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Wellbeing-oriented policymaking: from theory to practice in Scotland, New Zealand and Wales

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1 Introduction

How can societal wellbeing become an integral value to consider in public policymaking? Considering the importance of societal and individual *wellbeing* forms a contemporary trend in both theory and policy practice, and generally starts from the premise that a country's Gross Domestic Product (GDP) is a too narrow proxy for societal wellbeing. Within this 'beyond GDP' movement, the argument is that we are in need of an alternative measure of progress, one that captures a broader range of factors that make up sustainable wellbeing. But what does wellbeing mean as a concept? Which factors are relevant for having or pursuing wellbeing? And in what ways can policymakers steer towards enhancing wellbeing in a community or country instead of merely enhancing its GDP?

In this research, we investigate the case of Scotland's National Performance Framework (NPF), New-Zealand's Living Standards Framework (LSF), and Wales's Shared Purpose Shared Future (SPSF) as three of the leading examples of a wellbeing-based framework for national policymaking. The main purpose of this study is to obtain an understanding of how wellbeing as a broad (theoretical) thought can be translated into a useful concept for policymaking, and how such wellbeing-based policymaking can be organised. The NPF, LSF and SPSF have as their objective to enhance wellbeing in the respective countries along a wide range of measures. The underlying approach to what progress means 'recognises that while economic progress is important, success is about more than GDP' (nationalperformance.gov.scot). Since the three policymaking frameworks have been applied in national policymaking practice for some years (in the case of the NPF, over a decade), these three countries can be considered frontrunners in wellbeing-based policymaking. As such, they form a leading example of how wellbeing can be a central value in policymaking.

In order to understand how wellbeing can play a role in public policymaking, a first question to address pertains to the concept of wellbeing itself. Wellbeing is not a clear-cut and unidimensional term or measure, but instead involves a plurality of factors that together constitute or contribute to the quality of society and/ or quality of life. As the concrete objectives that one has in pursuing wellbeing depend strongly on the underlying concept that one has of such wellbeing, this study presents the main contemporary theoretical debates on wellbeing before analysing the NPF, LSF, and SPSF as concrete cases of wellbeing-based policymaking. In other words, this study investigates the Scotland, New Zealand and Wales as state-of-the-art cases of policymaking practice in the light of the state of the art on wellbeing theory.

In the remainder of the introductory and theoretical part I of this report, Chapter 2 provides the theoretical framework of this research by reviewing definitions of wellbeing and discussing the difference between subjective and objective wellbeing as the main theoretical debate. This discussion results in an understanding of which form of wellbeing may be pursued in policymaking. Recognising that there are different contexts within which one may pursue progress in wellbeing, it is important to stress that our theoretical framework focuses on a concept of wellbeing that is applicable to *public* policymaking. In chapter 3 we describe the methodology of our study, and justify the selection of our three cases in more detail.

In the empirical part II of the study, we present the analysis of Scotland's NPF in chapter 4, New Zealand's LSF in chapter 5, and the SPSF in Wales in chapter 6 as cases of wellbeing-based policymaking. The analysis of each case starts with a discussion of the theoretical underpinning of the wellbeing framework. This is then followed by a discussion of the way in which the wellbeing concept is used in concrete policymaking, and which role it has in policymaking processes. That discussion includes the question how development in wellbeing is being monitored, and how that monitoring is used in the policymaking process. Taken together in the reflective Part III, the case studies provide an insight into how societal wellbeing may become an integral value to consider in public policymaking. After highlighting the main differences and similarities between the three national models, we discuss some prominent take-aways for policymakers that aspire using a wellbeing policy framework. We end the report with some suggestions for follow-up research.

1.1 On the concept of wellbeing: theoretical framework

This theoretical section discusses the concept of wellbeing based on the current (thriving) body of scholarly literature. After first considering some definitions of the term wellbeing, we discuss the most prominent distinctions in the concept: subjective and objective wellbeing, and individual and collective wellbeing. Amidst the wide variety of conceptualisations in different scholarly and disciplinary domains, our explicit aim is to look for the conceptualisation of wellbeing that is usable for policymaking – even though we acknowledge that other conceptualisations of wellbeing may be well applicable in other contexts.

Scholars in the domain of wellbeing generally start from the premise that wellbeing should be the counterweight of welfare (or more concretely *wealth)* measured on the basis of people's income or, when speaking of the aggregate societal income level, measured in terms of Gross Domestic Product (GDP). In this line of thought, wellbeing refers to aspects of quality of human life that cannot be measured (solely) in economic terms of income, and that at an aggregate level is not reflected in mere terms of value added to the economy, i.e. GDP (cf. Hueting 2019)[1]. Indeed the argument is that although wealth as such does contribute to wellbeing, the current focus on GDP is a too narrow and limited proxy for covering the broadness of wellbeing (Forgeard et al. 2011: 79-80).[2] In this 'non-wealth' premise of wellbeing, the dichotomy between objectivised and measurable *wealth* and multifaceted *wellbeing* is emphasised to make the argument that 'economic indicators [are] but one piece of the puzzle of citizens' wellbeing' (Ibid. 79), and that 'the welfare of a nation can scarcely be inferred from a measurement of national income' (Kuznets 1934: 7).

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[1] Though beyond the scope of this section to discuss in detail, it is worth mentioning that Hueting argues that the term 'economy' has been erroneously used over the past decades. He states that whereas nowadays 'economy' is being equated with mere 'value added' in production, the term 'economy' in essence does comprise all elements of *wellbeing*. In his view, wellbeing is therefore not *opposed* to welfare, but and something like 'broad welfare' is a pleonasm, since welfare should in fact comprise those aspects that are now considered as wellbeing.

[2] With respect to using GDP as a proxy for measuring welfare, also note that average income or aggregate level of wealth says little about the *distribution* of that income or wealth (cf. Mazzucato 2018, Piketty 2013).

This means, for starters, that whereas welfare or wealth has over time been reduced to a term that can be grasped by one single measure, the GDP, wellbeing covers multiple aspects of human life. Therefore, as prominent wellbeing pioneers Joseph Stiglitz, Amartya Sen and Jean-Paul Fitoussi argue, wellbeing necessarily consists of multiple elements.

> '[T]he time is ripe for our measurement system to shift emphasis from measuring economic production to measuring people's well-being. And measures of well-being should be put in a context of sustainability. […] Such a system must, of necessity, be plural – because no single measure can summarize something as complex as the well-being of the members of society, our system of measurement must encompass a range of different measures.' (Stiglitz, Sen and Fitoussi 2009: 12 – emphasis in original)

Since more classic economic measures such as income (individual or accumulated) remain important in estimating wellbeing, and should thus be seen as *one of the* elements that determine wellbeing, one could argue that wellbeing as a concept enriches the idea of wealth (or welfare). Various authors, such as John Rawls (1971; 1999), Amartya Sen (1999), and Martha Nussbaum (2000) have in this spirit proposed lists of goods or conditions for wellbeing, which indeed *include* income as a condition. We return to these lists below.

1.1.1 Definitions of wellbeing: individual and collective

Though the body of literature on wellbeing provides numerous lists of elements that are considered to contribute to, or indeed constitute wellbeing, a concrete *definition* of wellbeing is less prevalent. Wellbeing is often loosely equated with happiness, or used as a broad reference to quality of life. Wellbeing thinking emerges from a wide variety of domains, ranging from feminist theory (e.g. Nussbaum 2000; 2001), international development studies (e.g. UNDP 2010 based on Sen 1999), psychology (e.g. Layard 2005; Veenhoven 2004), to economics that seek to steer away from default focus on growth per se, and anchor environmental protection or inequality as central and permanent factors in our thinking of societal development (e.g. Raworth 2017; Mazzucato; Stiglitz et al. 2009). As the specific facets that are important for wellbeing may differ across these various research domains, or may in fact even differ between authors within one domain, it is helpful to have an understanding of what is meant with wellbeing as such.

A definition that maintains a broad perspective on wellbeing, and allows for various purposes of pursuing wellbeing, comes from Breslow and Sojka (2016). Inspired by research on wellbeing in developing countries, they define human wellbeing as

> 'a state of being with others and the environment, which arises when human needs are met, when individuals and communities can act meaningfully to pursue their goals, and when individuals and communities enjoy a satisfactory quality of life.' (Breslow and Sojka 2016: 4 – emphasis in original).

Note that environmental sustainability is not (explicitly) part of Breslow and Sojka's definition of wellbeing, whereas for others this is the most important element of wellbeing (e.g. Hueting and De Boer 2019) or even the core driver for proposing wellbeing-oriented economics (e.g. Raworth 2017). Wellbeing as described by Breslow and Sojka is a state of being, which does in itself not encompass a future element but rather emphasises a current situation. There are different ways of thinking about sustainability in this definition. One way is to say that wellbeing is a

(personal) state, which in itself does not comprise a future element, but which should be made possible for those people on the long run and for future generations. So while sustainability is not part of the wellbeing definition, it is necessary to pursue wellbeing sustainably, so that this state of being can be achieved now and in the future. This would correspond with Hueting and De Boer's argument that the wellbeing of one generation cannot go at the expense of future generations by depleting the resources to do so (2019: 56). On the other hand, sustainability can arguably be part of what our current state of being *is*: having certainty about a future state of being, also impacts our current state of being. Put differently, perspectives on future wellbeing to an important extent *determine* our current wellbeing. For example: how can I enjoy living in my rental apartment when I know the contract ends in two days and I do not have a new home yet? In sum, sustainability may arguably be an implicit part of Breslow and Sojka's definition.

Furthermore, the above definition strongly focuses on wellbeing as an *individual* asset. Deriving from this, the pursuit of wellbeing focuses on individual wellbeing, such as one's income, mental state (like stress or depression), and his or her housing, and individual living environment. Wellbeing can however also be seen as a collective concept, considering the state of wellbeing of a community or country. Such a collective perspective coincides more with how GDP looks at the economic state of a country as a whole. Robeyns and Van der Veen (2007) offer a definition of wellbeing (or in their words 'quality of life') that is highly compatible with Breslow and Sojka's concept, but in a more collective vein. Note, moreover, that in this definition, sustainability is put at the foreground of the concept. According to Robeyns and Van der Veen,

> '[s]ustainable quality of life in a national setting is the quality of life enjoyed by the population within the national territory, the level of which is (1) viably reproducible for the current generation, given the natural and social resources commanded by the nation, and (2) is gained neither at the expense of an acceptable quality of life for (2a) members of the present generation outside the nation, nor of that of (2b) members of the next generations at home and (2c) the next generations elsewhere' (2007: 9 – emphasis in original).

With Breslow and Sojka's more detailed focus on the personal state on the one hand, and Robeyns and Van der Veen's broader perspective of a societal state of being on the other, both definitions have merit. One can also readily see that the definition can determine what exactly is being pursued: the personal individual state of being as a personal goal or the collective state of being as a more public goal. A closer look at these two definitions forms a good starting point for the two general ways in which we can approach the achieving of wellbeing: the 'state of being' refers to what people *feel* or *experience*, while the way in 'which [it] arises' refers to what is necessary for people *to be able to reach* that state of being. In terminology used in the literature, these definitions suggest that wellbeing has a *subjective* (related to experience or feeling) and an *objective* (or *conditional*) component (e.g. Breslow and Sojka 2016; Forgeard et al. 2011; Comin 2005). Based on the above discussion, we can make the following distinction:

> **Wellbeing as individual experiences**: Here the individual is the matter of interest or object of study: questions on experienced wellbeing are addressed to individuals. This can be done by means of subjective measurements, e.g. survey in which people can self-report. But objective measurements for

individuals' experiences are also possible, e.g. through measuring the time spent on social or leisure activities.

Wellbeing as collective conditions: Here the focus is on broader structures and institutions, including cultural factors, that may either help or hinder people to perform what they would need to in order to experience wellbeing. Typically, objective measures are used, such as the number and quality of leisure activities or clubs. Yet, measuring subjective experiences can have a place here as well, e.g. to understand the impact that such (environmental, social, or personal) conditions may have on the performed activities and experienced wellbeing.

The following paragraph discusses what the literature offers on the juxtaposition between *subjective* and *objective* wellbeing. We discuss how these two approaches relate to the distinction of individuals' experiences of wellbeing and collective conditions for wellbeing. In so doing, we argue that policymakers' focus logically lies with the collective conditions for wellbeing and that, within this focus, they are primarily steering on objective wellbeing measures.

1.1.2 Steering on subjective and objective wellbeing

The goal of this section is to demonstrate not only the difference between subjective and objective wellbeing, but also how both types of wellbeing relate to one another. The discussion moreover shows how these different types of wellbeing can be useful in different contexts.[3] This in turn leads to the proposition that policymakers may focus on the (objective) preconditions for collective wellbeing, rather than on (subjectively) experienced wellbeing at the individual level as a direct parameter.

Subjective wellbeing as the experienced quality of life

Subjective wellbeing as a self-reported, personally experienced value draws on philosophical and psychological notions of *happiness*. Martin Seligman, a leading scholar in this line of thinking on subjective wellbeing, states that 'happiness' is composed of three subjective facets: positive emotion, engagement, and meaning (Seligman 2002, see Forgeard et al. 2011: 96). With regard to positive and negative emotions, subjective wellbeing refers to the emotional quality by which life is experienced, for instance joy and pleasure or instead stress or anxiety (Hicks et al. 2013).[4]

An additional, but related aspect of this subjective wellbeing concerns the Aristotelian notion that the development of human potential, indeed flourishing, should be people's ultimate goal (Seligman 2011). Internal individual conditions such as positive emotions, meaning, accomplishment are emphasised in this

[3] The difference does not only concern a differences in the phenomena studied (individual experience or collective conditions), but more importantly: the different disciplines within which these phenomena are typically studied, including the assumptions made within these disciplines. The discipline of psychology is typically concerned with *individual experiences*, and emphasizes *agency*, individuals' abilities, what people are (un)able to do; whereas disciplines like sociology or political science are typically concerned with *collective conditions*, and emphasise *structure*, the role of factors in the environment.

[4] As a goal to pursue, this idea of maximising pleasure and minimising pain (for the greatest number of people) forms a basis for wellbeing that is also found in the theory of utilitarianism (leading back to the work of Jeremy Bentham and John Stuart Mill).

approach as dimensions for flourishing and thus as measures for subjective or perceived wellbeing (e.g. Butler and Kern 2016).

The idea of achieving one's goals and flourishing to one's potential follows a self-determination theory of essential (psychological) needs that people seek to fulfil (see e.g. Ryan and Deci 2000), and focusses on the personal, individual goals in life. In that sense, subjective wellbeing has a strong focus on the extent to which people are performing activities for which they have an *intrinsic motivation* and that contribute to their sense of wellbeing – for instance being successful in one's job (e.g. Deci and Ryan 1980; Forgeard et al. 2011: 95). As such, experiencing wellbeing as a result of achieving one's own goal has to do – in the subjective wellbeing sense – with the *feeling* that stems from one's (in-)ability to achieve these goals. A person may be unable to attend a university due to lack of funds, but this may be devastating for the one person while another is indifferent about it. Subjective wellbeing concerns the feeling that people have in particular circumstances.

Within the subjective approach of wellbeing, one major endeavour remains finding ways to accurately measure what people feel and experience. The main way of obtaining (statistical) information about personal positive and negative feelings on a large scale is by conducting surveys. Questions about how happy someone was yesterday and questions about how anxious someone was yesterday indicate the more generic positive and negative emotions, while questions on job or housing satisfaction allow for gaining insight into personal goal achievement and related emotions.

Yet, with this this kind of information gathering, subjective wellbeing as a self-evaluative measure becomes rather prone to reliability and validity problems. Issues with memory of emotions, sensitivity of the moment in which the question is asked, and difficulties in unravelling individual perceptions and reasonings behind particular answers hamper the measuring of subjective wellbeing at a large scale. This validity problem indeed is the subject of continuous scholarly debate (see Adler and Seligman 2016: 6-7).

