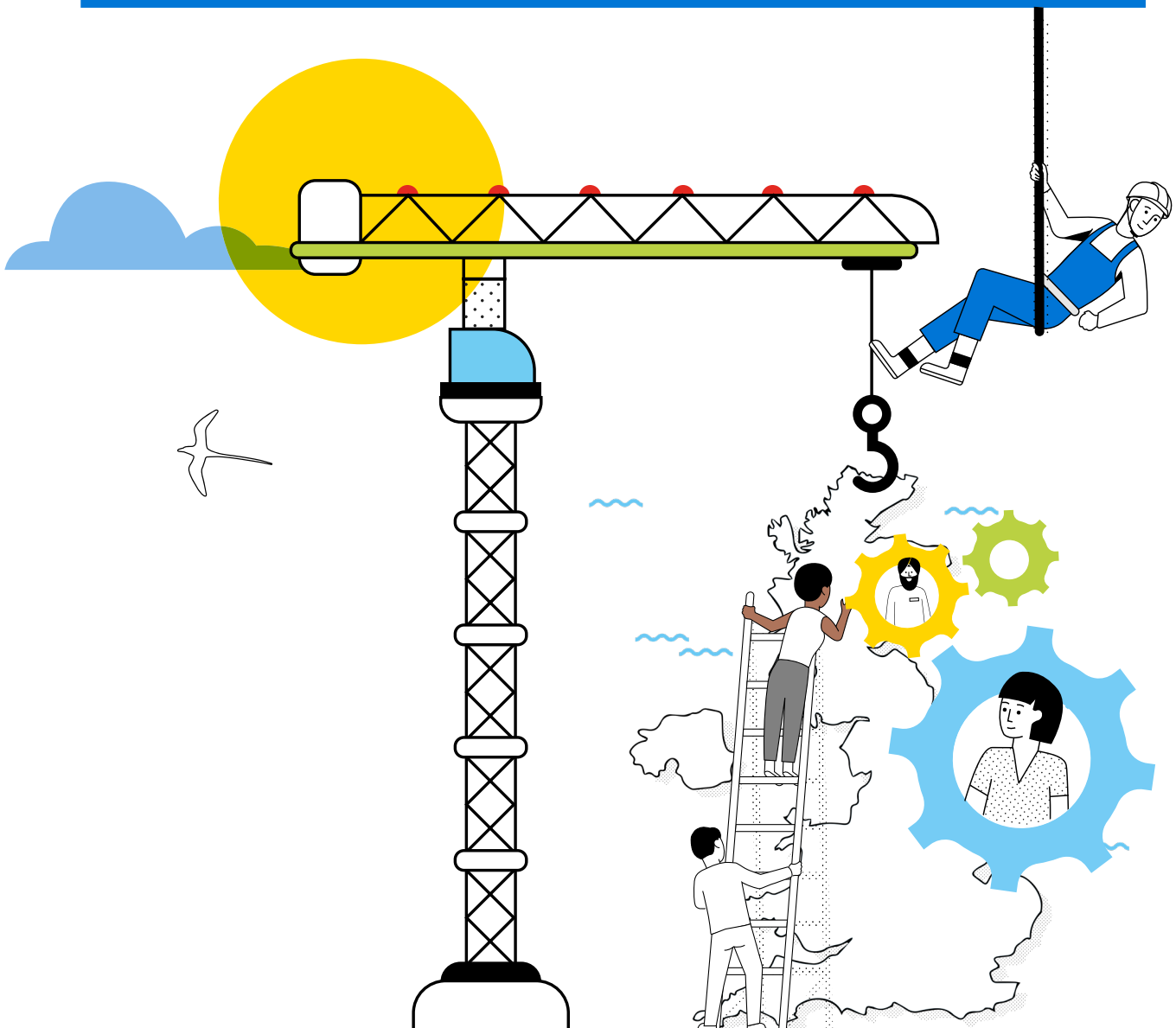


The Rebuilding Britain Index

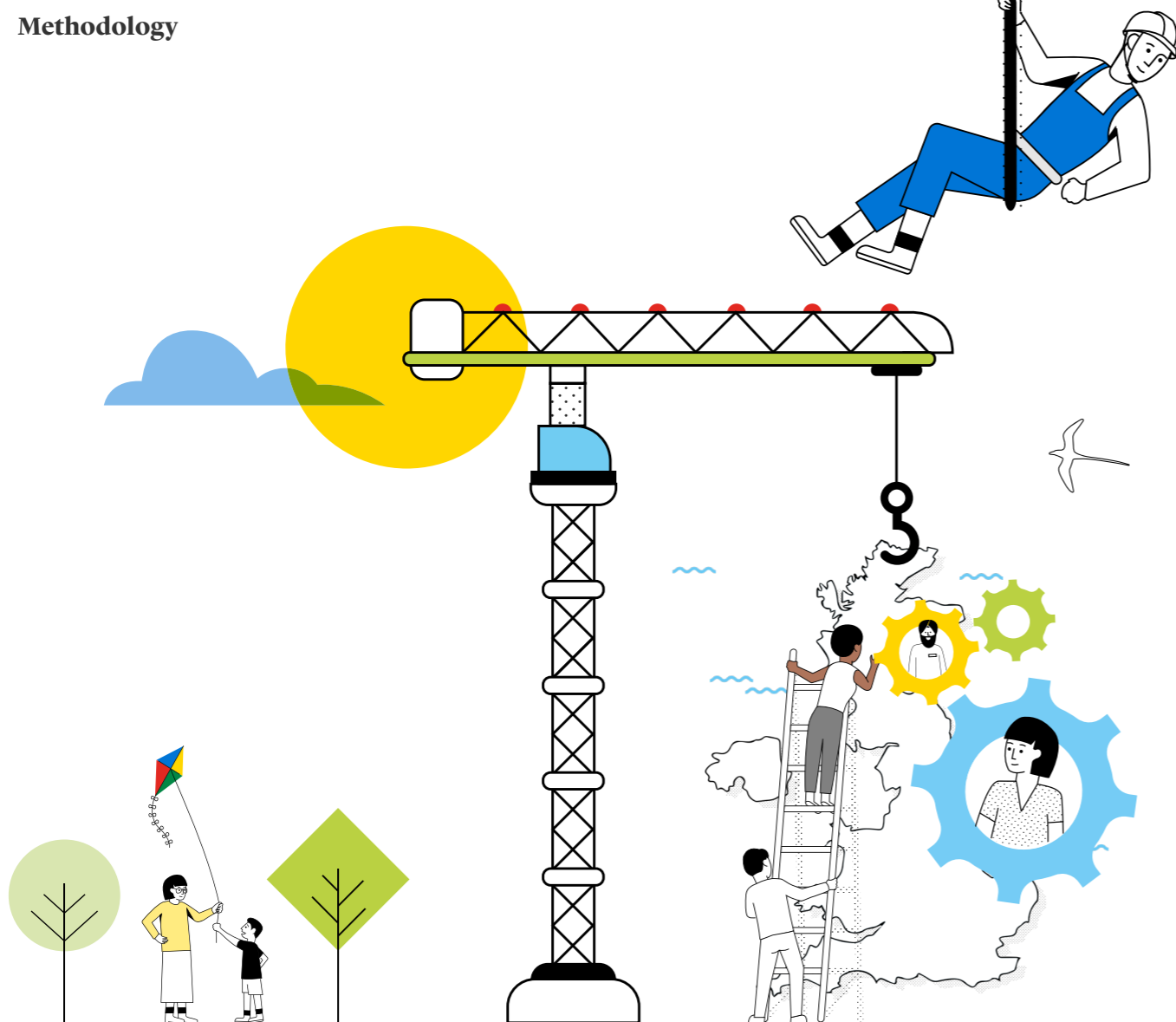
Levelling up our local communities

April 2021



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Foreword

Welcome to the first Rebuilding Britain Index report.

The Rebuilding Britain Index (RBI) is a new community-led index that tracks social and economic progress across the whole of the UK.

The UK stands at a pivotal juncture in its modern history. The global pandemic has resulted in unprecedented impacts, both in terms of the loss of life and lost economic output. The UK economy shrank by 20 percent in the course of 2020, representing the biggest annual fall in over 300 years.

It is vital that as we now look to rebuild our lives, and our communities, that we create an economy which enables us to “build back better”. This means building an economy which better meets the needs of local communities, narrowing the gaps in household and regional disparities, and addressing the growing sustainability challenges facing all communities.

Legal & General's role, as the leading institutional investor in UK infrastructure, is to support the UK's efforts to build back better. This means channelling investments into the right infrastructure. This can only be done by giving local communities a key role in determining which infrastructure they need to better support inclusive and sustainable economic growth and restore social mobility.

Working in collaboration with our research partners Cicero/AMO, our goal is to firmly establish the Rebuilding Britain Index in providing local communities with a strong voice in identifying their investment priorities. This will help to channel investment into those areas which will make the greatest difference in the quickest timeframe. Our quarterly updates will provide a regular snapshot for how successfully the UK is helping to improve people's lives and to assess whether the UK is building back better and levelling up across the UK countries and regions.



It is vital that as we now look to rebuild our lives, and our communities, that we create an economy which enables us to “build back better”.

Executive Summary

'Levelling-up' needs to be focused on the local level. Each local community has its own challenges and priorities. Addressing those challenges will require different investment priorities that reflect local needs.

Local input is needed and trusting local people to decide what they need should be the centrepiece as part of any policy programme to build back better.



