

WELLBEING ECONOMY IN ACTION

By Clare Goff



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Foreword

By Liz Zeidler

Chief Executive, Centre for Thriving Places



The world is waking up to the need for change.

We urgently need to shift our focus to growing a more equitable and sustainable future for all. Yet governments, public services, communities and businesses are trying against the odds to deliver that change with the tools and thinking of the last century – when the priority was economic growth at all costs.

Luckily, this shift is beginning to happen. Regional and local leaders across the UK are innovating with ways to invest resources, structure services and link up policy to produce better quality of life, less inequality, a cleaner environment and a radically fairer distribution of economic wealth. With support from a growing number of organisations, those policies and actions are coalescing around the idea of a 'wellbeing economy', helping to refocus local economies onto growing our collective capacity to thrive now and into the future.

All around the country, local leaders are stuck between these two worlds which, as this report shows, are extremely challenging to efficiently or productively link together.

The directive from central government has, for too long, been to increase inward investment in growing a region's productivity in order to contribute to national UK gross domestic product (GDP), regardless of how much of that is generated through low paid jobs and wealth extracting development, or how tangential that growth is to the lived experience of local people.

By contrast, the needs of the real world they can see on every street, in every hospital, school and community centre around them, actually demand different kinds of economic interventions – like growing local wealth retention, raising wages in foundational sectors, reducing extreme inequality in living standards or tackling carbon reduction and nature recovery. In this reality, there are often extraordinary levels of productivity – producing healthier citizens, brighter young people and investing in local business. There are legions of people working to 'grow' these outcomes of the economy, starved of investment by those who define that work as unproductive and of minimal value.

This report aims to highlight many of these courageous and conflicted local leaders, who are working tirelessly, often against the tide, to choose a different compass by which to define the success and growth they know is needed. Centre for Thriving Places and others are helping them wrestle power and resource, and supporting them to shape local economic policies, strategies and investments to deliver a growth in the conditions for us all to thrive.

We hope this short report can act as a beacon of hope and a spur to action, for those who think a wellbeing economy is a pipedream. It is alive and well and growing rapidly in places the length and breadth of the UK and beyond. We invite you all to join this quiet revolution.

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1.0 IN ACTION - THREE PLACES - DIFFERENT PATHWAYS - ONE DESTINATION

1.1 Essex

Adrian Coggins has worked in public health for more than 20 years, becoming a nationally recognised voice in the drive to tackle obesity.

“It was a very comfortable place to be. Everyone hung on my every word,” he says.

But in recent years what he calls his ‘professional arrogance’ has been shaken up by the reality that obesity is getting worse. “In my entire public health practice, I haven’t made any inroads into obesity. I realised I had to completely reframe the issue.”

Now, as head of wellbeing and public health at Essex County Council he is involved in one of the UK’s most ambitious plans to take a ‘health in everything’ approach, bringing together local councils, the NHS and voluntary organisations to tackle the wider social determinants of health.

Viewing obesity solely as a public health problem often means a focus on behaviour change programmes that support individuals through eating plans and calorie counting, rather than tackling the wider issues in people’s lives that increase their chances of being obese.

Bad housing, poverty and unemployment all impact on people’s health and wellbeing, Coggins says. So tackling wider social and economic issues should be part of any support package alongside medical and public health interventions.

“We can get people to exert huge willpower and eat more healthily but it will fail if they are poor and can’t afford to shop healthily, and are surrounded by cheap fast food takeaways and comfort eating,” he says.

Coggins’ revelation mirrored the findings of the [Marmot Review](#), the final report by Sir Michael Marmot who was commissioned in 2008 by the then secretary of state for health to propose the most effective strategies for reducing health inequalities. It shone a light on the wider social determinants of health, which point to the need for a reorganisation at the local level, so that the efforts of all those within a place – from the council to the NHS and the private and social sectors – are focused on tackling the same issues.

“To reduce obesity in a place we have to make that place a thriving place,” he says.

1.2 North Ayrshire

In North Ayrshire in the south west of Scotland the council also had a wake-up call, realising that the conventional ways they had relied on to boost local economic development were not working.

The county has been in decline since the 1990s when explosives company ICI Nobel – which employed 13,000 people at its height – closed the site.

“We’d been using traditional economic development models for many years with little to no effect,” says Russell McCutcheon, Executive Director (Place) at North Ayrshire Council.



Poverty is the symptom of a poor and non-thriving economy.



Russell McCutcheon

North Ayrshire Council

Traditional models of local economic development often focus on business support or on policies to grow new economic sectors. They rarely look at the roots of the problems of local economies that have suffered years of disinvestment and financial extraction, leaving communities disempowered.

Ayrshire has now shaken off traditional economic development in favour of community wealth building, an approach to local economics developed by the [Centre for Local Economic Strategies](#) (CLES) and pioneered in the Lancashire town of Preston.

Community wealth building creates a more democratic local economy that works with so-called 'anchor organisations' within a place – institutions such as councils, hospitals and the NHS – to procure locally, redirecting wealth back into the local economy and putting control back into the hands of local people.



The public opening of Stevenson Community Hub and Doon the Beach community cafe. The hub and cafe were supported by North Ayrshire Council as part of its community wealth building work. [Photo credit: Raise Your Voice with Ardeer.]