Arguably, policy that considers wellbeing in its full breadth has as its ultimate goal to enhance this subjective sense of wellbeing, in which the reasons or conditions for (not) experiencing wellbeing may differ per individual.[5] In that regard, at face value it may appear misplaced to propose *objective* wellbeing measures, as if others (in our focus the government or policymakers) could define this for individuals. Yet, we should take notion that wellbeing as an individual state of being is different from wellbeing as a collective goal. And exactly because every individual will have its own needs to fulfil, this cannot be determined or stimulated at the policymaker's collective level. Instead, the policymaker should be concerned with providing the collective conditions within which people can fulfil their needs as they see fit. So while at the individual level, a psychologist or personal coach may be indeed focussing on these subjective measures of wellbeing, it is probably beyond the scope of (collective) policymaking to have an enhancement of such personally experienced wellbeing as a goal.

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[5] In fact, one could argue that such pursuit of happiness is (or indeed should be) often practiced intuitively and implicitly in policymaking (Steen 2016). GPD-focused policy ultimately stems from the idea that a high GDP indicates high levels of wellbeing in society.

Objective Wellbeing and the Capabilities Approach

In the objective wellbeing approach, the measures of wellbeing do not concern the experience or perception of people, but instead refer to externally objectifiable elements such as the level of education in a country, or the accessibility or quality of health care or elderly care. Although this section shows how objective wellbeing can be, and generally is used in the context of *collective* conditions for wellbeing, it should be noted that objective wellbeing measures can also be applied at the individual level. As an example, whereas subjective wellbeing may measure the happiness that a person experiences from reading a book, the objective wellbeing measure would look at the average time spent reading – assuming that that contributes to people's individually experienced wellbeing.

Objective wellbeing can concern measures (or indicators) *of* wellbeing on the one hand, and the precondition *for* wellbeing on the other. The former refers to objectively measurable elements (or goods) that can serve as a proxy for wellbeing, for it suggests how a person or community is doing. Indicators such as levels of education and accessibility of health care are then seen as *constitutive of* wellbeing: high levels of education is a proxy for high levels of wellbeing.[6] John Finnis (1980), for instance, describes his list of goods – which includes knowledge, play, aesthetic experience, and friendship – as elements that constitute a flourishing existence (Finnis 1980). In other words, for authors like Finnis wellbeing is *defined* by the presence of these goods (Forgeard et al. 2011: 89).

Alternatively, objective indicators are seen by other authors as *preconditions for* wellbeing. These preconditions may overlap with lists of wellbeing indicators that authors like Finnis have offered, with the difference that in the conditional approach these elements do not necessarily constitute, but rather *allow for* an effective pursuit of wellbeing. By way of explaining the difference between these two thoughts on objective wellbeing indicators, consider the above example on book reading. The presence of a library in a community as the precondition for people to read is the *conditional indicator* of wellbeing, as having the library allows people to read as they like. In the conditional approach it is not the average time people in the community actually spend reading that is used as an indicator for wellbeing, as the desire to read and the wellbeing that people perceive from it differ per individual.
A prominent conditional approach in the literature on objective wellbeing is the *capabilities approach* (Sen 1999; Robeyns 2017), which considers people's wellbeing in terms of their capabilities to perform activities. Being able, or indeed *capable*, to do something that contributes to people's wellbeing is the condition for such wellbeing. In this line of work, distinctions are made between *capabilities* as possibilities that people actually have (e.g. the presence of the library); *resources* that are available as the means to achieve the activity (e.g., money for a library subscription); and actual *activities*, also called *functionings* (e.g. the actual reading of books).

The capabilities approach advocates public policymaking that enables people to pursue those things that contribute to their wellbeing as they see fit, and thus provides the capabilities for wellbeing (Sen 1999: 75; Forgeard et al. 2011: 88; also see Robeyns 2003: 62-63). Note that such capabilities are not necessarily only

[6] *Monitor Brede Welvaart* is an example of this, because it gives these objective proxies for wellbeing in a sense.

physical facilities like a library; also more abstract social conditions such as mobility and social cohesion, or nature and air quality may count as capabilities that allow people to perform activities that contribute to their wellbeing.

The relationships between capabilities, resources and functionings, and how they lead to experienced wellbeing is schematically presented in Figure 1 below.[7]

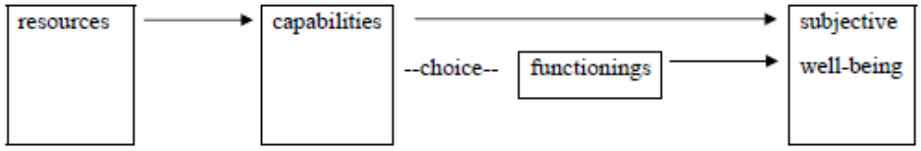

Figure 1 Relationships between resources, capabilities, functionings and wellbeing. (Source: Robeyns and Van der Veen 2007: 53)

As Robeyns and Van der Veen's schematic presentation (shown in Figure 1) indicates, capabilities turn resources into functionings. The reasoning is that resources, such as income or at the collective level GDP, cannot on their own sufficiently account for actual wellbeing. A country may have high GDP, but poor access to education and healthcare, lack of universal suffrage and a deteriorating environment will nevertheless hamper people's functionings and (thus) wellbeing. Note that the arrow from capabilities runs to subjective (experienced) wellbeing both directly and *via* functionings. This means that the functionings (the behaviour and activities) lead to wellbeing, but that also the mere presence of the capabilities, has an effect on wellbeing. That means that the presence of the library in a community can already generate a sense of wellbeing, even for those who are not inclined to go and read there.

Following from that, furthermore, this particular approach sees capabilities as freedoms: people will always need to have freedom of choice to use their capabilities to perform those activities that they think contribute to *their* version of 'the good life'. Accordingly, policy that narrowly focuses on changing people's behaviour to what is regarded to lead to wellbeing, without giving them freedom in that, will not necessarily contribute to extending their capabilities or wellbeing. Consider again the example of the library: policy that forces people to spend more time reading books does not necessarily yield more experienced wellbeing among everyone in the community, while the ability to go to the library does.
A remark by Dolan et al. (2006) is insightful for how one could think about what capabilities are, and how they relate to wellbeing: accounts of capabilities may not 'provide complete theories of wellbeing, but they suggest what the essential means for increasing wellbeing might be' (as described by Forgeard et al. 2011: 89). In other words, presence of these capabilities does not directly guarantee people's wellbeing, but their absence does indeed seriously hamper it. In sociological terms, the capabilities are presented as a *necessary* yet not *sufficient* condition for wellbeing. So having a library, social cohesion or a clean environment may not automatically and directly translate into personal wellbeing; their absence, however, does seriously compromise that wellbeing.

[7] As to the conceptual relationship between *condition* and *capabilities*, note that a capability is a specification of how a particular condition for wellbeing can contribute to people's (pursuit of) wellbeing.

1.1.3 What objective indicators should be included?

Scholars from various theoretical and normative backgrounds have offered lists of capabilities that need to be present in order for people to achieve their wellbeing. Martha Nussbaum's list of ten non-negotiable conditions for 'truly human functioning' (2000; 2001) is often referred to in this regard – we added this list to Appendix I. Although the contents of the different lists vary in accordance with the context within which they are written, they tend to include such items as economic resources, political rights and freedom, good health and food, and the ability to read or other measures of education that allows for individual development (Forgeard et al. 2011 89). The review article by Forgeard et al. offers an extensive overview of lists proposed by different authors. As a comprehensive discussion of all the lists would constitute a mere repetition of Forgeard et al.'s recent endeavour, we turn to one notable contribution that we deem valuable for our conceptualisation and as a background for the case studies on Scotland's, New Zealand's and Wales's wellbeing frameworks. The reader is invited to review Forgeard et al.'s article to obtain the full picture of contributions.

A notable contribution to the capabilities literature is provided by Stiglitz, Sen and Fitoussi in their seminal wellbeing report for the so-called Sarkozy Commission (2009: 14-15). They propose the categories or *dimensions* of wellbeing that are to be considered when making policy that steers toward people's wellbeing in the broad sense. 'At least in principle, these dimensions should be considered simultaneously,' according to the authors (Ibid. 14) which resonates with the abovementioned idea that wellbeing is inherently a plural term.

i. Material living standards (income, consumption and wealth);
ii. Health;
iii. Education;
iv. Personal activities including work
v. Political voice and governance;
vi. Social connections and relationships;
vii. Environment (present and future conditions);
viii. Insecurity, of an economic as well as a physical nature.

Note that these dimensions include both physical and non-physical capabilities, and that they arguably cover the different *levels* of wellbeing embedded in the abovementioned definition (i.e. both individual and collective). Also note that this list comprises wellbeing elements that are non-human, such that the values to achieve may concern things like the environment and biodiversity.

One final remark on offering lists of objective wellbeing indicators concerns their normativity. Although it is fair to say that arguing for using multifaceted wellbeing instead of a singular economic indicator is in itself a normative statement, the use of these wellbeing indicators can be done in different degrees of normativity. In a more neutral form, the Sen-Stiglitz-Fitoussi list can be used as indicators that need to be considered in policymaking and that may be translated into concrete policy objectives. The 'values' of each indicator are not defined in these lists. In something like Kate Raworth's doughnut model, the boundaries are determined by minimum social rights and liberties on the one hand, and maximum burden on the environment on the other (Raworth 2017). Raworth's model thus bears more intrinsic normativity, as it determines that particular values should be achieved at

the minimum and other values should not be overrun. The main point of juxtaposing these models is that beyond-GDP and wellbeing thinking can be normative in achieving the specific values of wellbeing indicators to a lesser or greater extent.

1.2 Wellbeing and policymaking

Robeyns and Van der Veen expressively question whether it should fall within the scope of public policy to have deep individual emotions as objectives for policymakers: '[although] intimate private decisions such as the choice of a life partner, or decisions following one's sexual proclivities, will undoubtedly affect an individual's quality of life over time very strongly, […] it is probably wise not to include these aspects in a policy relevant measure, because they are not directly within the scope of legitimate social control' (2007: 21). They therefore conclude that '[g]overnments should indirectly provide for freedom of choice in these areas rather than regulating behaviour, even if such regulation might produce a better quality of life, however conceived' (Ibid.). In other words, public policy can legitimately create the framework for personal decisions and behaviour adding to certain feelings of wellbeing (i.e. *functionings*), but it falls well outside its legitimacy to decide for people which actions or behaviour should contribute to their experienced wellbeing [and then steer those actions and behaviours directly]. Our conclusion on the basis of the body of literature is that shaping the collective *conditions* for people to pursue wellbeing lies more in the realm of policymaking, while one can argue that aiming to enhance subjectively experienced individual wellbeing directly may, for instance, be more the realm of psychology and psychotherapy. This however does not mean that subjective wellbeing (be it individual or collective) is completely excluded from the policymaking radar: subjective wellbeing measures may be important for *monitoring* developments in, and impacts of policy on, wellbeing (cf. Stiglitz, Sen and Fitoussi 2009: 15-16). In our reading of the literature, in short, policymaking focuses on objective wellbeing in the form of providing conditions for pursuing wellbeing, while both objective *and* subjective measures of wellbeing can be used for monitoring the state of, or developments in, wellbeing within a community or country. We will return to this perspective in the empirical section.

1.3 Methodology and case selection

Having laid out the theoretical basis of wellbeing thinking, and considered the different tastes of wellbeing, our next step is to see how this theoretical concept may be applied in practice. To that end, we investigate three empirical cases in which wellbeing is pursued in national policymaking. The main purpose of this analysis is to obtain an insight into how wellbeing conceptualisations can be applied in real-practice national policymaking, with eye on inspiring those who aspire creating a wellbeing-oriented policymaking framework in their national context. The discussion of the three cases serves as an international benchmark – and though not necessarily arguing *best* practice, it may yield insight into at least *good* practice. In other words, following the theoretical state of the art, the case studies are intended to provide a practical state of the art of wellbeing-oriented policy-making. In the case studies, we consecutively describe the overall wellbeing frameworks, the concept of wellbeing, measurement and monitoring, and the use of the framework in practice. Central questions that we address on the policy-making framework as such are which wellbeing categories are used, how these categories of wellbeing guide or steer policymaking, and what indicators are used to monitor

progress. After presenting the policymaking framework in each case, we first look for the theoretical fundaments. This theoretical basis can either be explicitly stated in the policy documents, or can be more implicitly detected on the basis of the categories of wellbeing that the model uses. We subsequently look at how the concept of wellbeing is being pursued in policymaking. What role do the wellbeing models play in formulating policy goals, in evaluating the impacts of policy on wellbeing, and in monitoring developments wellbeing in Scotland's, New Zealand's, and Wales's societies? Of central importance is the link between the endeavour of estimating and monitoring wellbeing and the use of such information in actual policymaking.

The selection of the cases is based on the observation that the three countries are frontrunners with regard to the practical use of a wellbeing-oriented policy-making framework. The 2019 OECD Economic Surveys on New Zealand provides an overview of countries that use or aspire to use a wellbeing framework in policymaking. After a quick scan through the listed countries, which also includes Sweden, Canada, and Finland, we concluded that only Scotland, New Zealand, and Wales have been practically using a fully developed wellbeing framework in national policymaking for some years. Other countries are either in the process of developing the model, or are now starting to employ the model in practice. In order to obtain a sense of a practical state of the art, we thus opted for those countries where we would find real-practice use, rather than plans or intended practice.
The case studies are written as stand-alone chapters, each following a similar structure. We first discuss and present what the model looks like, which categories of wellbeing are included, and on the basis of which indicator progress is monitored. We also seek to detect the theoretical underpinning of the models. This is followed by a discussion of the way(s) in which the respective model guides policymakers: how is the model used for making and evaluating policy and by which actors is the model used? The case studies are followed by a comparative chapter in which we consider the most prominent similarities and differences between the models of the three countries. The concluding chapter provides the main take-aways of the study and proposes avenues for further research.

The case studies are based on the extensive information that is available on the official websites of the NPF, LSF, and SPSF and the various sub-pages that are referred to there. In addition to this desk research, we have so far conducted two semi-structured interviews with government officials working on the application of the NPF and the LSF. Those interviews served first and foremost to verify our interpretation how the model is used, ask questions about how data is being collected for the monitors, reflect on the (possible) theoretical basis, and to gain insights into experience with using the framework in practice.[8]

[8] In the interviews we also asked about examples of policies or policy fields where the impact of using the wellbeing framework is clearly visible. As this 'impact' question falls outside the scope of the current report, the information thus gathered will be valuable input for follow-up studies.

2 Scotland's National Performance Framework

2.1 On the NPF's theoretical model of wellbeing

The National Performance Framework (NPF) is the overarching policymaking framework that the Scottish national Parliament uses in order to strive for wellbeing of its citizens. The purpose of the NPF is to create a more successful country, amongst other things by giving 'opportunities to all people living in Scotland', increasing 'the wellbeing of people living in Scotland', and by creating 'sustainable and inclusive growth' (nationalperformance.gov.scot). The NPF makes a distinction between the *policy objectives* that are to be achieved in order to secure or establish high(er) levels of wellbeing, and the *indicators* that are used to determine that wellbeing. This distinction answers directly to the abovementioned discussion on the practical use of wellbeing in policy-making: the discussion on objective versus subjective wellbeing indicators, and the purpose of a framework as policy objectives versus a monitoring system for evaluating citizens' wellbeing. These issues are discusses in turn below.

As explained on the NPF website, the Framework sets out so-called 'National Outcomes', which are the broad policy goals to which specific policy should contribute. Constituting together what a country with high wellbeing looks like, 'these outcomes describe the kind of Scotland it aims to create' (Ibid.). The National Outcomes align with the Sustainable Development Goals of the United Nations (see un.org), and are claimed to 'reflect the values and aspirations of the people of Scotland'.

