

## 2. Ireland's Well-Being Journey

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### Abbreviations

AGW	Auditor General
AIC	Actual Individual Consumption
CSO	Central Statistics Office
DPER	Department of Public Expenditure and Reform
EU	European Union
GDP	Gross Domestic Product
GNI*	Modified Gross National Income
IGEES	Irish Government Economic Evaluation Service
LSF	Living Standards Framework
NESC	National Economic and Social Council
NPF	National Performance Framework
OECD	Organisation for Economic Co-operation and Development
PPNs	Public Participation Networks
SILC	Survey on Income and Living Conditions
UNDP	United Nations Development Programme
WBF	Well-being Framework

### Introduction

There is growing and widespread recognition of the limits of existing approaches to measuring the progress of Nations. Traditional measures, such as Gross Domestic Product (GDP), are limited in terms of the economic insight they provide and in the degree to which they reflect societal and environmental issues.

The result is a growing international momentum behind developing alternative measures of progress and new ways of designing and implementing public policy, which ultimately link more closely to people's lived experience.

In Ireland, this search to improve how progress is measured has focused on well-being frameworks (WBFs). This paper argues that Ireland is on an important journey in its development of a WBF.

The first steps were taken by the National Economic and Social Council (NESC) in the early 2010s. NESC's *Well-being Matters: A Social Report for Ireland* included a definition of well-being; the dimensions to be covered; and potential indicators, both subjective and objective. It also raised issues around the availability of data, and the question of how a well-being approach could be integrated into the public policy system (NESC, 2009).

Limited progress was made in Ireland to advance this agenda until the 2020 Programme for Government made a commitment to develop a focus on well-being in Ireland. This paper explores this work in some detail, including the development of an initial dashboard of indicators and how to embed the WBF into the policy process.

The next stage in the journey is about making sure that the initial vision and ambition are realised in practice. The dashboard of indicators could be characterised as a searchlight that can scan across dimensions of economy, society and environment in order to identify areas that require more attention. This paper also argues that a key element of the next phase of this journey is the ability to use the WBF to zone in on vulnerability and inequality. The paper contends that a crucial test for the WBF is the degree to which it can add value or bring a new perspective to issues such as child poverty.

The paper is structured as follows:

- **Purpose: Why Develop a WBF?** This section examines the experience of debating and adopting a WBF for public policy in Ireland. It outlines the rationale for well-being approaches, why they are being adopted internationally, and the typical elements of these approaches.
- **WBF in Action: What Steps Have Been Taken?** This section describes the work that has taken place since 2020 to advance the WBF agenda, including the consultation on the design of Ireland's vision and WBF.

- **Practicalities: How to Embed a WBF in Policy-Making.** This section outlines the research that has taken place in order to understand how WBFs are implemented in practice.
- **Making a Difference: How to Focus on Vulnerability and Inequality.** This section outlines the potential for these frameworks to address inequality, both nationally and internationally.
- **Where to Next?** The paper concludes by outlining the next steps that Ireland needs to take in order to embed a well-being approach into policy design and implementation.

## Purpose: Why Develop a WBF?

A greater focus on well-being in public policy began with the recognition that GDP does not provide a sufficiently detailed picture of the living conditions that ordinary people experience.

The progress of countries has typically been measured using GDP – a measure of the value of goods and services produced by a country. However, GDP has limitations even as an economic measure. For example, Honohan (2021) has recently pointed out that Ireland’s relative prosperity measured on the basis of Actual Individual Consumption (AIC) is substantially lower than on the basis of GDP or Modified Gross National Income (GNI\*).<sup>1</sup> While Ireland’s modified GNI\* was 9 per cent above the European Union (EU) (28) average in 2019, actual individual consumption (AIC) (adjusted for consumer price differences) was 6 per cent below the EU average, and Ireland ranked twelfth within the EU on this.

GDP is also limited from a social or societal perspective as it is disconnected from living conditions, particularly from distributional outcomes and measures of inequality. This disconnect is evident in parts of our society and among specific cohorts where, despite clear economic progress, there is a strong sense of being left behind, stigmatised and alienated from the rest of society.

GDP also fails to adequately reflect the value of the environment or to give sufficient indication of the sustainability of current output or income. It is accepted that current patterns of resource use and economic activity are putting huge pressure on the planet, threatening our ability to meet future needs. The United Nations Development Programme *Human Development Report 2020: The*

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<sup>1</sup> GNI\*, or Modified Gross National Income, is an indicator designed specifically to measure the size of the Irish economy by excluding profits generated in Ireland but which belong to foreign owners. (CSO, undated).