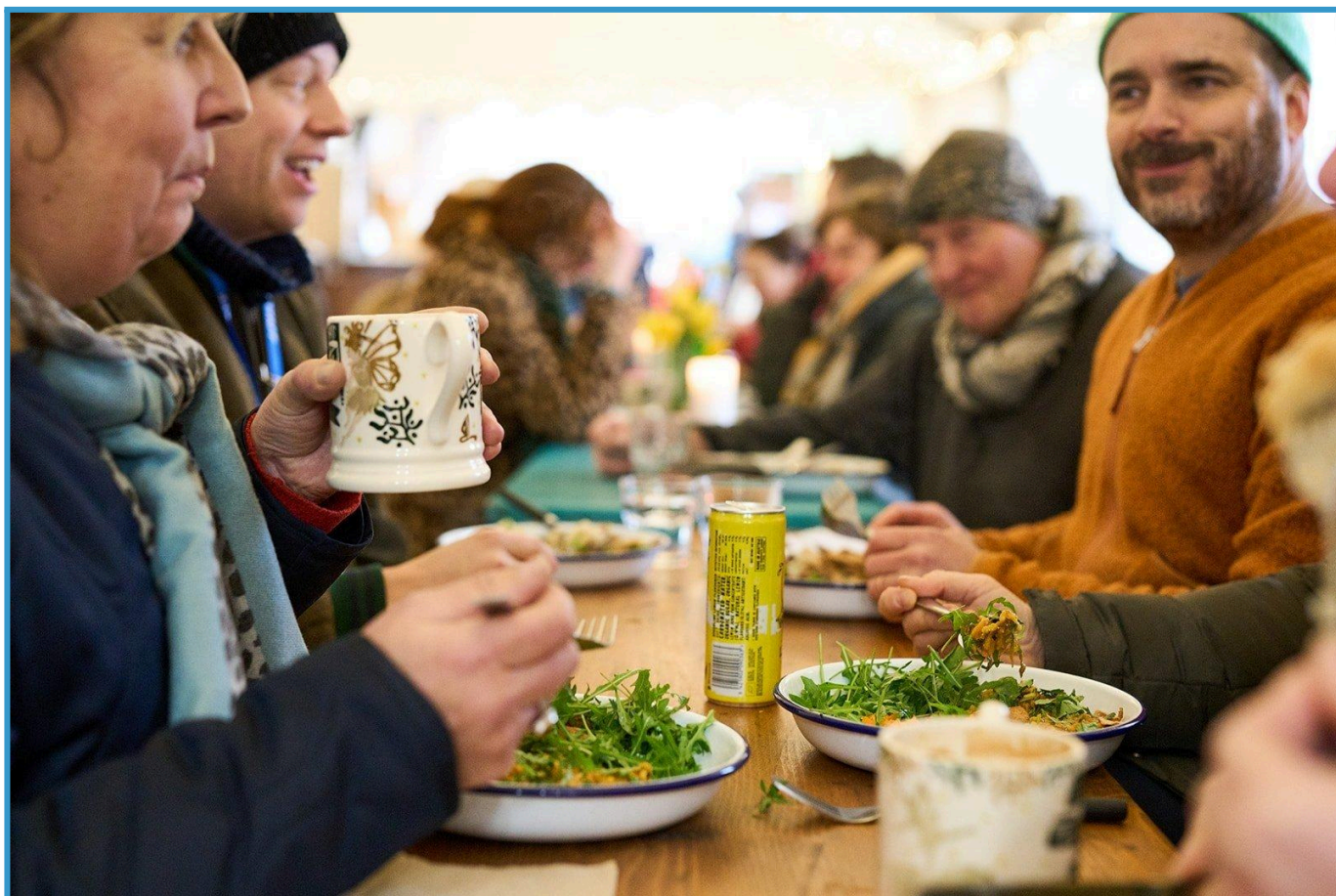
1.3 Stroud

In Stroud in Gloucestershire, Will Mansell had an awakening of a more spiritual nature. After helping set up a local food bank he became aware of the brokenness of the system in which he was operating and the inability of charity to address growing need.

“We didn’t want to be part of a system, albeit a nice part of it, just helping people,” he says. “We wanted to change the whole thing.”

He set up the Grace Network across Gloucestershire with the aim of 'trying to break the wheel' and create a new economy founded on Christian values and centred around supporting the most marginalised people and communities. The Grace Network has created three social enterprise hubs which are becoming local economic engines as well as places where people can gather and build community.

Over the past year one of the hubs (Brimscombe Mills) has repurposed 3.3 tonnes of food waste back into meals, brought a derelict warehouse back to life through a team of volunteers, and created 63,000 hours of employment as well as training and support for those furthest from the job market.



Brimscombe Mill is a hub of social enterprises in Stroud, set up by The Grace Network and including Pay as you Can meals from The Long Table.

2.0 THE COMMON THREAD - AN INTRODUCTION TO THE WELLBEING ECONOMY APPROACH

What do these three approaches to tackling problems in their places, which on the surface seem so different, have in common? Each has understood that social and economic problems are interconnected and that the usual lens through which we articulate and measure progress – economic growth – will not solve the multiple crises we face – climate change, poverty, social disconnection and growing health inequality..

Whether it's taking a collective health lens in Mid-Essex, community wealth building in Ayrshire or creating a social economy in Gloucestershire, they each come under the broad umbrella of wellbeing economy approaches, a growing movement refocusing social and economic thinking away from GDP and towards growth in the things that matter in people's lives.

It is a movement that is moving up the agenda, particularly in the wake of Covid, which revealed the interconnectedness of social, economic and environmental problems that had previously been tackled separately.

"Post-pandemic, the 'health' of people, place and planet has been bumped up the agenda," says Liz Zeidler.

"All of us saw the ripple effects of health on the economy, on education, on community, jobs and services. And how the inequalities of housing, wealth, social support, ethnicity, and age impact someone's health and ability to cope."

Liz Zeidler is the chief executive of Centre for Thriving Places, which supports places to understand the local conditions that are needed to live healthy, thriving lives and to create a framework and wider set of measurements of local progress.

She had her own awakening 20 years ago after working with inspirational leaders across the world who were attempting to tackle problems such as the impact of climate change and poverty from within their local communities.

"I saw how extraordinary humanity is but it was also incredibly depressing as so much of the activity of these leaders was dealing with the symptoms of a system that is going to keep on producing those problems over and over again," she says.

