



A new settlement: place and wellbeing in local government



LGiU

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Introduction

The Covid-19 pandemic has been a momentous, historical rupture that is still unfolding. The opportunity to “level up” the country and “build back better” in local places following the crisis can only be grasped with a new constitutional, political and social settlement.

In this paper we argue that building back better must include a new settlement for place that reconnects the government’s “levelling up” ambitions with the decentralisation of power in England. In recent years, the momentum on English devolution has been lost but the pandemic has underlined the fundamental importance of shifting power to places and people.

This new place settlement must:

- Give local leaders the tools to pursue levelling up, while tackling three of the most urgent policy crises recently exacerbated by the pandemic:
 - Revitalising economic growth and ‘good’ jobs;
 - house building;
 - and social care.
- Introduce a sustainable funding model for local government.
- Ensure a commitment to further decentralisation across all Whitehall departments and give local government a stronger voice in national policy decisions.
- Provide dedicated research infrastructure funding for councils to create a benchmark of local social wellbeing indicators that can inform future policy decisions.
- Launch a local government-led “Building Back Better” commission.

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.

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 2021.

Our research demonstrates the importance of place in post-pandemic recovery. This report is focussed on England, but evidence suggests that this is crucial for recovery in countries around the world. Whether we are talking about English devolution, mayors and governors in the United States, or cities and regions in Scotland, Ireland, Australia, South Africa or elsewhere, the evidence is that place really matters.

The importance of place

The pandemic has radically altered the economy by hastening digital transformation and enlarged the role of the state. At the same time, as it revealed the fragility of many of our public institutions not least by widening existing inequalities. But it has also forced a broader understanding of vulnerability among policy makers and politicians. There is also the prospect that more far reaching changes in consumer lifestyles and behaviours will it possible to address major challenges, not least climate change.

Local places face a perfect storm of challenges in 2021, which councils are at the forefront of addressing. They are supporting communities recovering from the pandemic while dealing with the UK's exit from the European Union, as well as managing the ongoing crises in public services, finances and trust. The past year has shone a light on existing inequalities and has forged a stronger understanding of vulnerabilities in the community.

There are crises in three areas that require radical and immediate attention: revitalising economic growth and creating more good quality jobs after the pandemic; creating a more sustainable health and social care system; and building decent homes connected by reliable digital and physical infrastructure.

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 often relate to a sense of place. Councils have for several decades been viewed as delivery agents for central government priorities, largely around increasing growth and building homes. Place shaping is seen as an effort to do that "on our terms" and wellbeing is an attempt to address a wider range of social challenges, including long-term determinants of high demand on public services.

But current policy is neither framed by nor informed by the sense of place.

The Westminster government's response has been to bolster the "levelling up" agenda that started life as a campaign slogan before the 2019 general election. At present, the government's levelling up agenda can be boiled down to two key priorities: money for capital investment; and support for dynamic, entrepreneurial figures like Ben Houchen, the mayor of Tees Valley.

Levelling up is based, still, on the economic ideas of agglomeration that helped drive the city-regions agenda when George Osborne was in the treasury, but without the importance of local leadership or coordination of funding. Instead a it is largely a centrally-directed striving for transport and connectivity improvements that bring people to the places where jobs are (Swinney & Bidgood 2014). Arguably this is a thin economic strategy for the regions of England that is largely insensitive to place; it begs the question: is the tide

going out on devolution? Figures like Professor Tony Travers of the LSE and the former Conservative Minister Lord Heseltine are convinced that English devolution has had its moment.

Yet uncoupled from a wider programme of decentralisation and devolution, local authorities lack the hard powers needed to drive through ambitious place-shaping agendas, including to level-up economic growth. They rely on soft power and convening relationships across the public and private sectors, which can be costly, time consuming and sometimes fragmented. A number of councils told us that they cannot compel other public agencies to work with them, which often hampers successful regeneration projects.

Place shaping is also undermined by the funding model for local government.

Councils that took part in this research expressed huge concern at the growing move away from sustainable grant funding for local government, towards ad hoc, ring-fenced funding for capital projects. It means local priorities are deemed unviable and undermines the councils' capacity to coordinate and lead projects that can shape local places. Following a decade of huge cuts in grant funding from central government, councils are still managing with austerity budgets stretched even further by the Covid-19 pandemic. Spending for recovery, like the Towns Fund and Levelling Up Fund, is fragmented across Whitehall, and it is a huge task for councils to bid for this money, let alone to join it up at the local level.

Many of the issues with fragmentation and place-blind decision making in Whitehall arise because of the weakness of the collective voice that councils have in national policy making on the one hand, and the lack of a defined constitutional status for local government on the other. These should be addressed in the new settlement that we propose below.

Substantial, long-term resources are required, but the government currently favours small ring-fenced pots of money, largely for capital projects. Programmes like the New Homes Bonus and business rate retention schemes are designed to incentivise active and entrepreneurial behaviour among local authorities. But these are a sticking plaster that only a limited number of councils can realistically take advantage of.

Empowered and properly funded local government is the only agency that can provide coordination and leadership at the necessary scale for success in local growth, civic cohesion, infrastructure, public services and public health. There is also the ongoing issue of declining trust in government. That decline can only be addressed through increasing the participation of local residents in decision-making. There is an imperative for councils to work with local residents, particularly to advance place-shaping and integrate place with the wellbeing agenda .

Demand for change

The local elections in 2021, and particularly the impressive turnout in English mayoral contests, demonstrated that the devolution agenda has support not only across the UK, but within England. The challenge for the local government sector is to harness new approaches from wellbeing to 'levelling-up' to fashion a coherent agenda for practical action.

The events of the Covid-19 pandemic throughout 2020-2021 have altered perceptions in local government, the media and public opinion about the role of government in relation to place and wellbeing. In this project's interim report, we outlined the important, place-based role that local government has played during the pandemic and the position that left councils in. Some of those findings are elaborated below.

Researchers at King's College, London reported a significant shift in public appreciation of inequalities between places. Linking this reported concern to the government's "levelling up" agenda, Duffy et al (2021) show that inequality between wealthy and deprived areas is a top priority of inequality for 61 per cent, roughly the same level as wealth disparities (60 per cent). That viewpoint is consistent among Labour (67 per cent) and Conservative (59 per cent) voters and compares to a sharper divide between Conservative and Labour voters in their views of other inequalities, such as that between ethnic groups.

Meanwhile, researchers at NESTA found that "Covid-19 has greatly accelerated this shift towards new operating models" and in particular "a shift away from a conception of local government as a delivery system and towards one of government as a key player in a local system that creates the conditions for people and place to flourish." (Cretu 2020)

There is an impressive range of innovative place-leadership and wellbeing oriented practice across local government, some of which is highlighted in the case studies in this report. But local government as a whole needs to develop new capacities to forge ahead in this area. Participation of residents in decision making is increasingly important; our research also found that we need to design institutions and policy interventions with local support. This does mean developing capacity to support participation, as well as strengthening local data collection and the use of evidence.

Our research also underlines the vital link between place-shaping strategies and wellbeing. This is important to address deprivation and improve outcomes for communities. It also shows 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

A new settlement?