The eleven National Outcomes' aim is that people:

1. grow up loved, safe and respected so that they realise their full potential;
2. live in communities that are inclusive, empowered, resilient and safe;
3. are creative and their vibrant and diverse cultures are expressed and enjoyed widely;
4. have a globally competitive, entrepreneurial, inclusive and sustainable economy;
5. are well educated, skilled and able to contribute to society;
6. value, enjoy, protect and enhance their environment;
7. have thriving and innovative businesses, with quality jobs and fair work for everyone;
8. are healthy and active;
9. respect, protect and fulfil human rights and live free from discrimination;
10. are open, connected and make a positive contribution internationally;
11. tackle poverty by sharing opportunities, wealth and power more equally.[9]

With respect to the theoretical underpinning of this model, the National Outcomes reminisce of the elements of wellbeing proposed by scholars like Joseph Stiglitz and Martha Nussbaum. Though the exact wording as well as the specific listing of objectives may differ to some extent, the similarity lies in the *type* of elements that are (implicitly) argued to enhance or even constitute wellbeing. Although it is not

[9] These National Outcomes are discussed in more detail on https://nationalperformance.gov.scot/national-outcomes

necessary to determine the exact and literal basis of the NPF list, the following exercise shows the resemblance of the NPF's National Outcomes with what Stiglitz, Sen and Fitoussi argue to be crucial elements of wellbeing in their wellbeing report for the European Commission (Stiglitz, Sen and Fitoussi 2009: 14-15). Below we list the National Outcome(s) that correspond to or show similarity with the factors put forward by the "Stiglitz-Sen-Fitoussi Report".

Table 1 Comparison of Stiglitz-Sen-Fitoussi and NPF's wellbeing categories

Stiglitz-Sen-Fitoussi report	NPF National Outcome
Material living standards (income, consumption and wealth)	(4) have a globally competitive, entrepreneurial, inclusive and sustainable economy; (7) have thriving and innovative businesses, with quality jobs and fair work for everyone
Health	(8) are healthy and active
Education	(5) are well educated, skilled and able to contribute to society
Personal activities including work	(3) are creative and their vibrant and diverse cultures are expressed and enjoyed widely
Political voice and governance	(9) respect, protect and fulfil human rights and live free from discrimination; (11) tackle poverty by sharing opportunities, wealth and power more equally
Social connections and relationships;	(2) live in communities that are inclusive, empowered, resilient and safe
Environment (present and future conditions)	(6) value, enjoy, protect and enhance their environment
Insecurity, of an economic as well as a physical nature	(1) grow up loved, safe and respected so that they realise their full potential

This comparison exercise shows that the National Outcomes can be read as objective wellbeing indicators, and more specifically as *capabilities* that allow people to pursue their personal wellbeing.

Yet, as suggest above, the NPF is not limited to enlisting these eleven objectives, as it also uses a set of 81 National Indicators that help monitoring the levels of wellbeing that people experience in different categories.

Wellbeing measured in 81 National Indicators

Each category of National Outcome uses a number of indicators to determine and track its performance. The model uses a total of 81 indicators for the eleven categories, meaning that the categories are operationalised by an average of seven to eight indicators. These indicators include a range of economic, social and environmental measures. Economic indicators include the number of businesses, employment rate or international exporting. Social indicators include participation in cultural activity or perception of loneliness. Environmental indicators include the state natural sites, carbon footprint, or energy from renewable sources. Because of the clearness of how the indicators relate to the Outcomes, and the compact and clear presentation of the 81 indicators, we invite the reader to have a look at the schematic depiction of the NPF in Appendix II.

Whereas the National Outcomes can be seen as the conditions that Scotland's government want to establish for people to live their lives, the National Indicators refer to the *effects* of those conditions on wellbeing. These indicators comprise on the one hand objective behaviour (such as school attendance and number of businesses), and the quality of things like nature or gender balance in organisations. On the other hand, feelings of loneliness and perceptions of one's living area are subjective indicators that also contribute to monitoring wellbeing. In theoretical terms, we can interpret this as the National Outcomes being the capabilities, and the National Indicators measuring the functionings that result from them (cf. Robeyns and Van der Veen 2007: 53). Note that the NPF does not necessarily make a sharp distinction between objective and subjective indicators in their function as indicators for wellbeing: both types of indicators are used cumulatively to track progress in Scotland's wellbeing.

Reporting on wellbeing

The NPF presents the progress per National Outcome (i.e. per capability) on the basis of an accumulation of the National Indicators that are relevant for that capability. The progress on Culture for instance reflects of the progress measured on four indicators: 'Attendance at cultural events or places of culture', 'Participation in a cultural activity', 'Growth in cultural economy', and 'People working in arts and culture' (see Figure X).

The categories in reporting on performance are *improving*, *maintaining*, *worsening*. The National Outcome Culture, for instance, scores 'improving' one of the four indicators, and 'worsening' on one of the indicators. Two of the four indicators for this wellbeing category are still to be confirmed (see website). In the National Outcome 'Children', by comparison, one of the seven indicators is improving, five are 'maintaining' and one performance still needs to be confirmed. It is notable that these performance categories of improving, maintaining, and worsening are rather broad and unspecified. This seems to reflect the unspecific nature of the indicators that the NPF looks at. In other words, aspiring a very exact measure of wellbeing indicators would suggest a (questionable) assumption that wellbeing can indeed be measured very precisely. Instead, the broad categories of performances on these indicators allow for reporting on general trends in the wellbeing indicators over time. It is important to note that the website of the NPF also warns of some unintended consequences of the use of the indicators: there are risks and unintended consequences of focussing too much on the indicators themselves rather than on the Outcomes. This is important to the extent that the Outcomes are the policy objectives the government wants to achieve, while the Indicators are the mere indication of how well that is going. In other words, the indicators that measure (or rather gauge) individual wellbeing are *in themselves* not the direct policy objectives. The indicators are best seen as one important source of evidence that paint a broad picture of "how we're doing" socially, economically, and environmentally (also see Lyytimäki et al. (2020)'s paper on the risks of using indicators of sustainable development goals).

Data and data collection for the NPF
The data underlying the NPF indicators is compiled in an open-access data platform, managed by the Scottish government on behalf of all producers of official statistics in Scotland. The platform contains statistics from a variety of organizations such as the Scottish Government, National Records of Scotland, NHS Information Services Division and Transport Scotland.
Surveys carried out on regular basis supply statistical data on subjective information, while information on objective indicators and their performance is drawn from public bodies' statistical returns. At the moment of writing, the government website contains over 250 datasets from a range of producers, organized by theme, organization or geography (both national and local). An interactive atlas allow to trace the data back to the local governments. Furthermore, each data set appears to contain a detailed explanation on its compilation – which is the (public) body providing the information – publisher and/ or creator; purpose of the data and for whom it is relevant; when the data is being revised and how; when new data is being expected; additional criteria may vary depending on the indicator and information collected.

2.2 Using the National Performance Framework in policymaking

This section takes a closer look at the way in which the NPF's wellbeing rationale is used in the policy process at large. After quickly discussing the legal basis, it discusses consecutively the use of wellbeing in the national budget, the setting of policy goals expected to contribute to achieving the National Outcomes, and the impact assessment and evaluation of policies along all wellbeing indicators. In so doing, we also touch upon the issue of using wellbeing indicators for conducting (ex-ante) impact assessments to estimate the impacts of particular policy on the National Outcomes as wellbeing goals.

2.2.1 The legal basis of wellbeing

Although it is not our aim to discuss the legal basis of the NPF in great detail, it is important to begin this discussion on the use of NPF in policymaking with a brief reference to the NPF's official status under Scottish law.

> "In Statute – The Community Empowerment (Scotland) Act 2015 places a duty on Scottish Ministers to consult on, develop and publish National Outcomes for Scotland and to review them every five years. It also places a duty on public authorities to have regard to the national outcomes in carrying out their functions. Belongs to the whole of Scotland, not just an SG framework. Everyone has a role to play in contributing to the delivery of the National Outcomes." (source: nationalperformance.gov.scot)

This legal embedding is important in (at least) three regards. First, the above means that it is a legal obligation for policymakers to take the wellbeing framework (its objectives and indicators) into consideration. In other words, considering effects on wellbeing is not a voluntary 'nice-to-have', but a legal obligation for policymakers. Second, the way it is written down in the law has consequences for the governance (i.e. policy-making procedures and processes) through which the NPF is used, as it includes such elements as the regular updating of the National Outcomes

(Community Empowerment Act 2015). Third, and relatedly, the collaboration of different policy levels (national, regional, local) is also embedded in the law.

2.2.2 *Wellbeing in Scotland's national budget*

As to the question on which moments in policy-making the NPF plays a role, a first answer is found in national budgeting processes: wellbeing in the broad sense is of central concern in 'auditing public spending and assessing value for money' (AuditScotland 2019: 4). Thus, whereas national budgets are typically based on the impact of intended tax and spending on the economy in a narrow sense, the Budget Process Recommendation Group (BPRG) recommended that the Scottish Parliament should measure the impact of public spending on the National Outcomes integrally.[10]

In sum, as a fundamental feature, the NPF provides the framework for the national budget: effects and impacts of taxing and public spending is to be assessed on the eleven Outcomes that the NPF stipulates (i.e. impacts *beyond* the GDP).

2.2.3 *Using wellbeing in policymaking: the 3-step model*

The second answer to the question of how the NPF is used in policy-making processes lies with the so-called 3-step model. The 3-Step Improvement Framework for Scotland's Public Services facilitates the translation of the National Outcomes into concrete policy at the national or local level (www.gov.scot). It outlines the guiding principles to help achieve the National Outcomes, as the policy objectives in different Outcomes areas, so as to help 'making it reality' (Planning for Outcomes Briefing 2019: 9).

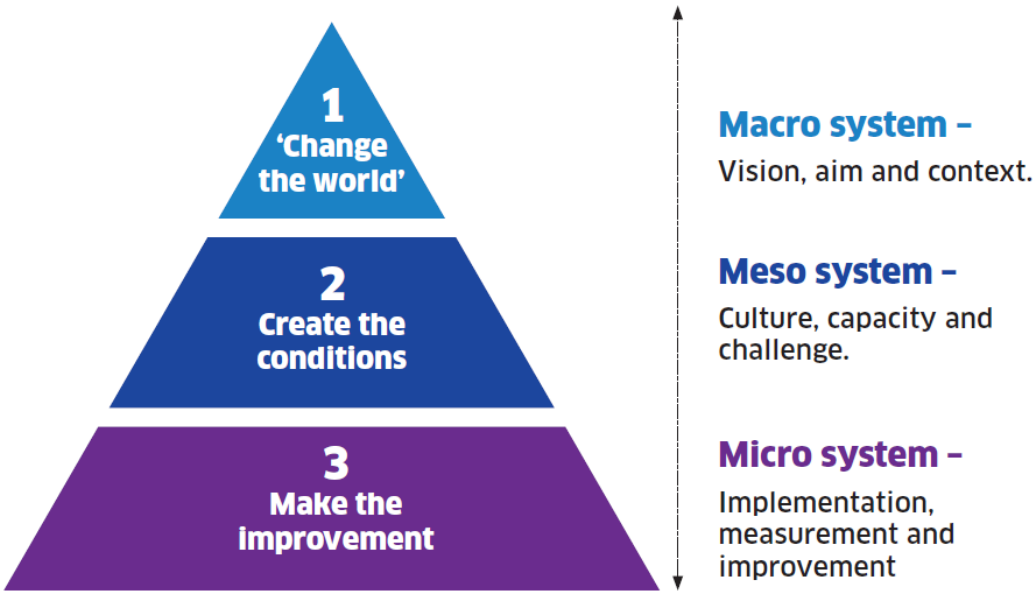

Figure 2 The 3-step model (APS Group Scotland 2013: 3)

[10] This is comparable to the Dutch Centraal Bureau voor de Statistiek (CBS) in the Netherlands in their measuring impact of taxes and public spending. Also in the Netherlands the CBS has developed the *Monitor Brede Welvaart*, which seeks to analyse the impact of public spending on the whole array of wellbeing factors.

The 3-Step model encompasses three levels of discussion, decision-making and action – the top layer, or the Macro system; the middle layer, or the Meso system; and the ground level or the Micro system. The Macro system is the level at which vision, aim and context are determined. This stage of the policy making process establishes a framework for improvement, actions to be taken, a team of people overseeing and supporting the process ("a guiding coalition"), a strategy to engage and empower the workforce, a story to allow stakeholders to relate to the efforts, and an understanding of how the change will work locally.

The Meso system in its turn considers how to create the right conditions for improvement. This includes questions on how to best engage local policymakers, how to empower them, how to engage the citizens and the workforce, and how best to communicate the intended changes.

The micro-step is the implementation phase, in which all improvements happen at the (most) local level. That means that ideas and aims are put into practice in this micro-step, which includes questions of measuring impact (both in advance and as an evaluation). The main questions in this step are i. what exactly is going to be done and how to measure its effects, ii. how change is to be carried out concretely, and iii. evaluation of the actual effects and impact on wellbeing, which iv. serves as input for revising the policy plans (see Figure 3).

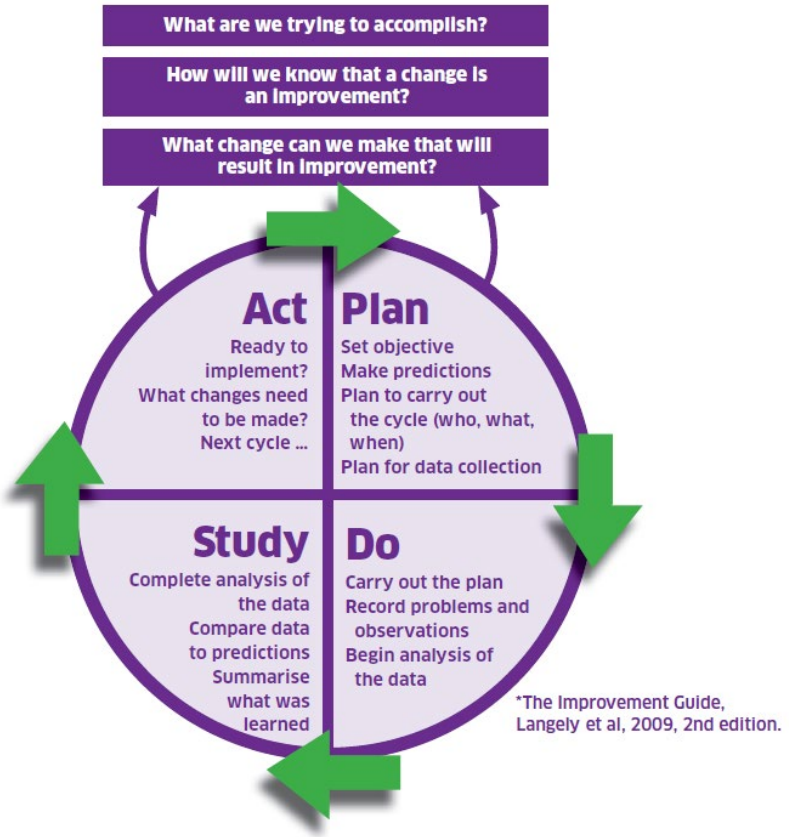

Figure 3 Policy-cycle in the third step of the 3-step model (APS Group Scotland 2013: 5)

2.2.4 Outcomes-based policy-making

The Outcomes-based policymaking process is the third way in which wellbeing is considered as a central concern in Scottish policymaking. It provides an introductory step-by-step guide to review whether and how policies contribute to the National Outcomes (nationalperformance.gov.scot). Policy-makers are guided in spelling out how a particular policy contributes to for instance the National Outcome of 'Protecting the Environment', and how it may perhaps simultaneously impact the National Outcome of 'Tackling Poverty'. So whereas the 3-step model is intended to translate policy objectives (defined in National Outcomes) into concrete policy, this Outcomes-based policymaking process serves to consider the impact of policy along all possible factors of wellbeing – even those that are not the primary goal of the policy.

