positive life chances. It could also avoid the wider social and economic costs of low subjective well-being”.

In 2013, just over three-quarters (77%) of children aged 10 to 15 in Great Britain rated their life satisfaction as moderate to high according to data from the Children’s Society’s Household Survey². Similarly, three-quarters (75%) reported that they felt the things they did in their lives were worthwhile as moderate to high. Just under three-quarters (74%) reported a moderate to high level of happiness yesterday.

Figure 3: Personal well-being measures 1,2 (moderate to high ratings 3,4): by those aged 16 to 24 and all aged 16 and over, financial year ending 2014



Source: Annual Population Survey (APS) - Office for National Statistics

Notes:

1. The data presented are derived from a customised weighted 12 month Annual Population Survey (APS) micro dataset. This dataset is not part of the regularly produced APS datasets and was produced specifically for the analysis of subjective well-being data.
2. Adults aged 16 and over were asked: "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?" and "Overall, how anxious did you feel yesterday?" where 0 is "not at all" and 10 is "completely".
3. Life satisfaction, Worthwhile and Happiness percentages relate to those who responded 7 to 10 on a scale of 0 to 10 where 0 was not at all and 10 was completely.
4. Anxiety percentage relates to those who responded 0 to 3 on a scale of 0 to 10 where 0 was not at all and 10 was completely.

A higher proportion of young people reported having low or very low levels (0 to 3 out of 10) of anxiety than all adults (Figure 3). Just under two-thirds (65.8%) of 16 to 24 year olds reported low or very low anxiety in the financial year ending 2014, compared to 63.1% of all adults aged 16 and over. Young people were also more likely to report higher levels of satisfaction with their life compared with all adults with 81.3% of 16 to 24 year olds reporting high or very high levels (7 to 10 out of 10), compared with 78.5% of all adults. This may relate to the increase in freedom, independence and self-focus associated with emerging adulthood. A similar proportion of

young people reported high or very high levels of happiness yesterday, compared with all adults in this period (73.6% and 73.3% respectively).

Despite larger proportions of young people reporting higher levels of life satisfaction and happiness and lower levels of anxiety, young people are less likely than all adults to consider the things they do in their life are worthwhile. In the financial year ending 2014, 79.1% of 16 to 24 year olds considered the things they do in life to be worthwhile as high or very high, compared with 81.8% of all adults.

Notes for how do we evaluate our own lives?

1. The highest levels of life satisfaction, worthwhile and happiness include ratings of 9 or 10 out of 10. For anxiety, ratings of 0 or 1 out of 10 indicate the lowest levels of anxiety and therefore the highest well-being. The lowest levels of life satisfaction, worthwhile and happiness include ratings of 0 to 4 out of 10. For anxiety, ratings of 6 or more out of 10 indicate the highest levels of anxiety and therefore the lowest well-being.
2. The survey asks children to rate their happiness yesterday, their satisfaction with life overall, and whether they consider the things they do are worthwhile. The rating is on a scale of 0 to 10, where “0” is not at all and “10” is completely. The ONS measure of “anxiety yesterday” is not included for children, due to ethical considerations. The proportion of children with a moderate to high level of well-being, which is defined as a score of 7 or more is used as the “headline” measure.

6. How good are our relationships?

Assessments of change - Our relationships

	1 year	3 year
Average rating of satisfaction with family life	Not assessed	No overall change
Average rating of satisfaction with social life	Not assessed	No overall change
Has a spouse, family member or friend to rely on if they have a serious problem	Not assessed	Not assessed

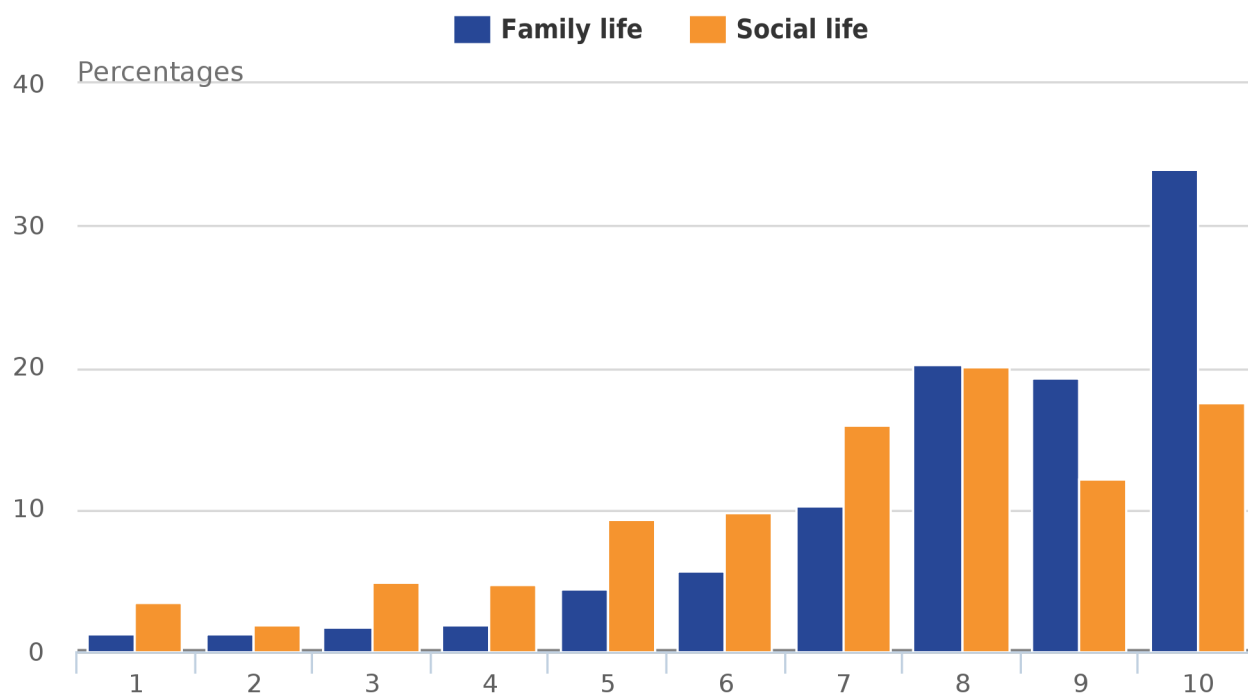
Good social relationships and connections with people around us are vitally important to individual well-being. This is important to national well-being because the strength of these relationships helps generate social values such as trust in others and social cooperation between people and institutions within our communities.

Satisfaction with family life and social life

In 2011, adults aged 18 and over in the UK scored their satisfaction with family life as 8.2 out of 10 ¹ (on average) and 7.1 out of 10 for satisfaction with social life. These ratings were broadly unchanged since the previous surveys in 2007 and 2003.

Figure 4: Distribution of satisfaction with family life and satisfaction with social life ratings, 2011

United Kingdom



Source: European Quality of Life Survey

Notes:

1. 1 = Very dissatisfied; 10 = Very satisfied

A higher proportion of people aged 18 and over (53.3%) rated their satisfaction with family life as very high (rating of 9 or 10 out of 10), compared to their satisfaction with social life (29.7%) (Figure 4). Similarly a higher proportion of people (15.1%) rated their satisfaction with their social life as low (rating of 1 to 4 out of 10), compared to their satisfaction with family life (6.2%).

Those aged 18 to 24 and 65 and over reported the highest average (mean) rating with their social life at 8.0 and 7.6 out of 10 respectively. People aged 25 to 34 reported an average (mean) rating of 7.0 and those aged 35 to 64 a rating of 6.6 out of 10. Those aged 65 and over and 18 to 24 reported the highest average (mean) rating with their family life at 8.6 and 8.4 out of 10 respectively. People aged 25 to 34 reported an average (mean) rating of 8.2 and those aged 35 to 64 a rating of 8.0 out of 10.

Family and friends are important because of the support they can provide, either in times of need or on a more regular basis. Over 8 in 10 (86.7%) adults aged 16 and over had a spouse, family member or friend to rely on a lot if they had a serious problem in the financial year ending 2011 according to the UK Household Longitudinal Survey. People reported being able to rely a lot on their partner (83.3%) and on their family (62.4%), but less than half of people (44.8%) felt they could also rely a lot on their friends. A report published by us in 2014, 'Exploring the Well-being of Young People in the UK', showed that 82% of 16 to 24 year olds had someone to rely on a lot, less than the proportion of all other age groups. The difference may be accounted for by the higher levels of marriage and partnerships in older age groups.

Children's relationships with family

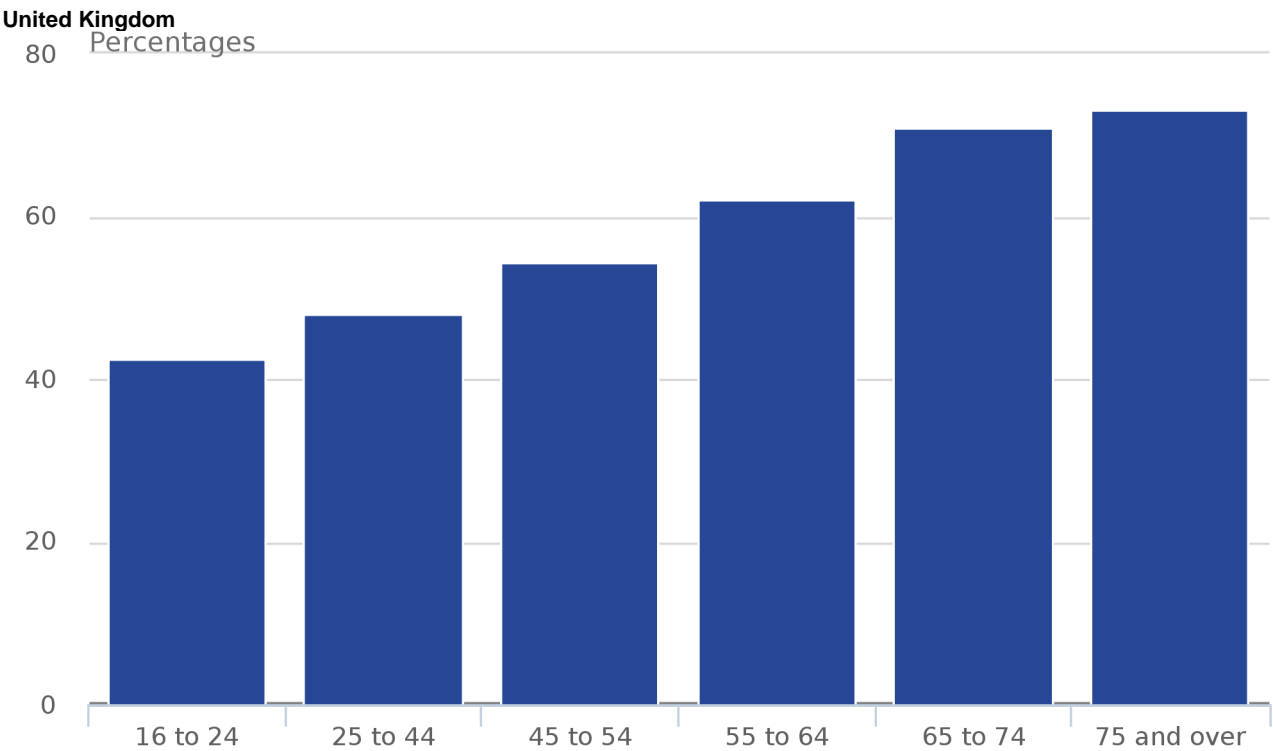
We also published 'Exploring the Well-being of Children in the UK' in 2014. This report cited that "children tend to have higher levels of well-being when they have good social relationships with family and friends..." The report also stated that children who reported relatively high satisfaction with life overall also reported better communication patterns with their parents.

In 2011 to 2012, nearly 70% of children aged 10 to 15 who reported being relatively satisfied with their life overall quarrelled less than once a week with both parents according to the UK Household Longitudinal Survey. This compares with just over 40% of children who reported being relatively unsatisfied quarrelling more than once a week with both parents. Children who were relatively unsatisfied with life overall were almost twice as likely to quarrel with both parents more than once a week as children who were relatively satisfied with life overall (24% compared with 13% respectively). Also, children who reported being relatively satisfied with life overall were around 2 and a half times more likely to talk to both of their parents about things that matter more than once a week than children who reported being relatively unsatisfied with life overall. The link between parents and children's well-being is strong, and persists after children leave home ².

Friends and associations in the local neighbourhood

Having friends and associations in the local neighbourhood means that people can contribute to, and feel part of, a community. Over half (54.5%) of adults aged 16 and over reported that they strongly agreed or agreed that the friendships and associations they have with other people in their neighbourhood meant a lot to them. When split by gender, friendships and associations in the neighbourhood meant a lot to 52.0% of men compared with 56.9% of women.

Figure 5: Proportion that agree that friendship and associations in the local neighbourhood mean a lot (1): by age-group, financial year ending 2012



Source: Understanding Society, The UK Household Longitudinal Survey

Notes:

1. Adults aged 16 and over were asked 'The friendships and associations I have with other people in my neighbourhood mean a lot to me'. The chart shows those that strongly agreed or agreed with the statement.

The proportion of people in the UK who strongly agreed or agreed that the friendships and associations they have with other people in their neighbourhood meant a lot to them increased with age (Figure 5). Under half (42.5%) of people aged 16 to 24 agreed with the statement increasing to nearly three-quarters (73.1%) of those aged 75 and over. This could be because neighbourhood relations are more important to the generation of people who are currently aged 75 and over, or it could be that we value these types of relationships more as we age.

Notes for how good are our relationships?

