

The Rebuilding Britain Index

Health, happiness
and our sense of place

April 2022



Foreword

Our role, as the leading institutional investor in UK infrastructure, is to help build a better society and improve lives.

This means ensuring that investment and policy is being channelled into the right communities and the right type of infrastructure in order that this investment is being put to use where and how it is most required to narrow the inequalities we see across the UK.

Since we launched our first wave of findings in early 2021, our Rebuilding Britain Index (RBI) has consistently shown that jobs and economic prosperity provide the keys to driving improvements in people's quality of life across the countries and regions of the UK. However, our findings also reveal that health plays a significant role, with major variations between UK local authorities in terms of key health outcomes, such as life expectancy. It is already clear that efforts to narrow health inequalities must form an essential part in narrowing disparities across other social and economic wellbeing measures.

The critical issue considered in this report is what steps the UK needs to take in order to build healthier infrastructures capable of supporting healthier behaviours in people's everyday lives. The UK cannot hope to improve health outcomes, a vital prerequisite if we are to truly level up our communities, without considering the need to improve local infrastructure – this goes beyond simply improving access to high quality community health centres, GP practices or hospitals. It also includes being able to enjoy access to those things which support healthy

living such as high-quality housing and affordable household energy, accessing fulfilling and motivating forms of employment, and accessing healthy amenities such as sports centres and gyms – all are essential foundation stones to deliver the Levelling Up health outcomes.

This report forms the fifth edition of the Rebuilding Britain Index. The research is based on survey responses from 20,000 UK households. The findings reveal that the UK has been slow to recover and reset in the wake of the pandemic, as households and local businesses continue to adapt their behaviours and priorities. It is important that we aim to 'build back healthier' by investing in the things which support healthy behaviours and lifestyle choices. Alongside additional investment, such as the planned rise in National Insurance, to be ring-fenced for health and social care, it will also mean putting local communities at the front and centre in deciding what their local investment priorities should be. The Rebuilding Britain Index hopes to help those discussions – both at the local and national level – over the coming year.

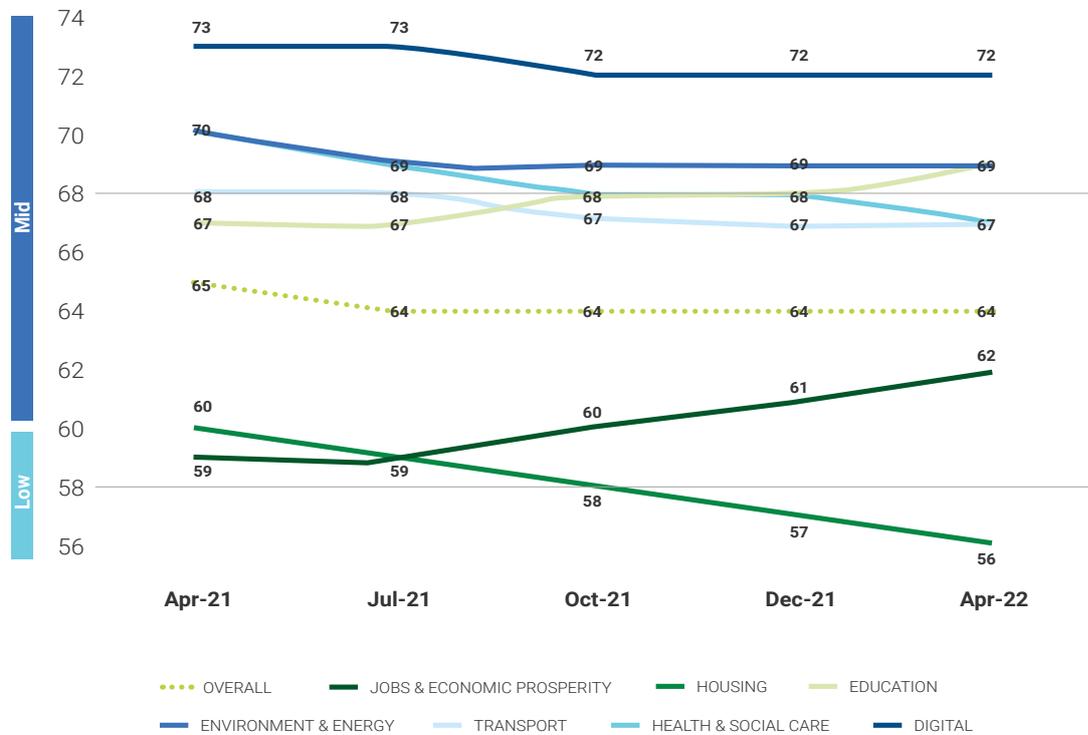


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Key findings

RBI performance over time



Happiness & life satisfaction



62%

... of people are satisfied with their lives



61%

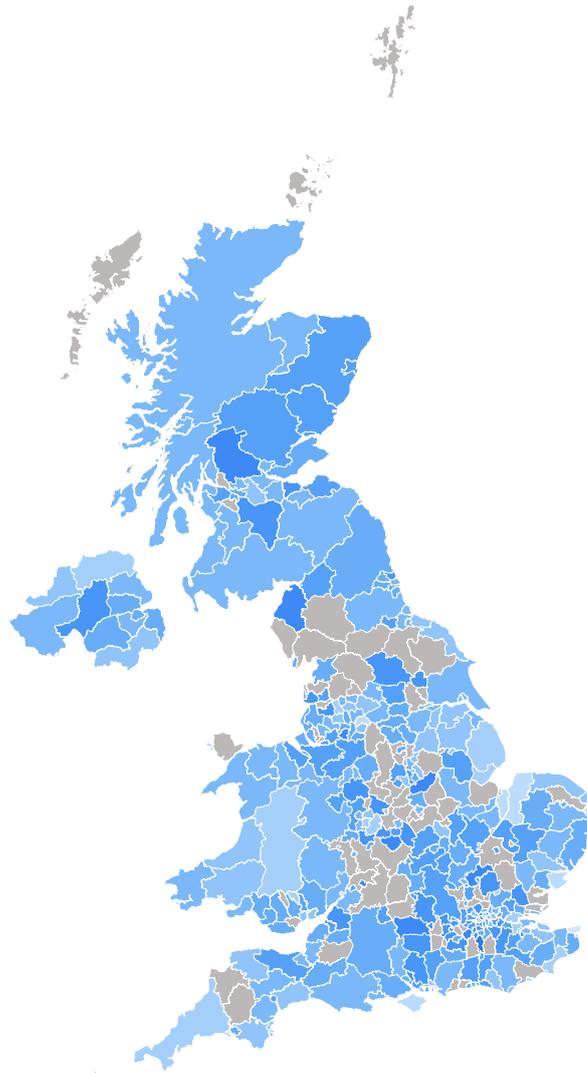
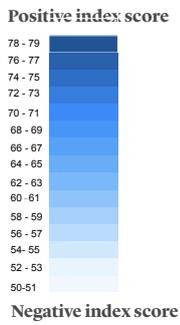
... of people were "happy yesterday"



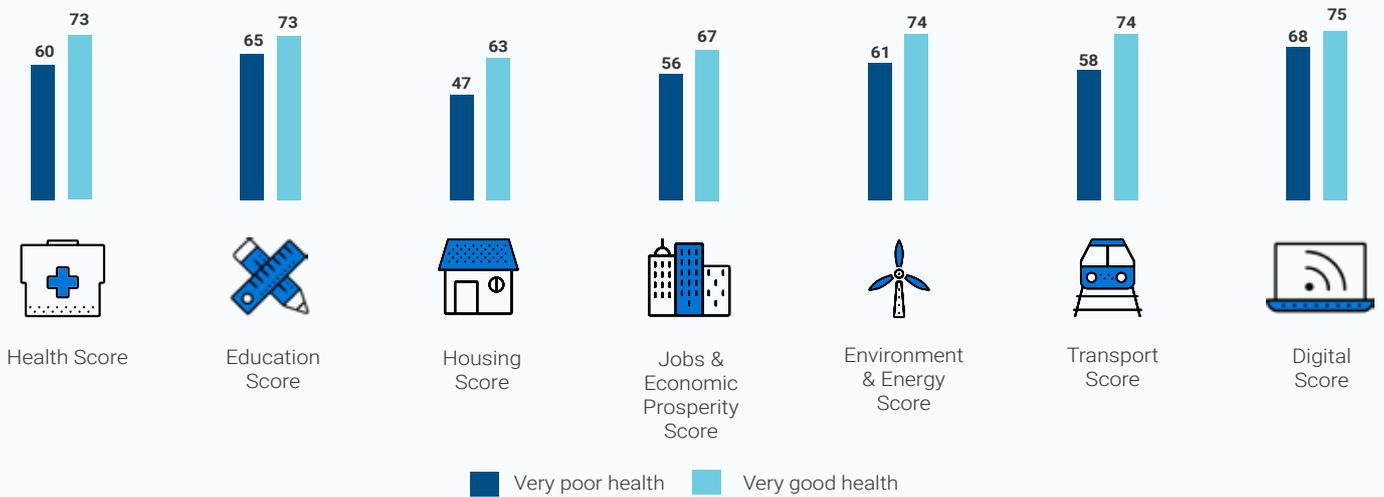
27%

... of people felt "anxious yesterday"

