A New Settlement: Place and Wellbeing in Local Government

An Interim Report from LGIU, QMUL and Research England

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Introduction

Following the upheaval of the past year, the time is right for a radical restructuring of power, politics and policy around the needs of local places.

The pandemic has changed the World in a number of ways. It has changed the economy and expanded the role of the state in peoples' lives at the same time as it has demonstrated the fragility of some of our public institutions. It has highlighted and widened existing inequalities. But it has also forced a broader understanding of vulnerability among policy makers and politicians. There is also the possibility of more far reaching change in lifestyles and behaviours that might make it possible to address big challenges, such as climate change

There have been calls for a revolution in social provision, akin to the post-war settlement that followed the Beveridge Report in 1943. Hilary Cottom (2020) has argued for a return to the principles of Beveridge, while the historian Peter Hennessy, also referencing Beveridge, calls for a renewal of the social contract around "post-Corona" demands.

We argue that there does indeed need to be a new settlement, but it needs to be focused on place as the cornerstone of public action and policy-making.

The pandemic has brought wellbeing and community to the forefront of local government activity. In our research for this paper we were told repeatedly that wellbeing is higher on councils' agenda now than before 2020. We were also told that, given the right powers and budgets, local authorities are in a prime position to act as agents who can coordinate place-based approaches to improve health and wellbeing.

The government has recently shelved its plans for a Devolution White Paper, pursuing instead its aim of "levelling-up", bolstered by the recent appointment of Neil O'Brien to lead the programme.

But the local elections in 2021 showed that the devolution agenda has become increasingly embedded not only across the UK, but within England. The challenge for the local government sector is to harness new ideas, from wellbeing and place to "levelling-up", in order to fashion a coherent agenda for practical action.

That's why we argue that the UK needs a new "settlement for place".

This is the interim report from an investigation of place and wellbeing policy, carried out by the Local Democracy Research Centre at LGIU, in partnership with Queen Mary, University of London with support from Research England.

The paper will outline the context for this research in three sections:

1. It will present some of the key challenges for local government in 2021, many of which predated Covid.
2. A survey of wellbeing in politics and policy, including the key challenge of measurement.
3. An historical outline of place-shaping, which leads up to the current moment and questions whether "levelling-up" can provide a context for renewed action.

Following our report *[Power Down to Level Up: Resilient Place Shaping for a Post-Covid World](#)*, published in October 2020, the Local Democracy Research Centre convened a series of roundtable discussions with senior local government policy officers, elected members and academics to deepen our understanding of the issues, challenges and opportunities for place-based and wellbeing-focussed policy at the local level.

Our final report, which will be published in the summer, will outline a new settlement for place in England. This settlement should be built around the insights and the experiences of councils grappling with these challenges across the country, which we have gathered and discussed in this research.

The research consisted of:

- Four seminar discussions that were held online between February and March, with expert input from Professor Gerry Stoker, University of Southampton, and Dr Louise Reardon, University of Birmingham.
- Two policy briefings prepared by LGIU associates, Kate Kewley and Laura Catchpole.
- A series of ten semi-structured interviews with senior officers from local authorities across England with broad policy, public health and strategic

planning responsibilities. The interviews were conducted virtually between February and April 202.1

The initial findings of our research underline:

- The need for radical change in the governance of the UK, that is designed around place and wellbeing. This should take the form of a new settlement for place.
- The potential for place-based working in local government. This means learning from best practice and using the tools for connected, tailored policy design and delivery.
- How data about local populations can be used to support wellbeing and place-shaping strategies, or to help build the understanding that can improve outcomes.
- The vital link between place-shaping strategies and wellbeing. This is important to address deprivation and improve outcomes for communities.
- The increasing necessity for participation of residents in policy and decision making, so that we design institutions and interventions around them.

Why Place and Wellbeing?

Place and wellbeing, we argue, are closely interconnected. One crucial way of understanding the importance of place is grasping the centrality of wellbeing: how place promotes individual and collective wellbeing, and how wellbeing in turn enhances the quality of place. The Covid-19 pandemic has exposed the limitations of measuring policy success through the narrow lens of how individuals and households perform on financial and economic indicators.

Together, both concepts help to define a wider and broader role for local government that goes beyond administration of an area or the provision of services. The concepts indicate a fundamental orientation of councils towards responding to the concerns and needs of local communities.

This shift in how local government understands its role was first signalled in the 1990s, encapsulated in the concept of 'governance'. Governance alluded to the recognition that local authorities could achieve their goals by collaborating with others, rather than directly providing services. However, in the intervening decades, local government has struggled to evolve and develop this collaborative function given the impact of top-down targets and edicts from Whitehall.

Moreover, while policymakers have long focussed on evaluating outcomes for individuals, the evidence indicates that the places and localities in which people live and work are hugely significant in shaping those outcomes. The physical fabric of

place is important, but so too is the sense of identity and meaning that place instils. Several recent developments in public policy and economics have demonstrated the importance of place and wellbeing. Nobel Prize winning economists Esther Duflo and Abhijit Banerjee (2019) made a strong case for considering the complex relationship between people and the places where they live. Those who live in poorer places tend to do worse on measures of household income, employment, poverty social cohesion, and so on. Yet individuals are 'sticky' in their attachment to place. They move much less frequently and willingly than economists previously predicted.

Regeneration and growth strategies that rely on workless individuals moving to 'high growth' areas have been repeatedly shown to fail. This point highlights that place is crucial to devising effective local industrial strategies, and solving the challenge of weak productivity. What matters is the quality and richness of the economic and social fabric in the places that people live. Place shapes the individual's sense of motivation and self-worth. People are tightly bound to where they live, underpinning their sense of place.