"It didn't matter how inspiring and innovative the solutions were. The system was churning out problems faster than people could innovate. It felt pointless to support these people without changing the system."

3.0 DEEP ROOTS AND FAST GROWING BRANCHES - A SHORT HISTORY OF CHANGE

While wellbeing economics is now most associated with green or left-wing politics, those setting off the starting blocks on the idea came from the right of the political spectrum.

In 2008 Nicholas Sarkozy, the centre right president of France, asked a group of economists including Joseph Stiglitz, Amartya Sen and Jean-Paul Fitoussi to create a commission exploring the limits of economic growth as an indicator of economic performance and social progress.

Their report was published in 2009, setting out the inadequacies of the GDP model and showing its inbuilt design to create unhappiness, inequality and climate breakdown. The report said: 'The time is ripe for our measurement system to shift the emphasis from measuring economic production to measuring people's wellbeing. And measures of wellbeing should be put in a context of sustainability.'

National governments began exploring the measurement of wellbeing, including the UK's Conservative prime minister David Cameron. In 2010 he announced that his government would begin measuring subjective wellbeing, saying: "GDP is an inadequate measure of a country's progress."

He also set up the [What Works Centre for Wellbeing](#), supporting research and the evidence base for wellbeing.

The Office for National Statistics (ONS) continues to collect data on wellbeing (the latest show personal wellbeing levels are in decline) but Cameron's focus on moving beyond GDP did not expand much beyond collecting people's individual ideas of their own wellbeing. The What Works Centre for Wellbeing closed its doors in April 2024.

Katherine Trebeck, a political economist and advocate for economic system change who co-founded the Wellbeing Economy Alliance (WEAll), is dubious about the benefits of focusing solely on subjective wellbeing, which tend to inadequately capture challenges of inequalities or the importance of the environment.

The policy answer to low subjective wellbeing is also too often focused on rolling out more therapy, essentially helping people to cope with the current system, she says, rather than systemic causes of low wellbeing.

While such measures are critical in the short term, a wellbeing economy is one that is designed to help get things right the first time around by delivering an economy that enables quality of life and flourishing for all people in harmony with the environment. While the current economic system puts sticking plasters on the problems it causes, a wellbeing economy puts the core needs of people and planet at the centre of its activities.

Wellbeing economy approaches expand the idea of an economy, they support communities to have a greater stake in the economy, they generate, circulate and retain wealth within local communities, protect natural environments for generations to come, provide opportunities for fair and meaningful work and support responsible, purposeful business.

No place has yet to fully implement a wellbeing economy but many localities are assembling the building blocks. Local and regional authorities use different terms for the steps they are taking: inclusive growth policies, community wealth building, doughnut economics, the everyday or foundational economy are some of the terms used. They are creating partnerships locally with the private and third sectors and the NHS and other anchor institutions to focus energy and resources within a place on the same set of

outcomes. They are involving citizens more deeply in their work, developing cooperative or social enterprise businesses, changing their processes and the way they measure progress.

“It’s like building Lego,” says Trebeck. “You assemble all the component parts until it all comes together.”

4.0 GETTING STARTED - CREATING PARTNERSHIPS AND HAVING DIFFICULT CONVERSATIONS

Where do people start once they realise that the overwhelming problems they are trying to tackle need a different, more systemic, approach? How do councils and other public bodies make the shift from a single focus on economic growth to a broader set of measurements of progress? How do they break out of linear thinking and into local partnerships that design and co-create solutions with communities? How do they take account of nature and ecological limits?

At its core, wellbeing economics is about designing a different economic system. As Trebeck says, it starts with the creation of a vision for the locality and the kind of economy is needed to reach that vision.



Photo credit: Marga Cruz

It’s about designing the economic ecosystem. Asking, where are the flows of money, what do good jobs look like, who is making decisions?

Katherine Trebeck
Co-founder, Wellbeing Economy Alliance

Liz Zeidler set up the Centre for Thriving Places (formerly Happy City) in 2010 to create and develop practical tools that would help councils, businesses and communities to measure social and economic progress more holistically at a local level. The Thriving Places Index (TPI) was launched, providing a shared set of goals and a reporting framework to show the conditions needed for wellbeing in their city, town or region.

“We support local organisations to ask three simple questions - ‘Are we creating the right conditions for people to thrive? Are we doing that equitably? Are we doing that sustainably?’ It’s hard for anyone to argue with any of those questions,” she says.

In the subsequent 14 years, particularly in the wake of Covid and as environmental and social crises have mounted up, local and national governments, developers and regional bodies and social enterprises have started turning to wellbeing approaches not as a nice-to-have but out of necessity.

The first step towards a wellbeing economy approach is often the mindset shift as practitioners on the ground – like Adrian in Essex, Russell in Ayrshire and Will in Stroud – realise the inadequacies of the current system.

Next is to begin breaking out of silos to work more systemically across a place. Across England the creation of integrated care systems and local health partnerships has created space for different parts of a local system – whether that be health, local councils or voluntary services – to work together to tackle the same social outcomes.

In Mid-Essex, services that would previously have worked within their silos, such as the NHS, local councils and the voluntary sector, have come together as the Mid-Essex Integrated Care Alliance. The Alliance has created a bespoke Thriving Places Framework for the area, that sets out the local conditions that are needed for people to thrive, and acts as a shared compass to tackle local social problems.

“It’s helping the region to have different kinds of conversations,” says Tristan Easey, strategic health and leisure manager at Braintree District Council.



5.0 CREATING FERTILE SOIL FOR ACTION AT THE NATIONAL SCALE

Keir Starmer has rowed back on some earlier commitments to a wellbeing approach, but it could be said that some of the policies emerging from the new Westminster government - around health, affordable housing, fair wages etc - are in line with boosting wellbeing economy outcomes.