Overall RBI score by local authority

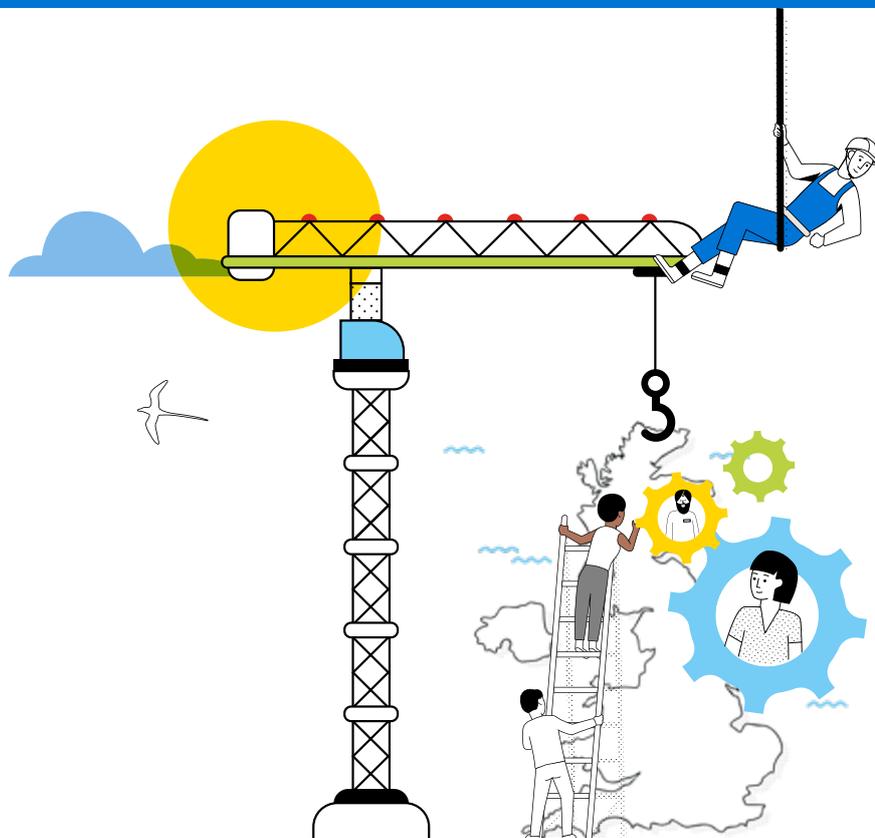


RBI score by self-reported health



The Rebuilding Britain Index: Key Indicators

Ensuring long-term
improvements in public health
as part of our Covid recovery



The pandemic has shone a light on the nature of health inequalities across the UK. We saw visibly how low-income homes and communities were less resilient when faced with a major public health crisis. Those in the 'left behind' communities suffered from higher Covid-related mortality rates. Economic deprivation is highly correlated with health conditions and increased morbidity: people on lower incomes are more likely to suffer from poor health and they are less likely to reach the average life expectancy. They also experience a lower healthy life expectancy meaning they spend a larger proportion of their retirement living in poor health, leading to greater strain on local health and social care services. Any efforts to Level Up, must acknowledge and address this reality.

In 2021, the UK Government published a breakdown of over 100 successful projects receiving funding from the Levelling Up Fund. This fund has allocated £1.7bn to date to projects across the UK to support, among other things, growth in innovation, science and technology capability, economic and employment prospects, urban regeneration projects, EV capacity and transport links. These will clearly take time to take effect. Our RBI data, tracked over time, should provide an indication of which projects are having the greatest positive impact.

We know from the RBI findings to date, that investing in a strong economy and jobs market is essential in raising standards across housing, transport, digital, education and health for local communities. We can also see that there has been a continued improvement in the RBI Jobs & Economic Prosperity measure as post-Covid unemployment rates continue to fall. The Employment index score now stands at 66/100 in Q1 2022 representing a sizeable jump from 62/100 in Q4 2021. This demonstrates that more Britons are actively employed and feeling more positive about the impact that has on their quality of life. However, the findings did not reveal any improvements in average earnings (at a time when the inflation rate is running at 7 percent) or the perceived availability of well-paid jobs.

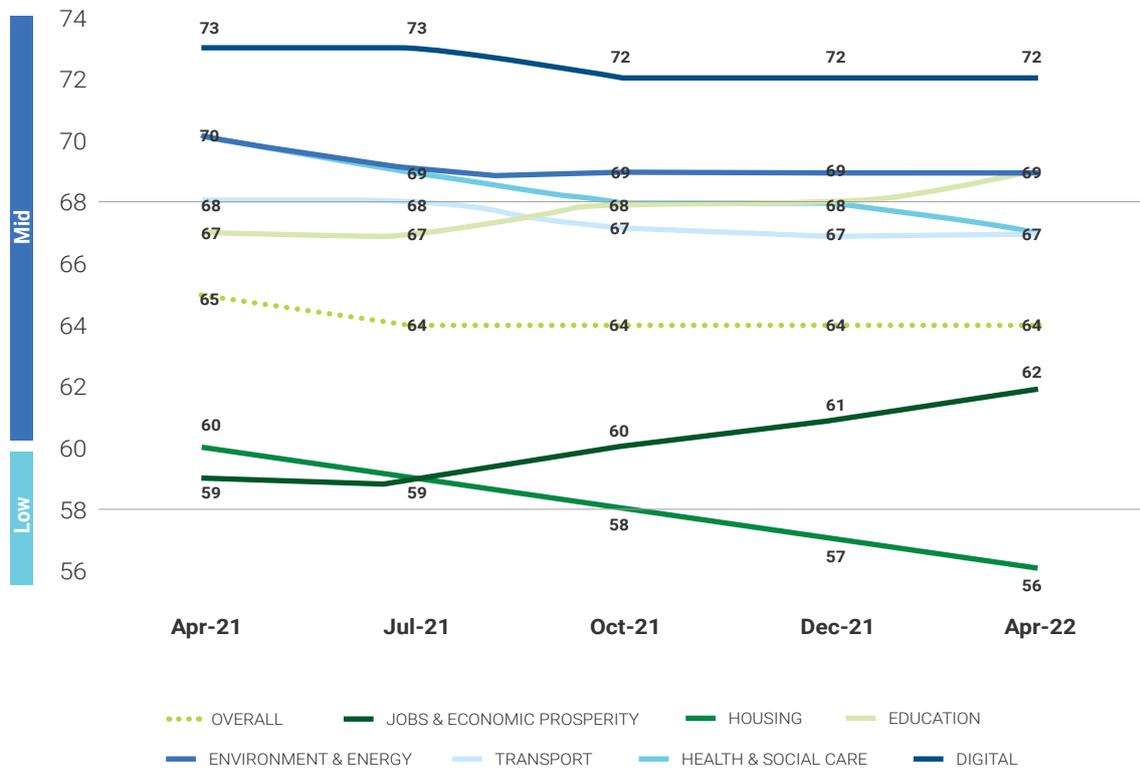
Broadly, the news from the job market should be seen as a positive, as the UK continues to bounce back from the Covid furlough. However, it will take considerable time and investment for the more buoyant jobs market to filter through into changed health outcomes. Health outcomes will be measured in years, not weeks and months.