*Next Frontier: Human Development and the Anthropocene* highlights that the climate crisis is deepening at the same time as ‘the planet’s biodiversity is plunging, with a quarter of species facing extinction, many within decades’ (UNDP, 2021: 3). In Ireland, over 90 per cent of Ireland’s protected habitats are in bad or inadequate condition (DCHG, 2018).

Therefore, a shift has occurred internationally towards a well-being approach that recognises the need for policy to move beyond GDP as the key measure of progress.

This involves measuring progress through the lived experience of citizens; by broadening the way progress is assessed in order to view it holistically across three broad areas – economic, social and environmental; and by considering progress in a future-focused way by taking account impacts of today’s decisions on future generations (NESC, 2021).

This concern has led to the adoption of well-being approaches in public policy design and implementation. Well-being is a broad term, and tends to mean different things to different people. As the Department of Finance (2020) outlined:

Wellbeing is a multidimensional concept for which no single definition has emerged. At an individual level, it relates to a person’s physical, social and mental state.

At the societal level, the concept of wellbeing encompasses objective and subjective features of current living conditions, including objective accounting of circumstances, such as income or life expectancy, but also reflecting subjective aspects of quality of life, such as feeling content. The components which make up wellbeing may also change over time, as society and the relative importance of different aspects of life evolve.

Despite the varying views of what well-being is, the adoption of a well-being approach in policy-making and implementation tends to include a number of typical elements, as outlined by NESC (2021). These elements comprise the following:

- A high-level statement of ambition or vision for well-being, comprising national goals, outcomes or priorities.

- Public involvement in developing well-being goals, often with lengthy consultations with both experts and citizens. Some countries have instituted ongoing consultation processes for policy implementation.
- Measurement of performance towards the national well-being goals against a dashboard of indicators. These dashboards vary in size. Some countries have a small number of headline indicators and a larger set of more finely grained ones.
- Regular publication of performance reports on well-being, in order to support monitoring and accountability. These are typically published annually, and are often submitted to Parliament. Some aim to frame budget discussion.
- Going beyond reporting, some countries have legislation to ensure continuity in, and accountability for, the well-being approach. Some countries have institutional structures with responsibility for well-being, some new and some pre-existing. Such structures serve a variety of purposes, with some established to advance the well-being agenda, while others aim to improve co-ordination.
- Application of a well-being approach to budgeting—this varies from using the indicator dashboard to frame budget discussions, to assessing budget proposals for their impact on well-being.
- New ways of working, with support and guidelines provided in a number of countries.

Adopting these elements of a well-being approach can help orientate work efforts in the policy system to improve individuals' lived experience. It can involve citizens in creating a shared vision and in mobilising action by linking policy implementation and review to the measured lived experience of citizens. However, the incorporation of these elements into policy-making is not without its challenges, an issue we will return to later.

## **WBF in Action: What Steps Have Been Taken?**

As Ireland recovered from the financial crash in 2009, discussions on well-being took a back seat but were resurrected in the 2020 Programme for Government.

In the interim, international developments had created a focus on well-being, particularly in the Organisation for Economic Co-operation and Development (OECD), which had already developed the Better Life Initiative and the How's Life? framework for measuring well-being and progress. In Ireland, work had

also taken place subnationally, with the Public Participation Networks (PPNs) developing *Visions for Community Wellbeing* across all local authority areas.

Recent NESC research in part fulfilment of the 2020 Programme for Government commitment initially sought to identify the potential associated with a well-being approach based on the views of stakeholders and experts as well as on relevant research. NESC's initial publication on the topic, *Ireland's Well-Being Framework: Consultation Report* (NESC, 2021), argued that a WBF provides a means to:

- Articulate a shared vision or ambitious idea about the future that people can relate to;
- Orientate work within the policy system towards achieving a shared vision and bringing about improvements in individuals' lived experience;
- Focus on trade-offs and outcomes, often new outcomes that have not been systematically included in decision-making in the past, such as social connections, quality of place, and sense of belonging or isolation;
- Reach out to and engage with organisations and citizens on their assessment of progress, obstacles, and lessons learned;
- Communicate more about progress, including progress at different levels – from micro-level projects, to programmes, to national policies and goals;
- Improve scrutiny and oversight, as these require policy-makers to state clearly what they understand well-being to mean and how they will monitor improvements or declines in well-being over time; and
- Ensure a just transition, which means that people, particularly those most adversely affected, are treated fairly in the creation of policies and projects aimed at developing a low-carbon society.

As such, NESC's research viewed WBFs as an opportunity to bring about transformation and to do so in a fairer and more equitable manner. This research suggests that WBFs provide a vehicle for cross-governmental collaborative thinking that could help break down the barriers of a 'silo mentality'.<sup>2</sup>

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<sup>2</sup> Government departments and agencies have traditionally been organised to co-ordinate vertically ('silos') rather than horizontally. This means that, for example, policies designed by departments of health traditionally focused on the health

It argued that the more consultative and participative route, which underpins the well-being work, builds upon the assumption that policy affects everyone and therefore everyone should have a say in how those policies are developed. The well-being work offers a basis for enquiring into, measuring and creating processes of engagement to work on what is most valued by people across the whole island, which in turn will enable people to live more fulfilling lives, now and into the future.