1. Using a scale from 1 to 10 where 1 indicates “very dissatisfied” and 10 indicates “very satisfied”.
2. Predicting well-being, report commissioned by the Department of Health and available at Nat Cen Social Research

7. How good is our health?

Assessments of change - Health

	1 year	3 year
Healthy life expectancy at birth (male)	Improved	Improved
Healthy life expectancy at birth (female)	Improved	Improved
Reported a long term illness and a disability	Not assessed	Not assessed
Somewhat, mostly or completely satisfied with their health	No overall change	Deteriorated
Some evidence indicating depression or anxiety	No overall change	Deteriorated

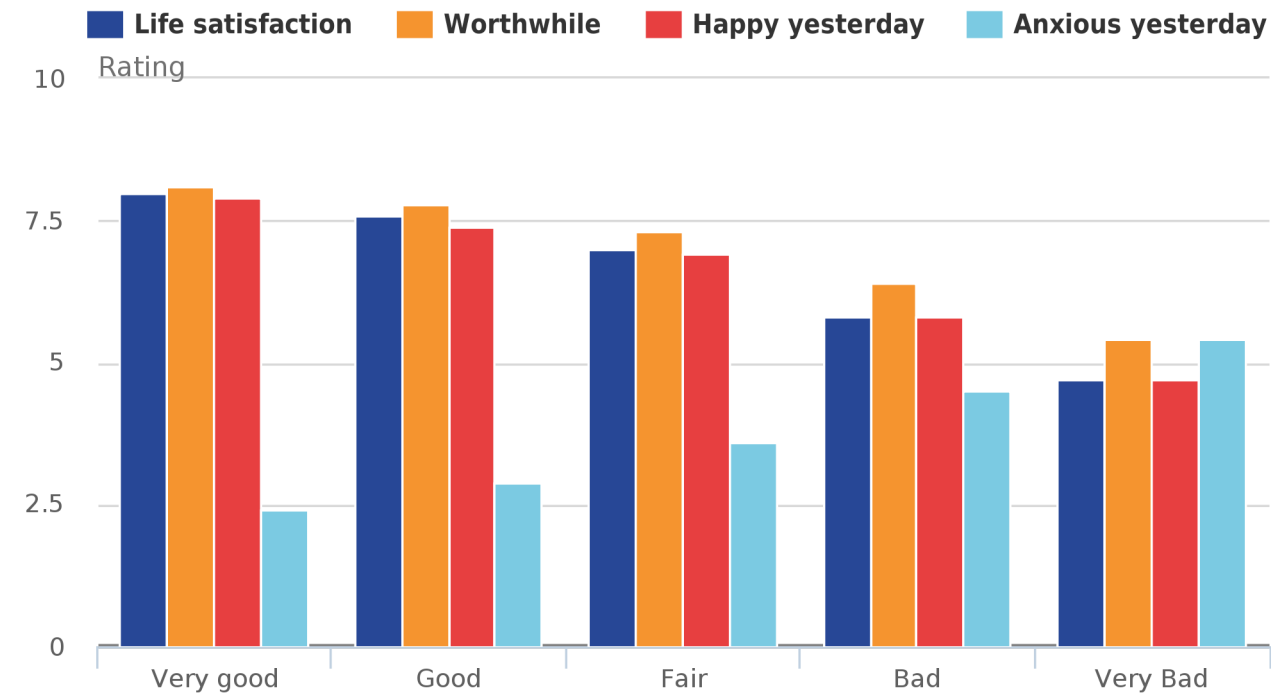
During the Measuring National Well-being debate¹, health was the thing people routinely said was most important to their own, and to national well-being. The relationship between health and well-being is a cyclical one. Good physical and mental health enables people to deal with the challenges of everyday life, for example, having good health makes it easier to work, to care for yourself and others and to have an active social life, all of which contribute to higher levels of individual, and, in turn, national well-being. In return, positive well-being can lead to good health. Good well-being is associated with positive health behaviours in both adults and children, it improves recovery from illness and it can add years to your life. Improving the nation's well-being could ultimately reduce the cost of national healthcare.

Satisfaction with health

Over half (59.3%) of adults aged 16 and over were somewhat, mostly or completely satisfied with their health in the financial year ending 2013. This was broadly unchanged since the financial year ending 2012 and a decrease of 9.0 percentage points since the financial year ending 2010 according to data from the UK Household Longitudinal Survey. Health problems generally develop with age, so it is reasonable to expect young people to be more satisfied with their health than older people. Just under two-thirds (65.1%) of those aged 16 to 24 reported being somewhat, mostly or completely satisfied with their health in the financial year ending 2013 compared to 56.3% of those aged 75 and over. Further data from the same survey published by us in December 2014, gives an indication of good physical health for a large majority of children in the UK. In the financial year ending 2011, 93.0% of children aged 10 to 15 perceived their health as excellent, very good or good.

Figure 6: Average personal well-being, by self reported health, financial year ending 2014 (1,2,3,4,)

United Kingdom



Source: Annual Population Survey (APS) - Office for National Statistics

Notes:

1. Adults aged 16 and over were asked "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?" and "Overall, how anxious did you feel yesterday?" where nought is "not at all" and 10 is "completely".
2. Data from April 2013 to March 2014.
3. All data weighted.
4. Non-respondents not included.

Figure 6 shows that in general, the better people say their health is, the higher they rate their life satisfaction, worthwhile and happiness and the lower they rate their anxiety².

Between the financial years ending 2012 and 2014, the average well-being for people reporting “very good” and “good” health has significantly improved across all 4 well-being questions. There was no significant change in the average for any of the personal well-being measures among those rating their health as “bad” or “very bad”. For those who rated their health as “fair” there was a significant improvement in average life satisfaction and anxiety ratings, but no significant change in average worthwhile and happiness ratings³.

Healthy life expectancy

People are living longer than ever before; a boy or girl born today could expect to live 78.9 and 82.7 years respectively, if mortality rates remain the same as they were in 2011 to 2013 throughout their lives. It is important to measure how many of these years can be expected to be lived in good general health.

In the UK, a newborn baby in 2009 to 2011 is expected to live more years in “good” health than a baby born in 2000 to 2002 (an increase of 3.7 years for females and 3.5 years for males). The proportion of life spent in “good”

health at birth has increased over the same period by 2.6 and 1.7 percentage points for females and males, respectively. In the UK, females born in 2009 to 2011 are estimated to live 66.1 years in “good” health (80.2% of their life), for males it is 64.2 years (81.9% of their life). The gender gap in healthy life expectancy at birth is 1.9 years, with males living fewer years in “good” health compared with females.

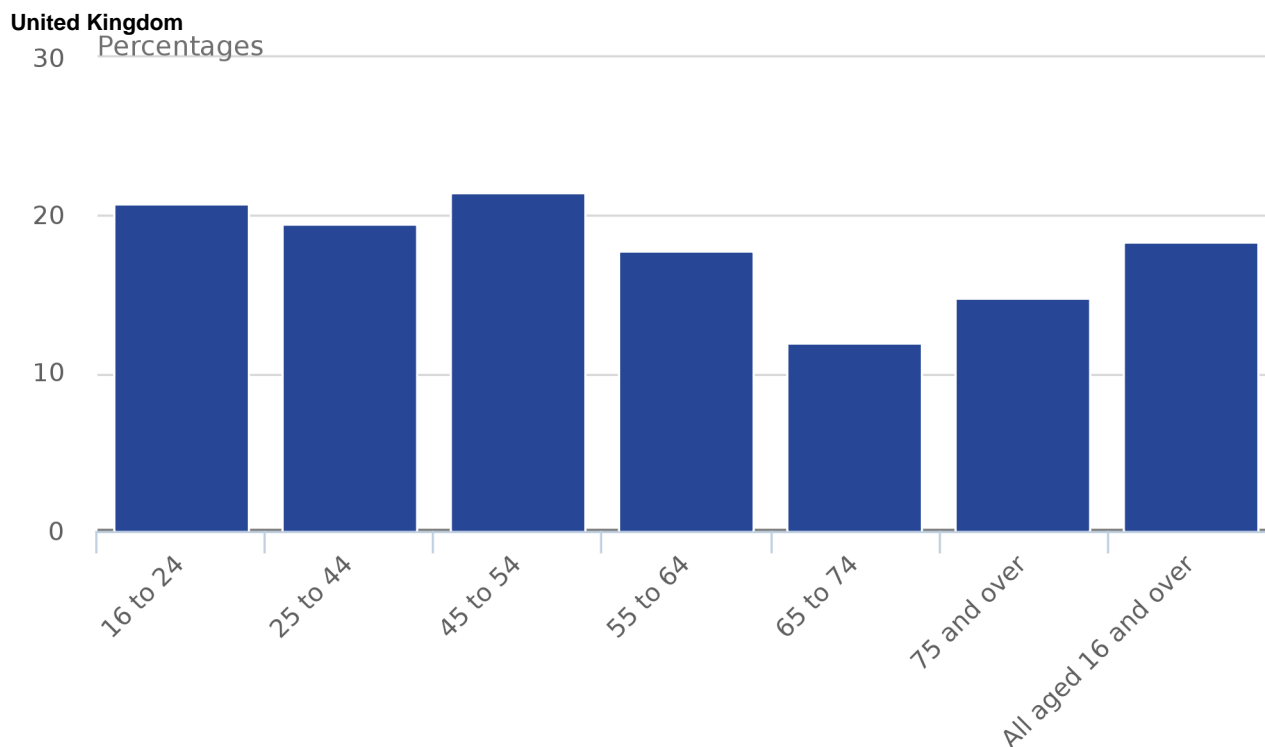
Long-term health problem or disability

In July to September 2014, 18.8% of people aged 16 to 64 in the UK reported either having a long-term health problem or disability or a disability that limited their day-to-day activities. The proportion of people that reported a long term illness and a disability varied between men and women at 17.3% and 20.3% respectively. Many of the long-term health problems that people suffer with are linked to lifestyle and ageing, and, with both an ageing and growing population, it is likely that the number of people who will end up with a long-term condition will also increase. Strategies to cope with this include: targeting known risk factors, such as drinking, smoking and obesity; giving patients control; integrating care; and integrating mental and physical health care⁴.

Mental health

Positive mental health is people thinking and feeling good about themselves and feeling able to cope with their problems. A current measure of national well-being is the percentage of those with some indication of anxiety and depression. This uses the General Health Questionnaire (GHQ) which asks respondents 12 questions about their recent feelings. A high score on the GHQ indicates that the respondent may have a mild to moderate mental illness - the types of mental illness which might be indicated on this scale don't include severe mental disorders characterised by derangement of personality, loss of contact with reality or deterioration of normal social functioning.

Figure 7: Evidence indicating depression or anxiety (1): by age, financial year ending 2013



Source: Understanding Society, The UK Household Longitudinal Survey

Notes:

- Responses are made on a scale of 0 to 12. Responses of 4 or more are regarded as indications of mental ill health. For more information see www.gi-assessment.co.uk/products/general-health-questionnaire/general-health-questionnaire-faqs

In the financial year ending 2013, nearly 1 in 5 (18.3%) of people in the UK aged 16 and over had a GHQ score of 4 or more indicating some evidence of anxiety or depression, unchanged from the financial year ending 2012. The percentage was higher for women (21.5%) than for men (14.8%). There was also variation by age group, with those aged 16 to 54 more likely to have a GHQ score of 4 or more than those aged 65 and over (Figure 7).

Notes for how good is our health?

1. [Findings from the National Well-being Debate \(407.1 Kb Pdf\)](#)
2. It is important to highlight that the measure of health used here is based on people's views of their health rather than on objective information about people's health. As such, it is likely to reflect people's emotional as well as physical state and the degree of optimism they have about their health. Similarly, people's ratings of their well-being reflect their emotional state and optimism about life. For this reason, it is perhaps not surprising that people's perceptions of their health are strongly related to their perceptions of their life.
3. Significance in this instance has been calculated on the basis of non-overlapping 95% confidence intervals on unrounded data.
4. "We are living longer-fact-Dr Martin Mcshane", NHS England

8. How do we spend our time and are we satisfied with its use?

Assessments of change - What we do

	1 year	3 year
Unemployment rate	Improved	Improved
Somewhat, mostly or completely satisfied with their job	No overall change	No overall change
Somewhat, mostly or completely satisfied with their amount of leisure time	No overall change	Deteriorated
Volunteered more than once in the last 12 months	No overall change	Not assessed
Engaged with/participated in arts or cultural activity at least 3 times in last year	No overall change	Improved
Adult participation in 30 mins of moderate intensity sport, once per week	Deteriorated	Improved

How we spend our time and how we feel about it contributes to national well-being because it shapes our lifestyles, our relationships with others, our health and our collective individual well-being. Across the UK people live their lives based on individual choices, personal preferences and circumstances. Individuals divide their time between various tasks and activities, including paid or unpaid employment, volunteering and various leisure activities.

Employment

Work is an important part of most people's lives, it can provide structure and routine and a sense of self-worth which is essential for our well-being. There is also evidence that happy and satisfied workers are more productive at work. In terms of national well-being, changing demographics such as an ageing population mean that having more people in work is increasingly important for our communities and the economy¹. Latest data from the Labour Force Survey shows that between the 3 months ending January 2014 and the 3 months ending January 2015 the proportion aged 16 to 64 in work grew from 72.1% to 73.3%.