Meanwhile, research led by [Diane Coyle and others at the University of Cambridge](#) has show the importance of a wider range of measures for prosperity, incorporating [natural and social assets](#) (Zanghelis et al 2020) into what they call "the wealth economy". Wellbeing is an essential component of this work. Several local authorities, have pursued strategies that are designed to promote "community wealth building" in order to keep money within communities through changes to procurement and contracting.

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1. CONTEXT – A PERFECT STORM OF CHALLENGES FOR LOCAL GOVERNMENT

Local government is grappling with problems that pre-date the Covid-19 pandemic. A shift in public policy towards place and wellbeing is, we are argue a long standing necessity. In this section, LGIU associate Kate Kewley outlines some of the main challenges that are converging for local government, which have intensified since 2020.

Prognoses for local government in 2019/20 were not positive. The likelihood of ongoing central government funding cuts with no reduction in statutory obligations to provide services took the headlines, with easy-to-quote figures of cuts of nearly 50% since 2010-11. The strain of adult social care provision, and the accompanying urgent calls for a dramatic (and long overdue) reform of the system was of key concern, with the related question of health and social care integration hanging over

the sector and the NHS. Exit from the EU – widely expected to be the key focus of 2020 – posed as many uncertainties for local government as other sectors, with a wide array of emergency planning roles expected to fall to local authorities as an uncertain exit came to a conclusion. All this against the usual backdrop of housing, homelessness, inequality, environment and the economy – with more predictions of difficulties ahead.

No-one could have foreseen how the events of 2020 would play out, and how the effects of Covid-19 would compound expected pressures and create entirely new ones that local government is now facing. 2021 presents a new and uncertain world that local government now needs to navigate and establish its position within. Attitudes, beliefs, expectations and trust in authority have all been impacted, while the financial impact on the state and many of its citizens has been worse than anyone feared.

Yet with crisis *can* come opportunity. The situation facing local government, its relationship with citizens, and with national government may also present new possibilities. Local government has increasingly taken on a number of new frontline roles – directly engaging with citizens to deliver emergency services and establish trust, particularly where the national system is perceived to have failed. It has become a more prominent stakeholder in the lives of residents, encouraging and supporting individuals to understand changing advice and adopt new behaviours, distributing grants and food parcels, challenging anti-social behaviour and operating test facilities.

As the crisis continues into 2021 however, with the public sector forecast to borrow over £370 billion in the financial year, it is unfortunately clear that the scale of the challenges facing local and national government is indeed 'unprecedented', and that the impact of the global pandemic will have an enormous impact on every facet of day-to-day life, for years to come.

To begin to look at the challenges facing local government, it is important to start with a view of its purpose. In short, local government is responsible for the organisation and delivery of a range of key public services, used by and supporting both individuals and businesses in a given area. The object of well delivered services is to maintain and improve community wellbeing, covering economic, social and environmental aspects of the daily life of residents – including the most vulnerable. Within this definition there are a number of issues that will shape local government's capacities and impact.

Decisions about *what* services will improve community wellbeing not only shapes local government's economic, social and environmental impact. The choice of which services to prioritise, and which to cut reflects the perceived needs and priorities of residents and communities. ,

Who delivers services, whether that is government at a local, regional or national level, other institutions (for example the NHS), or other elements of civil society (for

example the voluntary or private sector) will also determine the way in which those services evolve, how they are received, and how each of these actors are likely to be perceived by stakeholders, consequently further shaping their ability to act.

Finally how local authorities (are more or less able to) pay for services, with funds from which 'pots', will not only shape the scale of ambition and the shape of services but again play an important part in the necessary consensus – both from local stakeholders and national government – for local authorities to continue to carry out their functions.

What Local Authorities Deliver Has Both Expanded and Shrunk Over the Course of 2020

Since the pandemic unfolded, local government has been at the heart of community testing for asymptomatic individuals with Covid-19, local contact tracing from those who have tested positive, inspections of local businesses to ensure that social distancing measures are being observed, emergency food provision, coordination of services for the isolated and shielding, and has played a substantial part in helping roll out vaccinations across the population, working closely with the NHS.

In many ways, the recent period has marked a triumph of sorts for local authorities, who had been steadily taking on increasing responsibilities for direct delivery of Covid-related services. Arguing for the importance of in-depth local understanding that can tailor services such as testing and contact tracing to different populations, local authorities' coordination of these new and important functions has, mostly, been able to improve the outcomes of those services and in so doing drive home the argument of a 'local first' approach.

At the same time as seeking to keepthe local population healthy, local government has also had to mothball, or dramatically alter, a number of more traditional services that were previously at the heart of wellbeing. Parks, libraries and sports facilities, now often the sites used for testing, food parcel coordination and other emergency functions, had to be closed off overnight. Other key functions involved in the support of vulnerable adults and children have suffered similar restrictive adaptions, with substantial reductions in the number of face-to-face interactions and home visits, and the closure of care homes and other facilities to outside visitors.

Also put on hold to some extent has been the issue of climate change, and how local authorities – nine out of ten of whom have declared a climate emergency - plan to take action to mitigate or adapt to a changing environment. With eight out of ten councils affected by a climate related incident, as reported by the Local Government Association's Climate Change Survey 2020 (LGA 2020a), and just over 23,000 properties in England affected by flooding in the last five years, action to tackle climate change has to be a priority. But it is only likely to become a major priority again when the pandemic has subsided sufficiently.