Thus, in order to support the development of the Government's first report on developing a WBF, NESC consulted with relevant stakeholders and groups on the adoption of the OECD's How's Life? framework as a basis for an Irish framework. A survey of 450 stakeholders and groups found strong support for the framework and that the 11 well-being dimensions of the OECD's framework resonated strongly in Ireland.<sup>3</sup> However, there were also a number of specific issues and concerns among Irish citizens, including: culture, language and heritage; access to services and amenities; social connections; access to green space and nature; giving adequate weighting to a focus on the future, in particular environmental sustainability; and the need for clear and transparent criteria for selecting indicators.

Informed by the NESC consultation, the Irish Government published its first report on a developing a WBF in July 2021 (Government of Ireland, 2021). This report provided an initial vision for well-being in Ireland and a conceptual framework encompassing 11 dimensions of well-being, based on the OECD's How's Life? framework.

Reflecting this support for the OECD approach, the Central Statistics Office (CSO) developed a dashboard of 35 indicators measuring well-being in Ireland (CSO, 2021).

Since then, the Department of the Taoiseach has overseen further work to develop Ireland's initial Well-Being Framework. This included a public consultation that ran from October 2021 to January 2022, which included a comprehensive communications campaign; an online stakeholder event; an online survey; thematic workshops with Public Participation Networks and

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system, and not on the social or socioeconomic determinants of health such as unemployment, overcrowding and poverty.

<sup>3</sup> The 11 well-being dimensions are: income and wealth; work and job quality; housing; health; knowledge and skills; environment quality; subjective well-being; safety; work-life balance; social connections; and civic engagement.

young people; and interactive presentations. An online Well-being portal, in addition to the CSO's Well-being Information Hub, was also launched, providing comprehensive accessible information and an interactive dashboard of key indicators, respectively.

Additional cross-governmental research has also been conducted, in order to further develop the WBF. This includes a Department of Finance review examining how sustainability will be integrated into Ireland's WBF (Department of Finance, 2022). In addition, the Department of Public Expenditure and Reform (DPER) is continuing its work by examining the relationship between public policy and well-being (Kennedy, forthcoming).

NESC also carried out further research on embedding WBFs into policy-making in New Zealand, Scotland and Wales, and how these frameworks have been applied in relation to children in Ireland, Scotland and New Zealand (McGauran & Kennedy, 2022). This, alongside the public consultation, and the research undertaken by the Departments of Finance and Public Expenditure and Reform, has informed this further development of Ireland's well-being initiative.

A second Government report, published in June 2022, captures the outcomes of this second phase of work, reflected in an updated WBF for Ireland, which continues to include the 11 dimensions of well-being, and the cross-cutting themes of sustainability and equality. Some adjustments were made to the dimensions in order to emphasise mental health; broader skills across the life cycle (rather than formal education); the protection of Ireland's environment, climate and biodiversity; and a focus on open government with which citizens can meaningfully engage.<sup>4</sup>

At the same time as Ireland has been developing a WBF and associated indicator dashboard, there have also been well-being developments in Northern Ireland. With the support of the Carnegie (UK) Trust, Northern Ireland has been establishing a WBF, with a number of iterations, since 2013. More recently, attention has been given to the development of well-being initiatives at the local government level through community planning partnerships.

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<sup>4</sup> More specifically, the names of a number of the dimensions were also changed, with 'Housing and Local Area' in the first Government report becoming 'Housing and Built Environment'; 'Knowledge and Skills' changing to 'Knowledge, Skills and Innovation'; 'Community, Social Connections and Cultural Participation' changing to 'Connections, Community and Participation'; and 'Civic Engagement and Cultural Expression' changing to 'Civil Engagement, Trust and Cultural Expression'.



## How to Embed a WBF in Policy-Making

While there is clear potential associated with WBFs, a recurring theme that emerged during NESC’s research and consultation process was that of impact: how will the WBF be used, and how will it actually change outcomes?

NESC examined how Ireland might move from its current position – adoption of a WBF – to its systematic use in policy-making, with consequent conceptual and instrumental effects (McGauran & Kennedy, 2022).

To capture the full potential benefit of a well-being approach, this NESC research found that countries go beyond reporting on indicators. Well-being data and analysis are integrated into policy formulation, budgetary allocations and policy evaluation.