Since the scale of the pandemic became apparent there have been calls for a revolution in social provision, akin to the post-war settlement that followed the Beveridge Report in 1942. Hilary Cottam (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. A report for the Mile End Institute, 'Not for Patching', investigates the appetite among voters for new approaches to economic and social policy, including tax rises and the scope for private sector involvement in the delivery of public services.

This paper argues that in the wake of the Covid-19 pandemic, we need a new settlement for English governance focused on place as the cornerstone of public action and policy-making. This requires connecting levelling up with the place and decentralisation agenda to build on what councils are already doing in many areas.

The research highlights the need for a shared understanding across Whitehall of how policy effects local government and the wider determinants of wellbeing. At the local level, there is real need for wider support across the public sector, for shared aims such as housebuilding, health, social care and wellbeing.

A new settlement for place: key principles

- ▶ Give local leaders the tools to do levelling up. Councils are champing at the bit to do the work in local areas that would achieve many of the goals of the levelling up agenda. They have the knowledge and connections to local communities to make it work. But they are hampered by regulation, central oversight, targets and a fragmented public sector. At the same time, they face innumerable funding problems.
 - Local authorities should have the tools to tackle three of the most prominent policy crises that have been exacerbated by the pandemic:
 - rebuilding economic growth;
 - house building;
 - and social care.
- ▶ A sustainable funding model for local government. This should end the move towards ring-fenced capital projects, which have led to fragmentation and short-termism, return the grant funding lost over a decade of austerity and the Covid-19 pandemic, and empower councils to coordinate spending on place and wellbeing.
- ▶ A commitment to further decentralisation in support of the “levelling up” agenda. Increase the powers available to local authorities and combined-authorities so they can integrate policy making in areas such as skills, economic growth, public health and development.
 - This should be linked to a presumption in favour of decentralisation across Whitehall with mechanisms to recognise the impact that departmental decisions have on local authorities
 - The regions of England need a strong voice in national policy making. This is currently a gap in constitutional governance, with the result that Westminster is both the government of the whole UK and de facto the government of England. That situation severely disadvantages the regions, cities and place of the country, including London. It creates anomalies, worse outcomes in public services and greater disconnection between the public and government.
- ▶ A dedicated research infrastructure fund for local authorities to create a benchmark of social wellbeing indicators in their area.
- ▶ A local government-led “Building Back Better” commission to design bottom-up solutions to economic growth and the social care, housing and children’s services crises.

1. Place and wellbeing in local government policy

1.1 Place and place shaping

There is a large and growing body of evidence showing the positive impact that place leadership has on various economic and social outcomes (OECD 2012; Rodriguez-Pose 2013; Hambleton 2015; Sotarauta & Beer 2016; Beer et al 2019). The importance of place is discussed in the context of environmental sustainability (Sotarauta et al 2012) and housing policy (Galster 2017); it is seen as a crucial factor in emerging smart cities and regional “smart specialisation” agendas (Nicholds et al 2017; Grillitsch & Asheim 2019), as well as playing a crucial role in rural development (Horlings et al 2018). Recent research links civic, social and cultural infrastructure of an area to a sense of wellbeing, pride and community cohesion (Kelsey & Kenny 2021), while loss of community assets can encourage disaffection and the growth of far right politics in some cases (Bolet 2021)

Even so, place-shaping is also described as the ‘the least understood piece of the regional development puzzle’ Sotarauta (2016). Trickett and Lee (2010) describe leadership of place as ‘an iterative process’ which requires ‘spatial literacy’, an ‘understanding of the requirements, spatial context, community capacity’. Collinge and Gibney (2010), meanwhile, question whether places are amenable to the control and leadership that is assumed when we think of local government’s place-shaping potential. Places are complex and subject to various, often conflicting, forces and trends that cannot be controlled by individuals or institutions.

Collinge and Gibney propose a leadership style that is both purposive (pursuing specific goals through direct intervention) and spontaneous (working within networks and markets, intervening indirectly), allowing agencies other than local authorities a prominent role. This suggests a broad, expansive function for local government, but it also demands resources, capacities and infrastructure.

Local authorities are in a prime position to act as agents that can coordinate place-based approaches to health and wellbeing (Naylor & Wellings 2019), while responding to the different contextual demands of place leadership (Gibney 2014).

Through our research, we encountered councils going through different kinds of transition and coping with different forms of change. Place shaping and wellbeing approaches varied accordingly. Expanding and updating Collinge et al’s (2010) framework to incorporate new structures and developments, the contexts for place-shaping include:

- New and emerging places (growth areas, new towns, city-regions, trans-border regions, such as the case study of the Borderlands Growth Deal and Tees Valley Combined Authority, which are profiled in this report, or the Oxford-Cambridge Arc);
- Dispersed places (rural areas, wide economic or travel to work areas, mixed urban and rural hinterlands, such as Cornwall, the Borderlands or the West of England Combined Authority);
- Regenerating and renewing places (areas going through post-industrial transition, adaptation to climate change, reorienting local economies and skills bases, such

as Greater Manchester, Liverpool CR, Sheffield CR and West Yorkshire combined authorities, as well as smaller places like Colchester and Slough);

- Maintaining and maturing places (neighbourhoods, towns, cities where development has reached a plateau).

This variations in context, Collinge et al note, created 'differentiated complexities' for place leadership. It demonstrates clearly the importance of local control and resources to pursue place-shaping around specific contexts, but also the capacity and ingenuity that exists in some local areas to do so.

1.2 A short history of place shaping

The first early versions of place shaping were developed in response to the Thatcher Government's apparently confrontational stance towards local government in the 1980s. The 1980s was a period of heightened political conflict between local and central government (Stewart 2000; Loughlin 2003). In this period, place shaping was a means of providing local councils with a coherent agenda despite the hostility of Whitehall, particularly important for Labour-run urban authorities,

The 1985 Local Government Act abolished six metropolitan counties, including the Greater London Council (GLC) and the Greater Manchester County Council. Yet Labour councillors and councils were already developing a new agenda for governing places that increasingly became the agenda of the Labour government when it came to power in 1997. 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 wealth-being, and tackling problems of racism, sexism and homophobia. Economic capital and cultural capital were perceived to go hand in hand.

John Stewart and Gerry Stoker published the pamphlet "From Local Administration to Local Community Governance" in 1988, drawing 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. Even so, 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 multi-level networks of public, private and voluntary sectors acting collaboratively. The idea of 'joined up government' was proposed 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 places. Ultimately this idea involved central, regional and local government pooling resources and designing strategies to tackle entrenched social problems.

Autonomy for local government was still limited throughout this period, however, particularly when it came to issues of finance and funding. Tony Blair's Labour government asserted control over the management of public services with a regime of targets and auditing (Majone 2008; Baldwin 2004; Moran 2003; Hindmoor & Bell 2009: 88-89; Clarke & Cochrane 2013). Furthermore, Trench (2007b) shows how the Treasury continued to influence the direction of policy in Scotland after devolution through its ability to set the political agenda and its superior access to information.

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 the political environment. Now the focus was skewed heavily towards austerity in public finances, and the further rolling back of the state. At this time, the publication of Phillip Blond's book, *Red Tory*, contained influential ideas that centred on community and the role that communities, not the state, can play in defining social relationships. In this context, the idea of place shaping shifted again and became an important component in David Cameron's defining agenda of the 'Big Society'. The talk was of a 'new localism' and 'post-bureaucratic politics', displacing the traditional centralised state in Whitehall.