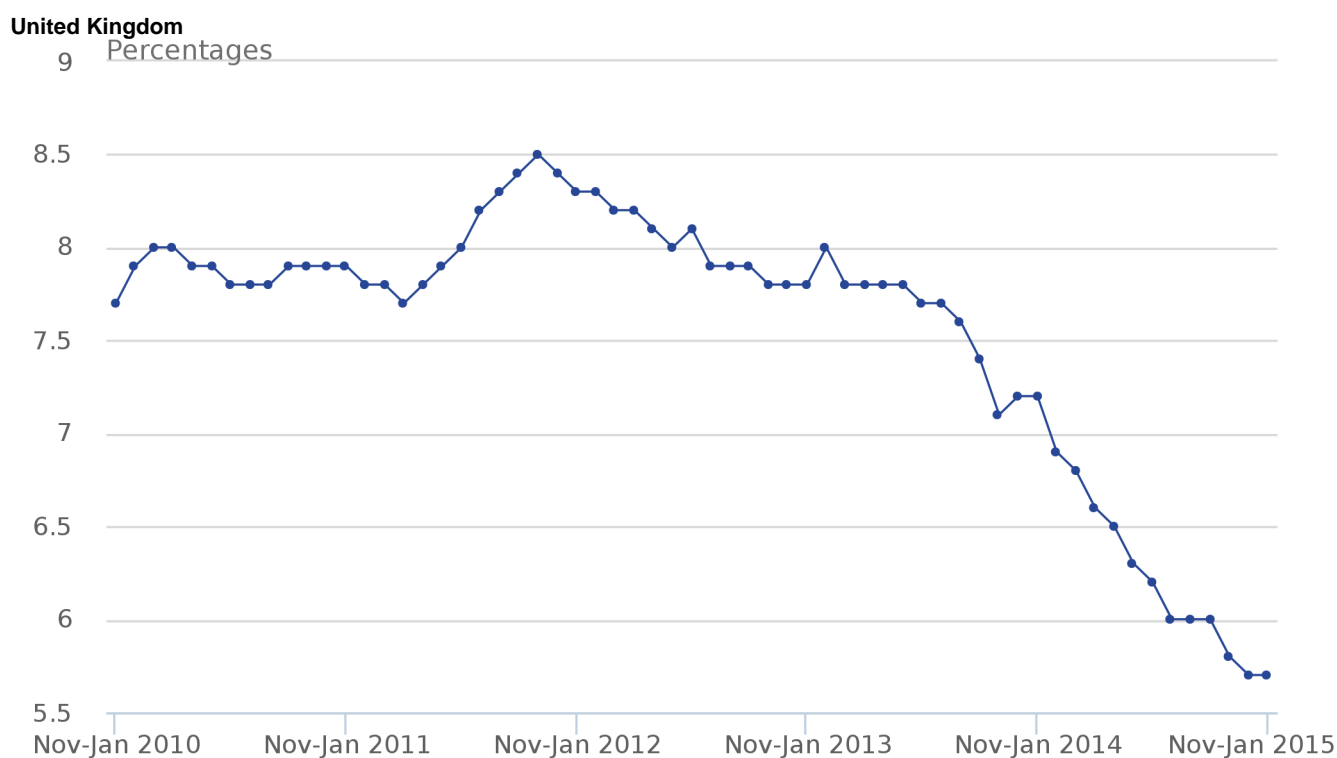
Job satisfaction

Job satisfaction is considered a strong predictor of overall individual well-being (Diaz-Serrano and Cabral Vieira, 2005). Many factors can contribute to people's feelings of satisfaction about their job such as the nature of the work, their pay and their hours of work. In the financial year ending 2013 nearly 8 in 10 (77.6%) adults aged 16 and over in the UK reported that they were somewhat, mostly or completely satisfied with their job according to the UK Household Longitudinal Survey. This compares with 77.3% in the financial year ending 2012 and 78.5% in the financial year ending 2011. Just under 1 in 10 (9.4%) adults reported that they were neither satisfied nor dissatisfied in the financial year ending 2013, while 13.0% reported being somewhat, mostly or completely dissatisfied.

Unemployment

There is strong evidence showing that work is generally good for physical and mental health and well-being. Worklessness is associated with poorer physical and mental health and well-being². For example, in 2014 research by the Department for Work and Pensions (DWP) and NatCen Social Research found that Jobseeker's Allowance claimants had lower personal well-being than other people of employment age. DWP are now researching support packages for the very long-term unemployed with the aim of reducing anxiety associated with work placements.

Figure 8: Unemployment rate (1) (aged 16 and over), seasonally adjusted



Source: Labour Force Survey - Office for National Statistics

Notes:

1. The unemployment rate is calculated as the number of unemployed people aged 16 and over divided by the economically active population for that age group.

In the UK, the unemployment rate fell between the three months ending January 2014 and the three months ending January 2015 from 7.2% to 5.7%; this decrease was equivalent to 479,000 people (Figure 8).

Volunteering

Apart from paid employment, individuals may spend time on things that might be considered as unpaid work or voluntary work. A report by the Cabinet Office, 'Wellbeing and Civil Society'³ stated that "Volunteering is vital to charities and civil society, helps to strengthen local communities, and improves the wellbeing of individuals who participate"

According to the UK Household Longitudinal Survey, 17.3% of adults aged 16 and over had done some form of voluntary work more than once in the 12 months prior to interview in the financial year ending 2013. Over 8 in 10 (81.1%) had never, or almost never, done any voluntary work, while 1 in 10 (9.3%) worked voluntarily at least once a week. Women were more likely than men to have done some form of voluntary work more than once in the 12 months prior to interview, 18.6% and 16.1% respectively.

We published a report 'Valuing Voluntary Activity in the UK'⁴ in December 2013 showing the volume of non market activity associated with volunteering in the financial year ending in 2013. UK residents formally volunteered 2.12 billion hours and the value of frequent volunteering³ was £23.9 billion in the financial year ending 2013. This value is an estimate of what the same number of hours would cost if they were being provided by a paid person in the market. Research by the charity Join-in shows that accounting for the well-being benefits of volunteering significantly increases its value; their estimates of the value of sport volunteering in the UK are 30 times higher when you factor in well-being benefits compared with wage-replacement estimates.

Participation in both physical and non-physical leisure activities

Participation in both physical and non-physical leisure activities has been shown to increase general psychological well-being and life satisfaction as it helps to release the stress of work and everyday life⁵.

Over half (58.2%) of adults aged 16 and over were somewhat, mostly or completely satisfied with their amount of leisure time in the financial year ending 2013 – no overall change from a year earlier according to the UK Household Longitudinal Survey. Over a quarter (27.6%) reported that they were somewhat, mostly or completely dissatisfied with their amount of leisure time.

According to the Taking Part Survey run by the Department for Culture, Media and Sport over 8 in 10 (83.4%) adults aged 16 and over in England engaged with, or participated in, arts or cultural activity at least three times in the year prior to interview in the financial year ending 2014. More women than men participated or engaged at 85.4% and 81.3% respectively. Between the financial years ending 2009 and 2014, the proportion of engagement and participation in an arts or cultural activity rose in most age groups, most notably by 6 percentage points for those aged 16 to 24 and 5 percentage points for those aged 65 to 74^{6,7}.

Between October 2013 and October 2014, over a third (35.8%) of adults aged 16 and over in England participated in at least 30 minutes of sport at moderate intensity at least once a week according to the Active People Survey, equivalent to 15.6 million people. However, more than half (58.1%) did not participate in at least 30 minutes of moderate intensity sport on a regular basis. Men were more likely than women to participate once a week (40.8% and 31.0% respectively). When analysed by age group over the same period, 3.8 million young people (54.7%) aged 16 to 25 participated once a week compared with 11.8 million adults (32.2%) aged 26 and over. The NHS recommends that adults aged 19 to 64 should try to be active daily and should do at least 150 minutes of moderate intensity aerobic activity every week, as well as muscle strengthening activities on 2 or more days a week⁸.

Notes for how do we spend our time and are we satisfied with its use?

1. "New study shows we work harder when we are happy" - Warwick University
2. Gordon Waddell, A Kim Burton - Is Work Good for your Health and Well-being?
3. Frequent voluntary activity is those who volunteer at least once a month.

4. Wellbeing and civil society: Estimating the value of volunteering using subjective wellbeing data
5. [Household Satellite Accounts - Valuing Voluntary Activity in the UK](#)
6. Haworth - Life, Work, Leisure and Enjoyment: the role of social institutions.
7. Similar data for arts and culture for the devolved administrations are available from the Scottish Household Survey, the Welsh Omnibus Survey and the Arts and Culture in Northern Ireland 2012 report.
8. Physical activity guidelines for adults, NHS Choices

9. How do we feel about where we live?

Assessments of change - Where we live

	1 year	3 year
Crimes against the person (per 1,000 adults)	Improved	Improved
Felt fairly/very safe walking alone after dark (men)	No overall change	No overall change
Felt fairly/very safe walking alone after dark (women)	No overall change	Deteriorated
Accessed natural environment at least once a week in the last 12 months	No overall change	Improved
Agreed/agreed strongly they felt they belonged to their neighbourhood	Deteriorated	Not assessed
Households with good transport access to key services or work (2010 = 100)	No overall change	No overall change
Fairly/very satisfied with their accommodation	No overall change	No overall change

Given the amount of time that we spend at home and in our local neighbourhood, how we feel about where we live is vital to our overall well-being. The 2014 Legatum report on well-being and policy argues that ensuring our built environment is sociable and green should be a priority: “Spaces that create opportunities for people to dwell and meet, be they parks, porches, or post offices, provide the soil for the seeds of friendship and connection to grow”¹. Positive feelings about where we live can also create a strong, inclusive community where people feel that they belong, and where they feel safe. In turn communities that are strong are more likely to deliver higher rates of social and civic participation, lower rates of crime, and improved physical and mental health among its inhabitants.

Satisfaction with accommodation and local area

Housing represents the largest consumption item and investment in a person’s lifetime and it is a place where people spend a lot of their time. It is therefore important to measure a person’s satisfaction with their accommodation as it is a factor in assessing a person’s quality of life.

Just over 9 in 10 (90.6%) of households in England in 2012 to 2013 reported that they were very or fairly satisfied with their accommodation, no overall change from a year earlier, but variations exist by tenure. In 2012 to 2013, 94.9% of owner occupiers said that they were either very or fairly satisfied with their accommodation while 2.6% stated they were either slightly or very dissatisfied. In comparison, 80.6% of social renters and 84.3% of private renters were either very or fairly satisfied.

Households were also asked to rate their levels of satisfaction with their local area using a five-point scale from “very satisfied” through to “very dissatisfied”. Over half (55.5%) were very satisfied with their local area, while just under a third (32.1%) were fairly satisfied in 2012 to 2013. The majority of owner occupied households (90.7%) were satisfied with their local area. This was higher than the proportion of private renters (87.2%) and social renters (81.9%).

Belonging to a neighbourhood

Having a sense of belonging to a neighbourhood is an important factor not only to personal well-being but also to the local community because people are more inclined to live, work and invest in an area they have an affinity with.

In the financial year ending 2012, over 6 in 10 (62.8%) people aged 16 and over agreed or strongly agreed that they belonged to their neighbourhood, a fall of 3.2 percentage points since the financial year ending 2010 according to the UK Household Longitudinal Survey . The proportion of people who felt strongly that they belonged to a neighbourhood increased by age. Just under half (49.5%) of those aged 16 to 24 agreed or strongly agreed that they belonged to their neighbourhood compared to 81.0% of those aged 75 and over. People in Northern Ireland (72.3%) and Scotland (69.1%) were more likely to agree that they belonged to their neighbourhood, while those living in London (59.5%) were least likely to agree.

Access to key services

The proximity of housing to a range of employment, services and facilities, as well as the public transport infrastructure determines how far and how long people have to travel. This could have a bearing on the satisfaction level with the area in which they live. The Department for Transport measures access to 8 key services² in England by public transport and walking³ that are used in accessibility planning by local authorities.

Between 2011 and 2013 travel times to the nearest local services showed little change. The average minimum travel time to the selection of key services in 2013 by public transport or walking was 12 minutes. Looking at these trips in more detail, the average minimum travel time to the nearest service by public transport or walking was lowest for primary schools and food stores (7 minutes) and highest for hospitals (25 minutes). However, there was considerable variation in these times between those living in rural areas and those living in urban areas. The average minimum travel times across the range of key services by public transport or walking were 10 minutes for urban areas and 19 minutes for rural areas.

Access to the natural environment

Various studies have demonstrated associations between access to local green space and people's health and well-being. Those living in areas with high quantities of green space have been found to have better health, as measured using both self-reported data from surveys and records of morbidity and mortality rates⁴.

The adult population of England made approximately 2.93 billion visits to natural environments between March 2013 and February 2014 – the highest 12 month total recorded to date⁵. Around 6 in 10 (58%) adults aged 16 and over in England reported that they visited the outdoors, away from home, at least once a week, in the 12 months prior to interview. Just over 1 in 10 (11%) reported that they visited on a daily basis, while 8% stated that they had not visited in the previous 12 months. Walking was the most popular activity on visits to the natural environment and was a selected activity on just over three-quarters of all visits (76%). Walking with a dog was undertaken on a half (50%) of all visits and walking without a dog on 26%.

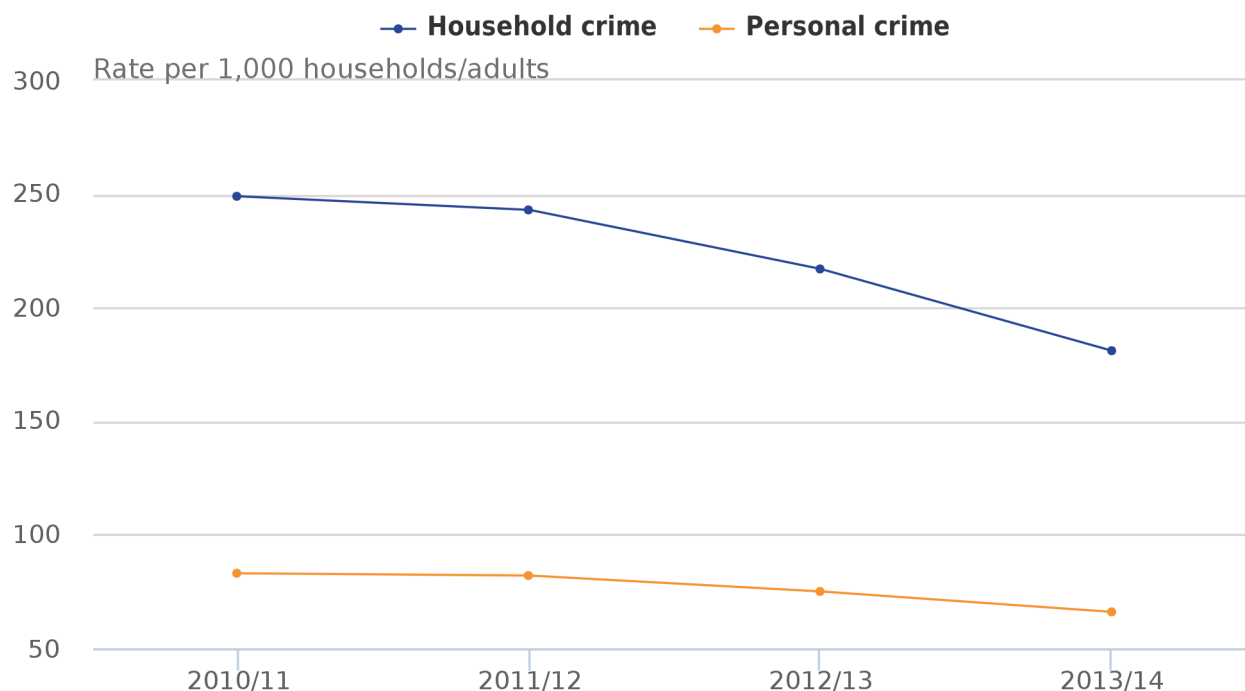
Crime

High or increasing crime levels have a negative effect on local communities. This can result in residents increasing desire to move house and a weaker attachment and satisfaction with their neighbourhood, which may culminate in lower house values. There were an estimated 7.3 million incidents of crime against households and

resident adults (aged 16 and over) for the year ending March 2014 according to the Crime Survey for England and Wales. This represents a 14% decrease from 8.5 million incidents compared with the previous year's survey and continues the long downward trend seen since the mid-1990s.