As previously noted, NESC’s research examined the experience of embedding WBFs into policy-making in New Zealand, Scotland and Wales. It also explored some aspects of how well-being approaches have been applied in one specific sector, child well-being, in Ireland, New Zealand and Scotland.

Box 1 provides a brief overview of the well-being approaches adopted by each of the three countries examined.

### **Box 1: Well-Being Approaches in New Zealand, Wales & Scotland – Key Highlights**

The **New Zealand** Treasury uses two WBFs (The Treasury, 2021): the Living Standards Framework (LSF), which is modelled on the OECD’s How’s Life? framework, and the He Ara Waiora framework, which reflects a Māori view of well-being. The primary purpose of the two frameworks is to inform Treasury advice to Government on policy priorities for improving citizens’ well-being, such as advice on Budget priorities, and for well-being and stewardship reporting.

The Public Finance (Wellbeing) Amendment Act 2020 helps to embed well-being objectives into the budgeting process. The Fiscal Strategy Report, which is presented on Budget Day, must explain how well-being objectives have guided the Government’s budget decisions, and provide an assessment of the extent to which fiscal performance has been consistent with its strategy.

The Child Poverty Reduction Act 2018 also requires the Government to report each Budget Day on a set of child poverty measures.

**Wales** uses legislation as the main vehicle for embedding the well-being approach. The Well-being of Future Generations (Wales) Act 2015 aims to put sustainable development at the centre of decision-making. The Act also places a duty on public bodies to set and publish objectives to show how they will achieve the overall vision for Wales. The Auditor General for Wales (AGW) carries out examinations of the public bodies listed in the Act. The Future Generations Commissioner for Wales and the Welsh Government published a Future Generations Framework for Projects (Future Generations Commissioner for Wales, undated) in order to provoke thought and discussion, assist in decision-making in public bodies about new ways of working, ensure services are resilient, and improve the well-being of citizens now and in the future.

The Welsh Government also publishes annual progress reports on the progress towards meeting well-being objectives, by referring to national indicators and milestones.

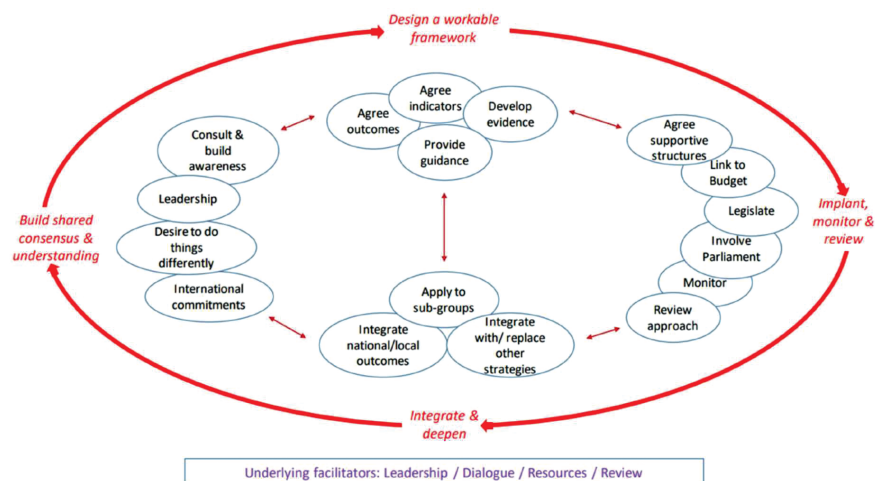
**Scotland's** National Performance Framework (NPF), introduced in 2007, sets out an overall purpose and vision for Scotland and includes 'increased well-being' as one of 11 broad National Outcomes.

Under the Community Empowerment (Scotland) Act 2015, public bodies are legally required to take well-being approaches into account in their work (Scottish Government, 2017). Priority budgeting also aims to allocate money to services that should contribute most to priority outcomes. The Scottish Government has produced a booklet to guide policy-makers' budget decisions.

The Auditor General for Scotland is involved in monitoring the extent to which a well-being approach is embedded.

**Five** key lessons were drawn from the NESC research examining how WBFs work in practice in these countries.

Figure 1: Embedding a Well-being Approach



First, a number of key elements were found to underpin WBFs (Figure 1):

- **Building a shared consensus and understanding.** The impetus to begin work on well-being was found to come from different sources, including: meeting international commitments on e.g. sustainability and child development, or domestic issues such as a desire to approach policy-making differently. Strong leaders, from both public administration and politics, often initiated the process of adopting a well-being approach in policy-making, and in most cases significant dialogue and consultation took place in order to build awareness.
- **Designing a workable framework.** The frameworks adopted include agreed national outcomes or objectives, a suite of indicators to measure progress towards these, and the development of new evidence and data sources to provide more information relevant to policy decisions on the range of national objectives. The countries studied also develop support and guidance for policy-makers and other stakeholders in adopting a well-being approach.
- **Monitoring and review.** Different processes are used to implant a well-being approach in day-to-day policy-making; there is no 'one size fits all'. Some countries use legislation, some use budgetary

processes. Several use structures, either existing or new, to increase awareness, provide guidance, and monitor progress on implementing the well-being approach. Some involve Parliament in monitoring progress. The countries studied all review their national WBFs after a number of years. There is a legislative requirement for some of the countries to review their WBFs, while for others it is voluntary. The review processes are typically used to identify strengths and barriers in current approaches, and to address the latter.

