



August & September 2018 Monitoring Report

Introduction

Recent monitoring reports have looked at the implications of government decisions about the role of well-being in public policy. This report builds on those earlier reports, considers current practice in England and Wales in particular (based on our recent study trip meetings with a wide range of councils, think tanks, practitioners and others), and **highlights the opportunities** the new emphasis on well-being will bring for local government, **especially for the three think tank councils.**

Successive sections:

- Provide a recap of recent reports.
- Look at what is happening with the development of well-being policy and practice in both Wales and England, including examples of innovative practice.
- Provide a summation of the English/Welsh experience.
- Draw implications for New Zealand highlighting both the pivotal role of local government and the way in which the growing interest in well-being is driven at least as much by societal change as by government policy.
- Highlight opportunities for the think tank/think tank councils. The first is to develop (with external funding) a pilot project for local government work on well-being and the second to facilitate New Zealand engagement with the emerging international inclusive growth network.
- Invite the think tank councils to endorse the approach outlined in this report.

Recap

Our recent reports looked at the proposed changes to the local government act in the context of well-being practice internationally. This has changed remarkably over the past decade or so. We concluded the combination of the new rule requiring councils to consider the impact of their decisions on the four well-beings, and the much greater understanding of how to describe and measure well-being at a community level heralded quite major change in the role of councils.

Specifically, we saw this as meaning that councils will need to develop well-being indicators which are based on actual conditions within the different communities in their districts and are much more specific and fine-grained than simply taking the four well beings on their own.

We also suggested councils would need to consider the potential for judicial review if the way they considered impact fell short of accepted good practice

based on what's been happening internationally in determining and measuring well-being at a community level.

All of this was done taking a 'desktop' approach, relying on Internet searching and published reports. The next and necessary step was to hold in-depth discussions with researchers, practitioners and others to gain a better understanding of what was actually happening in practice and why.

Local government and well-being: what's actually happening

We had two principal areas of interest. The first was the Welsh approach in which government is responsible for developing the well-being framework including indicators, and local government has the lead role in well-being planning - working with communities to set priorities and develop initiatives to improve well-being.

The second was whether and how local government in England was developing a well-being approach - central government has no overarching well-being strategy so this was an opportunity to look at the extent to which local government's understanding of its role was starting to embrace well-being.

Wales

Oversight of the Welsh well-being 'ecosystem' rests with the Future Generations Commissioner for Wales. Each of Wales' 22 local authorities is required to set up a Public Services Board (comprising the local authority, the Health Board, the fire and rescue authority and the Natural Resources Board for Wales plus a number of other optional members). The PSB is required first to undertake an assessment of well-being within its district and then to develop a well-being plan designed to address priorities identified through the assessment. There is a strong emphasis on PSBs working with their communities and ensuring that both their assessments and their plans are developed down to a community level, not just a district level.

The Future Generations Commissioner is very clear that her role is one of oversight, not one of instructing PSBs or any of the other public entities involved on how they should do their job. She will hold them accountable, and identify areas where she believes that their performance in assessment and/or planning, and working with their communities could be improved, and will also ensure that good practice is shared. As an example she has worked closely with the Bristol-based NGO, Happy City, in developing what is known as the thriving places index. This is a well-being index based on the agreed well-being indicators for Wales which is developed for each local authority area and ideally communities within the area.

In discussion with her, she is very clear that working with communities and developing policies for improving outcomes is primarily a matter for local government and other local public entities, not for the Welsh government itself. It's a view based on an understanding of the respective roles and capabilities of the different tiers of government and firmly grounded in the belief councils as local community leaders have a natural advantage in working with communities and seeking to co-design solutions.

