



APPG Wellbeing Economics meeting

Friday 24th May 2019, 10am – 11:00am, Committee room 2

Report Launch: “A Spending Review to Increase Wellbeing: An open letter to the Chancellor”

Minutes

Welcome and introduction from Chris Ruane, MP (CR): Welcomed meeting participants to the launch of the report “A Spending Review to Increase Wellbeing: An open letter to the chancellor”. He thanked the team responsible for the report: Richard Layard who introduced IAPT in 2008 and author of Happiness: Lessons from a new science and Origins of Happiness, and Gus O’Donnell, who after his civil service career, has been devoting much of his time and expertise to the area of wellbeing economics.

Relevance of this beyond the UK: Yanis Varoufakis (Greece) has recently said that we need an alternative narrative or vision – to immigration and hate, which has the environment at it’s heart. Wellbeing can add to this vision too. In New Zealand and Mexico governments are getting elected on the back of wellbeing agendas.

Wellbeing challenges: WHO have stated that by 2030 depression will be the biggest health burden on the planet. Our main recourse is antidepressants. But we need to treat the causes not just the symptoms. 85% prisoners have mental health issues, suicide of the young has increased. Our society has become more atomised and individualised – loss of a sense of community.

Progress and opportunities: We now have in the UK a Minister for loneliness and suicide. But this is looking at the wrong end of the telescope. We should have a minister for human flourishing. This report makes some excellent recommendations will be put forward to HMT, departments and parties to see if they will take these ideas forward. Thanks to the What Works Centre for Wellbeing for their support to the project. Set up in 2014, they have made progress on the science of wellbeing, but it is all our responsibility to convert this into practice.

Lord Gus O’Donnell (GO): David Cameron started the process of the ONS asking people what mattered. This got us to the ONS4, where we have established indicators for personal wellbeing. He also launched the Nudge unit (BIT). Now spreading around the world. But wellbeing appreciation as the overarching goal should have preceded behavioural insights work, so that we can be sure this is what we are nudging people towards. Lots more governments engaging on this, around the world. Learning a lot from data and analysis on what works. Eg National Citizens service.

Opportunity: There will potentially be a new PM by Sept. Obviously there will be a lot of attention on Brexit. But there’s more to it in terms of defining a vision for the future. The SR is likely to be delayed – so this report becomes an open letter to the PM.

This report: Lays out what a spending review (SR) would look like that really cares about the quality of life of people. Often SR are dominated by Prime Minister’s (PM) favourites. Trying to bring science in is hard. Osborne made progress bringing science into capital spending – but this was limited. This report tried to bring in the evidence to inform spending decisions.

Report has very practical ideas. It’s not comprehensive. But taking these ideas would give a fantastic legacy – turning the data into evidence to make policies that enhance wellbeing and reduce



inequalities of wellbeing. The focus on mental health is because the bottom 1% of people in terms of wellbeing are often also affected by mental health.

Lord Richard Layard (RL): Government should compare the impact of different things that can be done with public money – based on the biggest difference this makes to how people feel about their lives. This gives us a different set of priorities compared with what we see right now. This is also in the government’s own interests – as whether a government gets elected is determined by satisfaction more than economic outcomes.

Report: Identifies four main policy priorities

- **Mental Health:** Since 2000, it’s been one of three priorities of the NHS, yet share of spending has not changed. Propose separate budget for mental health. The volume of resources for mental health should increase twice as fast as for physical health
- **Children:** Wellbeing should be a priority for every school. We should be measuring their wellbeing, and teach children life skills, which means training thousands of teachers in wellbeing and mental health. Using eg. Healthy Minds evidence.
- **After school:** Young people should feel wanted by society and have something to contribute. We have neglected the skills of people that don’t go to University. Need an expansion of apprentices and further education, providing a clear route up the vocational channel that’s as clear as the academic channel.
- **Social connections:** Loneliness a massive problem. Made it much worse by cutting services like community centres and youth clubs. This needs a lot of money.
- The report proposes a programme of £10bil of spending plus reassignment of NHS money – would be affordable.

Baroness Claire Tyler (CT): This APPG brings together a lot of the issues– mental health, social mobility, children and family relationships, poverty and inequality. We need overarching concepts and themes like wellbeing to get this taken seriously.

Context: Current dissatisfaction with the political system and the way decisions are made. Social cohesion in tatters. Decline of living standards, austerity, mental health and social care. But also strong feeling there must be a better way – that’s not piecemeal. We need to have a coherent approach to supporting vulnerable people at an uncertain time.

As a letter to the new prime Minister, this is about promoting wellbeing and tackling inequalities in wellbeing. It’s the inequalities that are the biggest social unfairnesses. Of course material deprivation are hugely important – but alongside it, other wellbeing issues are hugely important. Just like social mobility – where you start in life determines where you end up. Same for wellbeing, where the chance of improving wellbeing if starting from a low level, are pretty low.