The RBI reveals that, at present, our nation's health is moving in the wrong direction. Both housing and health metrics across our index are continuing to decline. While a stronger local economy may, over time, help raise standards of both housing and health, our index suggests that more may need to be done to address both issues in the more immediate term. If we explore the Government's Levelling Up fund, then we can see that within the first round of Government funding, there is only one project funded that explicitly addresses housing (in Sunderland) and only two examples that explicitly tackle health (in Bedworth and Omagh). Our index suggests that this may need to change.



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Figure 1. Jobs and economic improvements mask an ongoing decline across health and housing measures – health has been on a downward trend since April 2021 (RBI Wave 1)



Regional and Local Index Performance

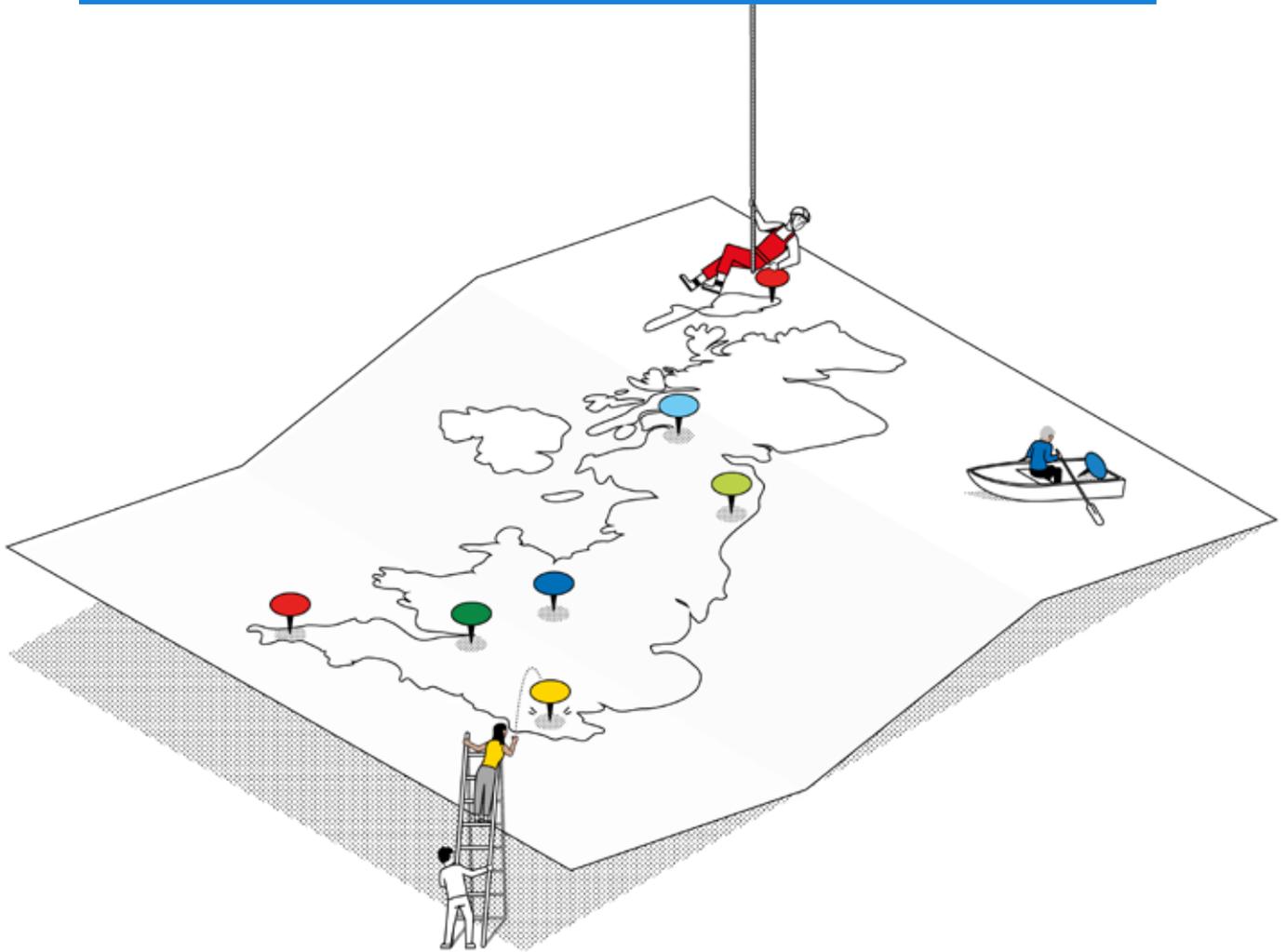


Figure 2. Component Index scores by UK country and region

	North-East of England	North-West of England	Yorkshire & Humber	East Midlands	West Midlands	East of England	South-East of England	South-West of England	London	Wales	Scotland	Northern Ireland
OVERALL RBI SCORE	64	64	64	64	64	64	65	64	66	63	65	63
HEALTH INDEX	63	63	65	65	64	69	71	71	73	63	63	65
EDUCATION INDEX	68	68	66	66	66	67	70	73	73	65	73	63
HOUSING INDEX	65	62	61	61	61	53	49	48	49	59	63	63
JOBS & ECONOMIC PROSPERITY INDEX	55	58	58	60	57	65	68	62	68	57	61	59
ENERGY & ENVIRONMENT INDEX	69	68	69	69	67	70	69	71	67	70	70	69
TRANSPORT INDEX	68	68	66	66	68	65	66	65	73	64	67	65
DIGITAL INDEX	71	74	78	73	75	69	72	69	75	71	69	66

As can be seen in figure 3 there are often very wide disparities in the overall RBI score at a local authority level. As highlighted in our previous reports, while differences in RBI performance across the index also exist at a regional level, they remain far less pronounced than they are felt locally.

London continues to outperform the rest of the UK on the key measure of Jobs & Economic Prosperity, as well as across the Health, Education and Transport measures. Elsewhere, the South-East and South-West of England also perform comparatively strongly across Health and Education measures.

Housing, though, continues to be a major issue for all three regions – and one that continues to get worse. Indeed, the Housing score for London (down 1pt), the South-East of England (down 2pts) and South-West of England (down 2pts) have all declined over the previous quarter.

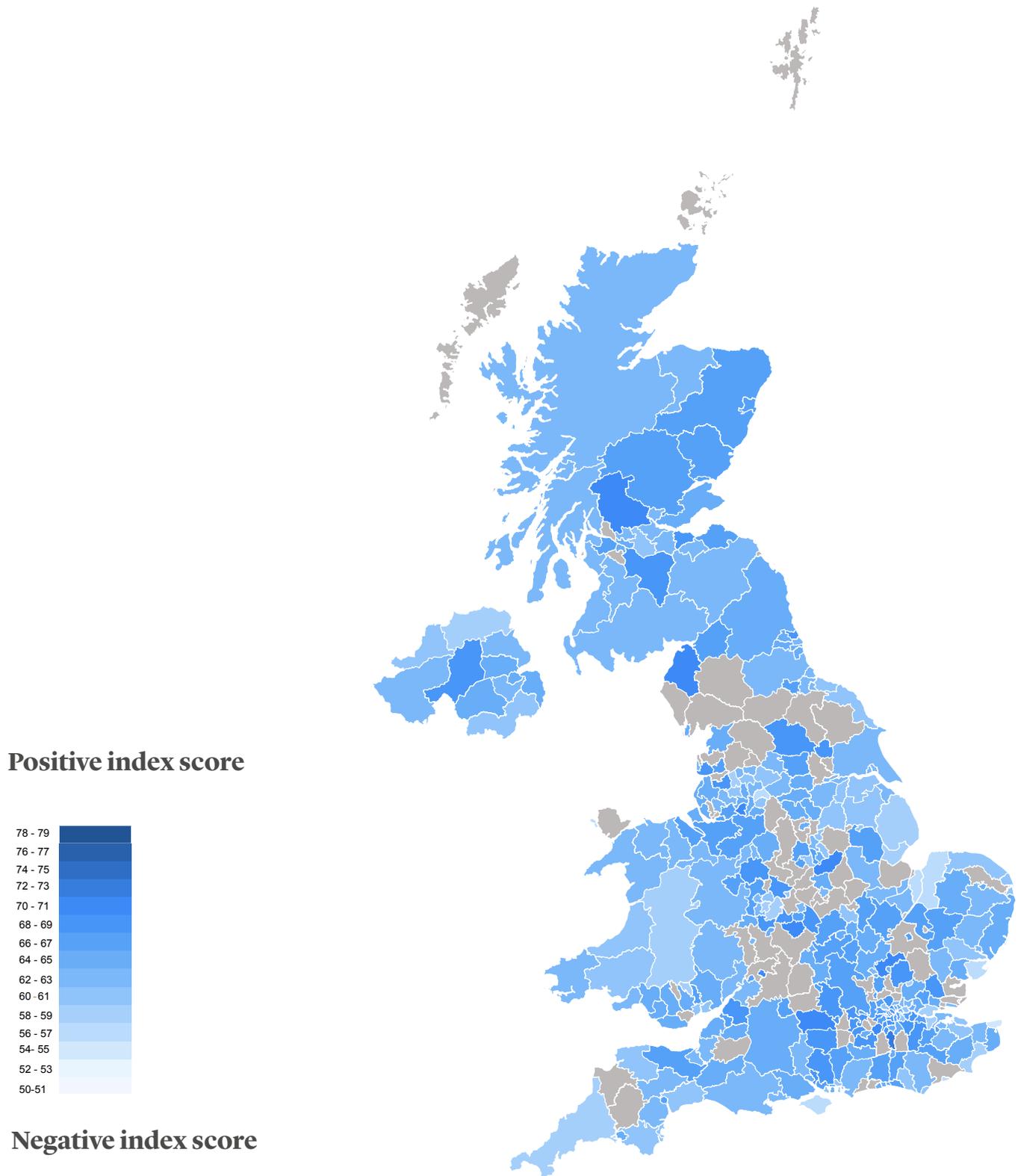
Despite showing minor improvements over the previous quarter, the North-East and North-West of England, Yorkshire & Humber and Wales continue to lag behind the rest of the UK in relation to Jobs and