Figure 9: Crimes against the person (1)

England and Wales



Source: Crime Survey for England and Wales - Office for National Statistics

Notes:

1. Years in chart are financial years.

In the financial year ending 2014 there were an estimated 181 crimes per 1,000 households and 66 personal crimes per 1,000 adults aged 16 and over. This compares to 249 crimes per 1,000 households and 83 personal crimes per 1,000 adults in the financial year ending 2011 (Figure 9).

Feeling safe

Feeling safe in a local area can be an important factor for a person's sense of satisfaction in the area around them. A good indicator of this is to find out whether a person feels safe walking alone after dark. The perception of safety is not necessarily directly correlated to local crime rates but is linked to a person's trust in the safety of the area around them. According to the Crime Survey for England and Wales 85.1% of men and 58.0% of females aged 16 and over in the financial year ending 2014 reported that they felt fairly or very safe walking alone after dark, broadly unchanged from a year earlier. Among the English regions, both men and women were more likely to report that they felt fairly or very safe walking alone after dark in the South West (91.2% and 66.1% respectively). Men were least likely to report that they felt fairly or very safe walking alone after dark in London (76.1%), while women reported feeling less safe in the West Midlands (52.6%). In Wales, 91.1% of men and 56.9% of women reported that they felt fairly or very safe walking alone after dark.

Notes for how do we feel about where we live?

1. O'Donnell GC, Deaton A, Durand M, Halpern D, Layard R. Wellbeing and policy. London: Legatum Institute, 2014.

2. Employment centres; primary schools; secondary schools; further education institutions; GPs; hospitals; food stores; and town centres.
3. Data on other modes of transport, for example, cycle and car are also collected.
4. Maas et al., 2006, 2009; Mitchell and Popham, 2007, 2008.
5. Similar data for Scotland are available from Scotland's People and Nature Survey and for Wales from the Welsh Outdoor Recreation Survey.

10. How are we coping financially?

Assessments of change - Personal finance

	1 year	3 year
Individuals in households with less than 60% of median income after housing costs	No overall change	No overall change
Median wealth per household, including pension wealth	Not assessed	Not assessed
Real median household income	No overall change	Deteriorated
Somewhat, mostly or completely satisfied with the income of their household	No overall change	Deteriorated
Report finding it quite or very difficult to get by financially	Improved	Improved

As household income rises, life satisfaction and happiness also tend to rise, while anxiety levels tend to fall. However, what makes most difference to personal well-being is the level of individual's income relative to those around them; wealthier people tend to have better well-being than poorer people in the same society, but if wealth increases for everyone then average levels of personal well-being are likely to stay the same¹. On average, those living in the poorest households report lower well-being. They are also more likely to have poorer physical health and less healthy behaviours².

Median household income

Median household income³ is the income of the middle household if all households are ranked from the lowest income to the highest, and therefore it gives us an indication of the income of the "typical" household.

Latest available data shows that between the financial years ending 2012 and 2013 median income fell 1.4% to £23,316. This is a continuation of the downward trend that has been seen in median income since the financial year ending 2010. Median income in the financial year ending 2013 was at its lowest level since the financial year ending 2003. However, the rate of decline has slowed over the last two years.

More recent data on household income are available from the National Accounts. Real Household Disposable Income (RHDI) per head is a measure of average household income adjusted for price changes to allow comparison over time. In the 3 months ending September 2014, RHDI per head decreased slightly (0.2%) on the quarter, but remains broadly in line with its pre-recession levels.

In 2008, Gross Domestic Product (GDP) began to fall but real household income per head remained fairly buoyant. In the 3 months ending June 2009, real household income per head was 3.8% above its pre-recession level. This was mainly due to historically low interest rates, falling employment and rising unemployment which meant that real household incomes were supported by rising social security benefits and reduced taxes. In early 2011 the impact of these factors had worn off and inflation had risen which eroded the growth of household incomes. Since 2011 real household income per head has remained broadly flat.

Although looking at average income (either median income or RHDl per head) is useful, it is also important to consider how income is distributed around the middle. In particular, it is important to look at those who have lower than average incomes as a way of understanding what percentage of the population are “in poverty”. Poverty may have an effect on individuals ability to participate in social, economic, political and cultural life and their relationships with others close to them and in the wider community.

Proportion of individuals living in households with less than 60% of median income

One measure of poverty is to consider relative low income – those households with less than 60% of the median net household income, before and after housing costs. This type of relative indicator does not measure absolute poverty, but low income in comparison to other people, which in itself does not necessarily imply a low standard of living.

In the financial year ending 2013 the proportion of individuals living in households with less than 60% of median income after housing costs was 21%. This has been on a general downward trend since the financial year ending 1999, including through the economic downturn. This shows the gap between those at the bottom of the income distribution and the median has narrowed. However, this is as a result of a fall in the median income rather than increased income for those at the bottom of the income distribution.

Households with above average poverty rates include large families, workless households, lone parents and those without educational qualifications.

As well as considering levels of household income, it is important to consider individuals perceptions of their own income. It is individuals' perceptions of their own incomes, and their ability to make ends meet, that will influence their own assessment of their well-being.

Satisfaction with the level of income in the household

In the financial year ending 2013, over half (53.4%) of adults aged 16 and over in the UK were somewhat, mostly, or completely satisfied with the level of income in their household according to data from the UK Household Longitudinal Study⁴.

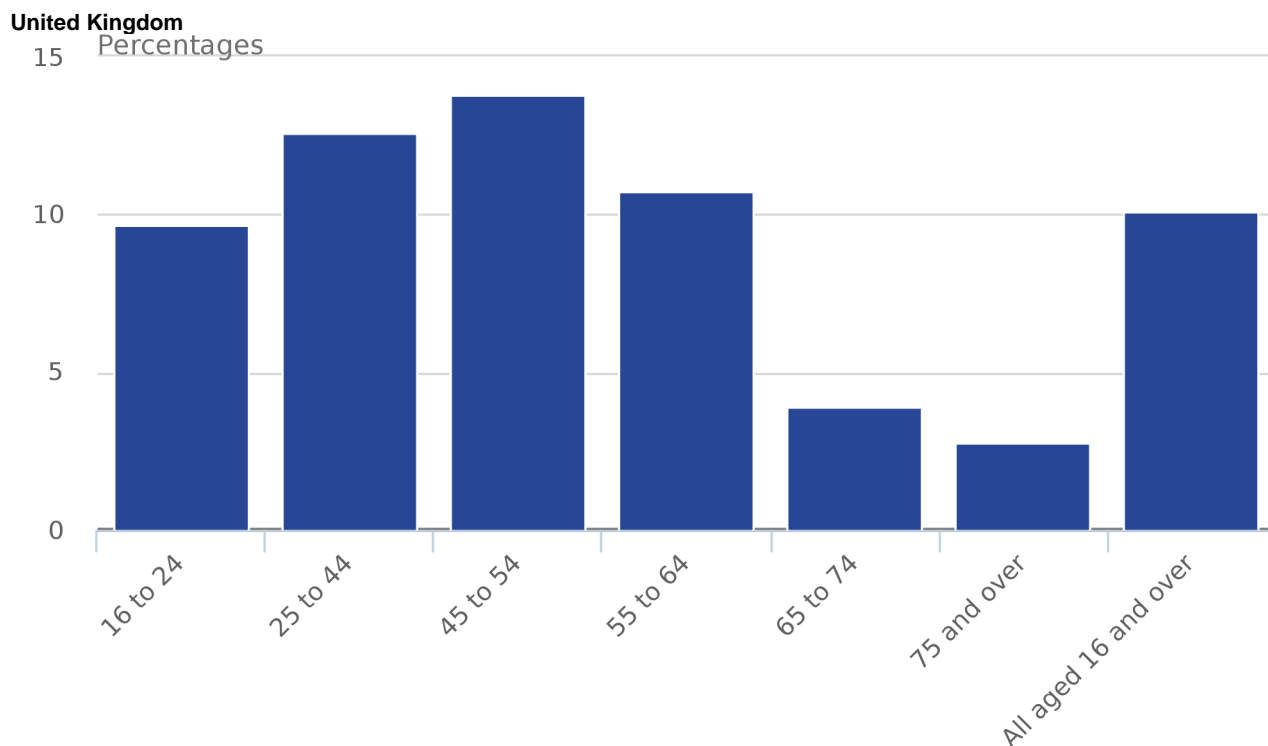
Satisfaction with income saw a downward trend between the financial years ending 2007 and 2012, with a fall of 4.7 percentage points between the financial years ending 2011 and 2012. At the same time, household incomes were falling. More recently, the increase to 53.4% in the financial year ending 2013 shows some improvement in satisfaction with income. However, it remains below the levels seen prior to the economic downturn.

People who find their financial situation quite or very difficult

Respondents aged 16 and over in the UK were asked to rate how they were coping financially from “finding it very difficult” to “living comfortably” on the UK Household Longitudinal Study. In the financial year ending 2013 the proportion of people aged 16 and over in the UK who reported that they were finding their financial situation quite or very difficult was 10.1%, a continuation of the downwards trend seen since the peak in the financial year ending 2010.

The proportion finding their financial situation quite or very difficult varied between the age groups in the financial year ending 2013.

Figure 10: Percentage who report finding it quite or very difficult to get by financially: by age group, financial year ending 2013



Source: Understanding Society, The UK Household Longitudinal Survey

A higher percentage of those aged 25 to 64 reported finding their financial situation quite or very difficult than the average for all aged 16 and over (Figure 10). For those aged 65 and over a considerably smaller proportion of each age group reported that they were finding their financial situation quite or very difficult.

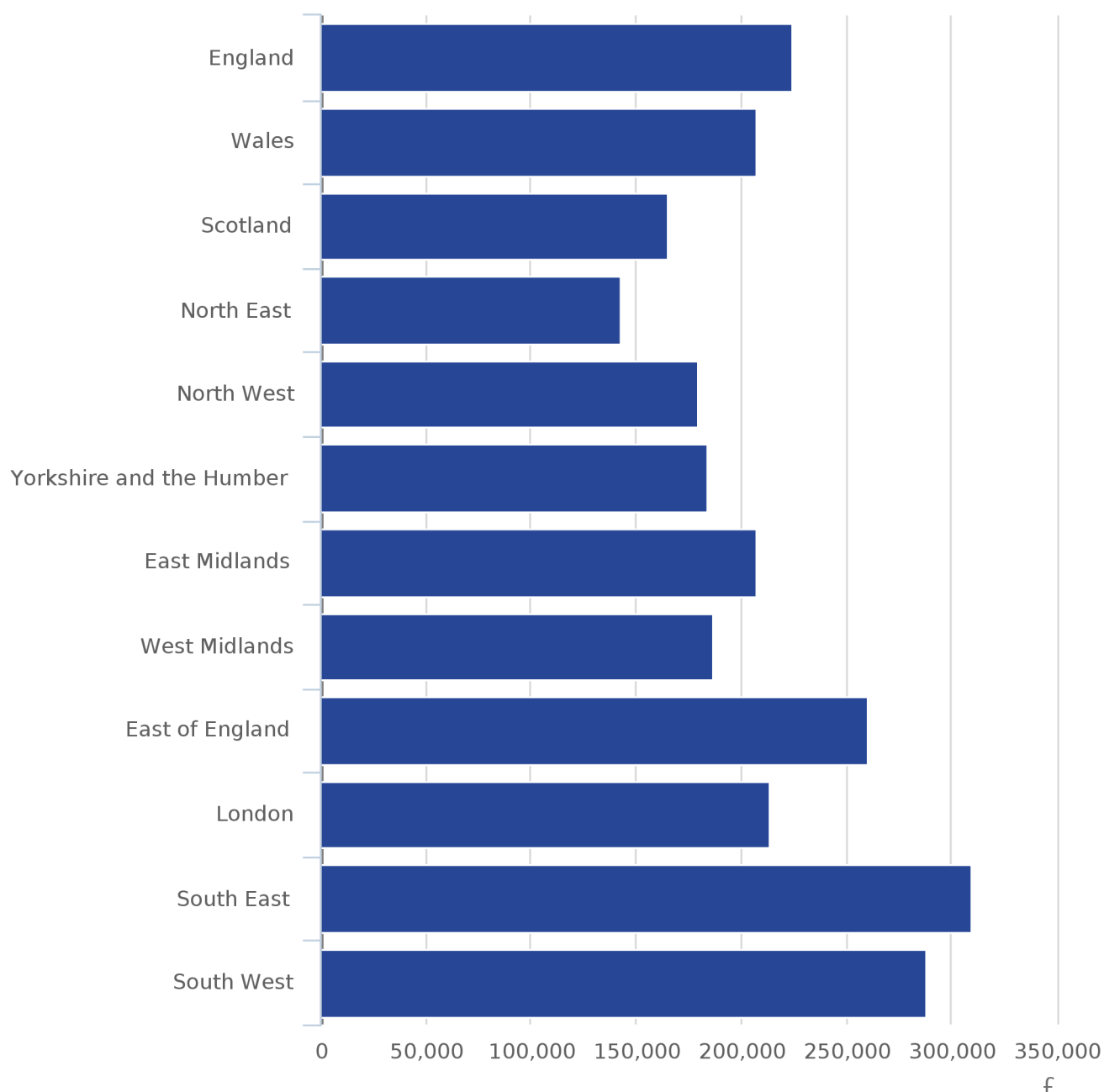
Wealth

Wealth is an important component of the economic well-being of households as it can be used to fund future consumption and can provide a “safety net” against loss of income. Therefore, when looking at how people are coping financially it is necessary to look further than household income. Home ownership, investment schemes, the ownership of shares and the accumulation of wealth, for instance through pensions, all contribute to the changing composition of wealth. Wealth inequality seems to be much greater than income inequality and therefore may have different implications for well-being.