However, in the context of austerity and huge cuts to local government grant funding, the 'Big Society' and the localist agenda did not live up to the rhetoric. Councils instead had to cut the resources for place-shaping, spatial planning and a host of services related to wellbeing. While some ring-fenced funding was made available to spend on a place-basis, such as the Total Place pilots, this was limited, piecemeal and came with central government strings attached.

1.3 Levelling up, an opportunity for place-shaping?

Following 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 now 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 acknowledged that "levelling up" is perceived to be an ambiguous concept, a political slogan rather than a coherent policy position. There is no 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 adviser to George Osborne and Theresa May, to oversee the programme may provide much needed clarity and direction. 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 more unlikely given the delay to the long awaited Devolution White Paper.

Devolution and levelling up are seen as separate agendas, but they should be closely connected. In an LGIU members' briefing in December 2020, David Marlow argued that:

“The point is that setting priorities and allocating resources at each level should not rest with Government and Whitehall – but needs to be devolved and empowered as locally as possible. The fragmentation of place-based investment programmes in the Budget makes this very difficult.”

The British Academy’s (2021) [Shaping the Covid Decade](#) report argued that empowered governance ‘strengthen the capacity to identify and respond to local needs’ would be essential for responding to the Covid-19 pandemic. Different levels of government ‘must operate in strong partnership’ and that there is an opportunity for ‘reform of the role and powers of central and local government - and, crucially, how they interact across a range of policy issues and areas of service provision.’

That said, the current context for a place-shaping agenda in local government is clearly set by levelling-up, 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.

Whilst the 2021 Budget in March was [seen as a ‘lost opportunity’](#) for local government, it did contain some major place-based announcements, including the designation of eight new freeports in England (with discussions to continue with Scotland, Wales and Northern Ireland Governments about freeports there), Levelling Up, Community Renewal, Towns, and Community Ownership Funds. The government also announced a UK Infrastructure Bank, which will be headquartered in Leeds, and a ‘Treasury North’ to be opened in Darlington. These were outlined in an [LGIU members’ briefing](#) in March.

David Marlow, in another recent LGIU members’ briefing, notes that “possibly the most striking feature about ‘levelling up’ as a generic term at the centre of Government place-based policy is how little money overall is allocated to it.” £7bn of capital investment has been allocated to levelling up project over the five year period that the ‘Build Back Better Growth Plan’ covers, which is under 1.2 per cent of the total. This is a surprise, given how prominent levelling up is in the government’s messaging. Marlow continues: “The challenge for Government, assuming it does have a coherent view of what ‘levelling up’ is and what success would look like, is to articulate how and why it thinks it can be delivered with under 1/85th of capital spend.”

A great deal of the levelling up fund is a joining MHCLG, the Treasury and Department of Transport pot, which covers local transport infrastructure, broadband and flood defence. A further notable feature is the discretion given to ministers to approve fund decisions, and the role that MPs are asked to place in promoting bids to the government.

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? And can councils co-opt the levelling up agenda pragmatically?

1.4 Just for towns?

The focus of levelling up appears to be moving towards towns as the preferred scale of investment and action. The Westminster government has established the £3.6bn Towns Fund to address what they consider to be post-industrial towns at risk of being ‘left behind’.

The first cohort of proposals was submitted at the end of July, with further cohorts due in October and January 2021. [First Town Deal approvals](#) amounting to almost £180m Towns Fund were announced for seven places in late October – ranging from £39.5m for Blackpool to around £22m for Darlington, Peterborough, Torquay and Warrington. Forty five new recipients were announced at the 2021 Budget in March.

Whilst undoubtedly welcome for the individual places concerned, both the [July 2020 National Audit Office report](#) and the [November Public Accounts Committee report](#) raise severe doubts about Towns Fund processes to date and the purposes for which it is being deployed by Government in general and by MHCLG Ministers in particular.

Indeed, participants at our workshops argued that levelling up is morphing devolution into a “struggling towns” programme. In many ways, it is returning regional and growth policy to the era of Total Place pilots after 2010, which made small pots of money available on a place-basis. However, because the current programme appears to bypass local government, it lacks the accountability of earlier approaches. It also entails a range of problems around fragmentation, emphasising short-term priorities that leave public services and social infrastructure unaddressed.

1.5 Wellbeing

Iain Bache and Louise Reardon (2016) chart the rise and fall and rise of wellbeing as a concept in social policy and governance 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 then 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 into 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 Treasury to include subjective wellbeing frameworks.

In other countries, wellbeing became more prominent in policy circles. Bache and Reardon attest 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.

Wellbeing and place shaping can complement one another in many spheres of public policy. There is ample evidence demonstrating the value of outdoor and green space for health and wellbeing (Maas et al 2009; Stiggsdotter et al 2010). In transport, a wellbeing lens might lead to strategies for reducing the time it takes to travel to work as well as increasing the quality of the journey itself, reducing carbon emissions, boosting physical activity and community cohesion (Reardon 2015). This can be achieved with a place-shaping strategy, rather than finding ways to enable long commutes through straightforward transport improvements. Improved air quality, access to public space and green space, mobility and social interaction all contribute to subjective wellbeing (Bache & Reardon 2016).

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 shown 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.

This chapter has addressed well-being from the perspective of the academic literature. In the following section, we present findings from our workshop discussions and interviews with local authority officers, councillors and experts about how place and wellbeing are viewed at the local level.

2. Local perspectives on place and wellbeing

In this chapter we draw on primary research, including interviews and workshops conducted with officers and elected councillors from across local government, to show how place and wellbeing are currently perceived by local policy makers.

2.1 Lens for action?

One of the initial questions we asked our participants was whether the concepts of place and wellbeing are useful in shaping their council's activity.

Several interviewees told us that it is important to have a "lens" for action in local government. An officer from a London Borough said that with these concepts their council 'created a way of bringing different strands, with a theory of change, including economic growth, development and vulnerable people, with data and comms all supporting it.' Another officer stressed the importance of a long term vision, which the idea of place helps to clarify. It encourages balancing income generation and house building, with wellbeing, culture, arts and other outcomes. A senior policy officer said that in their city in the south east "there is a view that culture is important for wellbeing"

Another officer discussed how looking at place enables the council to track in a more holistic way the changes that come about in relation to investment. They told us that 'Society expects so much more than growth for growth's sake' and that through a place-shaping lens the council can achieve many outcomes through something like housing growth: 'everything we do, we seek other benefits too'. An officer from a district council said that 'place-shaping helps us to understand that it's a whole system, a place service, not a service delivery'.

2.2 A role for local government?

Asked whether councils should have a direct role in promoting wellbeing an officer from the South West said "it covers many of the most important outcomes for local people, and is key to social care which represents two thirds of our spend." A councillor from the Midlands said that "wellbeing encompasses all the things a council should be promoting and focuses on"

A councillor from the South East told us that "being the level of government closest to the local areas councils are in a unique position to identify and address wellbeing needs. As has been seen with the services provided to vulnerable residents during this pandemic, local issues needs to be addressed locally, where understanding of the area is focussed local resources can be leveraged to identify and address local needs. We know better than central government where the problems lie."