the Economy. Indeed, the marginal improvements seen in these parts of the UK generally mirror what we see across the nation more widely. In short, the gap is yet to show signs of closing.

However, within figure 3 we can see just how much disparity exists within our local communities. Every local community within a given region has its own strengths and challenges which can be explored in granular detail using our interactive mapping tool¹. The tool pinpoints the extent to which each local authority is pulling ahead and falling behind across each of the individual 52 metrics captured within the RBI.

It is evident that there is a strong overlap between poor economic outcomes and poor health outcomes, with this seen across Northern England, Wales, and Scotland. Given the focus on Health and Wellness in the Government’s Levelling-Up White Paper, this is something we explore in greater depth within the next section of our report.

Figure 3. Overall RBI score by Local Authority ²



² Greyed areas currently have insufficient base size

Health, Happiness & Our Sense of Place



Health

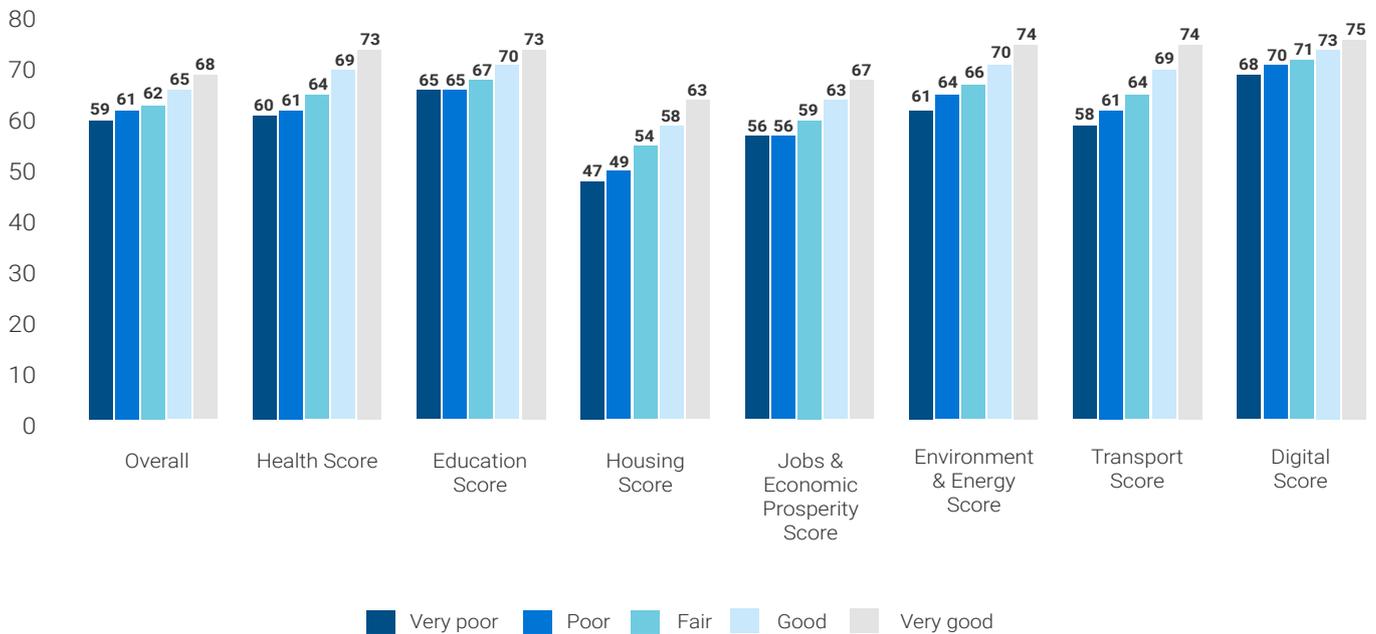
The Levelling-Up White Paper listed health among their twelve “core missions” – with a commitment that Healthy Life Expectancy will improve by five-years by 2035. This target was established in 2018. However, as we have already highlighted through our findings in the previous section, achieving this target will necessarily involve tackling the wider causes of these health outcomes as well as support for the NHS. The White Paper itself references housing, consumer behaviours and economic opportunity as key to tackling the issue.

The recent context for life expectancy has not been positive. After witnessing decades of improvements – resulting from improved diet and lifestyle, advances in medical science, and increased affluence – the UK has been among a small number of industrialised nations which have seen life expectancy improvements stall over the previous decade³.

The reasons for this emerging trend are deeply interconnected: our RBI findings reveal the linkages between physical and economic infrastructure. To narrow health inequalities, we may choose to focus on creating well-paid jobs and the economy, though to improve jobs and the economy we may well need to address housing, transport, and digital connectivity.

Improving health outcomes creates a virtuous circle – those in very good health perform better across all other measures of wellbeing. We can see in figure 4 how those that self-reported their own health as very good, score significantly higher across all aspects of the index than those who feel that they are in poor health. This is most acute in respect to housing and transport scores, where those in very good health score an average of 16-points higher than those in very poor health.

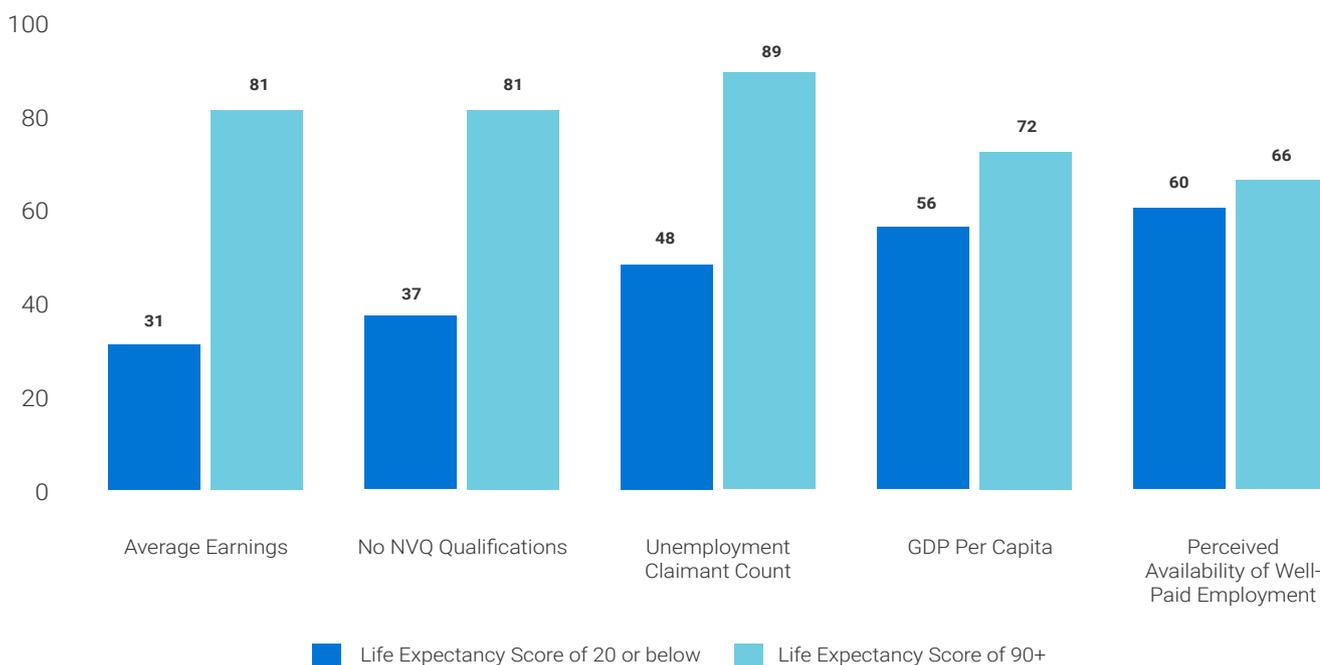
Figure 4. RBI scores by self-reported health