Spending Review: The way the HMT looks at issues and the SR is conducted is very important for long term and preventative action. Money going into prevention is currently really small. Public health budgets declining really badly. For young people – their sense of wellbeing has declined by 10%. They are our future – so hugely important that we reverse that bias in the SR against early action. We also need to link what we say here to other dynamics, eg. The IFS new study on inequalities – and the society we want to be a part of. Link to the good life.



Discussion

Q: Saskia Perriard-Abdoh, British Psychological society: Where did the cost estimates come from?

RL: Follow up discussion to exchange the notes on the calculations

Q: Nancy Hey, What Works Centre for Wellbeing: what should we be aiming for in SR for working lives?

GO: Importance of the work chapter – so that employers get the message. The private sector are getting this – that it's in their interest. The role of government is to help and promote this. Not necessarily going to cost money. Define what they expect good employers to look like.

We know from Richard's work the importance of having jobs – creating meaning and purpose. But also security. We need policy to cope with changing nature of work – to ensure work and wellbeing agendas are aligned, through approaches to flexible working, childcare etc and encouraging employers who are trying to make the workplace better for women, disabilities. Identify how policies can get in the way/enhance a positive approach. Improve the wellbeing of workers and in turn that improves outcomes of companies.

CR: Mindfulness initiative important in the workplace, with many large employers spreading best practice in the workforce: e.g., EY HSBC, Google, Jaguar

CT: Govt needs to get the message across about the relationship between employee productivity and wellbeing. But also address the trend of younger people facing longer working life and the changes in the labour market. The ability of people to feel they can retrain to allow them to still have a productive working life, when inevitably the nature of their work will change,

CR: Child born today may live to 100, at the same time that AI will reduce jobs – what will we do with that extra time?

GO: Earlier in the week, Andy Haldane gave a lecture on the 4th industrial revolution and it's implications for time use and volunteering. Increased importance of the charity sector in a world where we are working less – volunteering, helping other enhances wellbeing and social capital.

Q: John de Pury – Universities UK: How to encourage the public sector (for example Universities, NHS) to use a new paradigm for success – where wellbeing is an outcome – eg. For Universities where wellbeing of graduates is more important than their future earning power?

RL: Start by asking people about their wellbeing first in every survey – as the most interesting outcome. Publish these results. A huge amount that can be achieved by measurement and raising awareness.

GO: In hospitals – use of targets. Go beyond #doctors/nurses...instead enhance wellbeing of patients. Ideally no one goes near a hospital – and if they have to, you think about their wellbeing, importance of food for example. State of fitness when someone goes into hospital bigger determinants of successful outcome of operation, than the process and aftercare. Ofsted have an important role in setting targets.

CT: Agree with Richard on measurement and publishing. Then people choose Universities taking that into account – as well as subject/facilities.



Really important reason for focussing on further education in this report. The resources and help for non – university young people is so unequal – compared to academic route. Need to equip young people with the skills they need to compete in the workforce.

John de Pury: at local level – FE works closely with HE, more integrated.

Q. Gedminte Mikulenaite, Universities UK: What about 0-5 year olds – pre school, what matters to them and what can be done. Is there potential for nudging?

CR: We know our pathways set before we are 2 and that 50% of what we learn, we learn before we are 5. There was some progress on this with Sure Start investment under labour, under invested in now.

RL: For cognitive outcomes, the emphasis on interventions ‘Play must be teacher led’ may be unhelpful. Opposite from Scandinavian countries. Early intervention is important on the emotional side, but less so for cognitive outcomes.

CT: Would like to see early years education hubs and children’s centres re-established. What happens between 0-3 hugely dictates what happens afterwards. Money not invested in children’s social care – dire state. Child social workers focus on sever cases of neglect and abuse. As opposed to working with the whole family at the point that they are struggling. Importance of supporting parents.

Q: Alex Tylee, Scouts: What is the role of youth organisations?

CT: Youth services include scouts and others – huge need to invest in those, so people are able to flourish. Link explicitly to wellbeing and social action, volunteering – lots that could be done that’s mutually beneficial.

CR: Schools can coordinate with groups to provide visibility and access on what’s on offer. Crime comes down. Volunteering goes up etc. Not enough coordination on this.

GO: Former Scout: Can the scout movement say what their impact is? Charitable sector needs to be able to give hard evidence to impact. This is the kind of work that Pro Bono do for the charity sector.

Q: Amy Finch, Spirit of 2012: In asking all their grantees to report on wellbeing, what could be the risk of unintended consequences...perverse incentives. Examples?

NH: Counter imitative results, as anxiety levels can increase with a programme, even where it’s beneficial for long run happiness and wellbeing. For children’s wellbeing – if it’s measured by schools, important that its not just seen as the school’s job. Where people you are working with report consistently low level of wellbeing, that can also be helpful to demonstrate that you have identified the right people to work with.

RL: How you use these measures matters. Should not develop targets that are a source of fear.

Susannah Behr, Probono Economics: Importance of working with What Works Centre for Wellbeing to ensure the measurements being used are standardised – so the evidence on what’s working is meaningful. Struck by how important wellbeing mobility is, with respect to working with the hardest to reach

Close.