This Outcomes-based policy-making follows six steps that policy-makers have to follow:

1. **National Outcomes / SDGs "Contribution Story"** in which the policy-maker is asked to explain the linkages their work/policy area has with the National Outcomes and associated Sustainable Development Goals.
2. **Intermediate Outcomes** in which the policymaker spells out, together with her partners, the intermediate (i.e. policy or programme level) Outcomes of the policy.
3. **Priorities and planning**, in which phase the type of evidence used for achieving policy goals is presented. This evidence is used to review and prioritise whether the respective policies and practice are contributing towards the policy-maker's intermediate and the National Outcomes.
4. In the **action plan**, policy-makers use the priorities to develop a plan of action based on the evidence and a strong theory of change.
5. and 6. together form **implementation, evaluate and report**, which concerns monitoring and evaluation of the implementation. In this assessment, the policy-maker should not only keep track of the progress towards achieving the intermediate Outcomes, but also on the effective contribution towards National Outcomes.

In short, this evidence-based policy-making is a tool through which the impact of *all* policy – whether directly intended to achieve a National Outcome or not – on wellbeing is estimated ex-ante, and monitored ex-post.

2.3 Discussion and conclusion

The conclusion on the concept of wellbeing as used in Scotland's National Performance Framework is that the list of eleven *objective* wellbeing elements – arguably capabilities – are the overarching goals that policymakers set for themselves. The 81 subjective and objective wellbeing indicators are used to monitor progress, but are in and of themselves not the policy goals. Referring to the abovementioned discussions in the literature on wellbeing, this means that the NPF does not see it as the policymakers' role to guarantee such things as happiness at the individual level, neither define it for the individual, but merely seeks to establish the conditions under which people can (more) equally and freely pursue what constitutes wellbeing for them.[11]

[11] This interpretation of the model resulting from the desk research was supported by the two public officials interviewed for this case study.

It is furthermore clear that by means of the NPF, the holistic view on wellbeing has become an *integral* part of policy-making in Scotland. National Outcomes are the objectives that are to be achieved in both an active and a more passive way: *active* in the 3-step model of simply pursuing the National Outcomes as the direct policy goal, and *passive* in measuring how public spending and other specific policies contribute to achieving them. The legal grounding in law means that wellbeing and the National Outcomes are not a voluntary check for policymakers, but instead forms the obligatory context within which policy is formulated, implemented, evaluated and assessed.

Note that the following summary does not reflect the order in which the different uses of the NPF occur in practice (i.e. the budget is not necessarily the first step, and the evidence-based policy-making not necessarily the third step), but simply follows the above sequence of presenting the various uses of the wellbeing in Scottish policy-making.

1. The **national budget** has to be assessed along the wellbeing indicators to know how public spending and taxing impacts general wellbeing in the different categories. In order for the budget to be approved, the expected impact of spending and taxing is not only assessed on the classical (narrow) economic measures, but instead reflects on the impact of all wellbeing indicators (even if the impact is 0). In sum, national budgeting on the basis of an integral picture of wellbeing.
2. The **three-step model** helps policymakers in developing concrete policy for achieving the National Outcomes. In this application of wellbeing in national policy-making, the NPF, and more specifically its National Outcomes, form the *political agenda*. Here, the National Outcomes are the explicit *policy objectives* (or policy goals) that are to be achieved through policy-making, implementation and evaluation. This three-step model is explicitly multi-level and seeks to cooperate with local governments and partners to make the objectives concrete and implement them at the lowest possible level.
3. The **evidence-based policy-making** perspective intends to measure whether and how particular policy contributes to the National Outcome. In this application of the NPF, the wellbeing objectives may be the latent goals to which (unrelated) policy should contribute. The impact of *all* policy on the National Outcomes should be considered and estimated *ex-ante* in making the policy plans, and eventually reviewed after the fact to see to what extent it has contributed to (various) National Outcomes in practice.

3 New Zealand's Living Standards Framework

As one of the first countries to develop a wellbeing policy framework, the New Zealand Treasury launched its *Living Standards Framework* in 2011. The Living Standards Framework (LSF) is a multifaceted wellbeing-oriented framework which the Treasury uses to advise the government on policy areas that may require attention in order to enhance wellbeing. According to the Treasury, the LSF 'provides us with a shared understanding of what helps achieve higher living standards to support intergenerational wellbeing' (source). The LSF as a conceptual framework for what wellbeing entails is supported by the Living Standards Framework Dashboard, published by the Treasury in 2018, which operationalises the LSF through a concrete set of indicators (New Zealand Treasury 2018: 37). The Dashboard is used to monitor developments in wellbeing on three different levels: current wellbeing among different population groups ('our people'); trends over time and international comparisons ('our country'); and the four capitals that should ensure that wellbeing can be pursued in the future ('our future'; New Zealand Treasury 2018: 3). The Dashboard thus provides the empirical input for the Treasury on which basis they formulate wellbeing-oriented advice to the government (OECD 2018: 86).

As explained by the Treasury's chief economic adviser Tim Ng on the Treasury's website, the LSF has been developed to recognise that many of the problems that occur in New Zealand's economy and society are increasingly complex and multifaceted. 'Issues like climate change or environmental degradation, the problem of pollution of fresh water, changes in the work environment that we face because of new technology […], inequality, or social disconnection are rooted in, and have consequences for, many different facets in society' (source). The LSF seeks to incorporate all of those different factors that make for a good life, and tries to translate those into thinking about what governments in the country can do to promote an environment where citizens, families, households, and businesses can flourish, and 'can do the best that they can to maximise their own wellbeing' (Ibid.). In this chapter we first discuss the LSF as a wellbeing model and consider its theoretical grounding. Secondly, we discuss the way in which the LSF as a model guides policymakers in developing policies aimed at enhancing wellbeing in New Zealand. This concerns the interplay between the Treasury's LSF-based advice, and the government's prioritising of policy goals. The chapter subsequently presents an example of the impact that the LSF has had with regard to wellbeing-enhancing policy. The conclusion summarises and discusses the way in which a wellbeing vocabulary is being introduced to the New Zealand government through the LSF.

3.1 On the LSF's theoretical model of wellbeing

In its essence, the LSF is aimed to steer towards and measure *intergenerational* wellbeing, which means that it covers current wellbeing and future wellbeing across a number of domains. Accordingly, the LSF distinguishes three different elements that are relevant to pursue societal wellbeing now and in the future: the domains of current wellbeing, the 'capitals' that generate wellbeing, and risk and resilience. First, the *domains of current wellbeing* refer to the factors essential for the government to provide in order for people to pursue their own wellbeing. The LSF

defines twelve such wellbeing factors, that can be largely understood as objective wellbeing elements, or indeed *capabilities*. Signifying the ongoing development of the model, these twelve domains reflect the Treasury's 'current understanding' of the elements that contribute to experienced wellbeing in the country. Under the header *our people* the LSF lists:

1. Civic engagement and governance;
2. Cultural identity;
3. Environment;
4. Health;
5. Housing;
6. Income and consumption;
7. Jobs and earnings;
8. Knowledge and skills;
9. Time use;
10. Safety and security;
11. Social connections;
12. Subjective wellbeing.[12]

All twelve elements together are considered by the Treasury in their advising on policy for, and monitoring of, wellbeing – as discussed at more length below. With respect to the relationship between the LSF's wellbeing domains and the United Nations' SDGs, the Treasury notes that there is a large degree of overlap between the two, even though there are some palpable differences. Conceptually, a difference is that the SDGs form a set of policy objectives or policy goals, while the LSF is a framework for *thinking* about wellbeing (Ormsby 2018: i). Thematically, each of the SDGs can be translated into an aspect of the LSF, meaning that the LSF covers all SDGs, while a small number of the LSF's domains of wellbeing (e.g. cultural identity and social connections) do not map well to a specific SDG (Ibid. 7-8).

Second, as part of *our future*, the LSF defines four capitals that are seen as the 'assets that generate wellbeing now and in the future'. The four capitals are natural capital, human capital, social capital, and financial and physical capital. These capitals need to be safeguarded now and in the future to ensure people's pursuit of wellbeing (source). In other words, even though capitals like financial resources may not on their own be sufficient to directly effectuate actual wellbeing, they are at least recognised as a necessary fundament for the pursuit of wellbeing.

Third, at the level of 'our country', the LSF looks at risk and resilience. This prompts the Treasury 'to consider how resilient the Four Capitals are in the face of change, shock and unexpected events' (source). Although this resilience contributes to the LSF's intergenerational character, the meaning of risk and reliance and how it is tracked and considered, is not further defined (at the moment) in the LSF. Figure 4 shows the LSF as depicted on the Treasury's website.

[12] New Zealand Government 2019: 4

Figure 4 The Living Standards Framework of the New Zealand Treasury

As has been hinted on in the above description of the LSF, the wellbeing factors that the model seeks to achieve are objective wellbeing elements that allow people to pursue their wellbeing as they see fit. The model thus does not seek to stimulate people's performing of particular functionings directly, but rather intends to provide the possibility for them to do so. Moreover, the model considers the wellbeing domains as factors that need to be present in order for people to pursue their wellbeing on the one hand, and the wellbeing-generating capitals as the *resources* for using those wellbeing factors on the other hand. This reminiscence of the capabilities approach, in which resources need to be present in order to turn capabilities into functionings is no wild guess, as the Treasury documents on the LSF explicitly refer to the work of Amartya Sen and the Stiglitz-Sen-Fitoussi report as its theoretical fundaments. The LSF Background and Future Work report states:

> 'The philosophical approach to wellbeing in the current LSF remains centred on the capability approach developed in the 1980s. The approach asserts that wellbeing should be considered in terms of the capability of people to live lives that they have reason to value (Sen, 2003). Applied economic work by organisations such as the OECD has employed a range of interpretations of the approach, which point to the life outcomes that should be considered in any theory of wellbeing and public policy (Stiglitz, Sen, & Fitoussi, 2009).' (source)

One notable element of the LSF is that 'subjective wellbeing' is listed as one of the twelve domains of wellbeing. This seems to be a slight anomaly in, or divergence from, the list of otherwise objective wellbeing elements. The capabilities approach

suggests that resources result in subjectively experienced wellbeing *only* through the capabilities and functionings, while listing subjective wellbeing as an objective suggests that such experienced wellbeing can also be a *direct* result of the available resources (i.e. four capitals). With reference to Robeyns and Van der Veen's causal model of resources, capabilities, functionings and subjective wellbeing, it thus seems as if the LSF adds another connection, namely a *direct* relationship from resources to subjective wellbeing (see dotted line in Figure 5). That means that subjective wellbeing can result from the functions, the presence of the capabilities, but also the presence of the resources as such. This in turn means that following from this wellbeing category in the LSF, policymakers could theoretically also steer directly on enhancing subjective wellbeing by providing the resources (or four capitals).

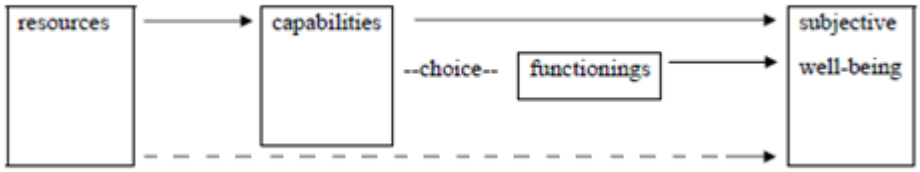

Figure 5 Relationships between resources, capabilities, functionings and wellbeing of Robeyns and Van der Veen (2007), with additional direct relationship between resources and subjective wellbeing implied by the LSF.

How exactly the LSF is used in governmental policymaking is explained in section 5.3 below. For now it is important to note that the model is developed and primarily utilised by the Treasury to inform, advise and support the government. That means that the LSF is not a framework around the New Zealand government or Parliament as such. According to Tim Ng, the Treasury seeks to enhance wellbeing through the economy, in which the idea is to think differently about the function of (traditional) economics, and that sometimes the traditional focus on economics does not yield wellbeing (sources). In so doing, the Treasury stresses that the LSF *complements*, though not *replaces*, more conventional measures of economic progress: 'GDP is a very important framework for understanding the size of the economy […] we would never abandon GDP' (source).

3.1.1 Wellbeing measured in 114 indicators: the LSF Dashboard

In order to have insights into the developments of wellbeing (on which basis the Treasury can then advise the government), the LSF is supported by a Dashboard consisting of 114 indicators. These indicators are the operationalisation of the twelve wellbeing domains and the four capitals that should be safeguarded to achieve future wellbeing. Within the LSF Dashboard, each wellbeing domain is measured through a number of nation-wide indicators, and at least one of these is standardised for international (OECD) comparison. At the time of writing, nine of the twelve wellbeing domains are being measured through the Dashboard. The 114 indicators of the Dashboard include a range of economic, social and environmental matters and concern both measures of objective wellbeing, such as employment rate and air or water quality, and subjective wellbeing indicators, such as sense of purpose in life and loneliness. The Dashboard presents information on both quality and quantity of wellbeing elements (source). In sum, while the LSF itself presents the twelve domains as objective wellbeing categories, the Dashboard tracks how New Zealand is doing on the basis of both objective and subjective wellbeing indicators.

The LSF Dashboard as a measurement framework monitors wellbeing developments at the *macro*-level, as it is "focused on high-level, medium-term wellbeing outcomes" (source). This monitoring of wellbeing on the macro-level is accompanied by other (micro-level) monitoring frameworks, used by other (regional and local) public bodies. These more micro-level monitors allow for focused sectoral, or population-related, measurements.

The Dashboard displays and tracks indicators under three sections titled *Our People, Our Country and Our Future*.

- *Our People* describes current wellbeing of New Zealanders over 15 years of age, and distinguishes ethnicity, sex, age, region, family type and neighbourhood deprivation to also monitor the *distribution* of wellbeing across the various wellbeing domains;
- *Our Country* describes current wellbeing at a national level. As far as data availability allows, these indicators are compared internationally, and insight in the distribution of these national level indicators is included;
- *Our Future* shows the indicators that track the four capitals that underpin the ability to sustain higher living standards in NZ in the future.

Whereas the LSF Dashboard explicitly distinguishes the categories *Our People, Our Country*, and *Our Future*, the LSF as the overarching framework does not employ these categories (source: interview). The indicators under *Our People* and *Our Country* together provide information on current wellbeing, and the indicators under *Our Future*, unsurprisingly, concern the future wellbeing resources – natural, social, human and financial and physical capital. Figure 6 depicts this grouped organisation of the LSF Dashboard and its relationship to the terms in the LSF.