While Westminster stalled over the last ten years, however, the devolved nations of the UK took up the challenge to embed wellbeing economy approaches in more wholesale and multidimensional ways.

Wales is now a poster child for wellbeing economy approaches, having introduced the Wellbeing of Future Generations Act in 2016, becoming the first country in the world to put sustainable and regenerative practice at the heart of government.

Ahead of the introduction of the Wellbeing of Future Generations Act in Wales, 7,000 people were involved in The Wales We Want National Conversation, during which citizens were asked to ‘discuss the Wales they want to leave behind to their children and grandchildren, considering the challenges, aspirations and ways to solve long-term problems to create a Wales that they want by 2050.’

Their answers helped shape the country's seven wellbeing goals, which replace GDP with ambitions around prosperity, health and resilient ecosystems as well as goals to promote the Welsh language and a commitment to global responsibility.

Gross Value Added is one of 50 national wellbeing indicators, but it is measured alongside indicators such as active participation in the arts and sport, biodiversity, pollution levels and employment and education levels.

"The Wellbeing duty frames a much broader approach to how we should think about the economy," says Derek Walker, the future generations commissioner for Wales.

"It's created a different way to make decisions in Wales that you don't see elsewhere."

Without the legislation, Walker says, Wales would not have seen major policy shifts including the introduction of a 20mph speed limit, the scrapping of some major road building in favour of investment in public transport and a focus on recycling that has pushed Wales into the third position globally.

The Welsh Government has committed to renewable energy generation, with the recent launch of a publicly owned renewable energy developer for Wales, [Trydan Gwyrdd Cymru](#).



Awel Aman Tawe, a community energy charity in the former coal valleys of South Wales, has set up the two largest renewable energy co-ops in Wales.

There remains a lot to do to embed long-term thinking within local policy, not least because, as a devolved nation, Wales still draws funding from Westminster, which frames economic success around more traditional indicators of economic progress like jobs and business creation.

But Walker says the deep groundwork that was put in place initially and the involvement of citizens have put the legislation on a firm footing.

"It belongs to the people of Wales and people are increasingly challenging public bodies when they don't see the legislation applied," he says.

Scotland's journey to a wellbeing economy took some strong initial strides under the leadership of former first minister Nicola Sturgeon and fueled by a united and networked civil society movement. The Scottish Government's National Performance Framework set out a clear vision of national wellbeing in Scotland in 2008 and inclusive growth was a central plank in the Scottish Government's 2015 economic strategy. But the established way of working has reasserted itself in recent times, with the wellbeing economy being taken off the ministerial portfolio.

Scotland's journey shows the fragility of wellbeing economic approaches that are not fully embedded among citizens and within institutions, and the strength of the current system to continually reassert itself.

The Welsh Government promotes a 'foundational' or 'everyday' approach to local economies, characterised by a focus on the sectors we rely on for everyday life, like retail, food and health and social care.

One local area modelling this approach is the town of Blaenau Ffestiniog. Once the slate capital of the world, it became one of the most deprived places after the pits closed, and its population dwindled to less than 5000.

After decades of extractive economics, Ffestiniog is rebuilding itself through social and community enterprises which retain wealth locally. The network of 23 social enterprises in the town include a social enterprise pub and chip shop; the network employs almost 500 people and has a combined turnover of £13.56m.

Similar to the Grace Network of social enterprise hubs in Gloucestershire, this social and foundational economy approach is a model of local economic thinking that is shaking off the profit-focused extractive approach and building local economies around human and natural needs.

But while Ffestiniog is supported by the Welsh national policy approach that encourages community solutions and promotes wellbeing and social cohesion, in England the Grace Network has found less support within the profit-focused mindset that still dominates. Its key site at Brimscombe Mill, developed by community volunteers, is now under threat after the land was sold off.

"This community asset, developed by thousands of people, is at risk of being lost due to the way land laws and the 'system' works," says Mansell. "It doesn't feel transparent, fair or right and we now face extinction. This new community economic model is at risk of being broken apart."

The Grace Network is considering its options and has plans for another hub for social enterprises within the empty House of Fraser building in the market town of Cirencester, developing a post-consumer approach to the high street.



Cae Felin community supported agriculture grows fruit and vegetables on land owned by Swansea Bay Health Board. It is close to Morriston Hospital and provides food for the meals of hospital patients as well as improving access to healthy food in low income areas. [Photo credit: Huw John.]

6.0 SOWING THE SEEDS FOR LOCAL ACTION

6.1 Policy and Planning Levers

The starting point for many councils wanting to embed wellbeing economy approaches is to design greater inclusion into their economic policies using the levers and influence they have available. Post-industrial places that have been dealing with decades of decline and a laissez faire approach to the local economy are now taking a more proactive approach to supporting the creation of good jobs.

“We are seeing a particular shift locally at the moment,” says Rachel Laurence, deputy chief executive at Centre for Thriving Places.

“People are reaching out for ways to think about and organise their resources better. Sometimes we help places to think about how they make the right decisions about how funding is spent.”

Shared Prosperity Funding or capital investment for example can be spent to maximise local outcomes – supporting local infrastructure, creating well paid jobs and tackling local inequalities.

Barking and Dagenham in east London epitomises a post-industrial local economy. Once dominated by the Ford factory which employed 50,000 people at its height, it now has some of the highest levels of unemployment, inactivity and low pay in London. The borough had such bleak post-industrial landscapes it was often used as a film set for apocalyptic scenes in TV series and movies such as *Humans* and *Luther*.

Councils have for many years relied on inward investment and policies aimed at luring private sector businesses to locate in their areas. But in Barking and Dagenham the council took an interventionist approach to creating well-paid local jobs for residents.