Others in our survey highlighted some challenges around terms like wellbeing which are loosely defined, and the precise areas of responsibility are not clearly demarcated:

"Wellbeing is a very loose term! Sort of depends what you mean by wellbeing. NHS is our primary health service and should be the main thrust on wellbeing. Councils

are forced into the wellbeing agenda by lack of mental health services, lack of joined up health/social care agenda and a narrow view of health held by the NHS.” (Council officer from a city in the North West).

The councillor from the South East said:

“I suspect not all staff or councillors are particularly aware of the importance and contribution of wellbeing as an agenda item. There is still too much silo behaviour (though it is improving) especially in the government so there is not always the incentive at the sharp end for wellbeing to be prioritised even though the benefits to society, strain on central government resources, importance to employment and growth etc could be significant. It is difficult to quantify and measure... but ‘not everything that can be measured is worth measuring and not everything that is worth measuring can be measured.’ That is the issue we need to overcome if we are to convince those who want to cut our local services or raise charges unreasonably to understand the negatives.”

Others took a similar view. The officer from the North West said “There are multiple understandings of wellbeing, each having staff and elected members who hold that particular understanding.” Another official from the South East raised a challenge around the role of politics and elected members in wellbeing strategies: “I work for an organisation that is highly political and electioneering is the key political priority. There is also member view about what promotes wellbeing that is not supported by evidence.”

2.3 Local context and strategies for coping with growth

One interviewee from a district in the South, described place-shaping as ‘the ying to the yang of economic growth’. It is seen as a means to develop an understanding of and plan for “good growth” in a local area. In areas such as this officer’s there is substantial increase in housing throughout existing towns and villages, with changing demographics, economies, demands on services and expectations of the council. Place shaping is seen as a necessary response to these changes. It helps to ensure that different areas of work are aligned and bring benefits for the local area.

Another officer agreed, arguing that “Society expects so much more than growth for growth’s sake”. Local government can coordinate and encourage investment in local places, which is multifaceted. A place-shaping lens, the official argued, means that councils can build strategic goals into growth plans, such as aiming to create healthy places. Others have similar aims for greater wellbeing or environmental targets around air quality or reducing car use. The head of policy at a city in the South of England said: “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.”

A planning director from a northern city council told us:

“The key driver from government on the planning system over the last 10 years has been quantity of housing. And at the expense, I would suggest, of quality, which is

the root cause of a lot of what we're trying to remedy now. But in trying to increase the quantity of housing [we] spent quite a lot of time market building, building up our city centre, building up our inner cities, in order to get those market values up and transform places so that they're actually viable to deliver."

Two officers said that place-shaping has historically been led by regeneration policy, which actually runs the risk of alienating the local community. The vision for a place should go beyond urban planning, income generation and housebuilding. It should tie these things together with culture, arts and identity. "You have to be ambitious, but can't lose sight of why we're doing it. You have to know the purpose of what you are doing and why you are doing it", they told us.

Structure makes this challenging, the officers said. We need to "make place about people" but at the moment this is not the case. Rather, "wellbeing is seen as very much a health thing, place is driven by engineers and urban planning" in their council.

2.4 Does it shift deprivation?

Our workshop participants raised several 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.

An officer from a south east district said that the area had experienced "huge amount of growth in the last couple of decades" and "we have done some great place-shaping schemes with the benefit of that investment. But if I stand back and I look at it, we haven't shifted the deprivation in the worst wards." There is a link between place-shaping policy and various wellbeing outcomes that it still to be thought through, they argued:

"So I think that the challenge remains: how do you combine place-shaping with wellbeing in a way that actually makes a difference to those who most need it."

There is also a difference between wellbeing measurement, and wellbeing-oriented policy. There are challenges, but crucially also opportunities for local government to bridge the gap between the two. At our seminar, we heard that "the local level really has a fruitful role to play here, linking wellbeing with place and a more co-produced public policy", that would improve wellbeing.

2.5 Do residents want their councils to move into this space?

The role of residents in place-shaping and their support for broader place-based or wellbeing strategies needs to be fully thought through, it was said.

A public health lead from the Midlands told us that "people do want to cycle and walk more, they want the infrastructure, but I don't know where local authorities will get the funding from."

A policy lead from the north west said: “you need to bring residents with you and give residents ownership”, but highlighted that there is a serious challenge here as “the priorities of residents in town don’t match the team’s vision and what is economically viable. The Town Deals model could lead to bigger problems if we can’t live up to expectations or agreements that we’ve made”. Another policy officer told us that “Local authorities have been really bad at allowing residents to place-shape”, another said that they “are probably not that interested in place shaping. People have a strong sense of where they live and they try to influence it.”

One of the issues is the how councils conduct discussions with residents: “We don’t have opportunities for residents to say what they do want, only what they don’t want. We heard that ‘we have to make the agenda relevant, something as huge and strategic as placemaking can become meaningless. Residents are really knowledgeable about their local areas and we need to make these agendas relevant.”

A policy official from a north western town told us that:

“Because of the nature of need in the town, we’re always seen as a council that possibly is quite paternalistic. You know, we do do a lot for people, we’ve obviously tried to move away from that, and that it’s more of an enabler, particularly because of austerity. But the recommendations that were coming back from our climate assembly were all essentially the council should do X, Y, and Z, and there was less of what I’d hoped for, which was a huge groundswell of people who wanted to take this agenda on and sort of help out and play a more fundamental part in that in that process. So I think that although I would argue that trust in local government has been raised on the whole and actually, this is a debate I’ve had with colleagues where they’re not so sure, but I think actually, the public perception of local government has probably improved during this process.”

Developing capacities and mechanisms for improved participation of residents in decision-making must be a foundational principle for a new place settlement.

2.6 Data

Building capacities is important for place shaping strategies, particularly around using data. 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.

At some councils, though, the gathering and presentation of data can take on a more totemic role. It can be used to support the sense of mission and motivation for councils, bringing various strands of activity together around a set of common purposes. 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.

The case studies, included in this report, of the Local Authority Research System, set up by Bradford City Council, and the Social Progress Index in the London Borough of Barking & Dagenham, each demonstrate innovative and exciting approaches to building knowledge and capacity in local government.

3. What has happened to the place and wellbeing agendas?

This chapter discusses how the Covid-19 pandemic, and other events of recent years, have affected the wellbeing and place shaping agendas.

Councils have for a long time recognised the interconnectedness and complexity of many social issues across local places. They have sought to address these issues through partnerships and collaboration, finding ways to build a shared sense of purpose and attempting to prevent problems before they occur. This outlook has become more widespread over the past year and has been recognised beyond the sector. Necessity has driven many councils to become more effective too. The challenge for councils is to make sure that the positive aspects of change from the past year are maintained. This was acknowledged in our workshops, where one participant said:

“There are some fundamental changes going on, that do potentially give us the hope that the next period could represent a period of change. We are certainly working far better with public health than we ever did before.”

3.1 New knowledge and understanding

Covid has brought wellbeing and community aspects to the fore. When asked whether the Covid-19 pandemic has changed priorities around wellbeing for their council some interviewees told us that it is higher on the agenda now. One said that the pandemic has highlighted that 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 told us 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).”