Such links are also evident when we explore the key outcome measure of life expectancy. As we see in figure 5, there is a strong correlation between life expectancy and key economic measures, including

average earnings, unemployment, and GDP per capita. Similarly, there is a clear link between life expectancy and educational outcomes.

Figure 5. Top-5 RBI drivers of poor life expectancy scores – average index scores by life expectancy



Happiness

At its core, the Rebuilding Britain Index is about how we can build a better society while, crucially, improving lives. While our focus is on how economic infrastructure and the built environment can support efforts to level the playing field of opportunity, regardless of where in the UK you live, the end-game is in people leading happier and more fulfilling lives.

A strong and sustainable UK will depend on an inclusive approach to investment and government policy. Unhappiness and dissatisfaction impacts on not just our health, but on wider factors, including productivity and educational attainment – all issues that go to the very heart of levelling-up.

Happiness and life satisfaction also places people at the centre of the debate – capturing the lived experience of people across the UK in a way that helps to guide development priorities through a more focused lens than can be achieved with the other outcomes indicators alone.

This places wellbeing as a central outcome of all levelling-up efforts. Levelling-up then, to be a success, is not just about creating jobs, boosting productivity, or building new physical infrastructure such as housing and transport. The product of all of these efforts should manifest in improvements in how people feel: how satisfied they are with their lives and how happy or anxious they feel.

Just to emphasise this point: wellbeing is now a hard metric against which the success of government policies to level-up the UK will be assessed. This makes it worth exploring in detail. How satisfied are we, across the UK, with our lives and to what extent does this level of satisfaction relate to the types of changes that can be driven by government policies or capital expenditure priorities?

To understand these issues in more detail, this wave of the RBI examined some of the wellness issues being researched by the UK Office of National Statistics (ONS). The Government is already integrating that ONS data as key metrics for judging the success of Levelling Up. To create consistency, we have also integrated those issues within our own RBI analysis.

Our own research found that just 62% of people state that they are currently very or fairly satisfied with their lives, with 17% feeling dissatisfied. At a regional level there is relatively little difference across the UK – ranging from a low of 58% of people satisfied in the North-East of England and a high of 65% of people satisfied in both Wales and the South-West of England. Region, or where you live, is not such a strong driver of happiness. What matters more is lifestyle, or how you live.

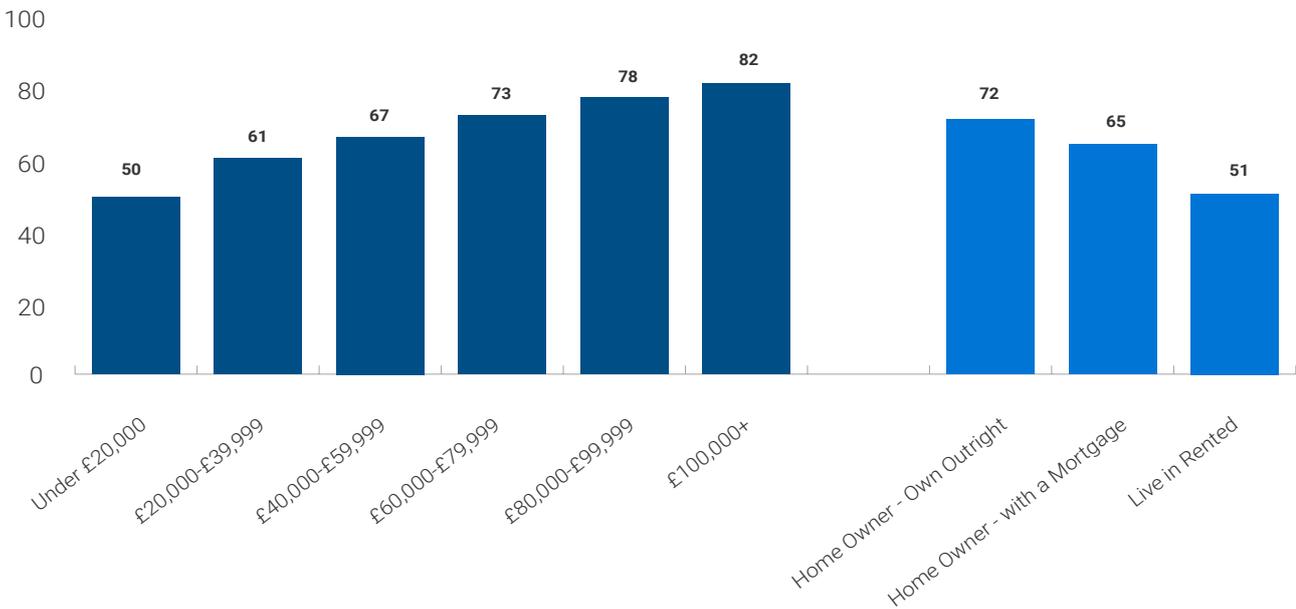


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Importance of Lifestyle

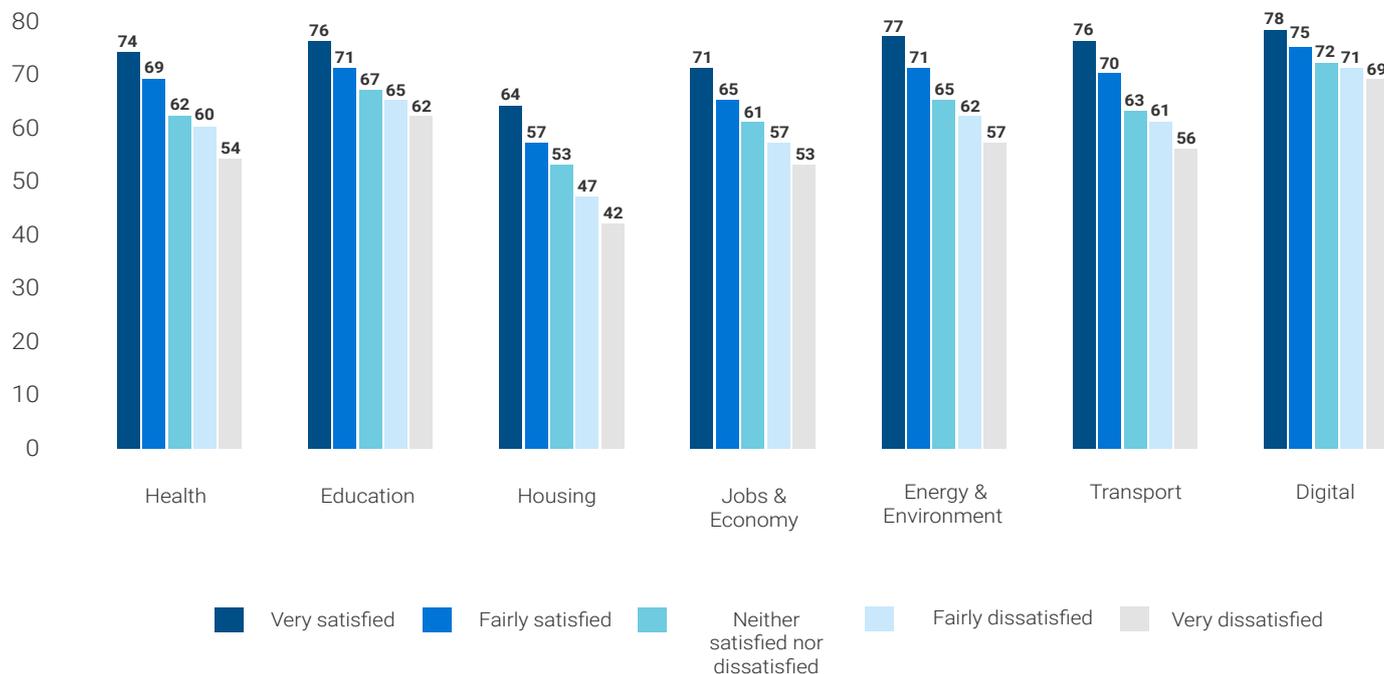
The findings make clear the importance of both income and home ownership, both central tenets to our own index, on improving our sense of life satisfaction. Higher income earners are significantly more satisfied with their lives than those earning the lowest incomes. Similarly, those owning their own home are far more satisfied than those living in rented accommodation.