After buying up the site of a former pharmaceutical factory, it invited a US-based film studio to set up shop. The council strengthened its planning policy and used that to negotiate an endowment with the film company to create and support good jobs and career progression in the local area.

It took the same approach when the City of London wanted to relocate its food markets in the borough. The endowment it negotiated for the next 25 years includes the creation of a food hall in the town centre, and a ‘Good Food Plan’ developed with residents and communities to work together to improve access to healthy and affordable food.

“Before, the focus was on jobs, not on the quality and nature of the local economy,” says Tess Lanning, strategic head of inclusive economy, investment and skills at Barking and Dagenham Council.



Before, the focus was on jobs,
not on the quality and nature
of the local economy.

Tess Lanning

Barking and Dagenham Council





Participatory cooking club at Church Elm Hub in Dagenham to improve access to healthy and sustainable food as part of Barking and Dagenham's Good Food Plan. [Photo provided by Church Elm Hub]



Community garden invested in through Barking and Dagenham's Good Food Plan. [Photo provided by Thames Life]

6.2 Building Citizen Power

Trust in government is at an all time low according to a [recent Demos poll](#) which showed that 76% of people in the UK have no trust that the government will make decisions in the best interest of the people. An erosion of trust impacts personal and community wellbeing as well as the smooth running of government and public services and the economy. In his King's Speech Keir Starmer said: **“The fight for trust is the battle that defines our political era.”**

Wellbeing economy approaches re-build agency in communities, inviting citizens to decide which quality of life measures are important and involving them in the creation and development of new ways of dealing with difficult policy issues as we navigate ongoing polycrises. Through repairing relationships with citizens they are, ultimately, renewing local democracy.

Camden in north London has been embedding citizen-focused work and wellbeing economy approaches since 2012.

“We used to talk about growth in terms of harnessing the benefits,” says Nick Kimber, director of strategy and design at Camden Council. **“It then became about inclusive economy approaches and giving citizens agency and voice.”**

“Good work is not just something that pays the bills but human agency and quality relationships and the things that people want to achieve in their lives.”

Ahead of a major development project close to Euston station, the council and partners began working with people living in two estates nearby to develop a set of indicators to measure wellbeing and understand how the development work could be a positive force in people's lives.

“We set out to define with residents what's important for them to live a good life in Euston and how it makes a difference to the things we do,” says Michal Shinwell, head of insight, learning and impact at Camden Council.

A group of residents was trained as citizen social scientists, who, through interviews and ethnographic walking tours, sought to understand the drivers and barriers to a good life in the neighbourhood. The index, developed with local citizens who rejected the terms 'prosperity' and 'wellbeing' in favour of 'good life', was called Good Life Euston.



Camden's 'What Matters' fair, where invited residents and communities talk about what is important for living a good life in Camden. It took place in November 2022 and was the starting point of the co-creation of the Good Life Camden framework. [Photo by Karen Cox, Camden Council.]

Now expanded across the borough, the [Good Life Camden Framework](#) allows everyone living there to see a breakdown of what a good life in the borough means, and allows the council and partners to measure progress against the themes that citizens told them were important.

The Camden Renewal Commission, launched after Covid, brought together a diverse group of people from the community, voluntary, public and private sectors to reimagine and build a more equal and sustainable borough. With support from Mariana Mazzucato, professor of economics of innovation and public value at University College London, who advocates for a mission based approach to public policy, it launched [We Make Camden](#), a new vision for the borough with six ambitions to work on collectively, with progress measured each year and published in the [State of the Borough](#) report.

Citizen participation is embedded at every level of the vision, from involvement in decision-making through citizens assemblies to funding for local ideas. The We Make Camden Network supports community and social action through community anchors and organisers, and participatory grant giving.

In 2022 Camden became the first council in the UK to offer imagination activist training to its staff to support them to think more expansively and work more deeply within communities.

Introducing the Camden Imagines programme, former leader of Camden Council and now Labour MP Georgia Gould said: **“We need to stop putting sticking plasters over broken systems and instead reimagine something better, together from the ground up.”**

The ‘deep organisational change’ that Gould wants to see across the council means supporting staff to step out of their fixed and focused roles, make time for relationships and create the conditions to have What if? conversations that build local agency and creativity.

A [Community Wealth Fund](#) for the borough launched in 2024, aiming to tackle local inequality by directing wealth towards the people and communities that have been excluded from traditional economic growth. Its first two missions are to create economic opportunities for young people and to increase the diversity of people in positions of power. Local citizens will play a key role in the fund’s design and governance.



*Camden’s ‘What Matters’ fair, where invited residents and communities talk about what is important for living a good life in Camden.
[Photo by Kareen Cox, Camden Council.]*

6.3 Bold Leadership and Embracing Uncertainty

Shaking off the systems and processes that have promoted and sustained economic growth as the single measure of progress and the status quo is no easy feat. Working on shared priorities with citizens across the locality requires different tools, processes and behaviours and a completely new mindset.

Some of the most successful examples of local wellbeing approaches in action, such as North Ayrshire and Camden, have achieved results because of the type of leadership, and the desire to experiment and do something different.

“We wouldn’t have done this without strong leadership in all its senses with clarity and drive,” says Russell McCutcheon from North Ayrshire Council. **“And a compelling vision.”**

In other places with less fertile ground, it’s down to those who are prepared to step out of their comfort zone and experiment.

In one regional body in England the creation of a wellbeing economy framework involving citizens was quietly dropped when it came up against political priorities. In another council a move towards a more holistic approach to local economic thinking was nipped in the bud when it didn’t have enough internal leadership.

“This work must be led by senior leadership, not by economic development,” says a former head of local economic development who didn’t want to be named.

But those working locally know the costs of not joining the dots around climate will mean more costs in the future.

