

APPG Wellbeing Economics meeting 24th June 2020. 2-3pm, Zoom virtual meeting:

“Levelling up wellbeing”

Chair, Jon Cruddas, MP

Parliamentarians in attendance:

Lord Richard Layard (Vice Chair)

Lord Gus O’Donnell (Vice Chair)

Baroness Claire Tyler (Vice Chair)

Baroness Ruth Lister

1. Welcome, introduction

The Chair welcomed APPG members and attendees and provided background on the APPG.

The APPG on Wellbeing Economics seeks to engage parliamentary members of both houses in discussion on how wellbeing evidence and science can be used to inform the vision and policies for the UK to improve people’s lives. This meeting explored how wellbeing can inform the levelling up agenda, policies and investments in the UK.

2. Introduction to “Levelling up wellbeing”

Wellbeing evidence shows that people’s outcomes vary considerably across the UK. The levelling up agenda seeks to directly recognize the role of place, and make investments in places in order to equal opportunities and reduce inequalities. Currently, this is largely based on identifying the differences between places from an economic growth perspective. The levelling up fund places local authorities into one of three categories, based on measures for unemployment, productivity, skills, journey times to employment centres and property vacancies. It will spend money predominantly on local infrastructure projects.

This meeting looked at the data on place-based differences in terms of wellbeing outcomes. We considered what it would mean to identify and invest in places with low wellbeing and address the place-based determinants of wellbeing that matter most to people. Putting the economic factors alongside, this would lead to a focus on health, social and environment factors.

3. Speakers

The Chair encouraged participants to introduce themselves in the chat box, and to post comments and questions for speakers.

The Chair introduced **Dr. Maria Cotofan**, Centre for Economic Performance, LSE. Maria is a Research Economist at the Centre for Economic Performance, working in the Wellbeing group alongside APPG member Lord Richard Layard. She is an applied microeconomist with

an interest in wellbeing, behavioural economics, and labour economics. Dr Cotofan shared slides [[available to download](#)] and presented on her analysis of the UK's subjective wellbeing data collected through the Office for National Statistics (ONS) Annual Population Survey.

- There is currently a large interest in inequality both across people and across areas. Despite a lot of attention being paid to income inequality, there is relatively little information on wellbeing inequality. How large is the spatial inequality of wellbeing across the UK? How do these differences impact people's behaviour?
- According to the ONS, life satisfaction has been slowly rising across the United Kingdom in recent years. However, there is substantial variation in average wellbeing between local areas.
- Using the Annual Population Survey (2011-2019), Maria's research created a ranking of 305 Local Authority Districts according to their levels of wellbeing: average Life Satisfaction (measured on an 11-point scale) and the share of people who experience low levels of wellbeing (Life satisfaction of 6 or less).
- This was then compared to rankings based on standard economic indicators: the unemployment rate, the Index of Multiple Deprivation, the hourly earnings.
- Main findings: (1) Life Satisfaction is predicted well by Unemployment and by the Index of Multiple Deprivation, but not by Earnings. (2) Conservative votes are more likely to come from areas with more satisfied people, with low unemployment, and which are less deprived. In the most recent election areas with low earners were also more likely to vote Conservative. (3) Economic factors have become weaker over time at predicting voting patterns; Life Satisfaction has a larger explanatory power.

The Chair introduced **Dr. Matthew Agarwala**, Bennett Institute for Public Policy, Cambridge University. Matthew is an environmental economist interested in wealth-based approaches to measuring and delivering sustainable development. He joined the Bennett Institute's wealth economy project at Cambridge University to transform economic measurement to better reflect sustainability, inequality, and human wellbeing. He currently leads the quantitative research that is part of the Many Dimensions of Wellbeing research project, in partnership with the What Works Centre for Wellbeing. Dr Agarwala shared slides [[available to download](#)] and presented on 'Education and Wellbeing: Scales and Tails'.

- Much wellbeing research focuses on one specific scale or level: individual, organisation or community. This research explores the spill-over from one scale to the next.
- There is often also a focus in research on aggregate wellbeing e.g. wellbeing & income, international comparisons, national trends over time. There is very little research on subnational variation. It is important to 'get off the mean' and 'focus on the tails of the distribution'.
- Using the Community Life Survey (2012-2017), Matthew's research split the cohort into two groups: low wellbeing (Life Satisfaction less than 5), high wellbeing (Life Satisfaction more than 8), and explored the impact of education (degree or not) on life satisfaction, controlling for age, marital status, meeting with friends, self-reported health, year and mode of data collection/interview.

- Consistent with previous literature, he found a modest but statistically significant positive impact of education on life satisfaction.
- However, the strength of the result differed across the low-high subjective wellbeing gradient, in that it was found to be more important for those with low subjective wellbeing.

The Chair introduced **Matt Leach**, Chief Executive, Local Trust, the organisation established to deliver the National Lottery Community Fund project Big Local. Matt was formerly CEO of HACT, the social housing sector's ideas and innovation agency and has also led start up work on the London Thames Gateway Development Corporation and held a range of senior roles at DCLG and the Cabinet Office. Matt presented on the importance of social infrastructure: how communities work together, collaborate and achieve change.