The median household wealth for Great Britain, including pension wealth was £218,400 between July 2010 and July 2012 compared to £204,300 between July 2008 and July 2010 according to the Wealth and Assets Survey. The median value of household wealth masks considerable variation in wealth for households. For example, between July 2010 and July 2012 households a quarter of the way from the top of the distribution of all wealth (at the 75th percentile) had around 9 times more wealth than those households a quarter of the way up the distribution from the bottom (at the 25th percentile).

Figure 11: Distribution of household wealth including pension wealth (1): by region, July 2008 to July 2010

Great Britain



Source: Wealth and Assets Survey - Office for National Statistics

Notes:

1. Excludes assets held in Trusts (except Child Trust Funds) and any business assets held by households. Based on individual responses within households.

Median total household wealth in the South East of England was more than double that in the North East of England between July 2010 and July 2012, the difference between the two medians being around £167,000 (Figure 11).

Across Great Britain, the North East of England and Scotland had the lowest median total household wealth, at £142,700 and £165,500 respectively. The greatest median total household wealth was in the South East of England, at £309,700, followed by the South West at £288,300 and the East of England at £259,900.

Notes for how are we coping financially?

1. Dolan, P., Peasgood, T. and White, M. (2008). Do we really know what makes us happy? A review of the economic literature on the factors associated with subjective well-being.
2. "Low-Income Britons Struggle With Their Wellbeing", Gallup
3. Median equivalised household disposable income. Data are Organisation Economic Co-operations and Development (OECD) equivalised and at 2011/12 prices. The median household income is the income of what would be the middle household, if all households in the UK were sorted in a list from poorest to richest. As it represents the middle of the income distribution, the median household income provides a good indication of the standard of living of the "typical" household in terms of income.
4. Respondents were asked how they felt about the income of their household and responded on a seven point scale from "completely dissatisfied" to "completely satisfied".

11. How strong is our economy?

Assessments of change - Economy

	1 year	3 year
Real net national disposable income per head	No overall change	No overall change
UK public sector net debt as a percentage of Gross Domestic Product	Not assessed	Not assessed
Inflation rate (as measured by the Consumer Price Index)	Not assessed	Not assessed

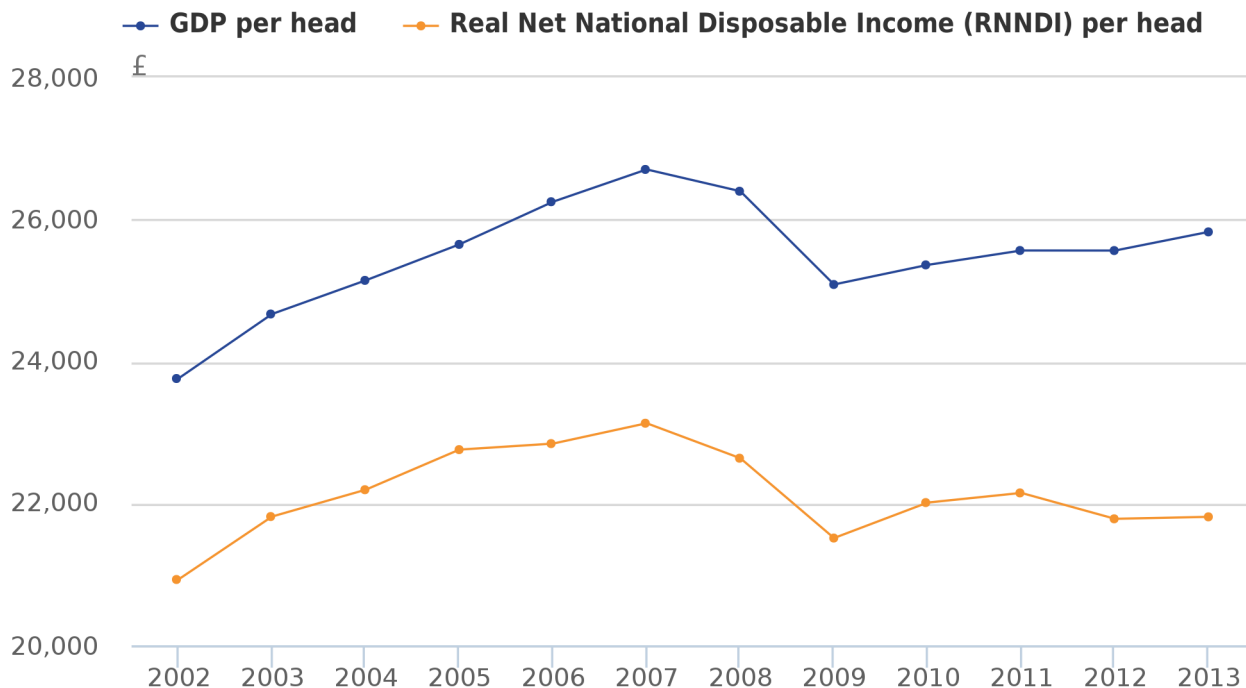
The economy is an important contextual measure of national well-being. Typically, economic progress is assessed by looking at changes in Gross Domestic Product (GDP), and, for many years, this measure was used as a proxy for "how society is doing". However, it has long been recognised that GDP does not capture everything that determines society's well-being, nor was it designed to do so. The measures in this report supplement GDP to give a fuller picture of national well-being.

There are a range of measures that can be used when assessing economic performance other than GDP, including net national disposable income (NNDI).

Net national disposable income

Figure 12: Real net national disposable income and GDP per head

United Kingdom



Source: Office for National Statistics

NNDI adjusts GDP to reflect the income actually available to residents of the country from production (either at home or abroad). This measure includes income that is available to businesses and the government, as well as households.

In 2013 real (adjusted for inflation) NNDI per head was £21,888. Looking over the last decade, real NNDI per head peaked at £23,125 in 2007, and was at its lowest in 2009 at £21,508 (Figure 12).

Prior to 2011, the experience of NNDI per head and GDP per head was fairly similar. However since 2011, NNDI has remained broadly flat, despite growth in GDP. This suggests that while production in the UK is increasing, the economy as experienced by individuals is less rosy because the income available to residents of the UK has not grown in the same way. This is reflected in some degree in personal finance. When asked about satisfaction with income and how they were coping financially respondents showed a decline in satisfaction in 2008. Satisfaction levels for both measures remain below those reported before the financial crisis of 2008.

Table 1: Public sector net debt as a proportion of GDP (1,2)

	Percentage of GDP
2000/01	30.1
2001/02	29.3
2002/03	30.3
2003/04	31.7
2004/05	34.3
2005/06	35.4
2006/07	36

2007/08	36.7
2008/09	49
2009/10	62
2010/11	68.7
2011/12	72.3
2012/13	76.7
2013/14	79.1

Source: Office for National Statistics

Notes:

1. Public Sector Net Debt excluding temporary effects of financial interventions as a proportion of GDP.
2. Annual figures reported here are financial years.

In the financial year ending 2008 public sector net debt (total gross financial liabilities less liquid financial assets) stood at 36.8% of GDP (Table 1). By the financial year ending 2014 this had more than doubled to 76.3% of GDP.

A high level of government borrowing will result in money having to be spent repaying that debt. This can lead to both a reduction in investment and a requirement on future generations to continue paying off these debts, which could in turn have a negative impact on national well-being and reduce their ability to make further investments. However, public sector debt increases are not necessarily bad for national well-being. For example, a government may borrow to invest in infrastructure projects or training that will benefit individuals and businesses in the long term. An investment in infrastructure may have environmental benefits such as reduced congestion which leads to improved transport access to key services or work, cleaner air and less harmful emissions. An investment in training, more schools or a reduced teacher to pupil ratio may lead to an increase in human capital stock, all of which are beneficial to well-being

Inflation rate

The consumer prices index (CPI) is the inflation measure used in the government's target for inflation. The Bank of England has responsibility for keeping CPI close to a target set by the government (2% as of 2011). The primary aim of this is price stability and to prevent inflation from being too high or low as zero inflation or deflation are also undesirable.

In January 2015, the rate of inflation was 0.3%, a record low. This was 1.6 percentage points lower than in January 2014, and much lower than during 2011 and 2012. The fall in the rate of inflation seen during late 2014 is a continuation of a downward trend that started in mid-2013. Much of this moderation in inflation has come about as a consequence of decreasing energy costs and food and drink prices.

The rate of inflation is important for well-being because of its effect on income and net wealth.

When prices increase faster than income, over time, incomes can buy less and households feel worse off. Equally, if incomes increase faster than prices, over time, incomes can buy more and households feel better off. The income section of this release considers the evolution of household income, adjusted for inflation.

In addition, inflation can impact on households through its effect on net wealth. If inflation is lower than the interest rates offered to households by banks, then the real value of savings increases. If inflation is higher the real value of savings decreases, since 2013 the lower inflation rate has benefitted savers. However, higher levels of inflation can also act to decrease debt, as the amount owed becomes worth less in real terms over time.

Spending patterns differ, meaning the inflation experienced by different households may not be the same. Some households may experience faster rates of price growth than others.

Our analysis in December 2014¹ indicates that the price experience of different types of UK household has varied widely between 2003 and 2014. Households that spend relatively little each month have experienced faster price growth than households who spend more. This may in part be due to food and fuel costs forming a larger proportion of their expenditure than wealthier household groups, food and fuel having experienced stronger than average inflation. This is reflected throughout each income decile as inflation decreases with every decile apart from the 2 wealthiest, 9 and 10, which have the same rate of inflation. Lowest-spending households experienced average annual inflation of 3.3% between 2003 and 2013, compared with 2.3% for among the highest spending households. These differences compound over this period, and consequently the prices of products purchased by the lowest-spending households have risen by 45.5%, compared with just 31.2% for the highest spending households.

Average CPI between 2003 and 2013 was 2.6%. However, looking at household composition, households with children typically experienced an inflation rate of 2.4% while retired households experienced a higher inflation rate of 2.8%. This is in part because retired households were more affected by the changes of energy and food prices than other household groups. Non-retired households as a whole experienced an inflation rate of 2.5%.

Notes for how strong is our economy?

1. [Variation in the inflation experience of UK households index](#)

12. How skilled are we?

Assessments of change - Educational and skills

	1 year	3 year
Human capital - the value of individuals' skills, knowledge and competences in labour market	No overall change	Deteriorated
Five or more GCSEs A* to C including English and Maths	No overall change	Improved
UK residents aged 16 to 64 with no qualifications	Improved	Improved

Having a good education plays a crucial role in enabling people to maximise the opportunities available to them, achieve their potential and make a contribution to the country's economy. Educational qualifications are a key determinant of future employment and income. A wide variety of studies have investigated a positive relationship between education and well-being¹.

Educational attainment

Table 2: GCSE (1) and SCQF (2) attainments (3)

	Percentages				
	2008/09	2009/10	2010/11	2011/12	2012/13
GCSE					
All pupils	49.8	52.9	58.5	59	58.9
Boys	45.9	48.9	54.8	54.3	53.7
Girls	54	57.1	62.4	63.9	64.4
Gender gap	8.1	8.2	7.6	9.6	10.7
SCQF					
Level 3 or better	91.5	92.4	92.7	93.9	94.6

Level 4 or better	77.6	78.3	78.8	80.2	82.1
Level 5 or better	35.4	36.1	36.4	37.4	39.4

Source: Department for Education; Welsh Government; Scottish Government; Northern Ireland Department of Education

Notes:

1. Pupils achieving 5 or more GCSE grades at A*-C including English and mathematics (England, Wales and Northern Ireland).
2. Pupils in last year of compulsory education achieving 5 or more qualifications at SCQF: by level (Scotland).
3. Years are academic years.

Table 2 shows that the percentage of pupils gaining 5 or more GCSE grades at A* to C including English and Mathematics in England, Wales and Northern Ireland has remained constant since the academic year ending 2012 and rose by around 9 percentage points since the academic year ending 2009². In the academic year ending 2013, girls continued to outperform boys at GCSE with 64.4% of girls achieving 5 or more GCSE grades at A* to C including English and Mathematics compared to 53.7% for boys. The gender gap has widened over each of the last 3 academic years. In Scotland the proportion of pupils in their last year of compulsory education achieving 5 or more qualifications at SCQF level has increased year on year for each level between the academic years ending 2009 and 2013.

Research suggests that non-cognitive skills, such as empathy, non-verbal communication and emotional intelligence, are as important to academic achievement as cognitive skills, such as memory, attention and reasoning. The “How to Thrive” team at Hertfordshire County Council³ is currently working with academics and local schools to implement a series of programmes aimed at improving pupil's well-being, resilience and motivation. Such programmes could be particularly beneficial for disadvantaged pupils, as these children tend to have poorer non-cognitive skills than more advantaged pupils⁴.

While people with qualifications may have a higher chance of securing employment or continuing their education, those without any qualifications may face years of unemployment, underachievement and never realise their full potential in life.