“We need to link the benefits of flood prevention to the costs to human health if we don’t prevent flooding”, they added. **“We need to understand the costs down the line if we do nothing. To link economic development to the climate emergency, to create green jobs.”**

Working with greater complexity – and more closely with communities – also requires casting off assumptions and certainty, says Amber Nyoni, strategic planning and public health lead at Essex County Council, of the new approach across mid-Essex.



The process is a challenge. Anyone wanting to do this journey needs to understand that it’s about becoming an uncertainty expert.

Amber Nyoni
Essex County Council



Perhaps the most significant change for local councils is how they conduct relationships with public and private partners and the third sector, and in particular with citizens who are increasingly becoming partners in their work.

Nick Kimber of Camden Council, says that wellbeing approaches, by nature of the fact that they are dealing with greater complexity, require councils and other partners to work in a more agile way and to have a deeper dialogue with citizens.

“When you are responding to complexity and doing things that require you to innovate, you can’t always describe at the beginning how you will get there,” he says.

“It’s a process of testing and learning and iteration and the regular cadence of dialogue with community and partners is really essential to keep that dynamic approach.”

North Ayrshire Council sought to understand – with support from Carnegie UK – how radical kindness could help transform relationships between people and local services as part of its wider wellbeing work.

Local organisations including the council were invited to commit to a Kindness Promise, prioritising relationships and meaningful connections.

The focus on kindness was dismissed by some as ‘soft and easy to do’, but the reality of embedding kindness into organisational structures uncovered a fundamental rupture in how public services engage with citizens. This was a result of new Public Management efficiencies being rolled out across the public sector in the past 30 years, which have squeezed the time frontline staff could spend on relationships.

“Over the last three decades we’ve seen dramatic changes in how public bodies relate to people,” says Sarah Davidson, chief executive of Carnegie UK.



Over the last three decades we’ve seen dramatic changes in how public bodies relate to people. Public sector organisations must manage time now and that squeezes their ability to form relationships. But relationships are where change happens.



Sarah Davidson

Carnegie UK

6.4 Rethinking Finance

Moving away from a single focus on GDP not only requires different ways of thinking, new priorities and processes for local organisations but also a radically new approach to finance. It means developing financial ecosystems that promote and sustain more democratic forms of business such as community and social businesses and employee ownership, and developing investment that supports a more long-term and systemic approach.

Camden has created a Community Wealth Fund to support its mission-based work within communities; specialist lender Triodos Bank has recently aligned all its activity around five 'transition themes' including wellbeing as one of the areas where it believes more finance will have transformational impact.

[Transcap Initiative](#) is building the field of systemic investing and exploring how funding can support city-level approaches towards greater sustainability, particularly at the micro level. While mainstream finance often centres around investment for large-scale infrastructure projects, much of the cutting-edge practice around the social, ecological and economic transition is happening within community-led initiatives, such as the neighbourhood scale civic infrastructure demonstration work of [Civic Square](#) in Birmingham.

The challenge for investment of all types is to fund widely and deeply, and to understand the importance of support for both the development of 'community capital', to enable and build local relationships of trust, and for experimentation as communities journey together into the future.



Civic Square is co-creating the Doughnut Economics framework to the neighbourhood scale in Birmingham, inspired by Kate Raworth and communities around the world reimagining regenerative economic systems that are distributive by design. [Photo credit: Thom Bartley]

7.0 CONCLUSION

Working at the edge of major societal shifts is often about asking more questions than diving into solutions. Wellbeing economics is still at an experimental phase and those putting it into practice are experimenting without always having the answers. Peeling off the layers of 50 years of GDP-focused policies will not happen overnight; understanding the failures of the current system and dipping a toe in the alternatives is the first step.

As Sarah Davidson of Carnegie UK says: **“It’s a shared endeavour despite different geographies. It’s ok to iterate, to play with this and localise it. We have early adopters and now it’s moving to the next stage.”**

Rosie Maguire, an associate at the Centre for Thriving Places, is seeing a real hunger among places to work differently and says that everyone working within a place can start this work, regardless of local or political appetite. **“Everyone knows that things should work better than they do, that services are sticking plasters. Some people get paralysed waiting for radical change,”** she says. **“But we can start now, by looking at what works and celebrating that, then finding the small wins. It could be changing the wording or a single decision or focusing on relationships. Sometimes it’s about bringing people together around an issue. As author Deepak Chopra says, ‘what we pay attention to, grows’.”**

There is an extraordinary disconnect between the ‘value’ that we assign to arms contracts, city trading and subsidising oil producers, and the lack of value placed on the time spent teaching our children, caring for sick people, cleaning our streets and growing our food.

If instead our measure of progress was how well we convert resources into long term human and planetary wellbeing, their value would be almost immeasurably large.

This is a ‘wellbeing economy’ and it has the power to transform our ambition for ‘growth’ and in turn transform our world. Our ability to have clean energy for generations to come, our capacity to build more houses that provide shelter and community, our freedom to move between places safely, cleanly and affordably, the education of our children to grow up to be citizens able to improve their own and each other’s lives – these are the things that need to grow, and our economy needs to be vastly more efficient and productive at delivering them.

We hope this report helps bring more attention to this work, and encourages you, the reader, to join those whose stories we have told, in shifting economies, place by place, to engines of fair and sustainable wellbeing for all.

CASE STUDY: NORTH OF TYNE COMBINED AUTHORITY

The newer structures of regional combined authorities are providing testing grounds for new approaches to local economies.

The North of Tyne Combined Authority (NTCA) created a wellbeing framework for the region. It began with a series of roundtables that brought people together from across the public, private and third sectors and through listening to the experience and stories of almost 2000 residents and partners.

Using the SEED approach set out by Carnegie UK which gives equal weight to social, environmental, economic and democratic wellbeing outcomes, the framework sets out 10 outcomes, which include education, health, fair work and sustainability.