- **Integrating and deepening.** As the countries studied seek to integrate the use of a WBF with existing policy, and to adopt an integrated approach towards well-being in both national and local level policy-making, a process of ‘digging deeper’ also occurs.

Some countries work towards an integrated approach by requiring both local and national bodies to meet national well-being objectives. Some have passed new legislation to enable organisations to work together towards shared well-being objectives. A number have adopted targeted approaches to address the well-being of particular groups, and consultation and dialogue with these groups is key to the WBF.

**Second**, NESCS’s research found that learning from each of these stages can help strengthen other stages. And, in a circular fashion, the outcomes of review and reflection on progress to date can help develop a renewed shared understanding of, and consensus on, the role of a well-being approach. In turn, this leads to further refinement of the outcomes sought, the indicators to measure progress, and the supports needed for stakeholders to do this work. This then leads to strengthening of processes for implanting, monitoring and accountability, thus further embedding well-being approaches in policy-making.

The experience in the countries studied shows that embedding these approaches takes time. For example, New Zealand first adopted the LSF in 2011, while Scotland’s NPF dates back to 2007. While the introduction of the Well-being of Future Generations (Wales) Act 2015 expedited the embedding of a well-being approach, the origins of the approach date back to 1998 and the original legislation on devolution.

**Third**, the research also found that, for all stages of embedding a well-being approach into policy-making, there is a need for leadership; dialogue with all stakeholders, including the public; resources to support adoption of the WBF; and processes of review and reflection.

**Fourth**, the research noted that it is a challenge to develop robust evidence that demonstrates causal links between outcomes and the well-being approach and particular policy interventions.

There are many potential drivers of well-being outcomes, including external conditions, personal resources, and circumstances. In addition, many aspects of the social impacts do not have ready market values and are difficult to measure. It is also the case that the policy actions that are taken often play out over long periods of time.

All these factors mean that it can be difficult to tease out the specific impact of policy interventions on well-being outcomes.

**Fifth**, despite the challenges involved assessing the specific impacts of well-being approaches, evaluations of these approaches do record benefits from adopting them. It is useful here to consider how evaluation studies typically categorise effects from evaluation analyses. They note three types of effects:

1. symbolic, with evaluation results used to justify a pre-existing position;
2. conceptual, where evaluation results lead to a better understanding of the object of evaluation; and
3. instrumental, where evaluation results inform decision-making and lead to changes in the object of evaluation (Ledermann, 2012).

For example, the mid-term review of *Better Outcomes, Brighter Futures: The National Policy Framework for Children and Young People, 2014-2020*, the policy which focused on improving well-being outcomes for children and youth in Ireland, recorded a number of conceptual and instrumental impacts. These include:

- formal high-level structures for cross-collaboration and inter-departmental working, which have helped embed these practices in day-to-day work;
- greater shared understanding of, and agreement on, key issues affecting children's well-being;
- joint policy documents to tackle e.g. childhood obesity; and
- changes to specific welfare payments for children, which aim to improve their well-being (DCYA, 2018).

As an example of instrumental effects, in Wales, examination of the economic, environmental and health consequences of extending the M4 motorway led to the project being cancelled, as the long-term negative environmental and health consequences of the proposal were deemed to be greater than its economic benefits (McGauran & Kennedy, 2022).

Building on this research, the second Irish Government report outlines an approach for embedding a WBF into policy-making over time, which includes:

- annually published, high-level analysis of the well-being dashboard and incorporation into the Budget process;
- complementary, continued embedding into expenditure and evaluation policy;
- promotion of relevant research and policy developments; and
- clear supporting structures.

The Irish WBF, as a cross-governmental initiative, will continue to be led by the Department of the Taoiseach, and jointly sponsored by the Departments of Finance, and Public Expenditure and Reform.

There is also a clear recognition of, and work taking place, to ensure that the WBF is closely connected to three cross-governmental approaches to budgeting, namely:

- **Performance-based budgeting:** This aims to improve the effectiveness and efficiency of public expenditure by linking the funding of public sector organisations to the results they deliver, making systematic use of performance information.
- **Equality budgeting:** This is a process in which the budget is recognised as something more than a neutral process of resource allocation, but is considered a value-laden process that embodies, and potentially informs and influences, long-standing societal choices about how resources are deployed; and
- **Green budgeting:** This is the use of the budgetary system to promote and achieve environmental outcomes, which is now also being developed to complement these processes (DPER, 2022).