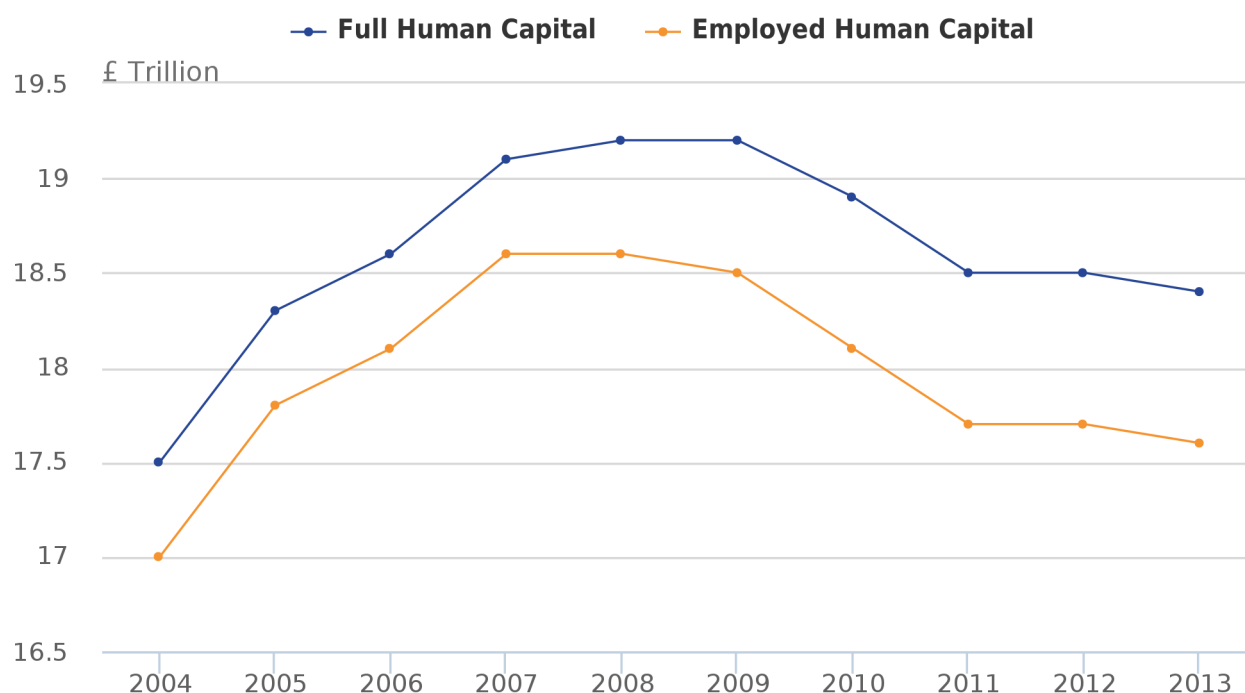
The proportion of people in the UK with no educational qualifications has been falling since 2002 according to data from the Labour Force Survey. In 2002, 15.5% of UK residents had no qualifications; by 2007 this had fallen to 12.9%. In 2014 under 1 in 10 (8.6%) reported that they had no educational qualifications, 6.9 percentage points lower than in 2002. People in Northern Ireland and the West Midlands were more likely to report that they had no qualifications in 2014 (17.0% and 13.4% respectively). People in the South East and South West were least likely to report that they had no qualifications (5.8% and 5.9% respectively).

Human capital

Human capital is a measure of individuals' skills, knowledge, abilities, social attributes, personality and health attributes. These factors enable individuals to work, and therefore produce something of economic value. Individual's labour market outcomes are linked to their human capital. In general, individuals with low skills or levels of education are more likely to be unemployed and face social exclusion. Higher human capital (in particular educational attainment) is also associated with higher earnings. Earnings have been found to be related to life satisfaction and happiness. Human capital can also have social impacts; in particular, higher levels of human capital are associated with improved health outcomes, lower crime rates, and higher rates of trust and social participation. In addition, human capital also has important economic impacts. Research on economic growth suggests that countries with higher levels of human capital, other things being equal, have greater potential output and income in the future.

Figure 13: Employed and full human capital (1,2,3)

United Kingdom



Source: Annual Population Survey (APS) - Office for National Statistics

Notes:

1. Figures in 2013 prices.
2. Labour productivity growth rate = 2%.
3. Discount rate = 3.5%.

Figure 13 shows the effect of the economic downturn on the UK's employed human capital stock. Between 2004 and 2007 the value of the UK's human capital stock increased steadily, at an average of 3.1% per year. This was driven by an increase in both the employed working-age population and the skills level of the population. Another important driver of the increase in the value of the UK's human capital stock was earnings growth, which generally grew in real terms between 2004 and 2007. Growth in employed human capital slowed into 2008 (0.2%) before falling slightly in 2009 (negative 0.7%), beginning to reflect the effect of the economic downturn on the UK's human capital stock. With falling employment rates and falls in real earnings, 2010 and 2011 saw further falls in the value of the UK's employed human capital stock (negative 2.0% and negative 2.4% respectively). Following these substantial falls in 2010 and 2011, the value of the UK's human capital stock began to stabilise from 2011.

Further information about human capital can be found in the 'How sustainable is our future well-being?' section of this report.

Notes for how skilled are we?

1. Dolan et al 2008.
2. In England, Northern Ireland, and Wales pupils take the GCSE (General Certificate of Secondary Education) at 16 and GCE A levels at 18. In Scotland pupils study for their first National Qualifications (NQ), typically at SCQF level 3 to 5, in the fourth year of secondary school. These include Access 3, National 3 to National 5 or Intermediates 1 and 2. NQ Higher grade (SCQF level 6), requires at least a further year of secondary schooling. Although Intermediates 1 and 2 can be taken in the fourth year of

secondary school, they are designed primarily for candidates in the fifth and sixth years of secondary school.

- 3. Healthy Minds, How to Thrive
- 4. "Developing Healthy Minds in Teenagers", Education Endowment Foundation

13. How politically engaged are we?

Assessments of change - Governance

	1 year	3 year
Voter turnout (at UK General Elections)	Improved	Deteriorated
Those who have trust in national Government	Improved	Improved

Political engagement matters to our national well-being because it provides citizens with a voice and can help shape government activities which in turn helps build strong and resilient communities.

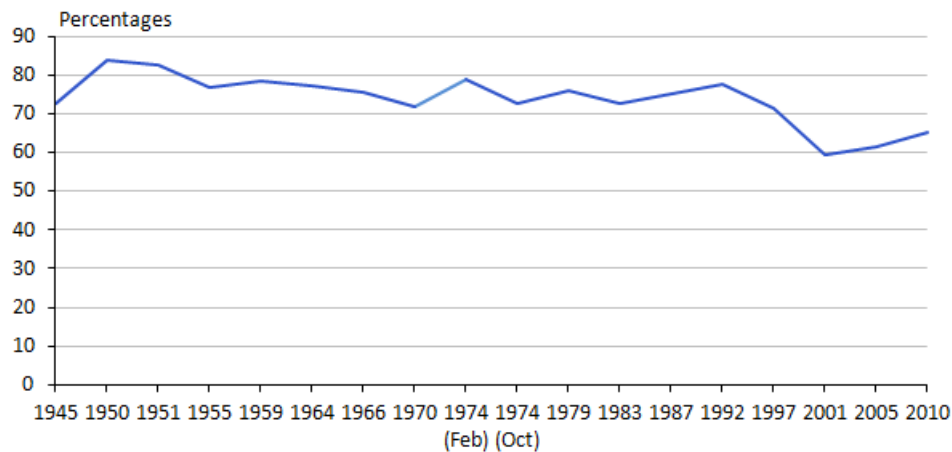
Voting is the most prominent form of political participation and, for many people, it is the only engagement with politics that they have. However, there are other ways that people can engage in the democratic process, such as contacting an elected representative, attending a public demonstration, attending a public meeting or involvement in decision-making about local services.

Trust in government

In the autumn of 2014, 31% of people aged 15 and over in the UK reported that they “tended to trust” their national government according to a Eurobarometer survey. Although this was a rise of 6 percentage points since spring 2014 and 7 percentage points since autumn 2013, it must be noted that just over 6 in 10 (62%) tended not to trust the government. This figure is comparable with a number of European countries, and lower than France, Italy and Spain, where the proportion that tend not to trust in government is closer to three-quarters. In the spring of 2007 the proportion of people that “tended to trust” the government, stood at over a third (34%) but fell to just under a fifth (19%) in the autumn of 2009. These proportional declines occurred around the time of the UK parliamentary expenses scandal and the start of the financial crisis. During the general election year of 2010, trust in government increased and by spring 2011 it stood at 32% before falling again to around 21% in the autumn of 2011.

Figure 14: Turnout in general elections, 1945 to 2010

United Kingdom



Source: House of Commons Library

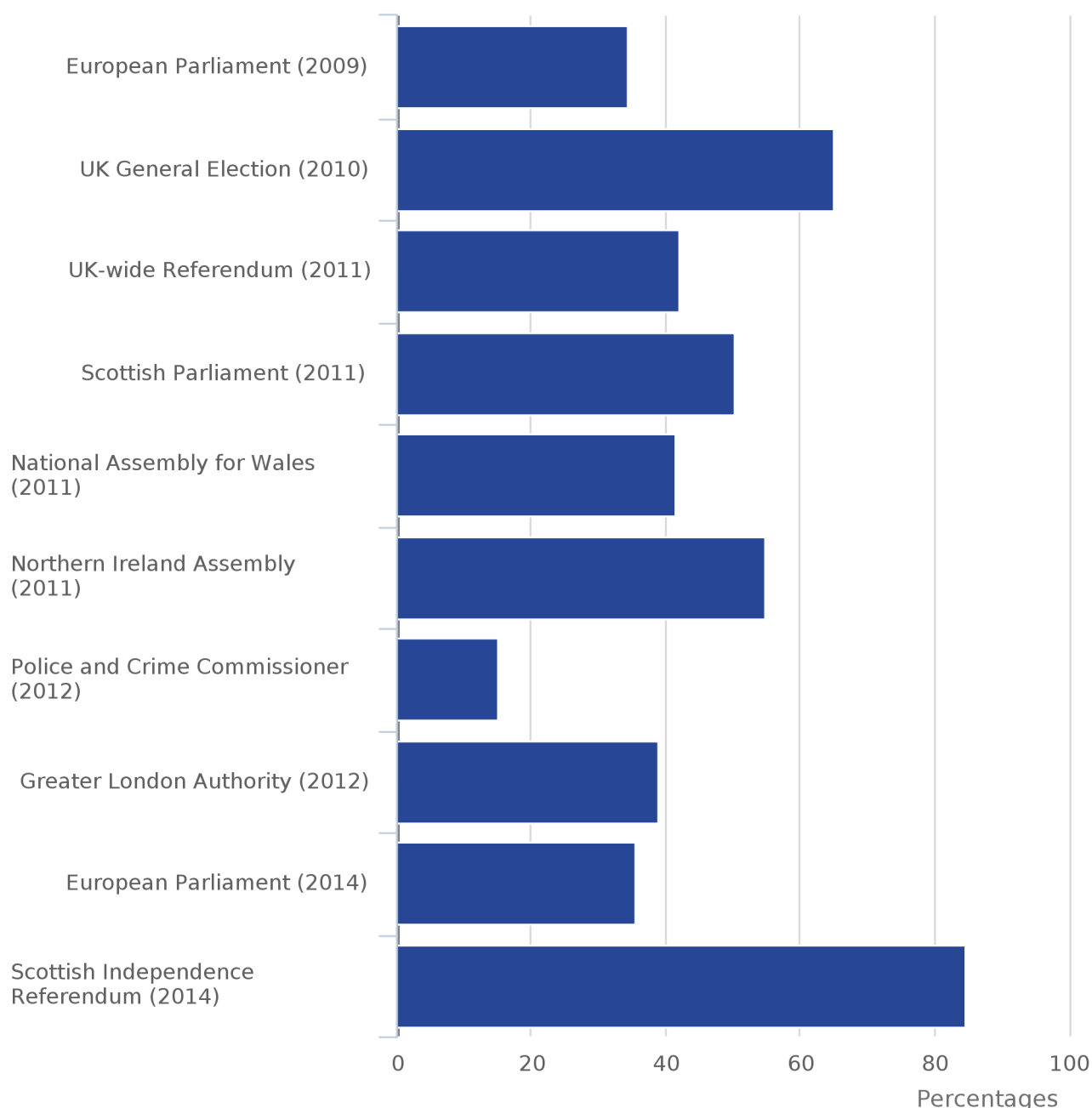
Voter turnout

Voter turnout can be used as a measure of people's trust in government, and in turn is another means with which to assess our attitudes to political engagement. Voter turnout in general elections in the UK has fallen from a high of 83.9% in 1950, to a low of 59.4% in 2001. The turnout for the last general election in 2010 was 65.1% - higher than the previous two elections, but still the third lowest since 1945 (Figure 14).

Figure 15 shows turnout at recent elections and referendums (not including local elections) between 2009 and 2014.

Figure 15: Voter turnout at elections and referendums held between 2009 and 2014

United Kingdom



Source: House of Commons Library, The Electoral Commission, The Scottish Parliament

The lowest turnout in the last 5 years was for the Police and Crime Commissioner Election in 2012, with a turnout of just 15.1% (Figure 15). This was the lowest recorded level of participation at a peacetime non-local government election in the UK.

The highest turnout in the last 5 years was for the Scottish Independence Referendum in 2014, where 84.6% of the electorate voted. This was the highest recorded turnout for an election or referendum in the UK since the introduction of universal suffrage¹. The large proportion of people who voted suggests that people will turn out and vote for an issue where they believe they can make a difference.

Political engagement is also shown to vary by age with young people in the UK less likely to participate in elections than older people. Exact figures about the age of voters in general elections are not available in the UK because information about the identity of voters is kept secret. However, data from the British Election Study does provide age-based survey data.

Just 40.4% of eligible 18 to 24 year olds voted at the general election in 2001, falling further to 38.2% in 2005. Turnout within this group increased to 51.8% in 2010, yet this remains around 13 percentage points below the national average for all ages, and suggests that a large number of these young people who registered to vote opted not to do so. It is also a significantly lower turnout rate than recorded in earlier elections, for example, 66.6% in 1987 and 67.3% in 1992 and 76.4% in 1964.

The UK House of Commons, Political and Constitutional Reform Committee - Voter Engagement Inquiry, is looking into voter registration and turnout in the UK. A report was published in November 2014 that considered changes, such as compulsory voting, online voting, and extending the franchise to younger people. The inquiry asked the public to consider the proposals put forward in the report on what would make people more engaged or make it easier for them to turn out and vote. A follow up based on responses to the consultation was published on 5 February 2015 and is awaiting government response².

Civic engagement

Some other measures of civic engagement are captured on the Community Life Survey³ commissioned by the Cabinet Office. The three measures of civic engagement on this survey are:

- civic participation
- civic consultation
- civic activism

In 2013 to 2014, 30% of people aged 16 and over in England engaged in some form of civic participation at least once in the 12 months prior to interview, while 16% took part in some form of civic consultation and 9% participated in some form of civic activism.

Notes for how politically engaged are we?

1. Universal suffrage means that every citizen above the age of 18 is allowed to vote.
2. Proposals on voter engagement, UK Parliament
3. Civic participation – engagement in democratic processes (both in person and online), such as contacting an elected representative or attending a public demonstration. Civic consultation – taking part in consultations about local services such as completing questionnaires, attending public meetings or being involved in discussion groups (both in person and online). Civic activism – involvement in decision-making about local services or in the provision of these services (both in person and online) such as being a school governor or magistrate.