“We can use the framework to paint a picture of the kind of place we would collectively like to live in and a call to action to bring others along with us,” says Robin Fry.

Fry has worked in the voluntary sector in the region for more than two decades, during which time many of the statistics around prosperity have been moving in the wrong direction.

Child poverty is now at 35% across the north-east region and health inequalities are the highest in the UK. Fry then worked within the NTCA as inclusive economy advisor and helped the development of the wellbeing framework.

The difference to previous regional visions, he says, is that it has been developed with citizen involvement and brings a greater understanding of the complexity and connectivity of local issues.



“ One of the outcomes we’re focused on is access to great education. A trigger-happy approach would see us pour investment into education, but access to education is as much about transport provision, about connection to community and about having good employment paths. The wellbeing framework helps us think differently about how we invest. ”

Robin Fry

North of Tyne Combined Authority

Taking a more holistic view of local progress helps everyone living and working within a place to see themselves within the system and understand how the work they do fits into wider goals. Whether they are setting up a gardening group to support people who are lonely or embedding social value within a new housing development, individuals, companies and organisations can help progress towards wider collective wellbeing goals.

One of the strands to come out of its conversations with local citizens is the need for more social infrastructure for people to connect and build relationships. The North of Tyne Combined Authority supported stronger citizen agency and voice in communities that have for decades been at the mercy of local change rather than helping to shape it.

Their Community Partnerships Fund is devoting £4.5m to support activities that build social capital, strengthen the VCSE sector and support communities to have a stronger say in local decisions.

“We’re using these programmes to test hypotheses that when communities have greater social capital and when citizens have more agency, they are more resilient through good times and bad,” says Fry. **“We wouldn’t have done that 10 years ago. We need to treat people as citizens and partners, not consumers and service users.”**



Families and pupils of a local primary school created a visual map of their area in Newcastle. They were invited to think about the things they wanted in their communities through visualisation and motivational activities and discussions. This work was delivered by Junction Point, a local Community Interest Company and funded through the North of Tyne Combined Authority's volunteering and social action programme.

Further reading:

<https://carnegieuktrust.org.uk/publications/the-north-of-tyne-combined-authority-inclusive-economy-board-wellbeing-framework-for-the-north-of-tyne/>

CASE STUDY: WEST MIDLANDS COMBINED AUTHORITY: USING THE DOUGHNUT TO CREATE CULTURE CHANGE

The West Midlands Combined Authority (WMCA), which covers a population of almost 3m across council areas including Birmingham, Coventry and Wolverhampton, has had a commitment to inclusive growth for more than five years.

It has created an [Inclusive Growth Doughnut](#), focusing all kinds of investment - capital, resources, time, attention - around the same set of social and environmental 'fundamentals', which meet the needs and aspirations of citizens while also being regenerative of the environment. Inspired by Kate Raworth's doughnut economics model and aligned to the sustainable development goals, the fundamentals include growing an 'inclusive economy' and 'health and wellbeing'.

There has been a heavy focus on 'hearts and minds' work, supporting combined authority teams, constituent local authorities, and external partners to understand exactly what a shift to an inclusive growth approach means for them and for their programme of work. The term 'inclusive growth' is one that works well with local stakeholders but there was still an educational push to ensure everyone's understanding of the term was similar, and to shift from a concept to practice.

"How do we get it into front and centre of decision-making of what people are doing? How do we get people thinking in a different way? It's about culture change. It can be a challenge," says Si Chun Lam, head of research, intelligence and inclusive growth at the WMCA.



How do we get it into front and centre of decision-making of what people are doing? How do we get people thinking in a different way? It's about culture change. It can be a challenge.



Si Chun Lam

West Midlands Combined Authority

The WMCA relaunched the framework in January 2023 and is now supporting teams to make the sometimes small but vital changes to their processes to shift towards it. This includes a regular blog that sets out best practice; a decision-making tool that provides guidance to project and programme managers; and an implementation toolkit to help teams understand the extent to which they are compliant, aspirational, or transformative in their approach to inclusive growth.

In every board paper and in the organisation's 'single assurance framework' process, programme and project managers are required to set out how each of their work programmes contributes to the fundamentals of inclusive growth. They are supported by Inclusive Growth Business Partners representing each of the organisation's delivery directorates and with skills and knowledge across all of the inclusive

growth fundamentals. This helps build awareness of inclusive growth and promotes culture change internally.

Additionally, the region's [research and insights ecosystem](#) is geared towards providing an evidence base for maximising inclusive growth in the region, with the West Midlands State of the Region report setting out the region's condition across each of the eight inclusive growth fundamentals through a report, dashboard, and immersive virtual reality experience; and a monthly West Midlands Insights on Society and Economy (WISE) newsletter setting out updates across the eight fundamentals.



In Power, an Inclusive Communities grant recipient, with West Midlands mayor Richard Parker.

Further reading:

<https://www.wmca.org.uk/what-we-do/inclusive-growth/>

CASE STUDY: CREATING THE LONDON WELLBEING AND SUSTAINABILITY MEASURE

In his 2021 manifesto Sadiq Khan, running to be the mayor of London for a second term, committed to establishing a new measure of wellbeing in London as the core indicator of our city's success. He said:



Now is also the right time to look afresh at how we measure our success as a city. For years, we've measured prosperity – like most cities and countries – in terms of material wealth that is generated by our economic activity. But the strength, sustainability and wellbeing of our economy and society are not currently properly reflected.



Sadiq Khan
Mayor of London

The London Wellbeing and Sustainability Measure was launched by the GLA's City Intelligence in October 2023. It brings together the 64 high quality datasets for London that captures Londoners' priorities for living a good quality of life, and scrutinises inequality by making all demographic breakdowns and geographic breakdowns at borough level available where possible. You can compare data across these groups for years 2016 to the present via a [data explorer tool](#).