## **Making a Difference: How to Focus on Vulnerability and Inequality**

The development of a WBF in Ireland is an explicit attempt to approach policy work and priority-setting in a fresh and innovative manner.

It aims to place a shared vision, priorities and agreed outcomes, and the processes of ongoing consultation that shape each of these, at the centre of a more cross-cutting approach to policy-making. It involves the development of data linked to citizens' lived experience as a means of gauging and reviewing progress. It resonates strongly with NESC's long-standing view of the need to attend carefully to the overarching system of priority-setting and resource allocation.

To fully capture the potential of a WBF means that there is a compelling case for focusing on inequality.

The NESC consultation on a WBF that was held with Irish stakeholder groups stressed the importance of equity and equality, and how a WBF could support this (NESC, 2021). In answer to the question 'I want an Ireland where ...', equality was raised most frequently and it crossed a range of dimensions including equal opportunities, income, distribution of wealth, fairness, access to services and equality among different groups in society (equality of conditions). The eradication of poverty was important for respondents. Measures suggested to address poverty include effective support structures being in place for people experiencing poverty, and an adequate income. Respondents also suggested including disaggregated poverty indicators.

However, the concern with equality appears to be broad, reflecting a desire to ensure that a 'spirit of equity' or 'social friendship' becomes more evident in Ireland. Survey respondents frequently linked equality with ensuring societal well-being: a fair and equitable society is needed to ensure citizens' well-being and to enable the making of collective decisions in the common interest. The need for robust indicators relating to equality was also emphasised by respondents, including measuring equality of access to services, amenities and opportunities.

This concern with equality reflects characteristics of the Irish economy, including:

- the high degree of market income inequality,<sup>5</sup> which is the gap between cohorts before incomes are adjusted by tax and welfare payments. Market income inequality in Ireland is one of the highest in the EU, albeit reduced to close to the EU average for disposable incomes, through tax and transfers;
- wealth inequality, which is twice the rate of income inequality, with home ownership a key contributor to wealth;
- the poverty rate of several groups, particularly those reliant on welfare payments, with consistent poverty rates highest among those with a disability, the unemployed, jobless households and lone parents;<sup>6</sup> and
- unequal access to affordable reliable services.

The use of a WBF may offer opportunities to address these inequalities. The forthcoming DPER report on incorporating well-being into public policy (Kennedy, forthcoming) notes that one of the benefits of a WBF is its focus on human experience, as this facilitates the identification of varied experiences and opportunities among different groups of people, potentially leading to more effective policy design to help address these variations. The cross-governmental application of equality budgeting complements this approach.

A number of international WBFs have experience of addressing inequality, as outlined in next section.

## **International Experience in Addressing Inequality**

Scotland and New Zealand have explicit mechanisms in place to support a focus on equality. Their experience suggests that a variety of methods can be used, e.g. measuring the position of disadvantaged groups, engaging with them, and targeting their supports.

One mechanism is to provide breakdowns of national macro-level indicators by e.g. gender, age, income, family type and ethnic background, as is the case

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<sup>5</sup> This definition of market income inequality is based on that used in the Survey on Income and Living Conditions (SILC), and includes earned income, income from rent, dividends and investments, and private pensions. See CSO, 2018 in the References section for further information.

<sup>6</sup> Consistent poverty rates are calculated from SILC, which, as a survey of private households, has limited data on Travellers, people experiencing homelessness and asylum seekers. However, poverty rates among these groups are also considered very high, as many of the groups have characteristics associated with poverty, such as unemployment, low levels of education, and living in non-owner accommodation.



in Scotland and New Zealand. This shows the extent to which the well-being of such groups differs from the average.

Another mechanism used is legislation that sets targets to reduce child poverty and that requires national and/or local bodies to outline their plans for achieving these targets.

Scotland's legislation requires action in relation to some specific groups particularly affected by child poverty, such as children in lone parent households, children in a household where a parent has a vulnerability, and children living in persistent poverty. The Scottish legislation is also wide-ranging (as well-being approaches generally aim to be) and seeks action not just on direct income for households where children live in poverty, but also on education, housing, childcare, and physical and mental health. The Child Poverty (Scotland) Act 2017 requires consultation with individuals affected by poverty, as well as their representative groups, as part of creating a delivery plan for meeting child poverty targets.