Figure 6. % of people satisfied with their lives by income and home ownership



However, when we compare life satisfaction with performance across our index we see that the better people perform on all forms of infrastructure the more satisfied they are with their lives. To reaffirm the points made in figure 6, this is particularly true of the Housing and Jobs & Economy measures.

Figure 7. RBI scores versus level of satisfaction with life



All of the above points made with regards to life satisfaction are also the case when it comes to happiness – another measure included to assess the success of Levelling-Up.

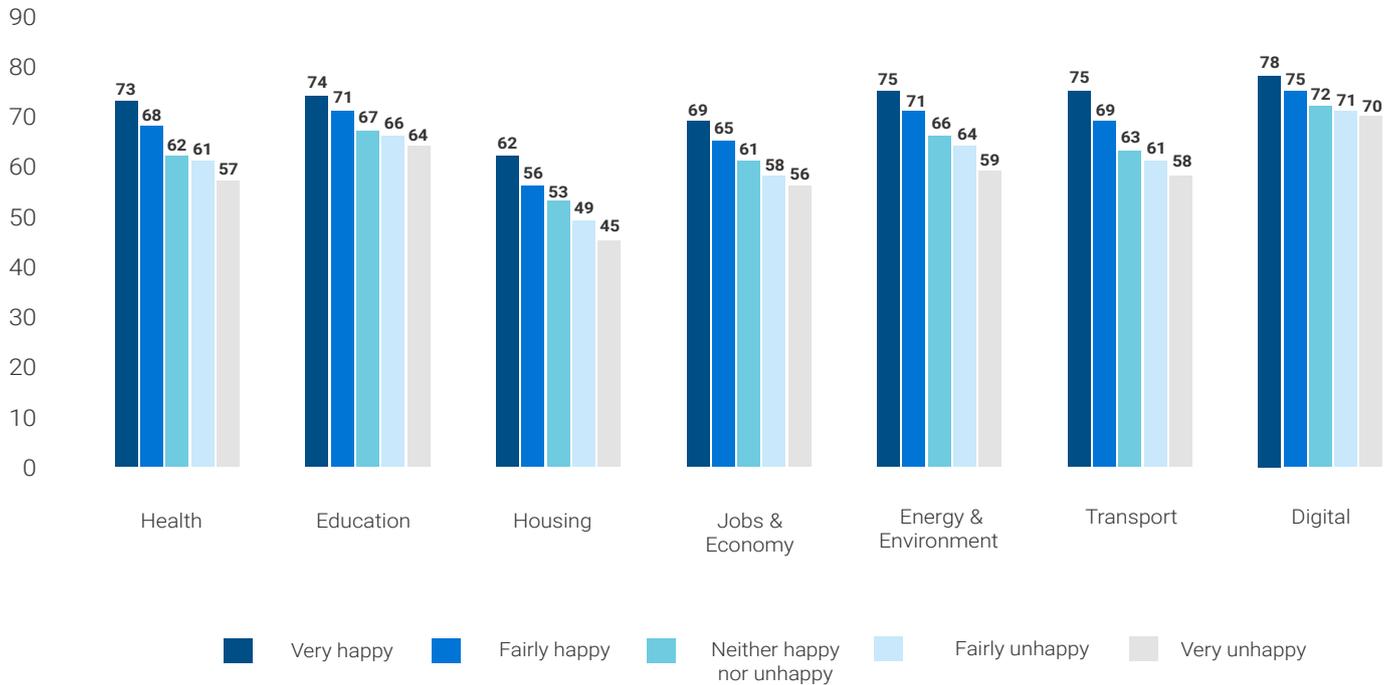
Across the whole of the UK, 61% of people stated that they felt either ‘very’ or ‘fairly happy’ on the previous day, with 16% feeling ‘unhappy’. Again, there is little difference across the nations and regions of the UK. If these findings appear very similar to those for life satisfaction, then that is because they are. Our findings show that life satisfaction and happiness are nearly one and the same thing. People who are satisfied with their lives are also happy.

As such, positive developments in physical and economic infrastructure and related outcomes are very likely to result in happier and more satisfied people.



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Figure 8. RBI scores versus level of happiness “yesterday”

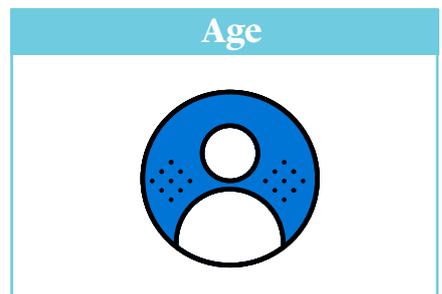
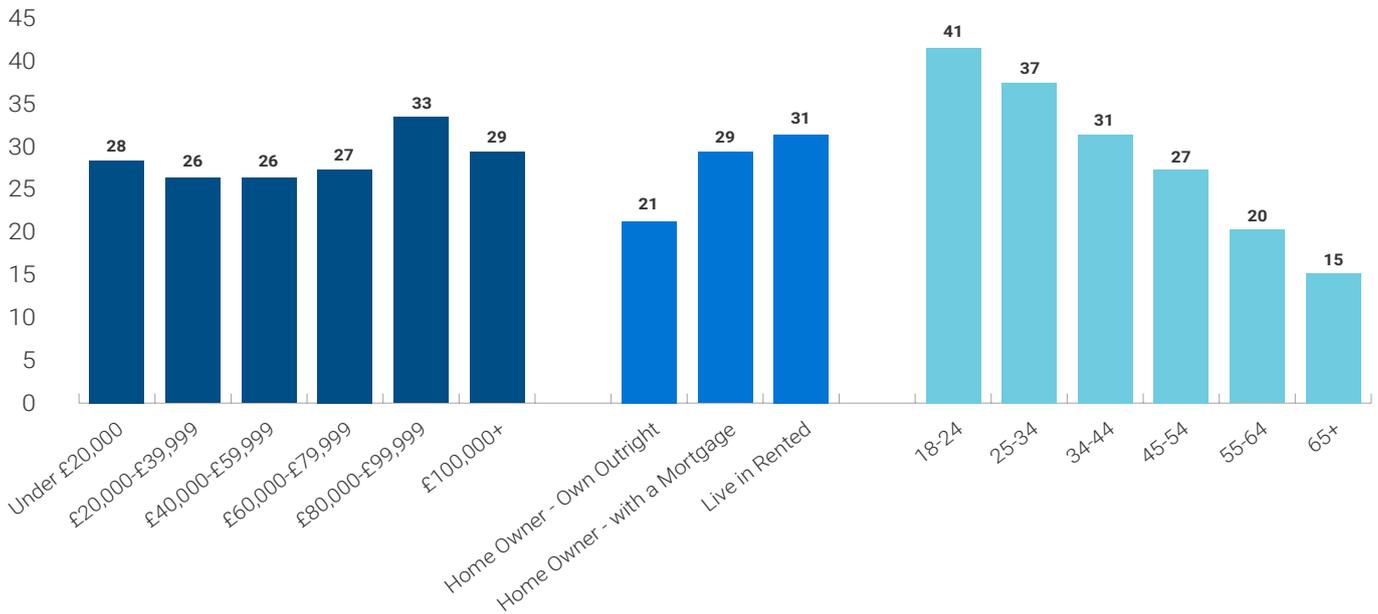


The inclusion of levels of anxiety as a hard metric against which to measure the success of Levelling-Up was particularly noteworthy. A study published by University College London in 2020 shows that there has been a surge of anxiety cases in the United Kingdom over the past decade, starting with the financial crash and fuelled by Brexit, social media, climate change, and now COVID-19⁴.