The measure was created through an in-depth mixed method collaboration with Londoners over an 18-month period, including digital diaries, focus groups, community engagement sessions with charities representing many of London's most marginalised communities, a public online consultation, and a key stakeholder in-person consultation with local authorities and mayoral office colleagues. The seven core measures of wellbeing for London are: having a decent home, feeling financially secure, good employment and opportunities to succeed, positive connections and belonging, being healthy, and accessible services and safe neighbourhoods.

The GLA produced a [user guide](#) in partnership with the Centre for Thriving Places for London practitioners advocating for a wellbeing approach to policy. Newham Council used it to develop their own outcomes framework around community wellbeing and plug some gaps in its own data.

Another example is London Youth, a membership organisation working with over 600 youth organisations in the capital. Improving the wellbeing of young people is at the heart of their work and the London measure helps them to widen the evidence base and address the issue holistically.

Following the OECD's conceptualisation, City Intelligence is currently exploring future wellbeing in London and how using a six-capitals framework, or an asset-based approach, is needed to secure the future wellbeing of generations. The GLA will be publishing a user guide for stakeholders interested in a stewardship-led, capital-stocks approach to policymaking in autumn 2024, as well as the Year 2 data update for the London Wellbeing and Sustainability Measure.

Further reading:

<https://data.london.gov.uk/dataset/draft-london-wellbeing-and-sustainability-measure>

RECOMMENDATIONS

Where to start with a wellbeing economy approach in your place:

- Look at what life is like for people in different groups, areas, and situations in your place. How well does the local economic system support them to be healthy, secure, connected, safe, warm, well fed, able to fulfil their ambitions and thrive?
- Understand the data: what do we know already about who the system works well for and where it fails to create the conditions for people to thrive, and why?
- Bring citizens together in a conversation about what matters to them; and do this together with the people who are able to take decisions that might realistically change how the system runs locally, so that citizens' conversations are not held in a vacuum from the places in which decisions happen
- Develop partnerships between the organisations and institutions that together drive how different parts of the system work together in the place: local government, business, the NHS and other public sector bodies, the voluntary sector, grassroots community organisations, education and skills institutions, place based investors and funders
- Choose an approach or framework that helps align your work to the kinds of goals that matter to people who live in the place - e.g. the Thriving Places Framework, community wealth building, doughnut economics.
- Explore how resources can be best spent, and services and programmes best designed, to produce the social and economic outcomes that matter to people locally. Design the outcomes and progress you most want to see, into how the economic system is organised, from the outset.
- Look at how money moves around the economy - what gets resourced well, and why? Who accumulates wealth, who is able to make decisions?
- Look at how different people in that place get hold of money and resources, and what control they have over how their lives are shaped by the paid and unpaid work they do?
- Look at what kinds of businesses and organisations are able to thrive, and how those businesses are able to meet the needs of the people and the place now and in the future?

If you'd like help building pathways to a thriving place where you are, please get in touch with the team at Centre for Thriving Places. Our team can help you deliver any of these recommendations and more!

ACKNOWLEDGEMENTS

Centre for Thriving Places would like to thank [Carnegie UK](#) and [Triodos Bank](#) for their kind support for this project.

Centre for Thriving Places

Everyone deserves to live in a place where they can thrive. Centre for Thriving Places provides expert guidance, insight, practical tools and support to help measure and grow the things that really matter to everyone's lives. Our multidisciplinary teams help bring local decision makers and communities together to develop shared goals, and co-design policies, strategies and actions to achieve them.

Carnegie UK

Carnegie UK's purpose is better wellbeing for people in the UK and Ireland. They are an independent charitable foundation established with an endowment from Andrew Carnegie over 100 years ago.

Triodos Bank

The Wellbeing Economy in Action report is sponsored by Triodos Bank UK. Triodos Bank is a leading expert in sustainable banking, with a mission to make money work for positive change.



We are grateful to everyone who gave their time and took part in interviews for this report:

Robin Fry, inclusive economy advisor, North of Tyne Combined Authority. Adrian Coggins, head of wellbeing and public health, Essex County Council. Amber Nyoni, strategic planning and public health lead, Essex County Council. Tristan Easey, strategic health and leisure manager, Braintree District Council. Anna Humphreys, strategic lead for inclusive growth, West Midlands Combined Authority. Si Chun Lam, head of research, intelligence and inclusive growth, West Midlands Combined Authority. Yamini Cinamon Nair, senior research and statistical analyst, Greater London Authority. Barry Fong, principal social policy analyst, Greater London Authority. Victoria Barvenova, climate emergency programme manager, North Somerset Council. Jane Harrison, head of economy, North Somerset Council. Deborah Clark, sustainability director, thriving communities, The Crown Estate. Rob Chesworth, head of strategic land, The Crown Estate. Will Mansell, founder, the Grace Network. Audrey Sutton, retired executive director of communities, North Ayrshire Council. Russell McCutcheon, executive director (place), North Ayrshire Council. Michal Shinwell, head of insight, learning and impact, Camden Council. Nick Kimber, director of strategy and design, Camden Council. Tess Lanning, strategic head of inclusive economy, employment and skills, Barking and Dagenham Council. Felix Kumi-Ampofo, director of inclusive economy, skills and culture, West Yorkshire Combined Authority. Sarah Longlands, chief executive, CLES. Derek Walker, future generations commissioner for Wales. Jonathan Tench, director, wellbeing economy and programmes, Office of the Future Generations Commissioner for Wales. Katherine Trebeck, co-founder, Wellbeing Economy Alliance (WEAll), Sarah Davidson, chief executive, Carnegie UK. Jennifer Wallace, director (policy and evidence) Carnegie UK. Rosie Maguire, associate, Centre for Thriving Places. Liz Zeidler, chief executive, Centre for Thriving Places. Rachel Laurence, deputy chief executive, Centre for Thriving Places.