Discussions with the Future Generations Commissioner and her staff were complemented by discussions with the Welsh Local Government Association, and by a series of site visits and meetings organised by the Cardiff City Council. It's

still early days but among the changes which the Welsh approach to well-being appears to be driving are:

- A much stronger focus on outcomes.
- Some differentiation between councils which are welcoming the opportunity to exercise their own initiative, and councils which are finding it hard to shift beyond being told what to do.
- A new environment for what the Commissioner described as 'frustrated champions' as the well-being approach makes it more acceptable to innovate, and is changing attitudes to 'failure' (some Welsh councils have been running change workshops for staff which include emphasising that it's okay to fail - treating failure as part of learning by doing rather than some kind of personal shortcoming).
- A potentially significant culture change in the wider community. As one example in a discussion with leaders from the creative industry sector and the arts sector they described how the two had shifted from being basically competitors for scarce resources to working more collaboratively, attributing this change to a recognition that the new emphasis on well-being was supporting a more holistic and collaborative approach. A second example came out in discussion with a major private sector company which, as part of improving its CSR activity, is quite explicitly using Cardiff City's well-being indicators to identify areas on which it can focus.

England

To get an overview of what was happening with understandings of well-being, and the role of local government, activities included:

- One-day site visits with Coventry City Council and Wiltshire Council.
- Meetings with selected NGOs and think tanks including Happy City, Spacehive.com, the New Economics Foundation, the Royal Society for the Arts and the Young Foundation.
- Discussions with various peak bodies and others including the Director of Policy for London Councils, the regeneration and economic development division of the Greater London Authority, the Commonwealth Local Government Forum, the Director of Policy for SOLACE and the Government Outcomes Laboratory.

The UK government has no overarching well-being policy (although the Office for National Statistics does prepare a national well-being index). Instead matters of well-being are left, largely by default, to local government and civil society. In large part this seems to be a consequence of central government's austerity policy - in practice, if central government did adopt a policy on well-being it would be at greater risk of being held publicly accountable for the negative impacts which austerity has had on social and community services.

Some important common themes came through from the various meetings, discussions and site visits:

- Increasingly councils are focused on outcomes. This change has a number of drivers including austerity encouraging greater innovation (there is a growing recognition that innovation can get better results at a lower cost), realisation that social exclusion has had major negative consequences and the increasing amount of work being done on measuring well-being at a

community level. Happy City's thriving places index has now been developed for each principal English local authority and a number of other NGOs have been active in describing and measuring well-being.

- A virtually universal acceptance that councils are much better placed than central government and its agencies to work with communities especially in looking to co-design solutions for local problems.
- An increasing concern about the impact of inequality including in work poverty. This has led to a significant amount of work by major think tanks, for example, on inclusive growth.

A number of examples will illustrate the breadth and depth of work being done within the local government sector in England which at its heart is well-being focused:

- The Mayor of London has put in place a Civic Crowdfunding initiative, using Spacehive.com as the crowdfunding platform. On first appearances this could be seen as simply a contribution to encouraging the development of local community-based projects not much different from the community grant schemes which many New Zealand local authorities operate. From discussion both with the chief executive of Spacehive.com and with the GLA official responsible for the program, it's clearly much more. Specifically the GLA objective is to build community capability which can endure well beyond individual crowdfunding projects themselves. It was also clear from the discussion that what the GLA is trying to do is increase community capability in order that communities are better placed to share in deciding on outcome priorities and how best to achieve them.
- Wiltshire Council operates a number of community hubs which co-locate a wide range of community services - library, leisure centre, community meeting rooms, IT centres, café's... Each hub is supported by a council employed community engagement officer whose role is to facilitate community use of the hub especially in developing informal support services - for example informal services which assist ageing in place.
- Coventry City Council is developing a major aquatics centre which will be a regional asset. The centre's business plan requires it to cover all of its costs through the revenue it generates. The council separately recognises the importance of enabling access to recreation facilities for lower income residents whose health will benefit from using these facilities but whose income means they cannot afford to do so. The council is currently developing an algorithm which will offer concessional charges targeted to people based on health and income status. This is very much an outcomes driven initiative intended to improve health in the community (the council has good data highlighting differences in things like life expectancy and quality of life years expectancy).
- A number of major think tanks have been undertaking significant research in conjunction with councils on understanding and promoting inclusive growth. This includes the Royal Society of the Arts through the Inclusive Growth Commission (<https://www.thersa.org/discover/publications-and-articles/reports/citizens-and-inclusive-growth>), the New Economics Foundation and the Centre for Local Economic Strategies. There is an emerging initiative to build an international network of think tanks and local government interests committed to the encouragement of inclusive growth (more of this below in the opportunities section).