When that happens, there will be a long list of priorities however. Aside from the tragic death toll, Covid-19 has resulted in rising unemployment, record redundancies, disrupted education, significant longer-term physical and mental health problems, and much more. Of further concern is that it has inflicted a disproportionate impact on those who are already most vulnerable (Sillett & Sankaraya 2020). Particular groups were shown early on to suffer the worst health impacts of Covid-19 (NHS Confed 2020). The economic impacts show every sign of being unequally distributed. As the pandemic impacts on low-income households, low-skilled workers, and other already-precarious groups, it is likely to substantially shape where support is most needed in our communities, and the extent to which government – local and national – plays an active, even more interventionist role in individuals' lives (for example through the direct provision of employment).

Decisions can be taken quickly in an emergency, especially when lives are in danger. The adoption of new services, while shutting down others , may have been unpopular but there was a clear mandate given the scale of the emergency. The challenge for local and central government as the emergency subsides will be to decide how much of the innovation in services and ways of working should be retained.

Who is Best Placed to Deliver Services? An Evolving Picture

As the immediacy of responding to Covid-19 abates and the job of restoring the health of the economy begins, local government will need to think about how its new or strengthened relationships with partners may be affected, and how – if desirable – they are maintained.

While local authorities have come to fulfil a number of new roles,, they have done so in reciprocal partnership with others, demonstrating an agility that local government was not well known for in a previous age of outsourcing and cumbersome public procurement procedures.

Positive working relationships with the NHS have been fundamental to outbreak management and control, keeping patients out of hospital and managing to get people safely discharged back into the community, while acting in partnership to try to support frontline staff to continue to work safely throughout the pandemic. As the opportunities and challenges of mass vaccination unfold, further collaboration will help to ensure that priority groups are identified and vaccinated as quickly and efficiently as possible, and that the resources that can be mobilised by local authorities are committed to support the vaccination effort.

Joint working with the voluntary sector and across civil society has been equally crucial. From the faith leaders assuring their communities about the safety of tests and vaccines, to the volunteers delivering shopping and prescriptions to the

housebound, to the community halls offered on loan as testing centres, and the [mutual aid groups](#) that sprang up in unprecedented numbers to offer support to neighbours, local government's upwards argument for 'local first' has been successful largely thanks to its partners' hyperlocal connections.

Looking ahead, local government will need to navigate this relationship carefully. The strengthened links and responsive ways of working in partnership developed during the pandemic are likely to prove invaluable. On the other hand, with volunteers returning to jobs, community centres re-opening to groups and activities that have been on hold for a year, and demand for the bespoke types of support that charities and groups choose to offer rises, local authorities must be careful not to ask too much of their partners, nor to expect the continuation of the recent consensus on where to offer support.

A similar warning against complacency applies to local government's relationship with the NHS. 2021 is a key year for the development of Integrated Care Systems (ICSs) with important steps towards the legal and statutory footing that will fix the ways in which ICSs officially function to drive improvements in health and wellbeing – including how they work with local government. The 'direction of travel… towards an integrated health and care system, based on collaboration not competition, and the principle of subsidiarity in decision-making' is [supported](#) by the Local Government Association (2020b) and many of its members. Butut there is much vital detail that remains to be ironed out that will have a considerable impact on local government's participation in health at a place-based level, a crucial part of its influence on its citizens lives and wellbeing.

This is also an important year in the evolution of local government itself. A whitepaper on [English devolution](#), planned for 2020 but delayed due to Covid-19, is expected to [lead to some reorganisation of local government](#) (Davenport & Zaranko 2020) by creating more combined authorities while promising to "level up all areas of England by empowering our regions through devolving money, resources and control away from Westminster" (Ministry of State for Housing, Communities and Local Government, August 2020). Such plans will inevitably be influenced by how local and central government have worked together over Covid-19, but in what direction is yet to be seen.

How Services Are Paid For

As the Covid-19 subsides, and the conversation about what to stop, what to keep and what to start gets fully underway, how it is to be paid for will of course fundamentally shape the course of the next few years.

As funding levels fell throughout the 2010s, the reminder that 'there is no magic money tree' became a slogan with local authorities forced to review how they spent their ever-shrinking central grants amid annual cuts to services. While central

funding fell, an accompanying set of reforms to the funding system, such as the Business Rates Retention Scheme and the New Homes Bonus, added momentum to local government's increasing reliance on local taxes for revenue.

The impact of Covid-19 on both Council Tax and Business Rates has been well-documented, including an Institute of Fiscal Studies report in September 2020 that councils were forecasting a shortfall of £12 billion in business rates and £1.5 billion in council tax this year against theirs initial plans (Ogden et al). Not all local authorities will have been affected in the same way, but that makes the increasing reliance on local taxes an even more difficult proposition post-Covid, if any sense of 'fairness' is to be pursued.

What is more, the government has shown that – in a crisis – it is willing to spend more on vital services, where previously it was reluctant. Having rediscovered the money tree, it will face an immense challenge in getting public finances back onto a sustainable path while post-Covid demand for services continues. With the country now facing debt of well over £2 trillion, and record-breaking monthly borrowing, there will be difficult decisions about how central government prioritises its spending in an uncertain environment.

Some of these unknowns include the impact of the vaccine, widely expected and hoped to bring a much-needed boost to the economy, particularly for consumer-facing and travel sectors, but with much still uncertain – particularly with concerns over new variants of the coronavirus emerging. Even with a successful mass vaccination programme the impact of the pandemic on business will leave scars, with many companies having already cut thousands of jobs and unemployment set to reach 7.5% by mid-2021. And Brexit adds a further complication for and strain on the public purse, with £4 billion set out to prepare for and manage the UK's exit from the European Union (Salamone 2021), and an additional £4.4 billion expected to be spent (Etherington et al 2020). Yet there islittle established view of how ongoing separation from the EU will affect many different aspects of the UK economy, and in turn funds available to (as well as expectations of) local government.