While aiming to reduce levels of anxiety across the UK is certainly an admirable ambition, our findings show that tackling anxiety will perhaps be more of a challenge. There is no correlation between income and levels of anxiety, and while there is a relationship between home ownership and levels of anxiety, this is far weaker than that seen in relation to happiness and life satisfaction.

⁴ Slee, Nazareth, Freemantle and Horsfall, [Trends in generalised anxiety disorders and symptoms in primary care: UK population-based cohort study](#), September 2020

Figure 9. RBI scores versus levels of anxiety



Age, however, is a critical factor when it comes to the issue of anxiety. While only 15% of those aged 65+ “felt anxious yesterday”, this rises to 41% among those aged 18-24. Ultimately, should anxiety be more closely linked to the kinds of mega-trend issues previously outlined than it is linked with the issues being tackled through the levelling-up agenda, then we should perhaps expect to see less improvement on this measure than we will see on the issues of happiness and life satisfaction.



A Sense of Place

Aside from satisfaction with our lives is how satisfied we are with our local area as a place to live. The two are not necessarily one and the same and this is born out within our findings.

Across the UK 69% of people are satisfied with their local area as a place to live. There is some overlap between that measure and the performance of the RBI, with those in the North of England and West Midlands generally less satisfied than those in the South of England.

Figure 10. Satisfaction with local area as a place to live by region

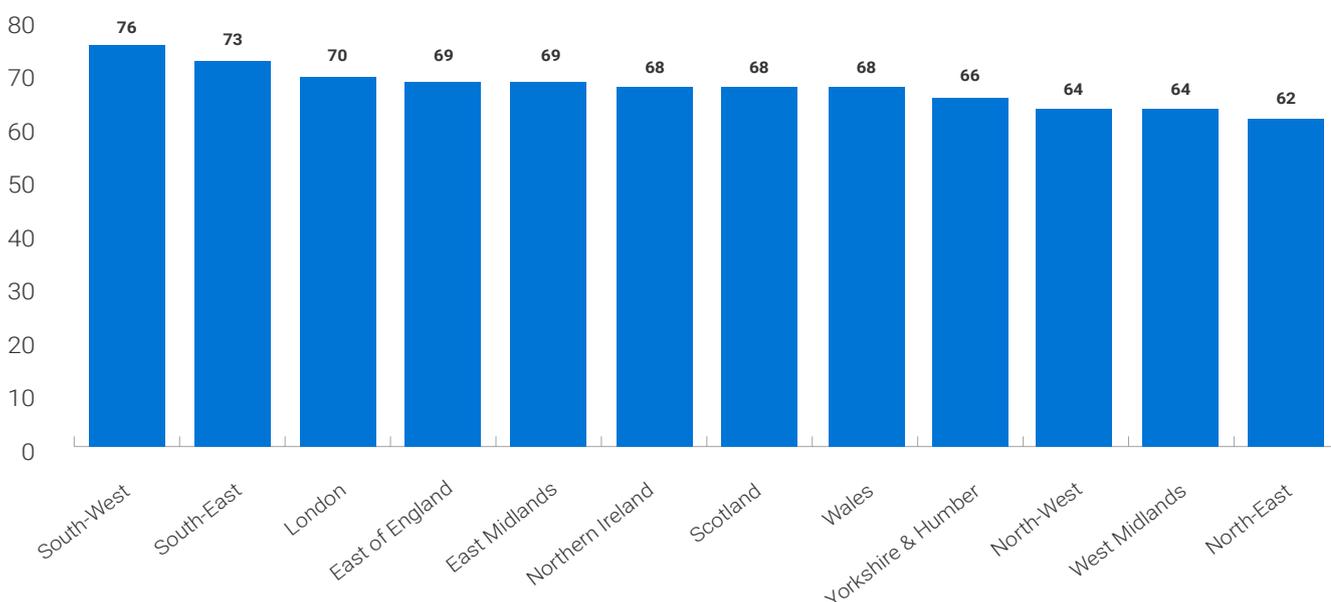
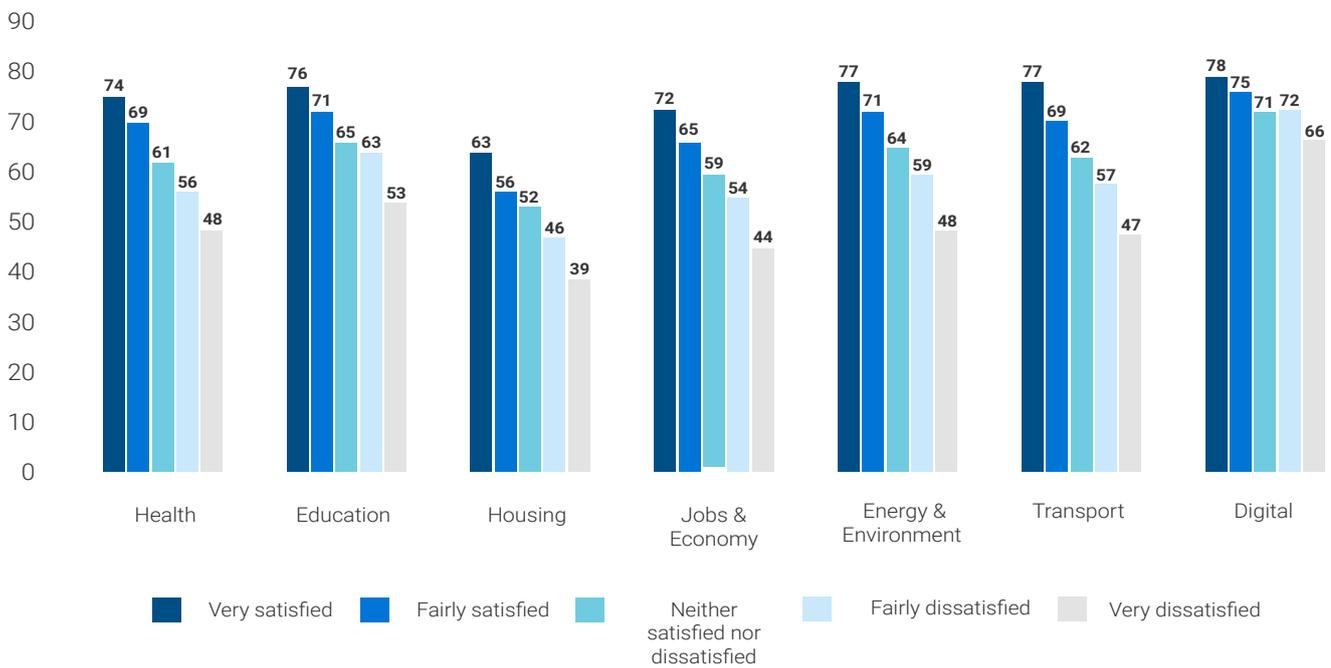


Figure 11 shows the extent of that relationship still further. Those satisfied with their area as a place to live score far higher across all aspects of the RBI – most notably in relation to Housing (24pts between very satisfied and very dissatisfied), Energy & Environment (29pts between very satisfied and very dissatisfied), Transport (30pts between very satisfied and very dissatisfied), Health (27pts between very satisfied and very dissatisfied) and Jobs & Economy (28pts between very satisfied and very dissatisfied).

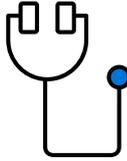
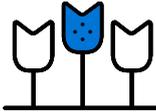
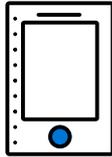
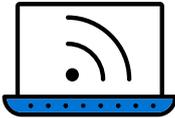
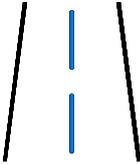
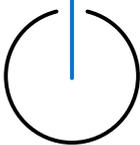
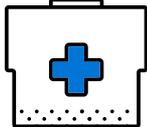
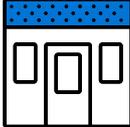
Figure 11. RBI scores versus level of satisfaction in local area as a place to live



However, to some degree, these links between satisfaction with an area as a place to live and physical and economic infrastructure are subconscious. Our data shows us that these links exist, but are these necessarily the same things that people actually tell us are important?