- SOLACE in conjunction with PwC is undertaking a major research project on the theme of 'it takes a village' focused on how to improve outcomes for children and specifically how best to break down barriers between different silos. The report from that work will be published in November.
- Bristol City Council has established Bristol City Funds (www.bristolcityfunds.co.uk) as an innovative partnership between the council and the business community. Its vision is "The City Funds aims to create **positive and transformative change** in Bristol through business, community organisations, funders and the public sector **coming together**, to share resources and raise finance, to help **address key priorities** in Bristol." It has been successful in attracting significant external funding for innovative city-based projects focused on disadvantaged individuals, families and communities.

As is the case in Wales, the growing emphasis on well-being is sparking a lot of activity from other sectors including both NGOs and the private sector. The impression is very much one of societal activities being gradually reframed around concepts of community level well-being. Some examples:

- GEOLYTIX is a private sector firm which has specialised in providing location advice to retailers. It does this through use of big data/data analysis to establish profiles of areas surrounding possible sites. The firm has realised that this capability and the databases on which it is drawing translate very readily into describing and measuring well-being at a local level. It is now offering its services to councils and others interested in the well-being of their communities. A question to consider in New Zealand is whether a similar capability exists as part of the decision-making process for retailers such as the major supermarket chains and if so could this be readily adapted to help measure well-being at a local level.
- The growing interest in well-being and ongoing political shifts have focused attention on the nature of economic growth including the rise of in work poverty. It has seen a number of leading NGOs arguing the case for inclusive growth as an approach to economic growth which is specifically designed to ensure that the least well-off individuals/families/communities benefit from economic growth initiatives. In broad terms it's drawing a distinction between conventional economic development which is largely focused on metrics such as GDP per capita, and community economic development which is concerned primarily with the impacts on/outcomes for the least well off. The two approaches are seen as complementary rather than competitive and both are regarded as necessary.

England/Wales summation

The 'compare and contrast' between what is happening with well-being policy and practice in England and Wales highlights some obvious differences but also some fascinating similarities. Looked at on its own, it could be easy to assume that what is happening in Wales is primarily a result of legislation. Compared with what is happening in England, the Welsh experience takes on a different appearance; the growing emphasis on community well-being and outcomes looks much more like a function of changing societal values than simply the consequence of a legislative intervention.

Both jurisdictions share a strong and growing interest in defining and measuring well-being at a community level. Both show evidence of significant cultural shifts taking place both within the public sector, especially at the local level and within the wider community. Both show strong evidence of innovation in the description and measurement of well-being (the emergence of a number of NGOs developing specialist expertise in well-being; private-sector initiatives such as GEOLYTIX).

Both also show evidence of civil society starting to take the lead to address major societal imbalances. The obvious example is the inclusive growth agenda which is gaining real momentum in both England and Wales and is now triggering an international movement.

Implications for New Zealand

Some reasonably strong inferences can be drawn for New Zealand from the Welsh and English experience. They include:

- The importance of understanding the respective roles of central and local government. The former is best placed to set overarching policy frameworks and goals and indicators which reflect societal views about preferred outcomes. The latter is best placed to work with its communities in both assessing the actual state of well-being and developing and implementing ways of improving outcomes.
- The interest in well-being is much more than simply a shift in public policy. It reflects an emerging societal shift in understandings of the proper role of government at all levels, and of other stakeholders, in understanding and addressing well-being concerns.
- Information is a powerful tool for changing attitudes. Much of what is happening in both Wales and England appears directly influenced by the type of information which a well-being focus is now bringing into the public domain - it's much easier to ignore what you don't know than to ignore the product of robust analysis of local conditions!
- The focus on improving well-being at a local level is driving a shift in thinking within local government as it highlights the extent to which a risk averse approach, including a fear of failure, gets in the way of change. This is explicit within the Welsh approach especially as a result of the work of the Future Generations Commissioner. It's also clearly emerging within English councils where those which are most clearly effective in addressing well-being at a local level are those which have the most capable and innovative leadership.