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2. WELLBEING

Our research also considered how the concept of wellbeing is used by local government policymakers. We wanted to understand the differences that a wellbeing focus can make in local areas, and whether it can help to evaluate and understand council interventions. **Laura Catchpole***, an LGIU associate, wrote the following briefing about the challenge of measuring and accounting for wellbeing.*

Why Measure Wellbeing

The Covid-19 pandemic has had an impact on every aspect of our lives and shone a spotlight in many corners of our society, exposing a great deal of inequality. With the rollout of the vaccine, attention is beginning to turn to what comes next - how we recover as a nation and in our communities. In doing so, it is argued a 'wellbeing' focus could be the collective vehicle to address many of the health, social and economic issues highlighted and exacerbated by the pandemic in local areas.

Wellbeing is a concept that appears to have come in and out of fashion over the last two decades, possibly because it is a concept that is often hard to define, as well as a challenge to measure. The Carnegie Trust UK provides one definition (Wallace et al 2020):

> *"Wellbeing is a way to have a different conversation with the public about social progress; a way to identify groups in society who are currently falling behind in all areas of wellbeing; a way to think more holistically – to 'join the dots' – between different policies; and a way to make comparisons to identify the areas where social progress is stalling."*

Meanwhile, the What Works Centre for Wellbeing (also known as What Works Wellbeing) describes wellbeing as a concept which "*encompasses the environmental factors that affect us, and the experiences we have throughout our lives*". Some of these can fall into familiar policy areas: the economy; health; education; and housing. But in addition, wellbeing also encapsulates the aspects of life that we determine, "*through our own capabilities as individuals; how we feel about ourselves; the quality of the relationships that we have with other people; and our sense of purpose.*"

Wellbeing is also explained as "*personal and subjective, but also universally relevant,*" where individuals intuitively understand the value of happiness and wellbeing and how important it is, wherever they are and whatever cultural background or personal circumstances This can make it difficult to share a common understanding of what exactly wellbeing is - perhaps why there has been a slow burn to adopt wellbeing approaches into policy-making.

Yet the point about individual wellbeing being "*universally relevant*" is helpful in understanding how this translates into a sense of community wellbeing. What Works Wellbeing has also explored this taking into account two considerations: how the way in which we live together (crime rates, heritage, high streets, parks and open spaces etc) affects our own personal wellbeing; and the wellbeing of the community itself. They define community wellbeing as *"the combination of social, economic, environmental, cultural, and political conditions identified by individuals and their communities as essential for them to flourish and fulfil their potential."*

Iain Bache and Louise Reardon (2016) chart the rise and fall and rise of wellbeing as an aspect of social policy through two distinct waves. The first wave arose in the 1960s, linked, surprisingly enough, to work carried out by NASA and developments

of numerical "scores" for how individuals felt about their own subjective wellbeing. In 1966 the US Commission on Technology, Automation and Economic Progress demonstrated the lack of a systematic account of the impact of factory automation on various measures of social outcome. Seeking an account of social change beyond the market-based accounts was an important step in the Social Indicators Movement (Bache & Reardon 2016: 40).

The first wave of the social indicators movement began to fall away during the 1970s when national governments like the USA and the UK, which had been important in driving it forward, went through severe recessions and experienced major economic shocks. As the role of the state in relation to the economy went through profound change, so too did the concern with broader social aims in public policy; there was a re-focusing on economic growth.

But the issue of whether the social indicators themselves were actually useful was left hanging. Bache and Reardon argue that "Government departments and agencies had largely ignored the new indicators in making decisions and there was little clarity on whether people's perceptions of wellbeing were changing significantly or in ways that were the result of social policy interventions." (Bache & Reardon 2016: 42). There is a crucial flaw in the assumption that just measuring and reporting social outcomes will change policy. That requires concerted attention to institutional factors, politics, governance, and the capacities of institutions at various levels. Furthermore, there is no common unit of assessment for wellbeing that correlates to the role of money in economics.

The New Labour government published two relevant research papers in 1999, *A Better Quality of Life* and *Quality of Life Counts* which contained a range of proposed indicators. This was followed by *Life Satisfaction: The State of Knowledge and Implications for Government* in 2002 (Donovan & Halpern 2002), which made the case for using government policy to boost life satisfaction, drawing together evidence of the effect that the state could have on people's lives.

The Labour government gave councils powers to promote wellbeing through the *Local Government Act* (2000).But this did not lead to significant material change as the powers themselves were largely symbolic. The Audit Commission also published a set of quality of life indicators that councils could use locally, although these were largely symbolic and did not lead to significant changes in policy (Scott 2012).

As Chancellor and later Prime Minister, Gordon Brown focussed on traditional measures of economic growth, with little interest in indicators of wellbeing. Indeed, there was no attempt beyond Sustainable Development Indicators to integrate wellbeing into policy making in the Treasury. Researchers identified a lack of consensus about the term sustainable development, which had been current (Trewin & Hall 2005: 92).

In opposition, David Cameron showed serious interest in the wellbeing agenda. Shortly after he became leader of the Conservative Party, Cameron said "It's time we

admitted there's more to life than money, and time we focussed not just on GDP, but on GWB – General Well Being (Cameron 2006). He set up the Quality of Life Policy Group to feed in to the Conservative Party's internal policy review. And the Manifesto in 2010. The Conservative's future Coalition partners, the Liberal Democrats, were prominent in the APPG on wellbeing economics. They published a policy paper: *A New Purpose for Politics: Quality of Life.*
In power, the Coalition supported the Office for National Statistics programme *Measuring National Well-being* and updated Green Book guidance for the Trasury to include subjective wellbeing frameworks.