14. How sustainable is our natural environment?

Assessments of change - Natural environment

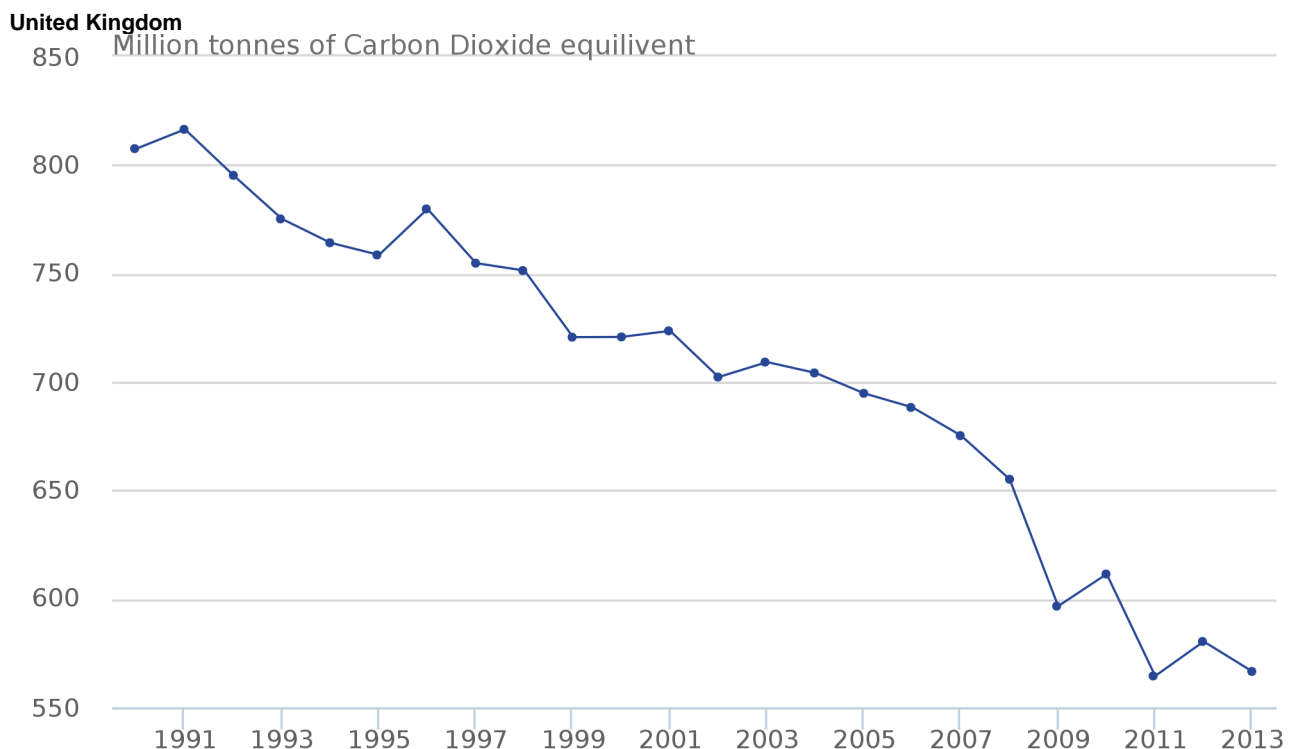
	1 year	3 year
Total green house gas emissions (millions of tonnes)	Improved	Improved
Protected areas in the UK (Millions hectares)	Not assessed	Not assessed
Energy consumed within the UK from renewable sources	Improved	No overall change
Household waste that is recycled		Not assessed

The natural environment is vital to life on earth. Environmental sustainability is about protecting these natural resources from depletion, so they support existence now and for future generations.

Greenhouse gas emissions

Emissions of greenhouse gases (GHG) are widely believed to contribute to global warming and climate change. Carbon dioxide is responsible for the largest amount of GHG emissions, accounting for 82% of the total in 2013. The UK has both international and domestic targets for reducing GHG emissions. For example, the Kyoto Protocol (an international agreement adopted in 1997, under the UN Framework Convention on Climate Change), and UK carbon budgets, which were established by the UK Climate Change Act 2008.

Figure 16: Emissions of greenhouse gases (1)



Source: Energy and Climate Change

Notes:

1. The chart shows UK greenhouse gas emissions only, and excludes emissions from UK Crown Dependencies or Overseas Territories. Geographical coverage of the UK's emissions reductions targets varies – for example the UK's Kyoto Protocol target includes the Crown Dependencies and some Overseas Territories, while UK carbon budgets cover the UK only.

Since 1990, UK greenhouse gas emissions have decreased by 30% (Figure 16). This is due to a number of factors including changes in the mix of fuels used for electricity generation, and greater energy efficiency resulting from improvements in technology. In 2014, the UK confirmed that it had met the first carbon budget (for the period 2008-2012), with emissions of 36 million tonnes carbon dioxide equivalent (MtCO₂e) below the cap of 3,018 MtCO₂e over the first carbon budget period.

Energy from renewable sources

Renewable energy is energy that is naturally replenished and is therefore sustainable. It is sourced from natural resources such as sunlight, wind, rain, tides and geothermal heat. Renewable energy technologies have a much lower environmental impact than conventional energy technologies. In June 2009, the UK signed up to the European Union (EU) Renewable Energy Directive (RED). This includes a target that the UK has to provide 15% of energy from renewable sources by 2020 for electricity, heat and transport.

Provisional figures indicate that during 2013, 5.2% of final energy consumption was from renewable sources. This is an increase from the 2012 figure of 4.2%, and 3.8% in 2011. The RED introduced interim targets for member states to achieve on their route to attaining the 2020 proportion. The UK was broadly in line with its first interim target of 4.04% across 2011 to 2012, achieving 4.01%.

Protected areas

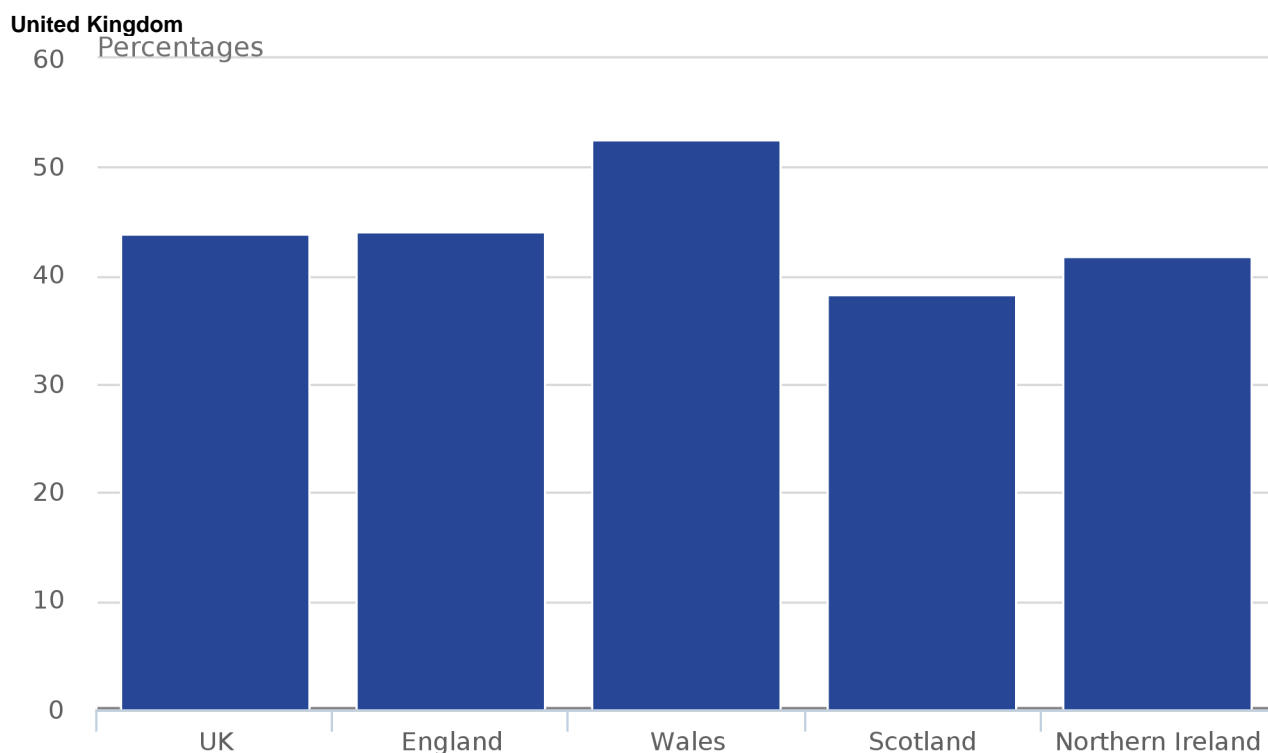
Protected areas are locations that are conserved because of landscape, ecological and/or cultural reasons, with the main purpose of protecting biodiversity. In the UK, there are some protected areas which have international designations, such as World Heritage Sites, and some areas, including National Parks, which have national designations. Protected areas also include Marine Protected Areas, which are zones of the seas and coasts where wildlife is protected from damage and disturbance.

The overall total extent of land and sea protected in the UK through national and international protected areas, and through wider landscape designations, has increased by 12.7 million hectares, from 8.7 million hectares in December 2009 to 21.4 million hectares at the start of August 2014 (an increase of 245%). This increase is largely due to designation of inshore and offshore marine sites under the Habitats Directive, designation of marine conservation zones in English and Welsh waters, and designation of nature conservation marine protected areas in Scottish Waters. The area of protected areas at sea increased by 12.5 million hectares between 2009 and 2014.

Recycling

Recycling supports sustainability by conserving raw materials and protecting natural habitats for the future. Using recycled materials in the manufacturing process also uses considerably less energy than that required for producing new products from raw materials. Under the Waste Framework Directive, the UK have a target to recycle, compost or reuse at least 50% of waste generated by households by 2020¹.

Figure 17: Household recycling rates (1,2,3) 2012



Source: Environment, Food and Rural Affairs

Notes:

1. UK estimates for "Waste from households" have been calculated in accordance with the Waste Framework Directive.
2. "Waste from households" includes waste from: Regular household collection, civic amenity sites, "bulky waste" and "other household waste". "Waste from households" excludes waste from: street cleaning /sweeping, gully emptying, separately collected healthcare waste and asbestos waste.
3. While the general approach is consistent across UK countries, aggregation method and the wording of some questions completed by Local Authorities varies.

In 2012, around 26.4 million tonnes of household waste was produced in the UK, of which 11.6 million tonnes (43.9%) was recycled, composted or reused (Figure 17). The remainder went to landfill or was incinerated. Between 2010 and 2012 the recycling rate increased by 4 percentage points from 40.3%. Recycling rates in 2012 varied across the countries of the UK. In Wales, more than half (52.5%) of household waste was recycled, composted or reused, compared to 44.1% in England, 38.3% in Scotland and 41.7% in Northern Ireland.

Notes for how sustainable is our natural environment?

1. Set out in the Waste Framework Directive (2008/98/EC).

15. How sustainable is our future well-being?

The decisions we make today will affect the resources and opportunities for future generations, which is why the definition of national well-being includes not just "how we are doing" as individuals, as communities and as a nation, but also how sustainable this is for the future. The OECD's 'How's Life? Measuring Well-being' report says that the most useful approach to assessing sustainability over time is to consider the stocks we have of things like education and skills, our natural resources, community cohesion – things that "can generate a stream of benefits

to society over time". These are known as capitals and they help us to understand sustainability because they link the present with the future.

Natural capital

As part of the Measuring National Well-being programme, we have determined estimates of natural capital. Natural capital involves valuing our natural assets so that we can determine current stocks and monitor future impacts. In 2011, selected components of UK natural capital were valued at £1,573 billion. This included mineral reserves valued at £14.0 billion, agricultural land valued at £45.1 billion, and timber valued at £6.9 billion. It also included the value of the annual benefits of recreational ecosystem services (the benefits people get from the natural environment), which was £77.4 billion, and the monetary asset value of recreational ecosystem services, which was £1,353 billion. This estimate is 4.1% lower than in 2007, mainly due to a fall in the value of sub-soil assets. These estimates are experimental and do not currently value all of the material benefits of nature that make up the UK's natural capital. There are also other, non-material benefits of nature, such as positive physical and mental health impacts, improving community cohesion, and enhancing our living environment (Faculty of Public Health, 2010), which are not included in natural capital accounts. Further information on natural capital can be found in UK Natural Capital¹.

Human capital

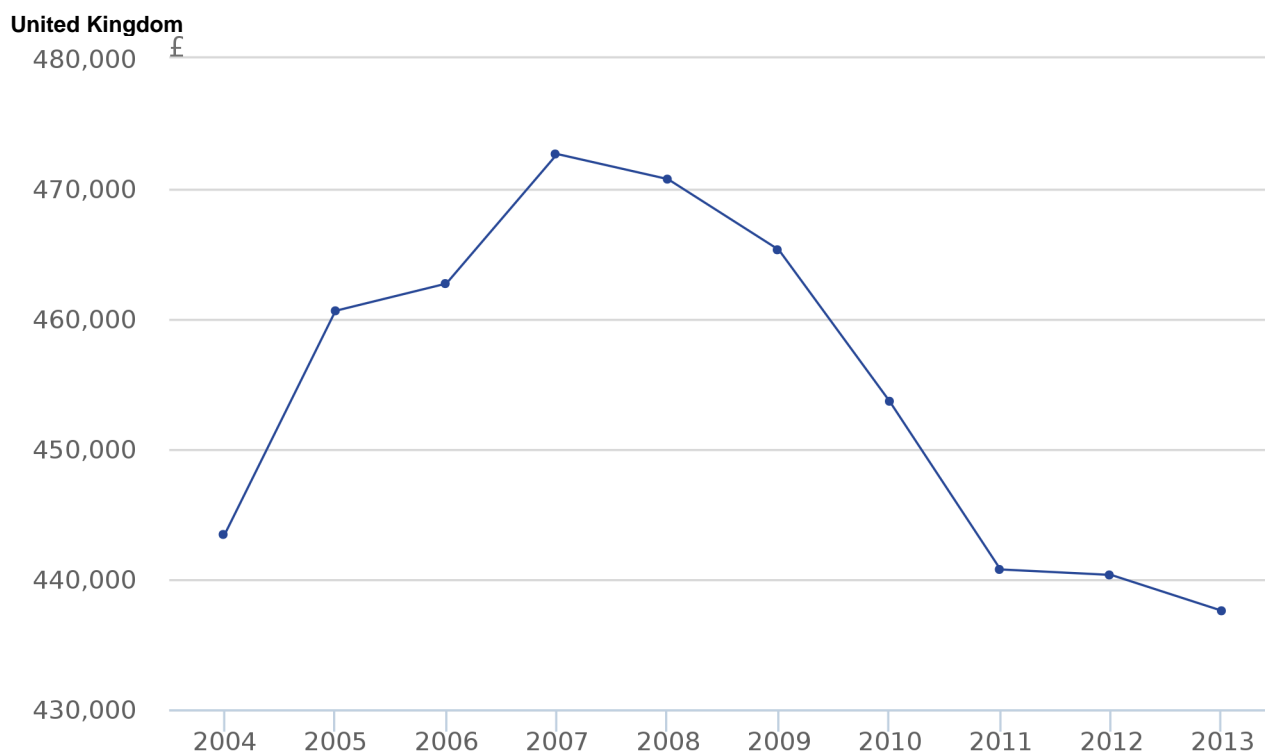
The Measuring National Well-being programme also measures human capital, which refers to the economic value of people – the value of our skills, knowledge, abilities, social attributes, personality and health attributes. These are the things that enable us to work and produce something of economic value. In practical terms, the focus of measuring human capital is limited to people's skills, knowledge and competencies, with particular consideration paid to the role of formal education and training. In 2013 the value of the UK's employed human capital stock was £17.61 trillion, and the value of full human capital stock (which includes the unemployed) was £18.38 trillion.