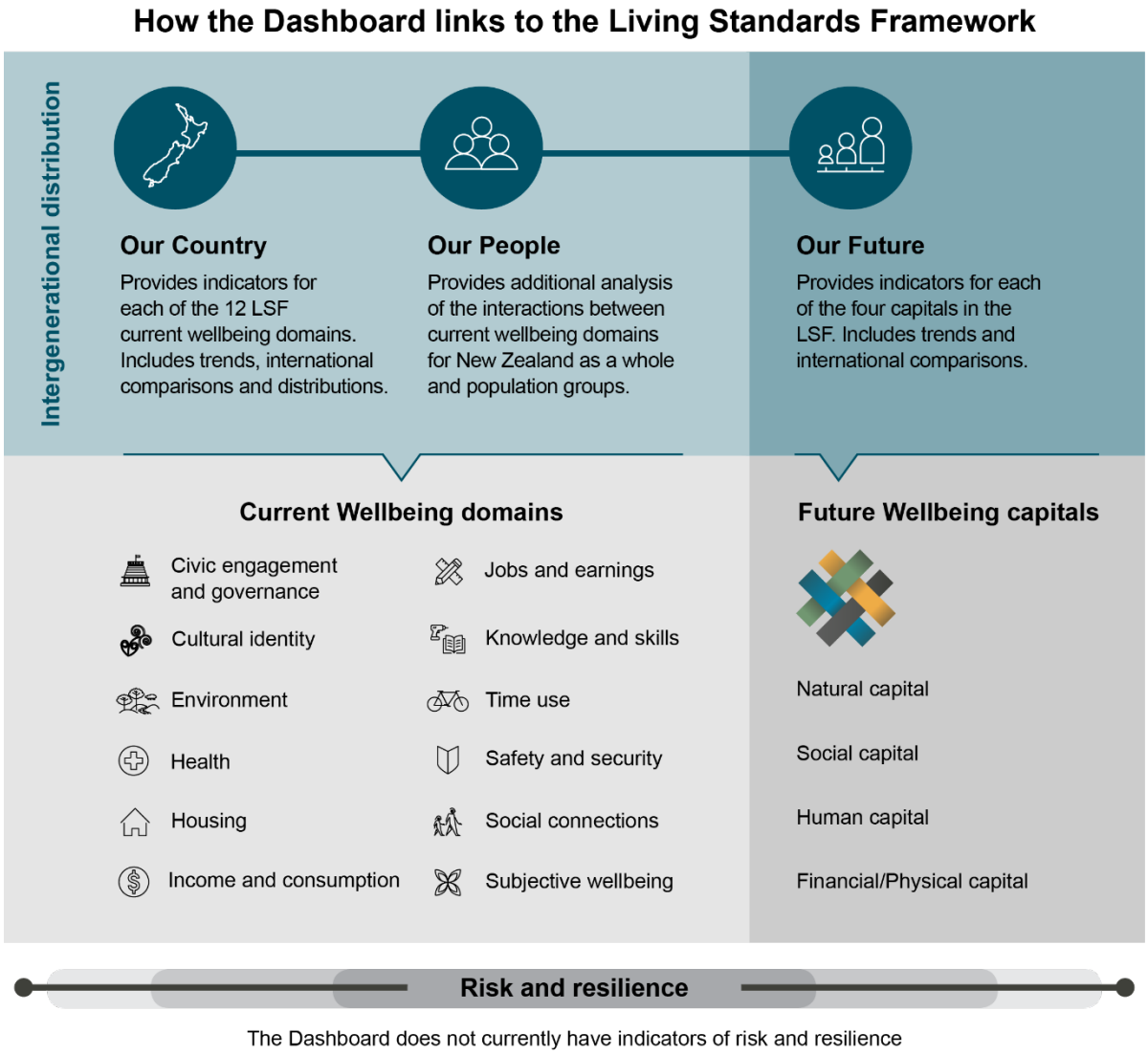

Figure 6 The categories of wellbeing that are monitored through the LSF Dashboard

By way of defining the development on each of the indicators, the LSF Dashboard uses *improve*, *remains constant*, and *decline* as its three broad categories of progress (source). Where longitudinal data are available, the (recent) trend is presented for that wellbeing indicator (employment rate for instance shows a continuous upward trend over the past nine years).

As a rather distinctive feature, the LSF Dashboard is also used to track the *distribution* of wellbeing. Looking at distributional aspects, such as how income, education, health or safety outcomes are distributed across the population, is a relatively new part of the Framework and has been added to acknowledge that inequality is increasing in certain aspects of life (source). The Treasury seeks to use the LSF and the data to shed light on the way in which inequalities occur in society, such as those between men and women, young and old, or between different ethnic groups. Also concentration of wealth can be, and is, monitored so as to see, for instance, how much richer the top ten per cent is versus the bottom ten per cent of New Zealand's society. 'You can see how these things move now, we have data on those things and so it's really important for us to be able to bring that into our

analysis and be able to bring evidence to bear around these questions of fairness, distribution and equity, that governments are charged with managing on behalf of society,' Tim Ng explains (source).[13]

Another notable element of this wellbeing monitor is the international comparison under *Our Country*, which includes a measure of wellbeing impact on other countries. This shows that apart from focusing on New Zealand's own intergenerational wellbeing, it also has an eye for wellbeing elsewhere, thus making sure the wellbeing at home does not go at the expense of wellbeing abroad. The latter is highly relevant, for instance, due to increasingly internationalised markets and trade.

On 44 of the 114 indicators there is currently no data. Those are for the most part indicators relating to natural resources and environmental sustainability (such as active stewardship of land, waste flows in waterways and coastal marine environments, ecological integrity), as well as indicators on subjective wellbeing (e.g. spiritual health, value of unpaid work, satisfaction with leisure time). Where necessary and possible, the Dashboard uses proxy measures until better data are available. As an ongoing endeavour, the LSF and the Dashboard will continue to evolve and develop over time, and will thus seek to also collect data on these missing indicators.

3.2 Using the Living Standards Framework in policymaking

The legal basis of wellbeing

The Child Poverty Reduction Act of 2018 can be seen as the recent catalyst of wellbeing-oriented policymaking in New Zealand. This Child Poverty Act requires the government to have measures of child poverty and clear targets for improving them, and furthermore institutionalises the reporting on how child poverty has been reduced in recent years. The Act also requires reflecting on the extent to which measures in the early budget will affect child poverty. The first ever Child Poverty Report was delivered as part of the 2019 Budget (source).

Complementing the Child Poverty Act, the government has more recently embedded its wellbeing approach through a number of amendments in the Public Finance (Wellbeing) Amendment Act, presented in 2020. These amendments explicitly link fiscal responsibility to wellbeing, and also require the government to report on wellbeing progress made in the respective areas.

The Public Finance Amendment Act 2020 brings about notable changes for the annual fiscal strategy and budget policy statement. It ensures that wellbeing remains as a focus in further budgets and makes sure that future governments have to set out how their wellbeing objectives, together with their fiscal objectives, guide their budgets and fiscal policy (source).

With regard to the budget policy statement, the Act explicitly stipulates that wellbeing objectives are to guide governmental decisions on budgeting (section 26M(2)(aa)), that the wellbeing objectives are to relate to social, economic,

[13] Note that this relates to the SDG *Gender Equality*, which is not a separate domain in the LSF but is rather part of the more overarching attention for distribution of wellbeing (cf. Ormsby 2018: 8).

environmental and cultural wellbeing concerns or to matters the government considers support long-term wellbeing in New Zealand (section 26M(4)), and that the annual budget policy statement *must explain* how the wellbeing objectives will support long-term wellbeing in New Zealand (section 26M(5)). The annual fiscal strategy report in turn must explain how wellbeing objectives have guided budgeting decisions, and if the wellbeing objectives differ from those indicated in the budget policy statement, indicate the difference (section 26KB).

The Public Finance Act furthermore institutionalises the delivery of a Wellbeing Report. The report is to describe the state of wellbeing in New Zealand, how the state of wellbeing has changed over time, and point to the sustainability of the achieved level of wellbeing, as well as to any tangible risks to it (section 26NB). These obligations are recognisably translated in the LSF and its Dashboard.

The LSF as a Treasury tool to advise the government

In order to understand how the Treasury advises the government on setting these wellbeing priorities, it is useful to briefly present the role of the Treasury vis-à-vis the New Zealand government in general. Being the government's primary economic and fiscal advisor, the Treasury is 'responsible for providing advice to the Government to support the Minister of Finance's broad responsibilities for economic, fiscal and financial policy' and has 'responsibility for advising the Minister of Finance on all Cabinet proposals with economic, financial, fiscal, [and regulatory] implications' (source). Apart from the annual budgeting, the Treasury provides regular oral briefings to the government. This means that the LSF as a Treasury tool gives the Framework a rather central and impactful position in policymaking: the wellbeing framework assumes a prominent position in the Treasury's advising the government on policymaking and assessing and evaluating their policy impacts. First, the LSF and its Dashboard are used by the Treasury to help the government set policy priorities in their quest to enhance wellbeing. Second, the Treasury uses the tool to help identifying trade-offs by illustrating wellbeing impacts of different policy options. Third, the Treasury also reserves a fixed percentage of the annual budget for wellbeing-enhancing policy initiatives, which ministries can apply for by submitting a wellbeing policy proposal. This following section discusses how the Treasury comes to such advice to the government on policy priorities and what the formal dynamics between the Treasury's LSF and government policy entail. Part of this concerns the determining of trade-offs and illustrating wellbeing impacts. Subsequently, the process of ministries applying for a share of the wellbeing budget is explained as the third main use of the NPF in pursuing wellbeing in New Zealand.

Setting policy priorities with the help of the LSF

The Treasury in itself does not have specific wellbeing goals. Rather, it seeks to support the government in determining what it thinks needs to happen to ensure wellbeing for both current and future generations. The policy priorities (i.e. the policy areas that the government wants to focus on for the years to come) are determined by looking at developments and expectations that can be based on the data of the LSF Dashboard (and other sources). That is to say, the LSF's twelve wellbeing domains that form the broad policy objectives with regard to wellbeing are the living conditions that New Zealand wants to provide for its people; the Treasury uses the LSF Dashboard to monitor and give advice on what may be needed in terms of policymaking to achieve those objectives.

To that end, analyses of the LSF Dashboard inform the Treasury's long-term and strategic publications. One example is the new four-yearly Wellbeing Report that the Treasury is required to produce (as discussed above, source), which the government uses for its priority setting and policymaking. Once again, the Treasury merely provides information and formulates *advice* on the basis of that information. 'It is up to the government of the day, that is, it is up to elected politicians to make trade-offs and make the value judgments that they need to deliver' (source). Building on the LSF-based information and advice from the Treasury, the New Zealand government articulated the following five policy priorities for 2019 (source).

- **Just Transition** – Supporting New Zealanders in the transition to a climate-resilient, sustainable, and low-emissions economy;
- **Future of Work** – Enabling all New Zealanders to benefit from new technologies and lift productivity through innovation;
- **Māori and Pacific** – Lifting Māori and Pacific incomes, skills and opportunities;
- **Child Wellbeing** – Reducing child poverty and improving child wellbeing;
- **Physical and Mental Wellbeing** – Supporting improved health outcomes for all New Zealanders.

Clarifying wellbeing trade-offs in policymaking
Alongside these more overarching national policy priorities, or policy *areas* that deserve the government's attention, the LSF Dashboard is also used in a more concrete way. When it comes to particular and concrete policy objectives, the Treasury uses the LSF Dashboard to assess, *ex ante*, the impact (different) policy options may have on the wellbeing domains. The results then inform the policy-makers on particular trade-offs between the various wellbeing domains. An instance in which such trade-offs were assessed by means of the LSF has been the regeneration of eastern Porirua (Wellington region), which involved a large-scale redevelopment of housing in the city. 'That is an example where by considering all the different dimensions within a coherent framework [of wellbeing], we have a better ability to provide rich advice around the merits of different options,' Tim Ng explains (source). By way of hypothetical example, the LSF Dashboard data can suggest that policy option 1 provides more houses, but at the cost of nature, option 2 delivers relatively expensive houses but yields much employment, and option 3 excels in social facilities at the expense of the number of dwellings.

The Treasury can thus use the LSF to help policymakers make informed trade-offs in developing concrete policy. Treasury chief adviser Tim Ng explains this as helping the government make investment decisions, by making 'business cases' for different policy options (source). Interesting here is that these business cases do not only refer to the classical, narrow financial returns of option 1, 2, and 3, but equally consider a benefit for social connections or any of the other twelve wellbeing domains a legitimate investment 'return'.

Moreover, a point to highlight is that here one can clearly argue the LSF to effectuate (at least by intention) a different decision-making framework, or *paradigm* in which policy decisions are made: the twelve wellbeing domains and the four capitals, at least in theory, assume an equally important position in what counts as a solid 'business case' in policymaking.

> ‘Eastern Porirua […] included a traditional business case, and of course business cases always have to include a financial and economic aspect – it’s the tradition they have grown out of, very rightly. So what the Living Standards Framework has done is augment that basic foundational business case concept with these other aspects of wellbeing that governments typically want to think about when they are thinking about investment proposals such as Porirua.’ (Tim Ng, Ibid.)

A wellbeing budget to apply for

Another way in which wellbeing is pursued by using the LSF, is by attributing a share of the national budget to wellbeing-enhancing policy initiatives. The Treasury reserves a share of the annual budget (in 2019 this was around 4% of the total budget, OECD 2019: 48), which policymakers from different ministries can apply for. In their application, government agencies are required to consider the benefits of their policy proposal along the LSF domains of wellbeing. In other words, they are ‘required to use the concepts in the LSF to explain the basis on which they [are] making budget bids and the net benefits that they [see] that would arise from their Budget initiative’ (source). The Treasury then uses the LSF to compare initiatives with one another, on which basis it provides advice to the government on packages of initiatives that would contribute the most to achieving the wellbeing priorities that it has set (which for the year 2019 were the five abovementioned priorities). This means that the LSF is used to set the priorities, and subsequently that same LSF helps assessing which specific policy proposal would have the greatest impact on achieving those priorities.

In line with the previous note on pursuing a paradigm shift in economics, it should be noted that by inviting policymakers to use the LSF in applying for a share of this wellbeing budget, the Treasury promotes their way of thinking of ‘beyond GDP’ towards the New Zealand government.

3.3 Discussion and conclusion

New Zealand’s Living Standards Framework is based on the capabilities approach, and defines its objectives in terms of (predominantly) *objective* wellbeing elements. Yet, rather than providing the wellbeing elements as policy objectives, the Treasury speaks of the LSF as a way to think about wellbeing – on which basis concrete policy objectives are subsequently articulated. The monitoring of wellbeing in the LSF Dashboard occurs on the basis of both objective and subjective wellbeing indicators. The Treasury uses the LSF to advise the government in setting wellbeing priorities, to determine which policy initiatives contribute most to achieving those priorities, and to assess *ex ante* what the impacts of particular concrete policies may be so as to make clear what wellbeing trade-offs are involved in policymaking.

Embedded in law, the reference to wellbeing has become a standing practice in the realm of (national) policymaking. What stands out, however, is that the LSF itself (and the legislation that surrounds it) does not bind or oblige policymakers to any of its wellbeing objectives or priorities; following the advice remain voluntary and it is up to the elected politicians and policymakers to make the decisions. Political decisions pertaining to wellbeing are thus still an act of actual politics, and not resolved or calculated in advance by a wellbeing model or authority.

This observation might also explain why the LSF's categories of wellbeing seem rather generic and largely 'insensitive' to the specific context within which they are used. Even though the concretely articulated wellbeing priority in New Zealand focuses on cultural identity and the wellbeing of the Te ao Māori people, the categories of wellbeing hoover above that level of specification. In other words, the *universal* domains of wellbeing are interpreted in, or translated to, a specific national context.

Overall, we find that one of the LSF's main contributions is to promote a new manner of thinking beyond GDP and to provide an appropriate vocabulary for that. It does so not by imposing it directly, but by providing the Treasury and other policymakers with a wellbeing model that facilitates a good discussion on what constitutes wellbeing accompanied by the necessary data and analyses on wellbeing in its full breadth. It is thus noticeable that the wellbeing vocabulary utilised by the Treasury through the LSF stimulates others to start speaking that wellbeing language in policymaking as well. The various ways in which wellbeing thinking and practice is 'injected' into policymaking (e.g. through hard legal requirement or by more through utilising a wellbeing vocabulary as a 'soft' way) will be discussed at more length in the report's comparison section and general conclusion.

4 Wales' Shared Purpose Shared Future

The Well-being of Future Generations (Wales) Act was adopted in 2015 and introduced Wales's aspirations to work towards wellbeing as a multifaceted indicator of progress. The Act, under which the Shared Purpose Shared Future (SPSF) wellbeing framework emerged, presented a new, broader view on thinking about and working on collective progress of Wales as a nation. In its essence, the Act 'is about improving the social, economic, environmental and cultural wellbeing of Wales' (source: p.127). The new way of working that the Act introduced intends to make public bodies 'think more about the long-term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach' (Ibid.). The overarching goal of the Act, and the SPSF as a resulting policymaking framework, is to 'create a Wales that we all want to live in, now and in the future'.