In other countries, wellbeing became more prominent in policy circles. Bache and Reardon argue that the second wave was characterised by "the proliferation of new initiatives and frameworks aimed at measuring progress in ways that seek to challenge the dominance of GDP and other economic indicators" (2016: 67). These included the indexes like the Measure of Australia's Progress, Measuring Ireland's Progress and the Canada Index of Wellbeing. The Canadian index was created in 2003 to redirect the focus of public policy decisions towards wellbeing, The eight domains, community vitality, democratic engagement, environment, health, education, leisure and culture, time use and living standards, are intended to provide a tool to hold decision makers to account. The Santa Monica Wellbeing Project includes six dimensions (outlook, community, place, learning, health, economic opportunity) which are to be "translated" into the city's budgeting and policy decisions. Similar measures were established in the Netherlands, France, Germany, Italy, Spain, and Slovenia (Kroll (2011). Meanwhile, in Portugal researchers published the results of a three year study in 2013 which led to the *Wellbeing Index for Portugal*, which was to be updated annually

Measurement of Wellbeing

The main issue is not whether wellbeing can be measured; it can be and is being measured at the local, national, and international level by academics, employers, businesses, charities, local and national governments. Rather, the consideration here is how it can be measured most effectively at a local level to furnish councils and their partners with the information required to create effective policies and achieve improved outcomes for their residents and communities.

A decade ago, the Office for National Statistics (ONS) introduced a Measuring National Wellbeing programme, to inform national decision-making and *"start measuring our progress as a country, not just by how our economy is growing, but by how our lives are improving; not just by our standard of living, but by our quality of life".*

Through the ONS Annual Population Survey adults aged 16 and over in the UK, are asked how they feel about their lives. It provides data at a national and local authority level and can be split down into age groups.

The four personal well-being questions are:

- *Life satisfaction: overall, how satisfied are you with your life nowadays?*

- *Worthwhile: overall, to what extent do you feel the things you do in your life are worthwhile?*

- *Happiness: overall, how happy did you feel yesterday?*

- *Anxiety: overall, how anxious did you feel yesterday?*

People are asked to respond on a scale of 0 to 10, where 0 is "not at all" and 10 is "completely".

This information is used alongside other health, employment, economic data etc, as part of the Measures of National Well-being Dashboard (ONS 2019) – although the ONS do caution that due to the sample size, local authority data should only compared historically within one council area or by council areas that have a similar profile. The latest available national and local authority data is pre-pandemic.

This data is helpful in allowing for local authorities to review robust wellbeing data in their areas compared to national levels, see historic wellbeing patterns in their communities and therefore a useful basis for wellbeing measurement. However, it does stop short of enabling that more granular of analysis at ward or community level.

While the data is rich and enlightening, it does seem to have limited policy impact, certainly at a national level. Some policy steps have been taken recently on specific issues, notably mental health and loneliness, but it is argued that greater steps could be taken to embed the findings into wellbeing (and potentially economic) policy development across national government, as debated (HoL 2020) in the House of Lords last year and long-called for by the All-Party Parliamentary Group (APPG) for Wellbeing Economics.

Further work published earlier this year by the Carnegie UK Trust provides an alternative to the GDP measure, with a Gross Domestic Wellbeing (GDWe) measure for England (Wallace et al 2020). This idea brings together 40 indicators from the ONS Measures of National Wellbeing dataset into a single figure. GDWe is structured around the 10 'areas of life': personal well-being, relationships, health, jobs, where we live, personal finance, economy, education and skills, governance and environment. The data within the accompanying dashboard, includes both objective and subjective data and is set up to track GDWe over time.

Carnegie UK Trust argue that the government needs to rebalance wellbeing economic outcomes and that the purpose of a single GDWe is "*not to suggest that societal wellbeing can be distilled into a single number, rather, it aims to provide an easily communicable measure that encourages policy makers to prioritise wellbeing*". Alongside the statistical component of GDWe, the report also reviewed more than 40 independent commissions and inquiries for key recommendations on social policy to

inform priorities and indicators. Although the report does not offer a GDWe at a local level, localism is identified as a central plank of wellbeing.

At an international level the OECD (Organisation for Economic Cooperation and Development) publish a wellbeing report every two years. How's Life? describes aspects of wellbeing through 11 dimensions (income and wealth, jobs and earnings, housing, health, education, work-life balance, environment, social connections, civic engagement, safety and subjective well-being) and four different resources for future well-being (natural, human, economic and social capital). Each edition considers how wellbeing is changing over time and how it is distributed among different population groups. The OECD's also publishes a Better Life Index, which ranks countries on different aspects of wellbeing, although most usefully in this instance are some of the background and thematic reports exploring the various indicators that could be used to measure wellbeing.

Clearly, wellbeing is being measured on a regular basis at national and international levels. So what steps have been taken to measure it at the local level?

We Local Wellbeing Measurement in Theory

Most local authorities are likely to collect data in some way on the factors that contribute to wellbeing. However in many cases, this may well be part of a bigger data collection exercise to track progress on local plans and strategies. Very few are collecting wellbeing data solely to drive an agenda about wellbeing.

An early attempt to create a measurement framework for local authorities comes from the Young Foundation (Steur & Marks 2008). In 2008 they explored the potential of the then Comprehensive Area Assessments (akin to Joint Strategic Needs Assessments launched in the NHS around the same time) to capture data on wellbeing. The report suggests a three-tiered approach for local authorities trying to measure wellbeing at the local level:

- Universal – an overall, cross-cutting measure of people's experience of life: to provide headline findings at a population (universal) level and a basis from which more detailed exploration and analysis can take place (for example, by exploring different domains – satisfaction with health, employment, family, etc – or by asking how overall wellbeing could be improved).

- Domain – measures of different dimensions of people's wellbeing, like health or community safety: to explore differences and variations within a local authority area, drilling down into some of the key components of people's life experience.