- Social infrastructure can be described as *places to meet*: whether pubs, churches or community centres; *active community organisations*: the micro-charities, community associations and other groups that engage and bring people together; and *connections to other places*.
- These are the building blocks of social capital, the bonding capital that links us together; and bridging capital, the ability to access ideas, resources and support from elsewhere.
- Local Trust has researched social outcomes in communities receiving funding and found that where elements of social infrastructure were absent, not only was it harder work and took longer to make progress, but, also, that, in many of those communities, social outcomes seemed to be significantly worse than expected, even allowing for relative levels of deprivation.
- During COVID many of these communities with low social infrastructure, were places that topped the Red Cross' COVID vulnerability index. They saw 70% less mutual aid activity and received 65% less grant funding to support them through the crisis than comparable areas in relation to deprivation, but with greater social infrastructure.
- For many of these areas, when a major employer moved out, there was a safety net – a welfare system to keep people from absolute poverty and social care to support them in some of the challenges they faced. But - arguably - there wasn't sufficient attention paid to the need to address the social structures that disappeared: the shared work places, the trade unions, the assembly rooms and clubs, the other shared assets that constituted community.
- At the heart of level up wellbeing must be rebuilding social infrastructure. This should be an integral element of regional economic regeneration and addressing town centre performance. It needs a focus at the hyper local, neighbourhood level.
- The activities community groups 'do' appear less important than what they facilitate in terms of building community identity, strengthening interconnectedness and collective self-efficacy, building trust, familiarity and relationships with one another.
- Levelling up Wellbeing requires prioritisation and investment in rebuilding social infrastructure. Each community and neighbourhood should have a high quality, well-curated place to meet, with embedded civic institutions.
- The wellbeing benefits of social infrastructure should be explicit, costed and set alongside more traditional economic cost benefit analysis.

The Chair introduced **Si Chun Lam**, Insight Development Manager at Coventry City Council. Si Chun is the insight lead on Covid, City of Culture and green recovery. Si Chun shared slides [[available to download](#)] and presented on Levelling up Coventry by understanding wellbeing.

- The Insight Team works with a range of local partners including NHS organisations and local universities in Coventry and Warwick, on their mission to become ‘globally connected, and locally committed’.
- The Coventry Household survey provides crucial insight for decision makers, front-line officers and service commissioners/providers to make evidence informed decisions that make life better for residents.
- It is a survey of 1% of the city’s population: a sample size of 4,000. The sample is boosted to provide results at a local level (LSOA), and for age, gender and ethnicity.
- Person subjective wellbeing is measured using the Shorter Warwick-Edinburgh Mental Wellbeing Scale (SWEMWBS).
- Household survey data is combined with national data sets to power a city-wide data hub
- The City of Culture 2021 programme has provided additional impetus to develop insight on the cultural profile of neighbourhoods, investment in communities and a blended approach to culture, heritage, health and wellbeing.

The Chair thanked speakers and invited parliamentarians to ask questions or comment.

- Baroness Claire Tyler thanked the speakers for their excellent presentations, and the team from the What Works Centre for Wellbeing for organising the meeting. She asked if slides would be made available. The Chair confirmed that slides would be posted alongside minutes of the meeting on the APPG website <https://wellbeingeconomics.co.uk>
- The Chair asked the panel if there were local areas/regions in the UK that a wellbeing approach would flag as priorities for investment, that would not necessarily be prioritised with a purely economic approach? In response, Maria replied that understanding more about areas with low wellbeing, and using a wellbeing cost benefit analysis would be informative for policy makers.
- Lord Gus O’Donnell observed that, given the relationship between life satisfaction and patterns of voting, it was perhaps surprising that more politicians weren’t demanding more of a focus on personal subjective wellbeing. He shared HM Treasury plans for a [Green Book update](#), due later this summer, that will provide additional practice examples of calculating wellbeing benefit/wellbeing economics. He welcomed the profile that wellbeing was receiving internationally, noting developments in Canada and the USA, where the Biden administration was actively reviewing wellbeing evidence.
- Baroness Lister asked speakers to reflect on wellbeing inequalities for gender and age. In response, social infrastructure was described as the places that enable relationships and interactions to cut across groups and characteristics, that are

inclusive of different people and build a shared social fabric, for example in schools, or sports clubs, rather than to deliver explicitly for a particular group.

The Chair addressed attendees' questions, and in response, the following points were made.

- In response to a question on what sort of investment and what scale of investment would be necessary to achieve the sort of social infrastructure that will deliver marked improvements to wellbeing in the parts of the UK that have seen most decline, Matt Leach respond that funding for places where communities could meet, and institutions that bring people together was a priority. Matthew Agarwala drew the meeting's attention to a report from Isabel Sawhill, The Brookings Institution <https://www.brookings.edu/research/social-capital-why-we-need-it-and-how-we-can-create-more-of-it/>
- In response to a question on how to most effectively make the case for investment in communities, Matthew Agarwala commented that the Bennett Institute for Public Policy's report [Townscapes: The Value of Social Infrastructure](#), demonstrates a link between social infrastructure and local job creation, which could be a strong level for investment.
- In response to a question on how data on wellbeing and wellbeing inequalities at the local level informs policy and programming and what kind of national funds or policies would support councils to do this more explicitly and with greater resources, Si Chun Lam commented that despite a long time series of wellbeing data, the City was still at an early stage with this. Wellbeing data and insight has been used to shape and deliver core infrastructure in different ways, focusing on building connections and tackling inequality. Their work as a Marmot City has shaped town centre developments to include spaces where parks, shopping and play areas were integrated.
- Work on [Wellbeing Inequality](#) from the What Works Centre for Wellbeing (2017) articulated the drivers of wellbeing inequality and showed how public realm design that increased accessibility and social connectedness had a disproportionate positive impact for those with low wellbeing.

4. Summary and Next steps

The Chair informed the APPG that:

- The minutes from this meeting would be available on the Wellbeing Economics APPG website in the coming weeks.
- The next meeting of the APPG will be held in Autumn. If you are interested in attending this event, please contact the secretariat and they will add you to the invitation list.
- This would be the last meeting for Deborah Hardoon, What Works Centre for Wellbeing, who has provided the secretariat for the last 3 years. He wished Deborah well in her new role.