The SPSF presents seven wellbeing goals as the common purpose for policymakers to achieve (www.futuregenerations.wales). The SPSF is accompanied by an extensive guide for public bodies, which should provide for better decision-making with an eye on both short-term and long-term wellbeing. The aim is to have wellbeing thinking not as an add-on to the existing procedures, but rather for it to become the new integral *modus operandi*. To that end, the guidance documents of the SPSF detail – to a rather meticulous extent, as this chapter will show – the ways in which specified public bodies on various government levels must operate and cooperate to improve the wellbeing of Wales. These detailed provisions, which include both definitions of wellbeing and ways of working, are intended to counter not only legal uncertainty and lengthy interpretational processes when applying the framework, but also potential inactivity, omissions and turf wars among public actors (SPSF 1: Core guidance, p. 5).

The seven wellbeing goals together with the so-called 'five ways of working' that the SPSF presents, aim to 'support and deliver a public service that meets the needs of the present without compromising the ability of future generations to meet their own needs' (SPSF 1: 3). Safeguarding long-term future wellbeing, which is something current policy endeavours should aim at, is a prominent concern of the Welsh wellbeing framework. Wellbeing and sustainability are two strongly intertwined ambitions of the new way of working promoted by the Framework.

The chapter proceeds with discussing the definition of wellbeing used in the SPSF. We then present the seven wellbeing goals and five ways of working as the core features of the Welsh wellbeing model, in which we also look for the theoretical basis of the model. Secondly, we will briefly look at the relationship between the seven wellbeing goals of the framework and the set of 46 indicators used for monitoring progress. We subsequently discuss the way in which these wellbeing goals are to be pursued by policymakers. This includes taking a look at how the guidance document details the new wellbeing way of working for public bodies and the reporting duties of national and local public bodies. The conclusion highlights and discusses the most distinctive features of the Welsh wellbeing model.

4.1 On the SPSF's theoretical model of wellbeing

The Welsh framework for wellbeing has its statutory footing in the Well-being of Future Generations (Wales) Act 2015, which provides detailed information on the model itself and its accompanying terminology, the national well-being goals, the envisioned ways of working of the framework, as well as on the public bodies that need to comply with the provisions of the Act. Indeed, not only does the Act form the legal grounding of having and using a wellbeing model, it also suggests what that model should look like. This section describes the gist of the model by discussing its definition of wellbeing, the objectives in terms of the wellbeing goals, and the guidance for achieving them on different governmental levels and in different government organisations.

The definition of well-being
As a central objective, the Act requires public actors to carry out *sustainable development*. Sustainable development is – somewhat tautologically – defined as follows.

> "sustainable development" means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the well-being goals." (SPSF: 5)

Accordingly, the model considers (aspects of) economic, social, environmental and cultural wellbeing as *part of* the definition and process of sustainable development. More specifically, wellbeing is presented as a (necessary) conditions for sustainability. So rather than including sustainability as part of the wellbeing definition, the Welsh model turns it around and makes wellbeing a condition of, or objective for, achieving sustainability.

This has important implications (whether intended by the Welsh model or not) for the way in which the model pursues wellbeing. First, it draws the focus on the processes, on the pathways to obtaining the desired outcomes. Although the Act does specify what wellbeing refers to, defined in the seven goals discussed below, sustainable development is essentially seen as a way of doing things rather than an end in itself (SPSF 1: Core guidance, p. 5). Secondly, apart from making the wellbeing of future generations a central consideration, the model's definition also provides a bridge between individual and collective wellbeing. The individual's quality of life is connected to the wellbeing of the collective by means of processes of sustainable development (Ibid.). These two implications will be important throughout the following discussion of the Welsh model.

The goal to carry out sustainable development, and within that pursue collective and individual wellbeing, should prompt a shift in not only the mindset, but also in the whole way of working of public bodies: 'The Act makes it the core principle that guides how a public body operates' (SPSF: 5). In that respect the Act and its guidance document stress repeatedly that carrying out sustainability should not be seen as an 'add-on' to the existing way of working (Ibid.)

Seven wellbeing goals and five ways of working

Reflecting the idea of wellbeing as an intrinsically multifaceted concept, the SPSF text states that ‘sustainable development is about acknowledging that there are many things that determine a person’s quality of life (their wellbeing), and that these all can broadly be categorised as environmental, economic, social and cultural factors’ (SPSF: 5). All these factors impact the wellbeing of individuals and that of the country as a whole. The environmental, economic, social and cultural factors are captured in the model’s seven wellbeing goals that policymakers and other public actors should seek to achieve as a *shared* purpose. These are:

- A prosperous Wales;
- A resilient Wales;
- A healthier Wales;
- A more equal Wales;
- A Wales of cohesive communities;
- A Wales of vibrant culture and thriving Welsh language;
- A globally responsible Wales.

Each of these national wellbeing goals is specified further, which can be reviewed in Table 2 – taken from the Act (2015).

Table 2 Specification of the seven national wellbeing goals Well-being of Future Generations Act (2015): 4

Goal	Description of the goal
A prosperous Wales.	An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.
A resilient Wales.	A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).
A healthier Wales.	A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.
A more equal Wales.	A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).
A Wales of cohesive communities.	Attractive, viable, safe and well-connected communities.
A Wales of vibrant culture and thriving Welsh language.	A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.
A globally responsible Wales.	A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

As these seven goals are rather broad and somewhat ambiguous as categories (it is, for example, not directly clear how 'prosperous' differs from 'resilient'), it is difficult at this point to interpret the SPSF's theoretical underpinning. One could also say that there is no direct and obvious relationship to the wellbeing categories of Stiglitz, Sen, and Fitoussi.

In addition to these seven wellbeing goals, the Act also provides five ways of working. This signifies that the Act intends to fundamentally change the way public bodies operate and think about policy priorities, and that the wellbeing framework does not merely define an (additional) number of policy objectives to be achieved in the 'old' way of working. The principle of sustainable development encompasses the five ways of working that public bodies are required to take into account. Public bodies should:

- look to the **long term** so that we do not compromise the ability of future generations to meet their own needs;

- take an **integrated** approach so that public bodies look at all the well-being goals in deciding on their well-being objectives;
- **involve** a diversity of the population in the decisions that affect them;
- work with others in a **collaborative** way to find shared sustainable solutions;
- and understand the root causes of issues to **prevent** them from occurring. (SPSF: 6)

It is in these five ways of working that the integral and integrated character of the Welsh wellbeing framework shows. The guidance document for public bodies states that:

> The purpose of taking an integrated approach is to ensure that you recognise the interdependence that exists between the seven well-being goals and on your well-being objectives. Only an approach that makes the connections between, and effectively integrates economic, social, environmental and cultural challenges, will maximise each public body's contribution to achieving the well-being goals. (SPSF: 18)

The Act is furthermore very explicit and detailed in defining whom these seven wellbeing goals apply to, i.e. which actors will bear responsibility in achieving them. The wellbeing goals are legally binding for national and local governments, local health boards and other specified public institutions. More precisely the addressees are:

- Local Authorities;
- Local Health Boards;
- Public Health Wales NHS Trust;
- Velindre NHS Trust;
- National Park Authorities;
- Fire and Rescue Authorities;
- Natural Resources Body for Wales (Natural Resources Wales);
- the Higher Education Funding Council for Wales;
- the Arts Council of Wales;
- the Sports Council for Wales (Sport Wales);
- the National Library of Wales;
- the National Museum of Wales (National Museum Wales);
- the Welsh Ministers.

The Act requires all public bodies mentioned above to maximise their contribution to achieving each of the well-being goals by setting wellbeing objectives. It thus emphasises not only the way in which they must work towards achieving the goals, but also how they must cooperate and coordinate to improve Wales's wellbeing. The Act also applies to the Welsh Ministers, who are therefore under the same wellbeing duty as the other specified public bodies. The framework thus has a palpable multi-layered character, which builds upon the cooperation between different levels of government to improve the quality of outcomes delivery (SPSF 1: Core guidance, p. 25).

Explicitly linking the wellbeing goals to various public bodies as the addressees serves a number of purposes, helping them to change their way of working. First, it intends to stimulate better decision-making by demanding public bodies to make long-term plans and take an integrated and collaborative (multilevel) approach. It furthermore provides a wellbeing vocabulary, which can be used across policy-making silos, making cooperation across institutions easier. Finally, it explicitly

provides factors which are to be considered in decision-making, thereby *supporting* policymakers in their decision-making processes.

4.1.1 Wellbeing measurement and national indicators

Progress towards the seven national well-being goals or outcomes is measured on the basis of 46 national indicators. These indicators were set in 2016 by the Welsh Ministers, after a widespread public consultation to determine the set of indicators. The Well-being Act 2015 also enables Ministers to review and amend the indicators so that they stay up to date and relevant for the wellbeing objectives.

The indicators are displayed on the national indicators page and matched against the seven national wellbeing goals (see Figure 7 below). An interactive index shows which of the seven wellbeing goals (one or several) an indicator relates to. By clicking on an indicator, more information about its composition, current measurements and data history can be obtained. In essence, the provided information shows not only the progress of an indicator, but also how and which components are being operationalized in practice.

The way the monitor is designed is that the indicators are presented first, followed by an indication of which wellbeing objective(s) this indicator relates to. It means that rather than looking at the status of the wellbeing goal, the monitor focuses on the status of the indicators primarily. Although it may seem futile, this presentation may mean that the indicators are treated as direct and concrete translations of the wellbeing goals, i.e. the policy objectives to be achieved, rather than measures that say something about the extent to which the wellbeing goals are achieved. This is a somewhat remarkable feature, especially with regard to the idea that indicators themselves are not the goals to achieve, but should be mere indications of how policy intervention contributes to the overarching wellbeing goals.

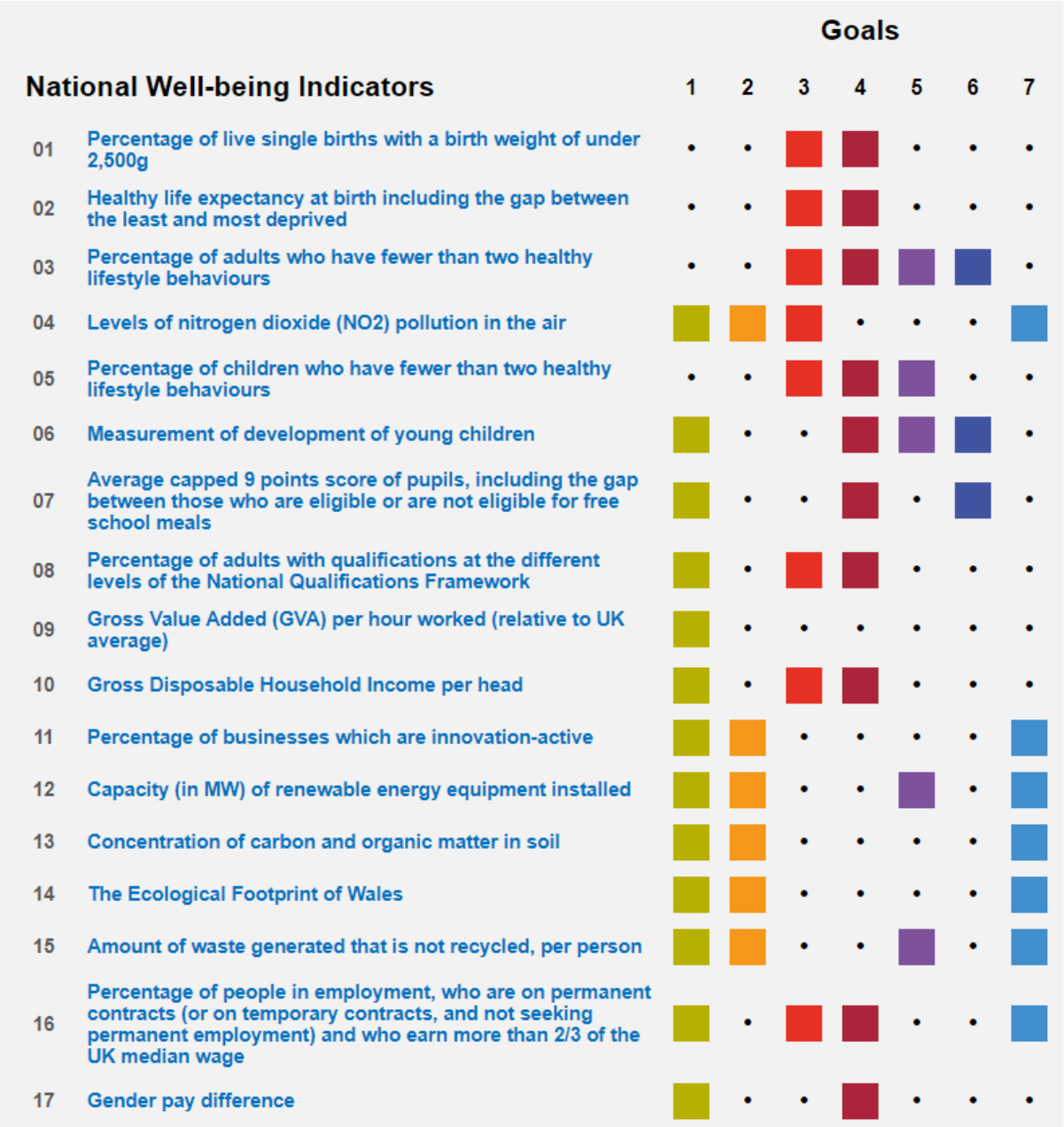

Figure 7 Excerpt of the list of national wellbeing indicators and their relevant wellbeing category

The Welsh Ministers, apart from their regular wellbeing duty mentioned above, are also responsible under the Act to publish national indicators and milestones, as well as a periodic Future Trends Report, which provides the basis for monitoring progress in wellbeing and signals future pressures to assist decision makers (SPSF: 4). The milestones can also be reviewed and amended. In July 2019 the Deputy Minister and Chief Whip published a written statement around proposals for developing a set of national milestones for Wales. Further work is now progressing with key partners to take forward these proposals.

Data and data collection for the SPSF
A technical information document published by the Welsh Government helps in reading the national indicators. The document contains supplementary technical information on each indicator including a summary of the components of each indicator, the source of the data, disaggregation of the data by protected characteristics and area (where possible), and contextual data to support analysis of the respective indicator over time. The government also provides information on when the indicators are scheduled to be updated.

Data used to measure the national indicators are mostly available on StatsWales. StatsWales is also responsible for providing further information

4.2 Using Wales's framework in policy making: Wellbeing duties

After having laid down the fundaments and concepts, the second part of the Well-being of Future Generations (Wales) Act defines the wellbeing duties for public bodies in a detailed fashion. The core principle of sustainable development in itself already entails the five ways of working, but these are to be seen more as a mindset, while the wellbeing duties and best practices explain how public bodies ought to operate, step by step, to adopt this new way of working and to carry out sustainable development. The Guidance document accompanying the Act states:

> This guidance aims to assist you in taking action, and communicating the contribution made to the seven well-being goals whilst also helping to identify innovative and shared solutions to some of the most pressing challenges our communities face.

Importantly, the architecture of the Act distinguishes between *individual* duties carried by every single public body, be it on local or national level, and *collective* duties, whose addressees are Public Services Boards. A Public Services Board is a formally established collaboration in each local area in Wales, consisting of the local authority, the Local Health Board, the fire and rescue authority for the area, and National Resources Wales. We address the duties for both types of public actors in turn below.