- Targeted – measures of some of the underlying factors affecting people's wellbeing: This could include, for example, autonomy, resilience, self-esteem, feelings of competency, and strength of relationships. This approach could be used across entire local populations; however over the short to medium term it is likely to be particularly useful for measuring the wellbeing of residents whose circumstances make them vulnerable and who use services locally.

The report goes on to outline 'Local Wellbeing Indicators' for these three levels, using national indicators available at the time and both objective and subjective measures.

While the report is now somewhat dated, it is a useful reminder that for many local authorities this is not a new area of work. Many will have honed measures and indicators over the last two decades. The report was developed in conjunction with three local authorities (Hertfordshire County Council, Manchester City Council and South Tyneside Metropolitan Borough Council) and references others. While it does have examples, it does lack some concrete, 'off the shelf' indicators that could be used readily.

More recently, What Works Wellbeing, in collaboration with the ONS, Public Health England and Happy City (a planning and design consultancy) have attempted a practical and local translation of the national wellbeing programme discussed earlier. Published in 2017, the Local Wellbeing Indicator Set, is a researched and evidenced-based framework, similar to the national indicators with seven domains of - personal wellbeing, social relationships, health, place, economy, education and childhood, and equality.

Beneath these domains there is a framework comprising two indicator sets: The 'ideal' set is based on a core of 26 indicators of individual wellbeing and its determinants. A further 'currently available' set containing 23 indicators includes those that are easily sourced from current data. It also makes recommendations for additional 'deeper dive' indicators that provide more detailed insight in specific areas and contexts.

The report is pragmatic in that it splits the indicators into an 'ideal set' and 'currently available set', recognising that while some of this information is already collected and others would need new methods of collection, for example:

Social networks and personal relationships

Currently Available set: % of adult social care users who DO have as much social contact as they would like

Ideal set: % who agree with statement "If I needed help, there are people who would be there for me" and % who meet socially with friends, relatives or work colleagues at least once a week

Behind the creation of these indicators is a comprehensive investigation, tested with local authorities, of what wellbeing means and the factors that contribute to it. It neatly sums up the complexity of issue at hand and importantly highlights the need to consider a range of indicators in combination, rather than attempting to address one component of wellbeing at a time:

"Due to the complex nature of wellbeing, many indicators overlap and/or are interchangeable. The rationale for including a broad range of indicators reflects the increasing understanding that wellbeing is a multi-dimensional concept, determined by numerous diverse factors. Moreover, these factors tend to be causally connected to each other to create a 'web' of conditions that impact on people's wellbeing. To effectively and systematically improve people's wellbeing, policymakers need to consider all indicators together, rather than trying to improve factors in isolation." (p.27)

What is appealing about the approach is having one set of indicators that can be used widely. This provides options to benchmark across local authorities and measure trends, potentially enabling the sharing of best practice where such information translates into effective policy and service delivery. It also demonstrates that measuring wellbeing does not always mean having to collect new information.

While it is not perfect - there are lots of 'ideal set' indicators required to make this work in greater depth - it is a deep and comprehensive study of wellbeing measurement that outlines what is possible.

Wellbeing Measurement in Practice Internationally

New Zealand

In 2019, New Zealand's government made its first "wellbeing budget", using an evidence-based approach to focus on what could make the greatest difference to the wellbeing of New Zealanders – resulting in five wellbeing budget priorities: mental health (particularly for young people), improving child wellbeing, supporting Māori and Pasifika aspirations, building a productive nation and transforming the economy (to a sustainable and low emissions economy). All government departments have been analysed for their contributions to societal wellbeing and all bids for funding have to factor in their wellbeing contribution. This is all linked to a Living Standards Framework (NZ Treasury 2019) (due to be refreshed in 2021), with 12 domains of wellbeing (civic engagement and governance, cultural identity, environment, housing, health, income and consumption jobs and earnings, knowledge and skills, social connections, safety and security, subjective wellbeing, time use) and a Living Standards Dashboard (NZ Treasury 2019), with many familiar indicators.

Alongside this, a Local Government (Community Wellbeing) Amendment Act was passed in 2019 which restored the purpose of local government "*to promote the*

social, economic, environmental, and cultural well-being of communities". However, it is not entirely clear how this wellbeing responsibility translates into wellbeing frameworks and measurement at a local level. There are a wealth of indicators available, at different local, regional and national levels. There also appears to be regional partnership projects that are wellbeing focussed and private providers (e.g. SOLGM and Infometrics) offering wellbeing measurement services. However, it has been difficult to establish evidence of tangible wellbeing measurement locally (like Wales), as established nationally and how it translates into policy. It may well be that local wellbeing measurement is in its infancy in New Zealand, as much as it is elsewhere.

Bhutan

Bhutan has been a forerunner in the measurement of wellbeing, in the creation of its Gross National Happiness Index in 2006 (although the 4th King of Bhutan, King Jigme Singye Wangchuck, declared, "*Gross National Happiness is more important than Gross Domestic Product"* in 1972). Rooted in Buddhist principles, the index takes a holistic approach to sustainable development with equal importance given to non-economic aspects of wellbeing and while the focus here is on happiness, there are aspects of the methodology and subsequent index which align closely with measurements of wellbeing.

The index is informed by a survey undertaken every five years under the direction of the Centre for Bhutan Studies and GNH Research, across 8,000 randomly selected households and takes about three hours - participants are compensated a day's wage. The GNH Index includes nine familiar domains: psychological wellbeing, health, education, time use, cultural diversity and resilience, good governance, community vitality, ecological diversity and resilience, living standards. There are 33 indicators, which sit within the domains. The data can be broken down by population groups and districts.