One interviewee said that their council is ambitious to become an enabling authority for the community, supporting the continuity of community level activity. This means thinking about questions like “how does the community lead on the first line of wellbeing? How do we make sure that our facilities and the facilities in the area are affordable? We need to make sure that the community is accessing the green space.” The interviewee said that they have a “specific responsibility to build capacity in this area”, so that they can ensure that some of these positive changes persist.

A director of planning from a northern city told us that Covid and the Grenfell Tower tragedy have both changed significantly the outlook for place shaping in urban areas. Both have raised the prospect that “people are really fearful about living in living at high density.”

The same officer said that “both of those things really difficult in terms of meeting other bits

of the agenda, like climate change and making best use of land and transforming our urban areas, but it's absolutely a key point"

One of the changes over recent years that we were told has increased since the pandemic hit is the recognition within local health services that:

"The answer to some of those fundamental health problems are not about a health solution, they are about a place-shaping solution. They're about getting people active. They're about the housing quality and the potential not just as you say, in terms of the quality of housing, but the spaces, the interaction around that housing."

3.2 Inequalities and vulnerability

One participant, a councillor, told us their council recognises that "inequality is linked to social causes and the wider determinants of health, especially those concerning living and working conditions, such as housing affordability and quality education or environmental quality and the wellbeing strategy has a strong focus on prevention." The council also looks at "what we call structural factors, and how they interlink with a well-being and social capital factors, which also includes crime and safety, fairness, education, regeneration and housing."

An officer in another council said "Covid has led to a different understanding of vulnerability, which has been accepted across parties." This is, they said, a "much broader understanding of vulnerability, including isolation and loneliness beyond whether things meet the statutory threshold." They said "if you asked a lot of authorities a few months ago, what does vulnerability look like, you'd probably get a reasonably social care heavy answer. Now, if you ask the question, you'll get something that feels far more public health based in terms of the wider determinants."

The pandemic has also driven an acceptance that "if we don't address these things we are building up problems for the long term and failing residents." To address these issues does require a joined-up and place-based approach, they argued:

"For the council really to impart that type of change, it does need to be holistic, bringing it all together: economic development supports growth, supports skills, economy, supports mental health. It's bringing all those lenses to bear on that vulnerability."

Inequalities in health were important factors in determining the varied impact of Covid-19 in different places. Rates of deprivation are not evenly distributed and the instances of chronic conditions or the level of behaviours that increase health risks are skewed towards those areas with lower economic opportunities, access to jobs or decent housing. There are long-term structural explanations for this (Marmot 2015).

In their report *Levelling Up Health Prosperity for IPPR North*, Thomas et al (2020) argue that: "Covid-19 has demonstrated that our current approach makes it difficult to put health and wellbeing first, meaning that neither health nor economic outcomes are as good as they could be." They argue that "we should give places the funding they need to make progress, recommending that government 'empower novel approaches to wellbeing

economics locally”, “restore the public health grant” and “establish an ambitious ‘invest to save’ programme”.

A councillor from a London borough said that:

“From my experience what was really difficult was to make the case of going beyond the basics. They’re not just measuring how many people have a roof over their heads, but also measuring how many children have the space to do homework. How many children have access to Wi-Fi? So it’s not just that they’re not technically homeless, but it’s also that they are in an environment where they can thrive. And I think that is really difficult for local authorities to get to that level of data. And it requires some imagination on how you figure out, you know, what’s going on in your borough related to issues like that beyond the basics.”

4. Barriers to implementing place shaping and wellbeing agendas

This chapter reviews the barriers and obstacles to coherently implementing place-shaping and well-being strategies in English local governance.

4.1 Funding

Among the most significant barriers relates to funding. Constrained council budgets remain the most substantial barrier to local authorities' efforts to implement place shaping agendas in their areas. While debates over central government funding of initiatives taken by local councils during the coronavirus pandemic have played out, the lack of a long-term local government finance settlement has continued to cause significant problems in the sector.

The financial strain of the pandemic has only worsened an already dire situation in many local authorities. A year on from the first lockdown, many local authorities have had to rely on reserves to balance their 2020-21 year-end budgets¹. Increased costs related to Covid19, such as the need to deliver new services, growth in demand and the inability to achieve planned savings during the past year, mean that local authorities have forecast £6.9 billion of cost pressures in the 2020-21 financial year. Lockdowns and the closure of businesses to try to prevent the spread of the virus have meant that councils have had to contend with this increase in costs while they have seen a decrease in income. Across the UK, local authorities have reported losses in income related to sales, fees and charges, their commercial assets, council tax and business rates. The substantial business rates (£1.6bn) and council tax (£1.3bn) losses will have a longer impact on council budgets with them only being felt during the next financial year due to the way they are accounted². The 'perfect storm' created by the pandemic has meant that local authorities have very little spare revenue funding to invest in place shaping initiatives.

Even before the pandemic, central government cuts to local authority grant funding since 2010 had an impact on the place shaping and wellbeing agendas that this report is examining. Overall, these funding cuts have been larger in councils that are more reliant on government grants, which typically have higher levels of deprivation³. The New Homes Bonus and the Business Rate Retention pilots are examples of Whitehall policy interventions designed to encourage local authorities to take more active roles in shaping their areas, as they would receive economic benefits from local growth and regeneration projects. However, not all local authorities are well-placed to make the most out of the opportunities that they can bring. Our interviewees told us:

“Council tax is not fit for purpose, a one per cent council tax rise in my borough raises about £700,000. Raising council tax is regressive and doesn't raise much money, it just doesn't work.” (Council leader, northern borough)

“We want to build nice houses so that if a big company comes to the borough, I want their staff to live in the borough and send their kids to schools here. It's my job to

1 <https://www.nao.org.uk/wp-content/uploads/2020/08/Local-government-finance-in-the-pandemic.pdf>

2 *Ibid*

3 <https://ifs.org.uk/research/197>

put the things in place that encourage new people and businesses to move here.”
(Council Leader, northern borough)

While central government has reduced grant funding of local authorities, discreet funding pots have been opened for capital projects. These funding arrangements are for specific projects or policy areas determined by national government priorities. The council officers we spoke to said that this approach by the government led to ‘muddled’ outcomes on the ground. It was felt that different Whitehall departments were almost competing with each other to offer grant funding to local authorities in order to meet their own targets and agendas. This means that these funding pots do not align and are not coherent in their outcomes:

“Our system of government at the moment, as exposed by the pandemic, tries to incentivise very different behaviours depending on what department you’re speaking to. DWP, MHCLP and the Department for Education all have different ways of working.”

“Conflicting demands on local decision-makers by different government departments ultimately lead to incoherent policies on the ground.”

“The most recent Budget shows how real place shaping decisions, small decisions, such as shall we refurbish this high street, shall we open this block of public toilets, decisions which should be taken by local communities, are being taken in Whitehall, which is ludicrous.” (Council officer, south eastern county council)

Senior council officers also expressed concerns about how the shift away from grant funding towards ring-fenced capital projects has created structural problems in local government financing. There was a feeling that certain projects, perhaps more high-profile ones or those with more immediate outcomes, had more money attached to them than others. This means that local priorities are not always viable as they may fall outside the realms of any of the funding opportunities available. Community infrastructure was named as one of the most difficult type of project to fund. At the same time, council officers told us, that it was community infrastructure that was the key to creating well-designed places for people to live. It is community centres, the play spaces and the recreational grounds that excite local residents and buy-in their support for a project, however these are the exact things that are difficult to fund.