4.2.1 Individual wellbeing duties

The core duty for public bodies on both the national and local level is to set wellbeing objectives that maximise their, or another public institution's, contribution to achieving the seven national wellbeing goals (s.3(2)(a) of the Act). While the Act gives public bodies flexibility in setting their wellbeing goals and to do so in a way that would match their responsibilities and functions (SPSF 2: Individual role (public bodies)), their actions should ultimately take into account the improvement of long-term wellbeing. In achieving them, public bodies are obliged to take all reasonable steps to meet those wellbeing objectives, in accordance with the sustainable development principle and the five working ways outlined above.

The steps taken by 'individual' public bodies can be short-, medium- or long-term actions for change, and should be outlined by them in the public statement accompanying the publication of their wellbeing objectives (s.7(1) of the Act). The steps should explain concretely what will be done in order to achieve the organisation's long-term wellbeing objectives that they have set for themselves. Public bodies are further required to review their wellbeing objectives annually to

verify if those are still on track in contributing to the national wellbeing goals, whether all necessary steps towards achieving them are taken, and whether the way of working is still consistent with the sustainable development principle. This moment of review also enables public bodies to align their wellbeing objectives with those of the Public Services Board, if a public body deems that necessary. In addition, under the Act these individual public bodies have the power to review and revise their wellbeing objectives at any point.

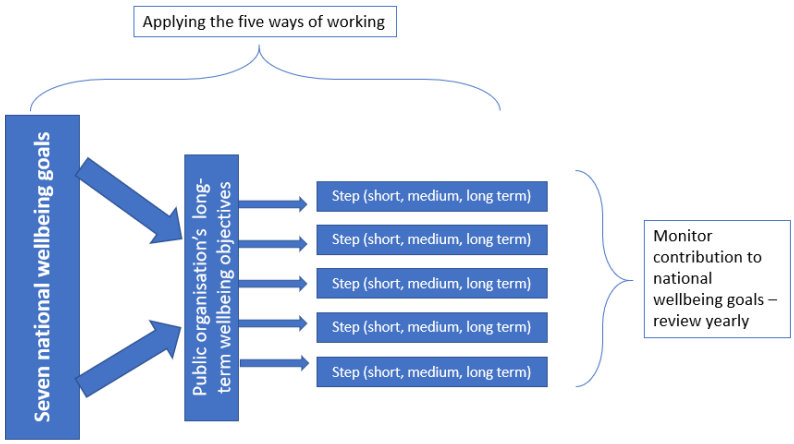

Figure 8 The process from national wellbeing goals, long term wellbeing objectives to wellbeing steps (own elaboration)

It is in this step-wise way of working and reviewing that public organisations are expected to integrate the requirements of the Act into their regular approach and strategy – this is the so-called 'integrated corporate approach' – and not treat them as add-ons to their activities (SPSF 2: Individual role (public bodies)). This means that such organisations are to implement sustainable development throughout all of their decision-making processes. The required way of working for public bodies under the Act is schematically depicted in Figure 8 above.

Finally, a public body's commitment to the sustainable development principle, the well-being goals and objectives, and implementation of those principles by that body can be reviewed at any moment by the Future Generations Commissioner for Wales. The General Commissioner's general duty is to promote the sustainable development principle (including the five ways of working), to act as a guardian of the ability of the generations to come to meet their needs, and to encourage public bodies to take better account of the long-term impact of their activities (SPSF 2: Individual role (public bodies)). The review is followed by recommendations, which the addressed public body has a duty to follow by means of taking all reasonable steps.

Note that since Welsh Ministers also fall under the addressees of the Act, this setting of wellbeing objectives and taking concrete steps to achieving them also applies to them. In other words, the seven national wellbeing objectives form the framework that national policymakers then translate into concrete policy – thereby once again applying the five ways of working. In turn, in the same vein that the SPSF is supposed to effectuate an entire new way of working rather than being an add-on, also the policies that national policymakers develop are to contribute in some way or form to the national wellbeing goals. At the national level, SPSF thus

serves, on the one hand, to inform policymakers on what goals to strive for and make policy for, and on the other hand to evaluate whether and how policy initiatives contribute to achieving one or several of the wellbeing goals. Statistics that show progress on the wellbeing categories, presented in the Annual Well-being Report (described below), support policymakers in making and evaluating their policy plans.

4.2.2 Collective wellbeing duties

Next to individual wellbeing duties of listed individual public bodies, the Act also imposes wellbeing duties on specified public bodies to act jointly in the form of so-called *public services boards (PBS)* in order to improve the economic, social, environmental and cultural wellbeing of their area. These statutory-established boards are present in each local area in Wales and consist of the local governmental authority, the Local Health Board, the fire and rescue authority for the area, and National Resources Wales. Furthermore, Public Services Boards are required to invite certain other actors to participate on the boards – Welsh Ministers, the Chief constable for a police area, the local police and crime commissioner, probation services and at least one body representing relevant voluntary organisations. PBS can furthermore invite other organisations as they see fit the nature of their public functions (SPSF 3: 7).

A PBS is responsible for publishing a Local Well-being Plan (LWP), which contains an Assessment of the local wellbeing situation and wellbeing objectives designed to maximise the Board's contribution to achieving the wellbeing goals within its respective area. In other words, the LWP is the local implementation of the national wellbeing goals: it is the plan of how that particular PBS seeks to contribute to achieving the wellbeing goals. The LWP further contains the steps taken to meet the objectives, comparable to the steps that are to be defined in a public organisation. When producing the LWP and the Assessment, PBS are obliged to organise a wide consultation, as follows from the five ways of working. All progress made in the context of the LWP is reflected upon in an annual report (section 13 of the Act).

4.3 Reporting

The *sustainable development* approach to policymaking is strongly based on monitoring and regular evaluations of progress, and rests on empirical evidence to guide policies, actions and interventions (SPSF: 29). Apart from the reporting that public bodies have to do on the progress they make in achieving their wellbeing objectives, as described above, two reports are central to the cyclical functioning of the SPFS at a more integrated level: the Future Trends Report and the Annual Well-being Report.

a) Future Trends Report

The Future Trends Report presents likely future trends in economic, social, environmental and cultural wellbeing. The Future Trends Report thus has a forward-looking character, and predicts more structural trends in wellbeing that are expected to occur, rather than precise calculations. It expresses likely developments with regard to, for instance, population growth, the rise in single-person households over the next twenty years, and developments in, and local consequences of, climate change (e.g. Future Trends Report 2017). The Future Trends Report needs to be published within 12 months after a parliamentary election (the National Assembly

for Wales election), and thus plays an important role in determining policy priorities for that particular government term.

While public bodies are 'encouraged' to use the Report in fulfilling their wellbeing duty, Public Services Boards *must* refer to the Report when preparing the local wellbeing assessment in their area (SPSF: 29).

b) Annual Well-being Report

Next to the Future Trends Report, the Annual Well-being Report reviews the national indicators, which helps in determining the progress made towards achieving the wellbeing goals by Wales as a whole (SPSF: 29). This report is to be published yearly by the Welsh Ministers. It not only reflects the progress towards achieving the wellbeing goals for the whole population, it also distinguishes the wellbeing development for different groups where appropriate (Ibid.).

> 'The Well-being of Wales report provides an opportunity for the Chief Statistician to highlight key messages on the progress Wales is making across a number of outcomes in an authoritative, coherent and collective way. This includes bringing together a wide range of sources, some of which are not published elsewhere as official statistics. This can be used by all stakeholders, including citizens and the media to understand the key trends and challenges facing Wales.' (Welsh Government 2019: 1)

Welsh Ministers can set milestones with reference to the national indicators to assist in measuring whether progress is being made. A particular level of one or several indicators can form the criteria for achieving a milestone. Public bodies and PBS are *encouraged* (i.e. not obliged) to consider how the wellbeing objective they set can contribute to achieving the milestone. Similarly to the national indicators, the milestones are set at the population level relating to the whole of Wales, meaning there will be no milestones for a specific public body (SPSF: 30).

However, all public bodies, both national and local, have their own reporting obligation. The Act requires that a public body must publish a wellbeing statement when publishing their wellbeing objectives (SPSF: 33). This wellbeing statement helps these bodies explain why they consider that meeting the set wellbeing objectives contributes to achieving the national wellbeing goals. The crux of this reporting obligation is thus the explaining of decisions on policy plans and priorities, and showing the progress that has been made on the wellbeing objectives. It thus serves as a mechanism for transparency and accountability.

The Annual Well-being Report is furthermore used by Future Generations Commissioner for Wales for drafting the Future Generations Report, next to its review of the commitment and efforts of all the addressed public bodies (as described above). Public Services Boards are obliged to refer to the national indicators as presented in the Annual Well-being Report when analysing the state of their local economic, social, environmental, and cultural wellbeing (Ibid.). In general, the 'national indicators should be considered as useful evidence to assist public bodies in understanding the main areas where progress should be made in relation to the well-being goals' (Ibid.). The Annual Well-being Report is however explicitly inexhaustive, which is why public bodies should consider additional evidence for their (local) plans, including local or national data sources.

Finally, the Annual Well-being Report and the national indicators reflected upon in that report form the framework for understanding Wales's contribution to the United Nations Sustainable Development Goals (SDGs).

4.4 Discussion and conclusion

Having analysed the wellbeing framework that Wales uses, three of its features stand out. In theoretical terms, firstly, it is not too clear whether the framework is based on the capabilities approach as proposed by Stiglitz, Sen, and Fitoussi. The wellbeing goals do resemble the capability view on wellbeing in the sense that the government should seek to provide the *enabling* conditions for people's wellbeing as its objective, with both objective and subjective wellbeing indicators for monitoring progress. However, the wellbeing categories themselves – i.e. the seven rather broad and somewhat overlapping wellbeing categories – refer less clearly to this theoretical background promoted by Stiglitz, Sen and Fitoussi.

Secondly, the SPSF sees wellbeing conceptually as a part of, or condition for, sustainable development rather than the other way around. The main objective of the Welsh model is to carry out sustainable development, which includes safeguarding wellbeing for current and future generations. With this objective of doing things differently (namely in a sustainable development way) the Welsh framework strongly focuses on (multilevel) collaboration, long-term perspectives, and integration of policy efforts in the wellbeing objectives. These practices are captured in the five ways of working, added to the seven wellbeing goals. As such, the sustainable development approach should be seen as an integrally new way of working and not as an add-on, as is stated time and again.

This aim of effectuating a completely new way of working relates to the third noteworthy feature of the SPSF: its high level of detail in prescribing the way in which public bodies on all government levels (national and local) are to operate in order to pursue the wellbeing goals. Although the ways in which different public bodies seek to contribute to achieving the wellbeing goals are open, the procedures to be followed, including the reporting and reference to reports, are strictly detailed for the whole public sector.

All in all, the SPSF seeks to effectuate a paradigm shift compared to the 'old' way of working towards narrow economic objectives. This aim at fundamental change arguably fits the normative premises of moving beyond GDP. Accordingly, the SPSF treats GDP-related economic goals as an integrated part of, and functional for, wellbeing rather than merely adding a number of wellbeing categories to existing GDP-related ones. Indeed, 'simply' adding a number of categories to be considered alongside the narrow economic ones may result in carrying on in the old way of striving after economic growth but mitigating or repairing some of its negative externalities. The disadvantage of this more profound approach, however, seems to be that introducing the model as a whole new way of working for the entire public sector may be very ambitious and the highly detailed prescribed ways of working may make it vulnerable to malfunction. It could be easy for one link in the chain to not function. This ostensible trade-off between scope of the model and its impact will be picked up in more detail in the comparison chapter.

5 Case Comparison

This chapter is dedicated to the comparison of the three frameworks studied above. Having discussed the NPF, the LSF, and the SPSF in detail, in the following we reflect on the differences and similarities in the overall set-up and implementation. The goal behind this comparison is to identify good practices and red threads from both the frameworks' theoretical underpinnings and practical applications, which in turn can serve as a basis for further use in practice as well as (academic) study of wellbeing-centred policymaking.

We first look into the theoretical underpinnings of the respective wellbeing models and compare how they define wellbeing, referring to the distinction between subjective and objective wellbeing. Looking at the theoretical basis is relevant because it translates into policy objectives, and how the framework is set up in practice. Indeed, we secondly look at the way in which the framework defines policy objectives, how these are to be implemented, and how progress is monitored. Finally, we consider the ways in which the different national frameworks guide policymakers in their formulating, assessing and evaluating policy including the legal status of such obligations, the relevant institutions and the addressees of the frameworks.

5.1 Theoretical underpinning of the models

In the previous chapters we scrutinised the theoretical fundaments of Scotland's NPF, New-Zealand's LSF and Wales's SPSF. Based on a literature review on the concept of wellbeing, the distinction between objective and subjective indicators, and the different contexts of application, our preliminary theoretical conclusion was that striving after objective wellbeing was most clearly within the realm of public policymaking, while both objective and subjective wellbeing indicators could be used for monitoring progress and effects of policy interventions. More concretely, the literature we reviewed seemed to argue that the capabilities approach was most suited for (national) public policymaking, in which policy provides the facilities and possibilities for performing particular behaviour, and not necessarily steer on such behaviour directly.

Though the three models differ in the definition of their wellbeing categories, all three in principle show that objective wellbeing factors form the policy objectives, while progress in wellbeing is monitored on the basis of both objective and subjective indicators. Furthermore, both the NPF in Scotland and the LSF in New Zealand show strong indications of the influence of the capabilities approach (Sen 1999; Robeyns 2017) on the overall structure and functioning of the wellbeing frameworks. This means that the wellbeing policymaking of both countries aims to pursue objective wellbeing as policy goals, which in turn, when provided, facilitate people (both as individuals and as collectives) in their functionings that should contribute to their wellbeing.

In Scotland's case, the connection between the capabilities approach and the NPF is evident yet implicit, as the documents on the framework's set-up and

development do not explain their theoretical grounding.[14] It are the NPF's eleven National Outcomes, which serve as both the policy objectives of the framework and which together form the framework's concept of wellbeing, that show a strong resemblance with the broad wellbeing dimensions of Stiglitz, Sen and Fitoussi (2009: 14-15). The LSF, on the other hand, is explicit in its reference to the capabilities approach and the Stiglitz-Sen-Fitoussi report as its theoretical fundaments. Though the twelve wellbeing factors that the model strives to facilitate are slightly different from the list of wellbeing facets produced by Stiglitz, Sen, and Fitoussi, the LSF's reasoning of what public policymakers can (or ought to) do in order to allow people to pursue or experience wellbeing is explicitly in line with the seminal work on capabilities.

By contrast, Wales's SPSF model does not show clear reference to, or resemblance with, the capabilities approach. Although the seven national wellbeing goals do resemble the capability view on wellbeing, since it is for the government to provide the *enabling* conditions for people's wellbeing and not on their specific behaviour (or *functionings*), the goals in themselves are rather broad and somewhat overlapping, and refer less clearly to the content of the conditions promoted by Stiglitz, Sen and Fitoussi. Notwithstanding the wellbeing categories of NPF and LSF (such as *inclusive, empowered, resilient and safe communities* or *cultural identity*) require interpretation and translation in specific policy, the seven facets of wellbeing that the Welsh model seeks to achieve seem to constitute less clearly delineated and sometimes actually overlapping categories. Why that is the case is beyond the scope of this comparison, but forms a relevant question for follow-up research (which we will discuss at the end of this report). For now, the remainder of this chapter will show how the SPSF differs more fundamentally from the NPF and LSF.

A further difference between the LSF and NPF on the one hand, and the SPSF on the other concerns the relationship between wellbeing goals and sustainability. Whereas LSF and NPF set wellbeing in its full breadth as the overarching objective, in which (environmental) sustainability is one aspect, the SPSF turns this around and views wellbeing as a condition for achieving sustainability as the overarching principle. The focus of the SPSF lies primarily with changing the procedures of doing things, the modus operandi and processes of public actors, and less on the wellbeing goals that steer the national policy agenda, as is the case for the other two frameworks. The following paragraph will discuss this in more detail.