Translating the findings into policy is the responsibility of the Gross National Happiness Commission led by the Prime Minister. It provides overall the policy, planning guidelines and frameworks and resourcing to all ministries, autonomous bodies and local governments' plans and efforts are in line with the national development goals and priorities. This is very much a national index, with local government roles seemingly putting national directed policy into action. However, the index has influenced a Arakawa local authority in Japan, as discussed previously.

Other Examples of Wellbeing Measurement

It is not just national and local government who have attempted to measure wellbeing and demonstrate that wellbeing measurement can be targeted.

Age based: Age UK have developed an Index of Wellbeing in Later Life, which uses over 200 wellbeing indicators (such as creative and cultural participation, physical

activities, thinking skills etc) and assigns weightings to signify their importance. The data is drawn from the Understanding Society survey (the UK Household Longitudinal Survey). From this work, Age-UK established that the following was important to wellbeing in later life:

1. **Participation in enjoyable, meaningful activities** was the biggest direct factor for wellbeing. This could be in creative, cultural, civic, and/or social activities.
2. **Physical activity** is extremely important too – this is the second biggest individual direct factor.
3. **Support for older people** who are informal carers is very important – a little bit of caring responsibility can be good for feeling useful and valued, but too much can be bad for one's wellbeing (and health).
4. **Having positive social interactions** with others is common thread throughout wellbeing. In fact, the social domain accounts for 33% of one's wellbeing.

Health based: The County Health Rankings & Roadmaps program is a collaboration between the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute. The main aim is to improve health outcomes for all and to close the health gaps, between those with the most and least opportunities for good health and build awareness of the multiple factors that influence health. While primarily about health, the measurement does factor in other socio-economic and environmental factors akin to wellbeing indicators used in other examples in this report. The data is available at US county levels.

Community based: The Canadian Community Wellbeing Index is a measure used to assess socio-economic wellbeing for Indigenous and non-Indigenous communities over time, aiming to show where improvements in wellbeing have been achieved and where significant gaps still exist. It is a composite index based on Statistics Canada's Census of Population and National Household Survey, and has four areas of focus education, employment, income and housing.

The Challenges

 It appears that on the whole, the measurement of wellbeing at a local level is at a very early stage. There are methods and examples available, but there are notable barriers too:

- Understanding the benefits – it has been a challenge to find examples of good local practice. Where it does exist, the benefits of the approach need to be shared as widely as possible.

- Making it as easy as possible – it is clear that while some of objective data is available, other useful data that would complement a set of indicators is not readily available. It would also be useful to see more use of subjective data to truly ascertain how people feel about their lives.

- Commitment, capacity and funding – the Welsh example is admirable, but also demonstrates the need for local authorities to be able to support the principles, to find the capacity and funding to measure wellbeing properly and not treat it as an 'add-on' to other policy drivers.

- National support – It is inspiring that there are countries that have committed to a greater ambition for people's wellbeing. However, this has not yet transpired into effective measurement and policy at a local level. Perhaps national support is needed to help local government overcome some of the challenges.

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3. PLACE

Professor Gerry Stoker has argued that political context is important for understanding the form that place-shaping might take at any particular time, and the opportunities it affords local actors. The current moment, he argued, is shaped by the government's "levelling-up" agenda.

Political Context for Place-Shaping

The 1980s was a period of heightened political conflict between local and central government. In this period, place shaping was a response to the policies of the Thatcher government and its stance towards local government, Labour-run urban authorities in particular.

The first early versions of place shaping were developed in response to Thatcher's apparently negative agenda towards local government in the 1980s. Labour and Liberal councillors demonstrated a keen desire to develop a new set of activities for local government, both in its politics and its practice. This covered a wide set of issues, but tended to promote issues of economic development, health and tackling problems around racism, sexism and homophobia.

Labour councillors and councils developed a new agenda for governing places that arguably became the agenda of the Labour government when it came to power in 1997. John Stewart and Gerry Stoker produced the pamphlet "From Local Administration to Local Community Governance" in 1988, which drew together the threads of this new set of ideas and practices. The ideas represented a departure for governance that would emphasise partnerships and participation rather than a more traditional model of command and control of services. Autonomy for local

government was still curtailed throughout this period, , particularly when it came to the issues of finance and funding.

The period after 1997 and up to the Lyons Review a decade later represented a different political context. There was a concerted effort to develop a new role for local government that would recognise that problems in a local area required action by government and stakeholders at different levels working in harmony. The concept of 'governance' emphasised that policy challenges would be addressed by networks of public, private and voluntary sectors acting collaboratively. The idea of 'joined up government' was used to capture the way in which partnerships of public agencies could be part of an agenda that would address the issues and challenges in different areas. Ultimately this idea involved central, regional and local government pooling resources and designing strategies to tackle entrenched social problems.

Following the general election in 2010 and the beginning of the Coalition and subsequent Conservative governments under David Cameron, there was another decisive shift in political context. Now the focus was skewed heavily towards austerity in public finances, and further rolling back the state. At this time Phillip Blond's book *Red Tory* contained an influential set of ideas that centred on community and the role that communities, not the state, play in defining social relations. In this context, the idea of place shaping shifted again and became an important component in David Cameron's idea of the Big Society.

Levelling Up: An Opportunity for Place-Shaping?

After the general election of 2019 and the Earth shattering events of 2020, the political context for place shaping is largely defined in terms of "levelling up", an electoral strategy that is becoming a policy agenda. Indeed, Gerry Stoker argued that the levelling up discourse may yet provide a framework for future discussions about place shaping in English local government.

It should be recognised that "levelling up" is perceived to be an ambiguous concept, a political slogan rather than a coherent policy position. There does not seem to be a concrete set of ideas underpinning levelling up, and nor is there a text or thinker that provides an overarching vision or intellectual framework. Critics question whether there is even a coherent and joined-up strategy behind it. The recent appointment of Neil O'Brien MP, a former special advisor to George Osborne and Theresa May, to oversee the programme may begin to bring clarity and direction.