The current circumstances which mean that place shaping agendas are often dictated by national government rather than local priorities have meant that local authorities are often acting reactively to create projects and come up with ideas that fit the criteria of the latest funding opportunity, rather than sticking to a consistent and well-thought-out approach. This was particularly the case in areas that are experiencing a lot of housing growth. In these places, it was felt that they had to make the most out of any available funding to mitigate the impact of new housing development, rather than being able to embrace the opportunities that new growth brings and building upon such capital investment to enable both existing communities and new residents to benefit from the development.

“There’s been a lot of focus on growth growth growth driven by government post 2010, economic drivers and infrastructure drivers.”

“We’ve put together a vision for the county, it’s a high-level document that outlines what “good growth” looks like and what we’re trying to get to. This is something for us to cling onto this when we’re pushed into different directions by the demands of whatever individual initiatives are. The shared framework is really important for us to outline what our common purpose is, what is it we’re trying to do here?” (Council officer, south eastern county council)

Long-term funding cuts have had a detrimental impact on the capacity of local authorities to carry-out complex, long-term projects that form the centrepiece of place shaping programmes. Councils often cannot compete with private developers and housing associations who require similar skill sets from their employees.

Job losses and the ongoing problem of how many local authorities are structured means that cross-cutting work is difficult to achieve. Although much has been done by local authorities to respond to the difficult financial circumstances they find themselves in, by becoming more agile and less siloed in their approach to solving problems, many councils still work in a way that makes cross-departmental work difficult to carry out. A council officer told us of how, despite a recent restructure in their council, they were finding it difficult to convince their colleagues to look beyond their narrow policy areas and work with others in different departments to create lasting solutions to problems. This officer told of how, six months on, wellbeing was still seen as a health priority and how place was still driven by engineers. They saw it as their priority to try to help their colleagues “make place about people”.

“The way we are structured in local authorities doesn’t naturally lend itself to bringing the people and place agendas together. Wellbeing functions often sit within public health, anything to do with place is driven by engineers and urban planners.”

“Sometimes it’s hard to make the place agenda relevant to wellbeing.” (Council officer, south eastern borough)

Recommendations

- ▶ Give local government a sustainable funding settlement. This would allow local-decision makers the power and flexibility to spend public money in ways and places that benefit local people and support local place shaping priorities.
- ▶ Local authorities should ensure that restructures and transformation agendas designed to rid their structures of siloed decision-making and approaches are accompanied by proper training and development sessions for staff to ensure that the new ways of working are imbedded within the new structure. New structures are not enough, culture change is also needed.

4.2 Governance

The second obstacle to place-shaping relates to governance. Coupled with the absence of flexible and locally-defined funding opportunities to enable place shaping and wellbeing policies, is the lack of power and authority that local councils have to enact the changes they feel are needed in their own areas.

In the areas of place and wellbeing, councils are very often in an enabling or lobbying position where they are not in control over what other landowners or public bodies do but have the ability to influence decision-making. That means that they are often at the behest of other organisations that may listen to the views of local elected members, but can also choose to ignore them.

There is sometimes frustration in local authorities that they do not have power to force landowners to make better use out of their assets to benefit the community. While this is expected to be a problem with private owners, it is also a problem with other public bodies, such as the NHS who is often very slow to carry out any regeneration activities that not only would better secure its own finances but could also produce other public good, such as affordable housing and community facilities.

Top-down frameworks that are directed by national government and take a place-blind approach to allocating funding, such as the levelling up funds look likely to be, risk exacerbating an already fraught situation where local authorities are expected to take the lead on place shaping agenda but in reality have very little power in order to make change.

Local democracy and the role of local residents

The relationship between residents, the place they live and the local authority is at the heart of successful place shaping agendas. When residents are involved and invested in the shaping of the local areas, they can work with the council and other landowners to create something special. However, this is often not the case in reality.

There seems to be a lack of coherent and consistent approaches by local authorities to engaging residents in their place shaping agendas. This can be linked to a mixed understanding of what local residents want out of these kinds of projects and how interested they are in the places where they live. This is perhaps exacerbated by the reactive approach to these issues, encouraged by the funding arrangements that are available, as outlined above.

Some of the council officers we spoke to believed that local residents were not very interested in shaping the place they lived, but did have a strong affinity and identified with their local areas. Another officer spoke of how residents are very diverse in their approaches to their local areas and it was difficult to achieve a consensus when working with them on place shaping projects. Other officers emphasised the rich knowledge that residents have, often much more than council officers, but spoke of how that channeling local know-how into productive and effective channels remained a challenge. When considering the differing priorities and approaches of other key stakeholders such as local businesses and employers, one can see how much of a minefield engagement with local communities can be.

Trust is also an issue in the relationship between local authorities and their communities. A decade of austerity and service changes and cuts, alongside rising council tax rates, has led to a lack of mutual trust and understanding between people and their local council. Residents sometimes find it hard to believe that their local council is capable of multi-million pound, long-term projects that are meant to transform the place in which they live, when what they see as essential services are not carried out to an adequate level.

However, it seems that the Covid pandemic, the leading role that local authorities have played in the response, and the increased focus on health, has provided an opportunity for local authorities to reset this relationship with their residents.

Council officers spoke of how the past year of restrictions has encouraged residents to use the outdoor spaces on their doorstep. They have a new appreciation for safe and accessible green spaces and infrastructure such as cycle lanes. There is a new enthusiasm for such projects and desire in the local population to do more to encourage outdoor activity. Of course, the problem of how to fund these kinds of capital projects remains. For some local authorities, a refocusing on essential services that the lockdowns provided, has meant that they have been able to clear the backlogs that had previously existed in their services and now they are performing better at providing what residents saw as “the basics” such as waste collection and street cleaning. This, coupled with a new-found respect for essential workers and the work that they do to keep our neighbourhoods clean and safe, has created a groundswell of goodwill towards the council. This provides local authorities with the perfect opportunity to reciprocate this goodwill by enabling residents to take a more active role in shaping their local areas.

“People are walking and cycling more and they say that they want to do more of that in the future...There’s a willingness there...Have expectations been raised about what the council can do? That’s a real risk...I think residents do see the opportunities and I hope they do have faith in the council that we can deliver.” (Council officer, midlands county council)

“Residents have been co-operative with the council because we kept up communication with them...They’re probably sick of seeing the Leader of the Council...Having this kind of communication keeps residents up to date. They know the expectations and what they should do. Our bin crew used to have such a bad reputation, but throughout covid and the lockdown, we’ve had the opportunity to clear the area and provide the right level of service. We’ve had such positive feedback on social media on the bin crews. People have praised their work.” (Councillor, London Borough)

In order to achieve this, local authorities should seek ways to bring the gaps in understanding and trust that have opened up between themselves and their communities. A shared understanding between the local authority and residents about what needs to change, what the outcomes any agreed projects needs to have, and what financial opportunities exist to achieve these agreed outcomes should be the basis of any large place shaping projects.