Analysis of the distribution of human capital shows that those with higher qualifications hold a greater proportion of human capital stock. In 2013, more than a third (35.4%) of the UK's human capital stock was among the 26.2% of the working age population whose highest educational attainment was a degree, or equivalent. In comparison, the proportion of the working age population who have no formal qualifications (9.6%) held just 5.4% of the UK's human capital stock.

The stock of employed human capital per head of working-age population rose steadily between 2004 and 2007, where it peaked at £472,657 (Figure 18). Even though the total stock of human capital began to stabilise from 2011, the per head figure began to decline in 2008 and was valued at £437,561 in 2013, more than £35,000 lower than in 2007. This is because the size of the working age population had grown, while the stock of human capital had not. As the population increases, total human capital needs to increase for human capital per head to stay the same.

These changes show how the value of our population's skills, knowledge and competencies has changed between 2004 and 2013. Measuring human capital is important to national well-being because it helps us understand the level of skills we have as a nation. However, we can also see how it affects individuals because lower skill levels among the labour force may ultimately translate into lower wages.

Figure 18: Employed human capital per head



Source: Office for National Statistics

Because women tend to spend less time in paid employment, and have lower average earnings, the total value of women's human capital stock in 2013 was equivalent to around 59% of men's human capital stock (£6.53 trillion and £11.08 trillion respectively). Further information on human capital can be found in Human Capital Estimates, 2013².

Social capital

Social capital refers to social connections and the benefits they generate. Social capital is associated with civic participation, civic-minded attitudes and values which help people cooperate, such as tolerance or trust. Unlike natural or human capital, we don't put a financial value on social capital. In January 2015³, we published a set of 25 measures that cover 4 key aspects: personal relationships, social network support, civic engagement and trust, and cooperative norms. In terms of personal relationships, the report showed that most of us (95%) had at least one close friend in the financial year ending 2012. However, the report also showed that in the financial year ending 2012, 11% of people felt lonely at least half of the time over the previous two weeks. People who regularly feel lonely are more likely to feel left out of society, and that the things they do are not recognised. They are also less likely to feel that what they do is worthwhile.

Social network support is about perceived and actual support that people give and receive. The social capital report found that most people felt that they can rely "a lot" on their partner (83%) and their family (62%) in case of a serious problem, but less than half (45%) felt that they could also rely "a lot" on their friends.

Volunteering and political participation are forms of civic engagement. The role of volunteering is important to national well-being because it impacts on society and the economy. At the individual level, volunteering is known to have positive impacts not only on the people being supported but on the volunteer as well. At the national level, the report showed that voluntary activity in the UK in 2012 was valued at £23.9 billion which, at around 1.5% of GDP, means volunteering is also important to the UK economy.

Trust and cooperative norms are key for the effective functioning of society and, therefore, are important for national well-being. For example, people who trust others in their local area are more likely to feel safe walking

alone after dark. People who trust others are also more likely to have trust in public institutions. Conversely, people who have low ratings of trust in government are more likely to report being dissatisfied with their own lives. Therefore, actions taken at national level to improve, for example, trust in institutions may also impact individual well-being.

A nation that has high levels of social capital stocks is a nation where people are connected to one another, trust and help each other, are tolerant, and are empowered to shape the society they live in. More information on social capital can be found in the publication “An Analysis of Social Capital in the UK” (ONS, January 2015).

Economic capital

We also publish the value of economic capital, although not as part of the Measuring National Well-being programme. Economic capital is the combined value of physical and financial capital, otherwise known as non-financial assets and financial net worth. At the end of 2013, economic capital was valued at £7.6 trillion, which is equivalent to £119,000 per person, or £289,000 per household.

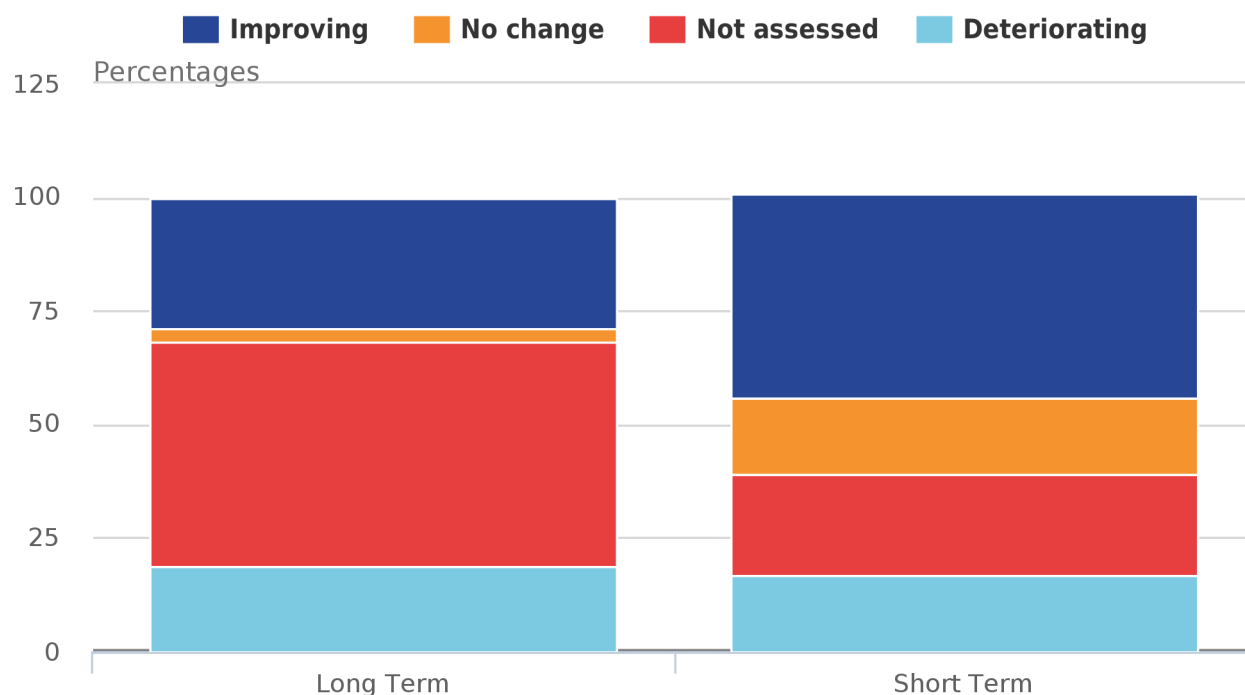
Physical capital, which includes the machinery, equipment and buildings, was valued at £7.9 trillion at the end of 2013. Dwellings are by far the most valuable non-financial asset at 61% of the UK’s net worth, or £4.7 trillion.

Financial capital is the value of financial assets minus financial liabilities. Although the value of financial capital (which includes currency and deposits, shares, bonds and derivatives) was £28.7 trillion at the end of 2013, the value of financial liabilities was larger at £29.0 trillion. This means that financial capital was valued at minus £0.3 trillion⁴.

Sustainable development

We reported measures of human and social capital stocks, along with a wide range of indicators in July 2014 in the publication 'Sustainable Development Indicators'⁵, which provides an overview of progress towards a sustainable economy, society and environment. This publication assessed the short and long term changes in the report’s economic, social and environmental measures. These changes are reflected in Figure 19. In terms of the economy, looking only at measures where data could be assessed, more measures had deteriorated than improved over the short term (the latest 5-year period). In comparison, an assessment of the social and environmental measures shows that more measures have improved than deteriorated over the short term.

Figure 19: Assessment of change - Sustainable Development Indicators, 2014



Source: Sustainable Development Indicators, July 2014, Office for National Statistics

In 2015, the Millennium Development Goals (MDGs) for developing countries will expire and a new set of development goals are currently being negotiated internationally. The United Nations Statistical Division has been asked following Rio+20 Summit, to lead work on Sustainable Development Goals (SDGs) (for both developed and developing countries). We are coordinating the Government Statistical Service input into this development process to ensure consistent and considered advice is given to UK policy officials and international statistical groups on measurement capabilities, issues and data gaps. The final set of Sustainable Development Goals will be agreed at a UN Summit in September 2015 and we are positioned to monitor and report UK progress against these goals and targets from 2016.

Although our work on natural, human and social capital is still in development, it has already drawn attention to areas that are important for understanding future well-being. For example, work on human capital has highlighted inequalities in the distribution of human capital stocks, and that widening inequalities are detrimental to national well-being. The natural environment, as well as being an economic resource we need to sustain, can have significant impacts on our physical and mental health, leading to higher individual, and therefore national well-being. Higher social capital stocks mean people are more likely to act for the good of their community.

The Commission for Economic Performance and Social Progress likened the people leading our economies and societies to pilots trying to “steer a course without a reliable compass”, and said that in order for them to make good decisions, they need good measurements that are well understood (Stiglitz, Sen, Fitoussi, 2009). Measures such as the capital stocks will enable such people to be better informed when making decisions.

Notes for how sustainable is our future well-being?

1. [Natural Capital](#)
2. [Human Capital Estimates - 2013](#)
3. [An Analysis of Social Capital in the UK](#)
4. More information about non-financial assets and financial net worth is available here [The National Balance Sheet index](#)

16. Background notes

1. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gov.uk

17. Sources, reports and surveys related to 'Life in the UK, 2015'

Summary

Well-being and health policy, Department of Health - www.gov.uk/government/publications/wellbeing-and-health-policy

How do we evaluate our own lives?

[Children's Well-being, 2014](#)

Childrens Society - www.childrenssociety.org.uk

[Personal Well-being in the UK, 2013/14](#)

[Young People's Well-being, 2014](#)

How good are our relationships?

European Quality of Life Survey - [//eurofound.europa.eu/surveys/eqls](http://eurofound.europa.eu/surveys/eqls)

[Exploring the Well-being of Children in the UK, 2014](#)

[Exploring the Well-being of Young People in the UK, 2014](#)

Predicting well-being, report commissioned by the Department of Health and available at www.natcen.ac.uk/

Understanding Society, the UK Household Longitudinal Survey - [Understanding Society](#)

How good is our health?

[Children's Well-being, 2014](#)

[Personal Well-being in the UK, 2013/14](#)

"We are living longer-fact-Dr Martin Mcshane", NHS England - www.england.nhs.uk/2014/02/25/martin-mcshane-6/

How do we spend our time and are we satisfied with its use?

Department for Culture, Media and Sport - [DCMS - Taking Part Survey](#)

"New study shows we work harder when we are happy" - www.warwick.ac.uk/newsandevents/pressreleases/new_study_shows/

Physical activity guidelines for adults, NHS Choices - www.nhs.uk/Livewell/fitness/Pages/physical-activity-guidelines-for-adults.aspx

Sport England - [//sportengland.org/](http://sportengland.org/)

Understanding Society, the UK Household Longitudinal Survey - [Understanding Society](#)

[Valuing Voluntary Activity in the UK](#)

Wellbeing and civil society: Estimating the value of volunteering using subjective wellbeing data - www.gov.uk/government/publications/wellbeing-and-civil-society-estimating-the-value-of-volunteering-using-subjective-wellbeing-data-wp112

How do we feel about where we live?

Department for Communities and Local Government - www.gov.uk/government/collections/english-housing-survey

Understanding Society, the UK Household Longitudinal Survey - [Understanding Society](#)

Department of Transport accessibility statistics - www.gov.uk/government/collections/transport-connectivity-and-accessibility-of-key-services-statistics

Natural England - Natural England

Crime Survey for England and Wales - Crime in England and Wales

How are we coping financially?

Department for Work and Pensions - DWP: Households Below Average Income

"Low-Income Britons Struggle With Their Wellbeing", Gallup - www.gallup.com/poll/148151/Low-Income-Britons-Struggle-Wellbeing.aspx

Wealth and Assets Survey - Wealth and Assets Survey

Understanding Society, the UK Household Longitudinal Survey - Understanding Society

How strong is our economy?

Measuring National Well-being, Economic Well-being

National accounts - National Accounts - all releases

How skilled are we?

"Developing Healthy Minds in Teenagers", Education Endowment Foundation - www.educationendowmentfoundation.org.uk/projects/developing-healthy-minds/

Healthy Minds, How to Thrive - www.howtothrive.org/healthy-minds/

Human capital - Human Capital Estimates index

Department for Education - Department for Education

How politically engaged are we?

Eurobarometer - Eurobarometer

House of Commons Library (elections turnout) www.parliament.uk/business/publications/research/briefing-papers/SN01467/elections-turnout

Proposals on voter engagement, UK Parliament - www.parliament.uk/business/committees/committees-a-z/commons-select/political-and-constitutional-reform-committee/inquiries/parliament-2010/proposals-on-voter-engagement/

How sustainable is our natural environment?

Department for Energy and Climate Change - [Digest of UK Energy Statistics \(DUKES\)](http://Digest of UK Energy Statistics (DUKES))

Department for Environment, Food and Rural Affairs - DEFRA website