That said, the current context for a place shaping agenda in local government is clearly set by this agenda, and the framework itself is developing into a set of policy proposals, though these might remain piecemeal at this stage and focussed on electoral priorities.

As the work develops, there may be an opportunity for developing policy interventions that enable government departments to orient themselves towards supporting place-shaping.

There are some important questions that need to be addressed, however, which were raised in our discussions. Is this agenda about levelling up between people or places? Is it about levelling up economically or in terms of community resources? Is it about regions, or north versus south? Is it about towns or cities? Is it about devolved powers and funding, or about finding other ways to address imbalances and deal with local issues? Crucially, is it about local control, or asserting national and central direction in policy? Can councils co-opt the levelling up agenda pragmatically?

The important question is how, in practical terms, local government can make place-shaping integral to its agenda? The framework has the potential to appeal to local needs and conditions, but could also support a developing national agenda. It would require significant resources and a bolder push for devolution. However, a step change in the pace of devolution appears less likely given the delay to the long awaited Devolution White Paper.

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4. CONCLUSIONS

Following the upheaval of the past year, the situation has intensified. We need a radical restructuring of power, politics and policy around the needs of local places.

Councils face a perfect storm of challenges in 2021, providing support for communities in the wake of the Covid-19 pandemic and the UK's exit from the European Union, as well as dealing with the ongoing crises in public services, finances and trust. But the past year has also shone a light on existing inequalities and has forged a stronger understanding of vulnerabilities in the community.

Meeting these challenges will no doubt require innovation and adaptation. At a time of change and flux, 'place' is emerging as a crucial lens for policymakers, given how far citizens relate to a sense of place.

That is why we are calling for a new settlement around place. In the final report of this project, which we will publish in the Summer, we will make present the evidence and the framework for this new settlement.

While others have begun to demand a return to the principles of Beveridge and a renewal of the social contract following the pandemic, we will argue that overturning the top-down, Westminster focussed model of governance in England is a crucial

piece of this puzzle. Strengthened places, with empowered and properly funded local government leadership, is necessary to achieve aims around health and wellbeing, social care, housing, connected transport and infrastructure, social cohesion and public trust.

Place-based ideas of wellbeing go right to the heart of what local government is for, raising important questions about its constitutional role and the relationship between people and the state. In this interim report, we have presented initial findings and identified important questions that emerged from a series of research seminars and interviews with the sector:

1. Covid-19 has bought wellbeing and community to the fore. When asked whether the Covid-19 pandemic has altered priorities around wellbeing for their council, some interviewees told us that it is now higher on the agenda. One said that the pandemic highlighted we need better targeting of public health services, but has also enabled councils to do that because they can identify those who are shielding and those who have contacted the council for support. A councillor from the South East said that "The council has prioritised public services during the pandemic in the short term because that has been necessary but the pandemic has focussed attention on the longer term need for appropriate place making and promoting wellbeing (they are in my view two sides of the same coin)."

2. From our research it is clear that local authorities are in a prime position to act as agents that can coordinate place-based approaches to improve health and wellbeing (Naylor and Wellings 2019). In many parts of the country, they are already playing this role. But more needs to be done to support their work and to facilitate a long-term settlement for places.

3. Many places have adopted place-based strategies , or are working to improve wellbeing *in spite of* priorities and frameworks pursued by central government. For many involved in our research, place shaping is seen as a necessary "reaction to growth". There is an assessment by councils that new housing and economic development, along with other changes to local places are going to happen, and that this needs to be done in consultation with local communities. The head of policy at a city in the South of England said that "The fact that the council is a housing authority is the primary lever for improving wellbeing when the goals are creating decent affordable homes, thriving neighbourhoods that are well connected." Another told us that "Place-shaping helps us to understand that it's a whole system – a place service, not service delivery"

4. Data about local populations can be used to support wellbeing and place shaping strategies, or to help build the understanding that can improve service outcomes.. It can be support the sense of mission and motivation for councils, bringing various strands of activity together around a common purpose. But it can also help demonstrate what is happening in an area to those outside it, including decision-makers in government, and help to attract funding for various interventions. An officer we interviewed told us that data "is incredibly useful for going to funders and to government. We can say "look,

this is not good enough". It provides a "compelling narrative." If done well this can be a virtuous circle that can show how the impacts of spending spreads through the local area.

5. Our workshops participants raised questions about how to link place-shaping with wellbeing. Some participants asked whether place-shaping actually shifts deprivation or reduces inequality. It is a significant challenge to find ways of building and maintaining social infrastructure in deprived areas when there is no ready cash around.

6. The role of the community, of residents, in place-shaping and wellbeing strategies needs careful consideration and institutional support. We heard in our discussions that there is a need to support residents if strategies are to be successful, which means understanding what they want, but also giving them a sense of ownership and control. But do residents want their councils to move into this space? We heard from one officer that the priorities of residents do not necessarily match the council's vision, or what is economically viable. Models like the Town Deals can create bigger problems if the council and partners can't live up to expectations or agreements.

7. Councils are ambitious to support the continuity of community level activity. An interviewee told us that this means thinking about "how does the community lead on the first line of wellbeing? How do we make sure that our services and the facilities in the area are affordable? We need to ensure that the community is accessing the green space." They said that they have a "specific responsibility to build capacity in this area", so that they can ensure that positive changes from the past year persist into the future. But many participants question whether councils have the institutional resources and capacities to maintain these adaptations.

The final report will be published at an online launch event on 16 June. This will also be the official launch of the Local Democracy Research Centre.

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