We are under no illusions that any of these are easy to achieve, especially with the backdrop of cuts to funding and capacity that have defined the past decade of local

authority finances. However, the rebuilding after the pandemic provides an opportunity to have frank and honest, but also inspiring and exciting conversations with interested residents about what their local areas can and should look like.

Recommendations

- ▶ Local authorities should be honest with their residents about the financial constraints that local government is under. This is not to prevent residents from campaigning for change, but so that they are aware of what isn't possible and what opportunities exist. This can be achieved by the local authority hosting conversations with their residents to discuss priorities during the budget-setting process or by carrying out commissions-style activities.

4.3 The role of elected members

The third obstacle concerns the role of elected members. Local councillors should have the capacity and ability to act as enablers of these new, or rekindling, relationships between residents and local authorities. Their roles allow them to act as ambassadors of the local authority and advocates for long-standing and new communities in the area.

It was clear from the workshops and interviews that we carried out that there are local councillors across the country who are passionate about shaping their areas and improving the wellbeing of their residents and are guided by these principles in everything they do. However, we also heard evidence of a mixed picture across the country and at different tiers of local government. Some council officers were not wholly confident that their respective Members, backbenchers and Cabinet Members, had bought in and understood the place shaping and wellbeing approaches that the council had adopted. These disjunctures are often caused by an ongoing siloed thinking amongst Members, a lack of understanding of the societal problems across the whole district and differing approaches to evidence-based decision making.

While transformation programmes over the last decades have altered some council staff structures in unrecognisable ways, these changes have not always been accompanied by changes in approach on the political side of local authorities. Lead Member portfolios are often traditional in their remits and do not match the cross-departmental working of many service areas. This has a two-fold effect: Members are not always able to keep effective democratic check on the work that is being done across different departments of the council, and often council officers are not given the political steer and cover they need on projects.

Backbench councillors are often even further away from the day-to-day work that is done by the local authority which is exacerbated by their, understandable, focus on their own wards. Well-thought through and up-to-date member development programmes are needed to facilitate the two-way dialogue between Members and officers that can spark ideas and act as the building block of projects that transform areas.

“A massive education piece is needed to be done with backbenchers. The council needs to be better at taking members with us at crucial times, especially in the run up

to an election.” (Council officer, south eastern borough)

Local councillors come into public service from a wide range of backgrounds. They also bring with them different life experiences and beliefs. While diversity in local government is a strength which should be developed and further encouraged, the lack of any formal training or qualifications needed to become an elected member means that there is often not a shared understanding of the problems that residents in the authority face. Members often disagree amongst themselves on what ‘wellbeing’ as a concept means and what ‘living well’ looks like. There is also a lack of shared understanding between Members and officers on what evidence-based decision making is and what should count as evidence. Local councillors are often at the heart of their communities and are so interested and embedded in the lives and experiences of the residents in the wards that they represent that they often are not able to look beyond the details and into the bigger picture of what is going in their areas.

“An email from a resident is evidence to a local councillor.” (Workshop participant)

“Inequality has been a very helpful, increasingly apolitical, hook that we can come together on...it’s not a political issue that some people have worse health outcomes than others, we can show that information on a graph...you can’t argue with figures on different life expectancy predictions.” (Council officer, south east county council)

Recommendations

- ▶ Engaging and motivating member development programmes should be created to ensure that all members have a good understanding of the challenges and opportunities that exist in their areas.
- ▶ Members should be encouraged to take active roles in decision-making and scrutiny of issues related to wellbeing and place shaping.
- ▶ Different local authorities should use recourses available to them to share understanding and ideas between their members, using visits to different areas and ‘exchanges’ to spark new ideas.

4.4 Data and understanding

The fourth obstacle to place-shaping concerns data and knowledge. Evidence based decision-making is key to ensuring that limited public funds are used effectively to enhance the wellbeing of residents in any given area. Most local authorities are likely to be collecting data on the factors that contribute to wellbeing. However, in many cases this data will not solely be collected to measure wellbeing but will be part of a much larger data collection experience to plan and track the progress of local plans and strategies. Very few local authorities are already collecting wellbeing data solely to drive an agenda about wellbeing.

While there is no use in collecting data for the sake of it, or for adding additional burdens onto a shrinking and often over-stretched workforce, it is important for local authorities to

understand the challenges that exist in their local communities. This is particularly important in areas of diversity along socioeconomic and ethnic lines, as different communities may well have different needs. They may also be pockets of deprivation within areas of overall wealth, that need to be acknowledged and understood. Good evidence and data have a big role in helping all decision-makers understand problems and are of paramount importance ensuring a coherent approach across political and officer groups.

Recommendations

- ▶ Local authorities should dedicate some resource to gathering and understanding local data. They should make this accessible to the public and to members on the council website.

Case studies

Despite major obstacles to effective place-shaping, we have identified important examples of best practice around the country. In this section, we outline a series of case studies that demonstrate some of the local innovation in place-based policy and wellbeing strategies.

Social Progress Index – Barking and Dagenham

Barking and Dagenham Council's [Social Progress Index 2018](#) is an interesting endeavour that aims to track how life is improving for residents, through 52 indicators at ward level including: nutrition and basic medical care; access to basic knowledge; environmental quality; inclusiveness and more. It aims to monitor the experiences of people living in the area, help to understand those experiences, and implement the policies to try and change those experiences for the better

It does not measure individual wellbeing as defined previously or as established nationally - there are no subjective indicators. Instead it uses data readily available and suitable to be tracked over time. The [methodology](#) explains the detail of this comprehensive framework, which is focussed on social indicators rather than economic and could therefore be viewed as an attempt to measure community wellbeing - "The Index presents a granular, actionable picture of what matters most to people regardless of their wealth". Also importantly the Index is described as being an outcome index, measuring "the lived experience of real people, regardless of effort spent or the capacity to impart change."

Social progress is defined in terms of basic human needs being met and that the foundations of wellbeing are available e.g. whether a society offers building blocks for citizens to improve their lives; and opportunity - whether citizens have the freedom and opportunity to make their own choices. These are akin to the conditions available for individuals and communities to "flourish and fulfil their potential" described in the definitions of community wellbeing.

The ambitions of the Index can be seen in Barking and Dagenham Council's [health and wellbeing strategy \(2019-2023\)](#), which places a significant focus on wellbeing. The components of the strategy focus on are 'best start in life', 'early diagnosis and intervention' and 'building resilience' – the aim of this latter theme is to "enable our residents to not just survive, but to thrive across the life course", illustrated by a visualisation of how they see this working across individuals, family and community and how this connects with wellbeing, social capital and what they call structural factors (employment, education, housing, community, health, crime and safety, the environment, arts and culture, fairness).

The Social Progress Index certainly has a noble background and imperative and is a solid example of how community wellbeing data could be measured. The methodology does outline some of the challenges in putting the index together - much of the data is complex to track over the years and some key indicators are unavailable at ward level.

A Local Authority Research System – Bradford City Council

The National Institute for Health Research (NIHR) Public Health Research Programme funded a number of scoping projects in 2020 to understand what would be needed to develop a local authority research system. One of these was undertaken by Bradford Institute for Health Research and Bradford Metropolitan District Council to propose the development of a Local Authority Research System (LARS) for Bradford.