While we have seen throughout the close links between housing and economic measures with life satisfaction, place satisfaction and happiness, across the whole of the UK the forms of physical or economic infrastructure most strongly identified by people as impacting levels of satisfaction with their local area are focused on healthcare access, green spaces and digital access.

Figure 12. Types of infrastructure most identified as impacting levels of satisfaction with local area as a place (%)

<p>62%</p> <p>Access to high quality primary care (GP, dentist, pharmacy etc.)</p>		<p>50%</p> <p>Availability of public green spaces (parks, woodlands, and allotments)</p>	
<p>47%</p> <p>Reliability of mobile telephone network signal</p>		<p>45%</p> <p>Speed of internet supply at home</p>	
<p>44%</p> <p>Local roads (levels of congestion and quality of the road surface)</p>		<p>42%</p> <p>Reliability of mobile network internet data</p>	
<p>40%</p> <p>Availability of well-paid employment</p>		<p>39%</p> <p>Overall housing market</p>	
<p>34%</p> <p>Access to high quality secondary care (hospital or community care – e.g. midwifery)</p>		<p>32%</p> <p>A thriving local high street</p>	



Conclusion

For the first time since the inception of the Rebuilding Britain Index we now have a sense from Government on what they mean by Levelling-Up the UK and how they intend to measure progress.

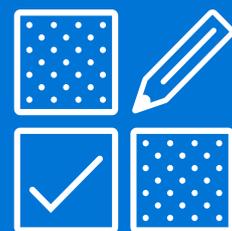
The measures closely resemble those used within our own index with regards to hard outcome measures around earnings, life expectancy and educational outcomes. However, they also include the perhaps idealistic measures of happier and less anxious people who are more satisfied with their lives and their local area as a place to live.

And there is a large degree of overlap between those hard outcomes and what essentially amounts to how people are feeling. We have seen again and again within this report the link between how people feel with home ownership, income and all aspects of our index.

What, though, is perhaps most evident is that we cannot tackle these issues in isolation. Whether it is through clear relationships in our data or through direct responses provided by survey respondents, all aspects of our index – from jobs & the economy and housing to education and digital – require targeted investment in order to narrow the gaps both in outcomes and in how people feel.

While it is reassuring that the government appears to recognise this within the white paper, this now needs to be turned into sustained action.

Appendix 1: Detailed Methodology



L&G is working in partnership with research specialists Cicero/amo, to develop an index that combines key indicators of social and economic progress. The index – called the Rebuilding Britain Index (RBI) - is designed to provide a benchmark of the UK's success in 'Levelling-Up' the economy across the left behind communities and households in the wake of the global pandemic.

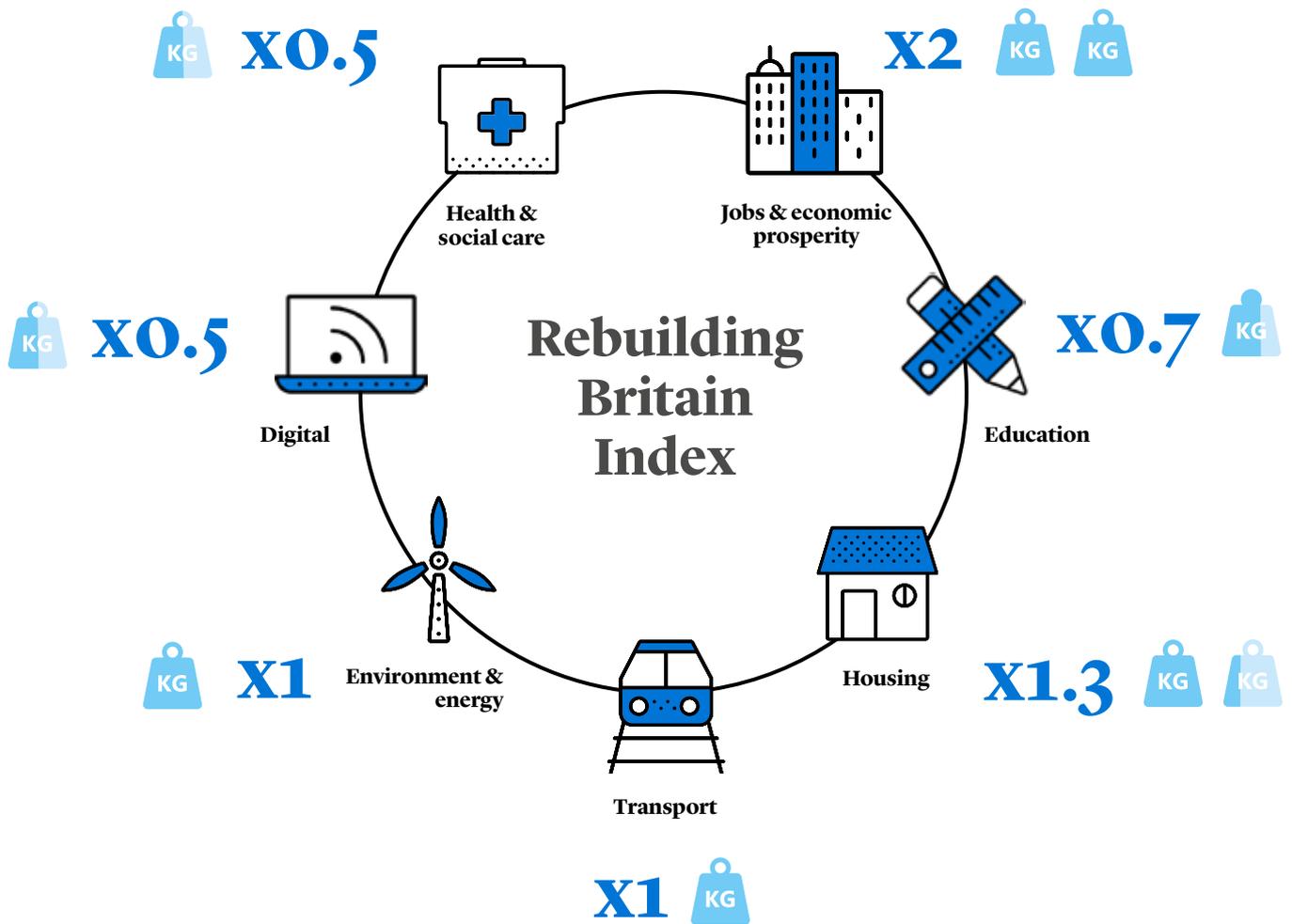
In developing the Index, we have identified seven key areas covering all aspects of the UK's economic and social infrastructure. For each of these seven areas we built out a series of quantitative and attitudinal statistical measures. In total, the RBI combines 52 different measures to provide a comprehensive assessment of how the UK's economic and social infrastructure is helping the UK to build back better. These measures are based on:

- A nationally representative survey (by age, gender and region) of 20,000 UK adults. Survey data collected across four waves – initially in May 2021 and subsequently in September 2021, December 2021 and March 2022.
- Secondary data collected on eleven outcomes measures. The measures were chosen based on the following criteria: being updated quarterly, data being reported to a Local Authority level and consistency and comparability of data across the devolved nations. Data was sourced from:
 - ONS
 - Gov.Wales
 - Gov.Scot
 - Education NI
 - Gov.UK
 - Ofcom

Using the data collected, the index was created based on the following approach:

- A standardisation of all 52 measures onto a 1-100 scale – where 100 would equal the highest positive score and one the lowest score.
- Undertaking analysis in order to identify the extent to which each measure correlates with perceived quality of life in the local community.
- We have assigned a relative weight of importance for each of the seven key areas. This is based on a statistical analysis to assess the strength of correlation between a given measure and the extent to which households feel quality of life locally is improving or worsening. Ultimately, this ensures that our index has been built with our communities in mind and with what matters most to them front and centre.

How the RBI is weighted across the seven key measures



‘Up-weighted’ factors

Our research analysis reveals that access to jobs, economic prosperity and housing are the key drivers in boosting a household’s perceived quality of life and economic wellbeing. To reflect this, we have upweighted the jobs and economic prosperity and housing measures accordingly – meaning they have a greater influence on the overall RBI score.



‘Down-weighted’ factors

Other factors, such as health, social care, and education, are clearly important. But they have less of a daily touch point on most people’s lives, and therefore have a weaker influence in determining a person’s sense of quality of life and economic wellbeing. The overall index score has been weighted to reflect this.



cicero/amo
strategic advisors