5.2 The use of the framework in policymaking

From wellbeing goals to policy

A first note to make in this comparison is that both the existence and the use of the wellbeing framework is anchored in law in all three cases. Though this does not necessarily mean that the frameworks are therefore binding or prescribing (as we will discuss below), it does mean that the reference to wellbeing goals and its monitoring in policy making and implementation is not a voluntary 'nice-to-have', but instead forms an obligation for policymakers.

[14] When we suggested this theoretical basis to our two interviewees, the terminology and theory were unknown to them, but directly recognised as fitting and helpful in understanding the rationale of the NPF.

As to the use of the frameworks, a similarity across all three frameworks is that the model itself does not prescribe exactly what policymakers ought to do. In that sense, neither of the frameworks define exactly what wellbeing is and how it should be pursued, other than providing the relevant categories. Generally speaking, the frameworks seem to have a twofold effect: they provide the various categories of wellbeing as policy *goals* that policymakers should seek to achieve, and they offer the wellbeing 'language' that policymakers at different government levels should adopt in thinking about the *impacts* of policies. The ways in which policymakers strive after these goals is not given by the wellbeing framework, and neither does the framework define the priorities or trade-offs of one wellbeing category over the other. This means that even though the frameworks tend to have far-reaching mandates, that can – especially in the Welsh case – profoundly affect the modus operandi of public actors, there is still extensive room for 'politics' in the sense of pursuing a particular, possible context-dependent political agenda.[15] In other words, the frameworks are not intended to prescribe concrete policy – they do so only regarding the elements of wellbeing that should be considered in some way or form.

In the case of Scotland, the NPF applies integrally to the work of Parliament at the national level. The eleven National Outcomes form an umbrella under which the government rolls out its political agenda and policy. National policymakers are required to translate the NPF's National Outcomes into concrete policy, and thus pursue the enhancement of all of these wellbeing facets. In that sense the use of the framework broadens the scope of overarching policy goals from mere GDP-enhancing considerations to enhancing wellbeing in its full breadth.

The duties of public actors in the SPSF in Wales have a similar function: policymakers are required to take the necessary policy steps to contribute to achieving the seven wellbeing goals. Although the SPSF's level of detail in prescribing the process through which public actors have to do this and the obligation applying to all government levels differs from the approach of the NPF, the mechanism of achieving the wellbeing goals through concrete policy is comparable.

One difference with the LSF, which also provides the categories of wellbeing that should be strived after through concrete policy, is that the New-Zealand model is not a model of the entire government, but adopted and used by the Treasury. Given the central role that the Treasury plays in advising government in policy development, however, the use of the model and the considering of the various wellbeing categories effectively 'trickles down' to the modus operandi of the entire government. In New Zealand, it is the Treasury that advises government on policy priorities in the light of wellbeing goals – an advice that policymakers (the elected politicians) can value as they see fit.

Next to this 'translating' of wellbeing goals into concrete policy, all three models also require policymakers to consider the impact of their policies on all wellbeing categories. In so doing, the models' function is to explicate the consequences for, and possible trade-offs between, different aspects of wellbeing. Hypothetically, it could make clear what the collateral impact of a GDP-enhancing policy would be

[15] Note that even though the categories of wellbeing in the NPF and LSF are comparable, the framework can be specified to enhancing rights and wellbeing of the Te ao Māori people as a very context-dependent interpretation in New Zealand.

on, for instance, inequality, air quality, and leisure. Reflecting on the wellbeing impacts happens both *ex ante*, estimating what the possible consequence could be, and is monitored after the fact. In a policy feedback loop, the results of the monitoring form input for adapting and revising policy. This wellbeing impact function seems to be the LSF's most prominent asset, with the Treasury estimating the impacts of policy proposals, and showing the possible trade-offs relevant in considering policy options. Whereas the Treasury's advice in such impact assessments are for the politicians at the time to pick up as they see fit, the annual review in Wales instead leads to binding recommendations on whether additional effort needs to be made to achieve the goals.

Assessing and Monitoring Progress
While the wellbeing objectives formulated in all three frameworks can be characterised as objective wellbeing elements, the monitoring of progress happens on the basis of both objective and subjective wellbeing indicators. These indicators are intended to measure effects and track progress towards the frameworks' wellbeing goals, and are thus not to be read as the goals in and of themselves. Yet, while the monitors (or 'dashboards') of the NPF and LSF are highly comparable in their composition, indicators, and presentation of the progress on the wellbeing goal based on the said indicators, the Welsh monitor stands out in both its indicators and its presentation. First, possibly as a consequence of the rather broad wellbeing categories of the SPSF, some indicators read more as concrete policy objectives than as mere indicators used for measuring progress. Examples are '*Percentage of live single births with a birth weight of under 2,500g'* or '*Percentage of children with fewer than two healthy lifestyle behaviours'*. At the same time, other indicators in the SPSF monitor seem to constitute less concrete, and still broadly interpretable measurements, such as '*Measurement of development of young children'*.

Another noticeable point is the way in which the Welsh monitor presents its indicators and the wellbeing objectives that they relate to. Instead of presenting the wellbeing goal first and then the indicators that say something about its progress, as the NPF and LSF dashboards do, the SPSF first presents the individual indicator and its progress, and subsequently shows the relevant wellbeing categories the indicator relates to. Though this may seem a futile difference, this sequence of presentation may, as we argue in more detail above, inadvertently lead policy-makers to focus on the indicators in and of themselves more than on the wellbeing goal underlying the indicator – something that the other two frameworks seem to warn against.

Important to note is that measuring progress in all three frameworks is done in rather crude categories of improving, worsening and staying the same. This is important because it shows that – as has been confirmed in interviews – the measuring of wellbeing as an effect of policy cannot be calculated in exact numbers. Therefore, a monitor that presents the progress in detailed numbers would be misleading, both in the progress and in the idea of how the effect of one or a few interventions can be grasped. This is especially true for the *ex-ante* estimation of impact, which cannot be more than a rough estimation, but also firmly holds for *ex post* measuring. Indeed, rather than calculating the impact of one policy intervention on one specific wellbeing category, the monitors serve the function of tracking trends and broad societal developments, exemplified by the name of the

Welsh Future Trends Report. Table 3 schematically summarises the comparative elements discussed in this chapter.

Table 3 Summary of comparison between the three cases

	NPF	LSF	SPSF
Theorical premise	Capabilities approach – Sen, Stiglitz, Fitoussi (implicit)	Capabilities approach – Sen, Stiglitz, Fitoussi (explicit)	Wellbeing as *necessary condition* for sustainability
Policy objectives	Objective wellbeing (in the form of capabilities)	Objective wellbeing (capabilities)	Objective wellbeing
Monitoring indicators	Objective and subjective wellbeing measures	Objective and subjective wellbeing measures	Objective and subjective wellbeing, also *functionings* or seeming policy interventions
Framework used by	National government	Treasury	Government on all levels
Use in policy process	1. Policy objective formulation 2. Assessing and evaluating all policies 3. Approval of national budget	1. Policy objective formulation (advisory) 2. Assessing and evaluating policy options (advisory) 3. 4% of national budget spent on wellbeing initiatives	1. Policy objective formulation 2. Assessing and evaluating all policies 3. Introducing new way of working of public agencies
Anchored in law	Yes	Yes	Yes
Advisory/ obligatory	Obligatory to follow the steps	Advisory (but obligatory to consider the advice)	Obligatory (new way of working)

6 Conclusion

A first conclusion to draw on the basis of our three case studies is a consistent support of the theoretical idea that objective wellbeing goals are in the realm of the policymaker, and that progress can be measures on the basis of both objective and subjective indicators. Policymakers can steer on the *conditions* that facilitate people's behaviour and choices, but it falls outside their scope to determine for people which actions or behaviour should contribute to their experienced wellbeing and to steer those actions and behaviours or experienced wellbeing directly. The three practically applied models that we studied thus follow the idea of the capabilities approach, even though not all three explicitly refer to it, and even though the concrete categories of wellbeing to be strived for differ. The red thread throughout the three cases is that the models help governments provide facilities, which are the *capabilities*, while the behaviour, i.e. *functionings*, that result from them are open for people to pursue as they see fit.

We furthermore see that the concept of wellbeing in policymaking is not reduced to one singular term or number. Though this observation may seem logical given the inherently multifaceted concept of wellbeing, it is noteworthy that the term is not simplified and reduced to one catch-all term. It means that, going back to the origin of the wellbeing trend, the somewhat insufficient singular GDP as a proxy for economic and societal progress is *not* replaced by another singular term, but is instead expanded to consider a wide range of aspects that are all in their own respect important in individual and societal wellbeing. This means that the wellbeing framework cannot and does not produce one overarching parameter or answer to policy questions, but instead requires policymakers to consider, weigh and prioritise the relevant categories of wellbeing simultaneously.

As to the categories of wellbeing that are used in the different models, we can conclude that the categories are rather broad and generic, and thus not specific to the context in which they are used. Only in the interpretation or the translation into how these categories of wellbeing are to be pursued in particular national contexts do we see specifications like emancipation of the Te ao Māori people in New Zealand or the knowledge of the Welsh language in Wales. The categories of wellbeing that hoover above the specification thus seem to be universal to some extent – which is what authors like Nussbaum and Sen (and many others) indeed argue.

The organisation of a wellbeing policymaking framework in the ways we have seen in the three cases leaves important leeway for choice and taste. The wellbeing framework functions as an umbrella over policymakers, offering them the categories to consider and stimulating a wellbeing 'language' by thinking about impact in different facets of wellbeing, both short- and long-term. The frameworks, however, explicitly do not aim to provide the answer to policymakers in the sense of what the right policy option is, or what priority the policymaker should have. In our view this is important in at least two respects. On the one hand, it avoids the ambition that a wellbeing framework can 'calculate' correct answers, in which political choice and debate become paralysed. Secondly, and relatedly, such an a-political model in and of itself, with room for politics and political agendas, makes it much more likely that the models as blankets around governments are resilient over various

governments, coalitions, and administrations. Even though, as we have said, the idea to focus on wellbeing in its full breadth instead of economic growth in the narrow sense is already a political choice, the a-political and non-prescriptive models make sure that the use of this thinking is not pertained to one specific political colour, and can therefore continue to be used regardless of the sitting government.

This room for choice and leeway for policymakers to translate the wellbeing goals into policy as they see fit, however, does not mean that the reference to wellbeing and the use of the model is a voluntary 'nice-to-have' for policymakers. All three models are anchored in law, meaning that their existence and use have a legal grounding.

In sum, the guiding instead of steering or prescriptive function of the wellbeing policy frameworks means that i. the models do not define which policy actions are to be taken by policymakers, ii. it does not prescribe what behaviour ('functionings') people ought to perform in order to enhance their wellbeing and neither does it define how exactly they ought to feel, and iii. the monitoring does not provide conclusive information about the impact of one policy intervention on one category of wellbeing, but instead allows for following trends and progress of wellbeing in a community in its full breadth.

A final takeaway of the case studies concerns the different 'scopes of application' that the three case studies show. These may have important implications for the route towards adoption of the model as such. In New Zealand, the wellbeing model is adopted and used 'only' by the Treasury. Even though this institution plays a crucial role in advising the government on policies and policy priorities, we refer to this option as the 'minimal route', since it essentially requires only that one institution to change its modus operandi. In Scotland, the NPF applies to the entire Parliament, meaning that the wellbeing model directly impacts (the work of) ministries and policymakers at the national level. Since that also means that the NPF had to be adopted as a new 'blanket' around the work of Parliament as whole, we refer to this as the 'medium route'. The 'maximal route' towards steering on wellbeing in public policymaking is found in Wales, where the SPSF not only directly applies to all levels of government – from ministries to local government boards – but where it also intends to effectuate a wholehearted change in working throughout all these government institutions. The distinction in minimal, medium and maximal on the one hand concerns the 'intensity' of change that the wellbeing model eventually effectuates on the work of policymakers. On the other hand, and relatedly, it refers to the expected effort that it takes to have the model adopted and used, where it seems a relatively much easier endeavour to pursue the change within one confined – yet central – government body like the Treasury, than seeking to penetrate into the work of practically every civil servant in the country.

This final takeaway touches upon one of the numerous fruitful avenues for further research on the topic – of which we will mention three. One of them indeed concerns the possible pathway towards adopting and using a wellbeing framework in national policymaking. Under what conditions were the NPF, LSF and SPSF developed and adopted, and what can we learn from that for countries that aspire something similar? An initial exploration of this question on the adoption of the NPF yielded the generic answer that around the time the framework was adopted, Scotland simply had the 'right people in the right place'. What exactly that entails,

and in which circumstances the other countries were able to adopt it, would be an important follow-up question. Two other avenues for follow-up research concern the impact of the use of the frameworks in these three cases. It would be relevant to investigate to what extent and in what ways we can detect progress in the measured wellbeing in the three countries since the adoption of the frameworks. Furthermore, apart from looking at the impact that the models may have on concrete policy, it is also relevant to see what institutional effects can be detected. This refers, for instance, to the question whether decisions of national investment banks are now also guided by the wellbeing principles rather than ‘narrow’ financial return considerations. As it is understood that wellbeing categories may transcend economic sectors and ministerial ‘silos’, it would, finally, be relevant to investigate to what extent and in what ways the use of the wellbeing frameworks effectuates cross-sectoral and cross-ministerial collaboration and coordination.

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A Martha Nussbaum's list of capabilities

1. *Life*. Being able to live to the end of a human life of normal length; not dying prematurely, or before one's life is so reduced as to be not worth living.
2. *Bodily health*. Being able to have a good health, including reproductive health; to be adequately nourished; to have adequate shelter.
3. *Bodily integrity*. Being able to move freely from place to place; having one's bodily boundaries treated as sovereign, i.e. being able to secure against assault, including sexual assault, child sexual assault, child sexual abuse, and domestic violence; having opportunities for sexual satisfaction and for choice in matters of reproduction.
4. *Senses, imagination, and thought*. Being able to use the senses, to imagine, think, and reason – and to do these things in a "truly human" way, a way informed and cultivated by an adequate education, including, but by no means limited to, literacy and basic mathematical and scientific training. This includes one's own choice of cultural and religious exercise.
5. *Emotions*. Being able, in general, to love, to grieve, to experience longing, gratitude, and justified anger. Not having one's emotional development blighted by overwhelming fear and anxiety, or by traumatic events of abuse or neglect. (Supporting this capability means supporting forms of human association that can be shown to be crucial in their development.)
6. *Practical reason*. Being able to form a conception of the good and to engage in critical reflection about the planning of one's life. (This entails protection for the liberty of conscience.)
7. *Affiliation*.
   a) Being able to live with and towards others, to recognize and show concern for other human beings, to engage in various forms of social interaction; to be able to imagine the situation of another and to have compassion for that situation; to have the capability for both justice and friendship. (Protecting this capability means protecting institutions that constitute and nourish such forms of affiliation, and also protecting the freedom of assembly and political speech.)
   b) Having the social bases of self-respect and non-humiliation; being able to be treated as a dignified being whose worth is equal to that of others. This entails, at a minimum, protection against discrimination on the basis of race, sex, sexual orientation, religion, caste, ethnicity, or national origin. In work, being able to work as a human being, exercising practical reason and entering into meaningful relationships of mutual recognition with other workers.
8. *Other species*. Being able to live with concern for and in relation to animals, plants, and the world of nature.
9. *Play*. Being able to laugh, to play, to enjoy recreational activities.
10. Control over one's *environment*
    a) Political. Being able to participate effectively in political choices that govern one's life; having the right of political participation, protection of free speech and association.
    b) Material. Being able to hold property (both land and movable goods), not just formally but in terms of real opportunity; and having property rights on an equal basis with others; having the right to seek employment on an equal basis with others; having the freedom from unwarranted search and seizure. Martha Nussbaum (2000; 2001).

B The National Performance Framework – schematically

Source: [NPF Presentation | National Performance Framework]