A LARS is a way to provide the infrastructure and culture needed for local authorities to become research active so that decisions to improve the health and wellbeing of their residents is based on good evidence. Many health conditions such as obesity and diabetes are determined by the social, environmental and economic aspects of people's lives. Local government, with its influence of education, housing, air quality and other issues, can play a key role in improving these wider determinants of health. Research and evidence can help local authorities make the best decisions for their communities and to use their resources in the most effective way, but local authorities lack the research infrastructure, investment and culture to be research active.

A LARS would help start to develop a system that could facilitate and sustain a culture of evidence-informed decision making at the local level. Making this happen requires some understanding of local authorities engagement with research so far, what potential there may be for facilitating more knowledge sharing and what barriers exist to building better relationships and collaboration between universities and NHS organisations and local authorities so that all local partners work together to tackle wider determinants of poor health. Bradford's scoping project has provided this understanding and presents a model to develop and deliver a LARS for the city.

More information about the final outcome of the LARS project is [available here](#).

The Borderlands Partnership

The Borderlands Inclusive Growth Deal is a £452m, 10 year investment programme for the Borderlands area, covering Cumbria, Carlisle, Northumberland, Scottish Borders and Dumfries and Galloway. It is the largest growth deal by geographical area and is being jointly funded by the UK Government, the Scottish Government and local authorities.

The Deal was developed by the Borderlands Partnership and is embedded in the place of the Borderlands, with the aim to achieve economic growth that benefits the local communities and makes the most of the local natural environment. The growth deal signed this year is a package of measures designed to implement high profile place-based projects and region-wide investment programmes which are specially designed to support the nature of the area.

The deal has four strategic aims:

- Improving places (£127.5m allocated)
- Enabling infrastructure (£112.2m)

- Encouraging green growth (£56.3m)
- Supporting business, innovation and skills (£54m)

The Partnership has agreed a shared mission statement which emphasises the need for growth as well as an inclusive economy. It wants to attract new residents and visitors to the natural environment while also delivering local jobs and improvements to digital connectivity in rural areas. The Partnership hopes to generate £1.1 billion in additional funds for the UK economy.

The Partnership not only recognises the diverse needs of the areas which it covers; town centres and rural regions, but embraces this heterogeneity. There will be distinct investment to invigorate town centres through the dedicated Place Programme, and rural innovation and skills projects which are designed to encourage new technology in agriculture. These sit alongside plans to support new and improved business units to enable growth in the local economy.

It is too early to say whether the Borderlands Partnership will be successful in its investment in the region, but the ambitions outlined in the growth deal show vision for the area and understanding of the diverse needs of existing and new communities.

Redbridge Growth Commission

The London Borough of Redbridge set up a Growth Commission to have conversations with local residents, businesses and other stakeholders about the future of the borough's built environment. The Commission began its work on the back of a 25 per cent increase in the borough's house building targets in the London Plan, the Covid-19 pandemic, the council passing a Climate Change Emergency motion and Brexit.

The independent body, made up of experts with extensive experience of local government, design, community building and youth work, led conversations with those who have a direct stake in the borough's growth to listen, learn and challenge the council to think differently about how it can 'do growth better'.

After this listening exercise, the Commission set out a number of recommendations to support growth in the borough. These were categorised into underlying principles, objectives for Redbridge Council and seven further recommendations to ensure that growth is sustainable.

Underlying Principles:

- Taking a neighbourhood-based approach
- Building future local economies
- Enabling free and sustainable development
- Objectives for London Borough of Redbridge Organisational Culture and Practice:

- Participatory approaches
- A culture of learning and experimentation
- Clear and transparent communication with residents
- Ongoing renewal of information, insight, strategies and politics

Commissioners' recommendations:

1. Outline a clear vision for good and sustainable growth that goes beyond the Borough Plan
2. Place the green agenda at the heart of growth
3. Provide opportunities for community collaboration, connection and leadership that reflects and is enriched by diverse communities
4. Invest in a borough-wide network of participatory activity to shape and drive good growth and high quality design
5. Open up use of small sites, using land as a platform for equitable growth to pioneer community led/built homes, community buildings, growing sites and pocket parks
6. Create a cross-borough, neighbourhood level of excellent learning, skills and job opportunities that support the growth agenda
7. Create a network of micro-manufacturing, enterprise and artist spaces to drive community-led businesses and economic activity

While the Growth Commission made recommendations that are specific to the context and opportunities that exist in Redbridge, it offers an example of how local authorities can begin to have conversations with their residents about place, growth and the future of their neighbourhoods.

Tees Valley Combined Authority and Tees Valley Local Enterprise Partnership

The Strategic Economic Plan (SEP) developed by the combined authority and the local enterprise partnership is designed to create 25,000 jobs in the region and add £2.8bn to the local economy by 2026.

This ambitious programme is built upon a commitment to creating a low-carbon, high-value, diverse and inclusive economy which is hoped will turn the region into an example of the circular economy in England.

The foundation of the SEP is an understanding of the Tees Valley as a place. Both the strengths and weaknesses of the local economy guide where future investment will be made. The Plan includes ambitions to support burgeoning industries and intends to unlock

future growth by better connecting the region through transport infrastructure, creating a workforce fit for purpose and nurturing a business environment that supports the already high-level of new business start up rates.

Place is one of six strategic priorities that make up the overall Plan. There are ambitions to make Tees Valley a place where:

- People want to live, work and play
- Health and wellbeing flourishes
- Businesses want to invest

Under this priority, there are plans to build new homes across the market and tenure type, including good quality affordable homes and privately-rented properties. Town centre renewal is also highlighted and is backed by investment in new commercial properties by the Tees Valley Patient Capital Investment Fund.

Transport and Infrastructure are another priority, with movement of people and freight seen as essential to the success of the economic development of the region. There are plans to build new platforms at Darlington rail station, add strategic road crossings of the River Tees and upgrade various strategic dual carriageways across the area.

Culture is viewed by the SEP as important in shaping the quality of Tees Valley as a place; integral to creating places that attract and retain businesses and people, including tourists.

Conclusion

Place is demonstrably crucial for post-pandemic recovery. 'Place-blind' policies often fail to achieve their outcomes. Successive governments have sought to integrate place into their policy approaches, but there is a growing belief that progress is stalling. The current government has an understanding of place exclusively focused on 'levelling-up'. It sees 'place' as a more electorally salient approach to redistributing resources that is concerned with capital spending on physical infrastructure. Decentralisation of power throughout England has clearly taken a back seat

Yet effective place-shaping has to be driven primarily by communities and citizens. Place-shaping without effective political devolution is a contradiction. To make further progress, future governments will need to commit to a sustained programme of decentralisation, which includes a viable funding model for local government and tools to tackle the most prominent crises of social care, housing and rebuilding from the pandemic.

The experience of the Covid-19 should be a wake-up call that we need a new settlement to rebalance power around place. As we begin to build back following the pandemic we have an opportunity for radical change. We should take it.

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Authors:

Andrew Walker, LGIU

Farah Hussain, QMUL and

Patrick Diamond, QMUL

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LGIU

251 Pentonville Road
London N1 9NG
lgiu.org | info@lgiu.org | 020 7554 2800

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