The Welsh and English experience (and practice in other jurisdictions as well) suggests strongly that local government has a pivotal role to play in delivering on any objective for the public sector to improve the well-being of the communities it serves. New Zealand practice does not yet recognise this. Although the current Minister of Local Government is taking a much more supportive approach to local government generally, the evidence so far suggests little or no understanding of the importance of central and local government working in partnership building on their respective strengths and capabilities if the government's well-being agenda is to succeed.

The evidence also suggests that local government's local leadership role means that almost inevitably it will come to play a more and more important part in

improving the well-being of its communities regardless of who has the formal service delivery role.

Ensuring this happens is current work in progress for the Local Government Think Tank/SOLGM collaboration. How best to advance this is currently being discussed between the think tank and SOLGM.

Opportunities for think tank councils

There are two areas in particular which offer immediate and potentially significant opportunities for think tank councils building on the comparative advantage the think tank has both in understanding how international well-being practice is evolving at the local level and in the collaborative networks the think tank has established. The first is for think tank councils to develop a pilot approach to managing well-being issues at a local level. The second is to facilitate New Zealand's engagement with the emerging international inclusive growth network.

Piloting well-being

The argument that local government is best placed to take the lead in working with its communities on well-being is strongly supported by international evidence. For that to be accepted by central government will almost certainly require local demonstration on a pilot basis. This suggests an opportunity for think tank councils to develop a pilot designed to test local government's capability. This will include both how to work in a leadership/co-governance way with its communities and how to blend local government's purpose of promoting community well-being with central government's role in developing well-being measures.

As a way forward we are proposing that the think tank and SOLGM collectively develop a pilot project proposal and seek funding for this from central government and/or other interested stakeholders.

Inclusive growth

The Royal Society for the Arts (RSA) which established and serviced the Inclusive Growth Commission is now seeking to expand this work both within its home base of the UK and internationally. Other significant UK NGOs such as the New Economics Foundation and the Centre for Local Economic Strategies also have a strong commitment to inclusive growth and have developed significant capability.

The RSA has now established a presence in Australasia and identified New Zealand as a priority for exploring how best to build on its research base and expertise. It is prepared, as part of demonstrating its capability, to make its research and expertise available on a very attractive basis.

The Commonwealth Local Government Forum (CLGF), which links peak local government bodies and others across the Commonwealth, is currently fine tuning the way it has focused its work. Traditionally it's been very much concerned with developing countries. It now wishes to rebalance this through providing stronger support for local government in six core Commonwealth countries - the UK, Canada, Australia, New Zealand, South Africa and Malaysia. Its 2019 conference will take place in Colombo and the inclusive growth agenda will be an important part of this (the think tank has facilitated collaboration between CLGF and the RSA).

In New Zealand, Economic Development New Zealand is currently considering how it becomes involved with the inclusive growth agenda, not wanting to play down its traditional role in regional economic development, but recognising the need for a separate focus on the least advantaged individuals, families and communities.

The think tank is currently discussing with SOLGM, and will be discussing with Economic Development New Zealand, how best to become involved in the emerging international inclusive growth network in ways which will make international expertise available to New Zealand at least cost. We are confident that this should be a very attractive opportunity as it is supported both by the RSA's interest in raising its Australasian profile and by the CLGF emphasis on working more closely with developed countries.

Conclusion

This monitoring report identifies significant opportunities for the local government sector in New Zealand and the think tank in particular in building on international experience in the development and application of well-being practice.

Think tank councils are invited to endorse the approach outlined in this report and to facilitate closer working with SOLGM in order to take advantage of the emerging opportunities both in potential pilot project work on well-being and in linking New Zealand into the emerging international network on inclusive growth.