New Zealand requires that its Budget Statement includes information on how the Budget will reduce child poverty, putting a political and media spotlight on actions in this regard. A Government action plan to reduce child poverty has led to the development of a Families Package with a wide range of measures to tackle child poverty. These include the Best Start tax credit of NZ\$60 per week for the year following the birth of every child, increased paid parental leave, a Working for Families tax credit, and increased Accommodation Supplement and Winter Energy payments (Bennett, 2018). Another mechanism used to protect the income of poor families is that, from 2020, schools that draw their pupils from lower-income areas may receive an NZ\$150 payment per student, per year, if they agree not to ask parents and caregivers for voluntary donations (New Zealand Government, undated). Almost 90 per cent of eligible schools opted in to this scheme (Cooke, 2019).

In addition, to address the overrepresentation of Māori in the New Zealand criminal justice system, a new culturally sensitive, co-designed initiative was established, in which policy-makers and system administrators collaborate with community and tribal representatives to ensure a Māori- and family-centred approach to criminal justice. This type of preventative approach is likely to be cost-effective in the long run (Mintrom, 2019).

These actions suggest that the use of disaggregated data when adopting well-being approaches can highlight the position of groups impacted by inequality,

while the broad consultation processes typical of well-being approaches can help to identify issues that need to be tackled in order to reduce inequality. Similarly, the wide-ranging and collaborative scope of policy actions suggested by well-being approaches can lead to changes in a range of policy areas that contribute to inequality.

It is notable that both Scotland and New Zealand have used traditional tools – legislation, along with targets, and specific supports – to ensure a long-term focus on improving the conditions of groups affected by inequality.

## **Intensifying the Spotlight on Inequality in Ireland**

The NESC well-being consultation process for designing an Irish WBF demonstrated that the demand for a spirit of equity in policy was deeply linked to agency, where individuals feel independently able to act and to create circumstances that affect their lives and livelihoods. Equality was also seen as a concern for current, and future generations and therefore deeply connected to ensuring that we live within planetary and natural boundaries.

Addressing inequality requires adequate investment in the infrastructure of society, as understood in the broad sense. A good historical example of this is the impact on populations' health and well-being that resulted from municipalities' investment in water supply and sewage disposal in the late 19<sup>th</sup> century. A more recent example is the COVID-19 vaccination programme.

Addressing inequality also requires a mix of income measures such as: adequate social welfare payments; supports to enable the transition from welfare to work; and access to decent jobs with acceptable rates of pay. Taxation and tax expenditures also have a fundamental bearing on inequality.

Provision of access to quality human services and amenities (such as green spaces), tailored and targeted to the needs of all individuals, is essential to achieving improvements in equality (NESC, 2005; NESC, 2020). The concern with access to services in health and education, for example, was stressed during the consultation. Tailored universalism, meaning that, as far as possible, providers embrace the challenge of adjusting their services to accommodate a more diverse public with different requirements, has always been regarded by NESC as critical to the realisation of equal opportunity (NESC, 2005; NESC, 2009). The concern with access to services is not a 'residual' that is only interested in the needs of the most disadvantaged, but a universal issue concerned with

addressing the structural flaws that compromise any overall vision shaped by equity, agency and sustainability.

It is also suggested that addressing inequality long-term may require the Government to consider the pattern of its own policies and the signal it sends to society regarding the respective roles of the State, the market, and civil society in using the new WBF to transform people's lived experience. There are many ways – procurement, investment, tax, regulation, employee and business supports, education, etc. – in which the approach taken by the State has a profound impact on societal relationships and on fostering a spirit of equity among citizens.

There is a need to develop a deeper understanding of the factors that foster a spirit of equity in Ireland. A starting point may be to revisit specific cohorts that consistently experience disadvantage, and to explore how to break the pattern of continuing and intergenerational inequality. NESC's work in this area, including its work on welfare, standards and human services, and jobless households (NESC, 2009; NESC, 2012b; NESC, 2012a; NESC, 2020), can provide important insights.

## **Where to Next?**

With a framework for well-being in Ireland now adopted, the next step is to move towards applying it to policy development. The OECD's work on well-being shows that bridging the gap between well-being metrics and policy intervention is a challenge.

In the first instance, beginning work on the initial Government commitments to embed well-being into policy-making will help. These commitments are:

- the annual publication of high-level analysis of the well-being dashboard of indicators;
- incorporation of the dashboard into the Budget process and expenditure, and evaluation of policy;
- promotion of relevant research and policy developments; and
- clear supporting structures.

In terms of the next stages of Ireland's journey in the development of its WBF, there are five issues that need to be considered:

- Issue 1: How to optimise consultation processes;
- Issue 2: How to enhance the data and evidence base;

- Issue 3: How to integrate the WBF with the policy system;
- Issue 4: How to improve the governance of the WBF; and
- Issue 5: How to link the WBF and Shared Island.

This paper will conclude by commenting briefly on each.

### ***Issue 1: How to Optimise Consultation Processes***

Consultation processes are an integral part of the evolution of WBFs, and has been an important dimension in the development of Ireland’s WBF. Further time and resources need to be devoted to enhancing consultation and dialogue with stakeholders, including those using services, in a variety of organisations. This can help embed consultative processes and work towards co-design.

An issue to be borne in mind is ensuring the right balance between generating a vision and being able to assess outcomes.

It is also important to note that while Government policy, supported by three consultation processes on developing a WBF, has decided on a suite of indicators, debate continues in the literature and research on the potential merits of a composite well-being index.

### ***Issue 2: How to Enhance the Data and Evidence Base***

While a range of useful indicators to measure well-being has been assembled in the CSO’s Well-being Information Hub, there are data gaps including in the areas of environmental indicators; housing costs; information on civic engagement and cultural activity; and measures of equality of access to services, amenities and opportunities.

It is helpful that the CSO has committed to prioritising the collection of more well-being data over time but short- to medium-term development of this work is needed.

It would be useful to further promote the value of different types of evidence and data in the Irish context, e.g. those based on qualitative data and subjective evidence, which are a particularly useful input for a policy approach looking at the lived experience of the population.

The CSO’s commitment to incorporating official data not currently held by the CSO, for future iterations of the dashboard, is welcome in this regard.

It is also important to ensure the continued communication of the well-being data available, including breakdowns by socio-economic status and geographic area.

These can help ensure that policy-makers in a range of sectors use the data, including in budget processes.

### ***Issue 3: How to Integrate the WBF with the Policy System***

It is important that we continue to examine the potential for further incorporation of well-being requirements into standard Budget procedures and processes in the long term. Ireland must continue to develop methods to assess how policies have contributed to outcomes, particularly in policy areas (e.g. education) where multiple factors influence the outcome.

A number of countries that are more advanced on their well-being journey than Ireland have been grappling with how a well-being approach can co-ordinate a range of national work. The approach often adopted is to have a small range of key national goals that all agencies work towards.

Linking national and local work on well-being is an important dimension worthy of further exploration.

It may also be helpful to investigate the extent to which it would be useful and possible to align geographical boundaries of statutory organisations (as is currently being done with Regional Health Areas under Sláintecare), and to assess if this would assist co-operation between organisations.

Implementing and integrating a well-being approach will take time, training and collaborative working relationships. It will be important to ensure that there is a pipeline of staff skilled in this type of work to replace those who move on. There may be a role for the Irish Government Economic and Evaluation Service (IGEES) in providing analytical capacity here.

An issue to bear in mind when thinking about integration is the extent to which the WBF aims to impact on action across all policy areas compared with a stronger focus on one or two key issues, such as child poverty.

This also raises the point that while a well-being approach allows a wide range of issues to be considered in policy-making, trade-offs still need to be made.

#### ***Issue 4: How to Improve the Governance of the WBF***

As Ireland's well-being initiative beds down, it would be valuable to assess whether legislative support would aid the embedding of a well-being approach in the Irish context.

Some countries are required by legislation to review their WBFs while, for others, doing this is voluntary. It would be useful to consider including a review process in the Irish context, first reflecting on the most appropriate mechanism to generate such a review.

Given the role of Auditor Generals in monitoring implementation of well-being approaches in Scotland and Wales, there could be benefits in investigating whether involving the Comptroller and Auditor General in monitoring Ireland's WBF would be a useful future avenue for Ireland.

In addition, a number of countries involve Parliament in monitoring accountability for a well-being approach. This ranges from reporting to a parliamentary committee, to Parliamentary debate on the country's progress towards well-being. Again, this is an option that Ireland could consider as its well-being journey progresses.

#### ***Issue 5: How to link the WBF and Shared Island***

Northern Ireland has already developed a WBF, but there has been limited co-operation between Ireland and Northern Ireland in the development of these frameworks, despite some engagement between the respective statistical offices and some limited consultation and representation on advisory groups.

There is potential for further co-operation in a number of areas, which would capture progress across the island as well as within the two jurisdictions, and at the local level.

This could include the use of the WBF as a tool to facilitate engagement with a wide range of stakeholders across the island, to inform priorities in relation to key challenges, and to learn from each other. There is also the opportunity for engagement on data and indicator development, for representation on advisory groups to include a north-south and east-west dimension, and for greater co-operation at the local level – for example, between Community Planning

Partnerships in Northern Ireland and the Public Participation Networks (PPNs) in Ireland (NESC, 2022).

These issues are likely to be addressed in other presentations later today, adding to our knowledge of how best to incorporate a well-being approach into Irish policy-making and implementation of policy.

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