1 Jobs & economic prosperity and housing are factors that most strongly impact on our perceived quality of life – there is a far stronger relationship between jobs & economic prosperity and housing with quality of life than is the case with digital, health & social care and education infrastructure.

2 The UK, at an overall level, performs least strongly in the areas that matter the most to households – the jobs & economic prosperity and housing measures are the facets of the index that perform least strongly. This is particularly the case for availability of well-paid employment, unemployment, house prices as a % of average income and perceived affordability of starter-homes.

3 There are significant disparities between and within the nations and regions of the UK across all types of infrastructure – our index highlights regional variations across all index measures and clearly demonstrates that each nation and region has its own unique set of strengths and challenges.

4 There is no simple north vs. south divide. The north needs to level up the economy and the south needs to level up housing – both have clear needs, but those needs are not the same. London and the South of England need to address housing challenges – particularly in terms of affordability. The economy and jobs market are the big ticket issues in the North of England, Wales and Northern Ireland.

5 As we take stock of where the UK currently is, the line we draw in the sand is very different at a local level – there are pockets of affluence and deprivation in all parts of the UK. Areas of the South achieve below average RBI scores – for example, the geographically remote Cornwall – while areas of the North and Scotland perform well above average – notably high-growth cities like Edinburgh and Leeds.

6 We need urgent action if we are to stop low-income “left-behind” communities falling further behind – lower income communities are most ‘at risk’ of being left further behind in the wake of the pandemic, offering more credence to the idea of a “K-shaped” UK recovery. Low-income households perform less well on all measures included within the study irrespective of where they live in the UK.

7 Perceived quality of life is not improving for everyone. For some it is declining – across the whole of the UK we are six times more likely to achieve a “low” RBI score than we are to achieve a “high” score. Furthermore, there is a significant minority in all regions who feel quality of life locally is declining – peaking at 26% in the North East of England.

8 Well-paid employment, local roads and affordable social housing are viewed as key spending priorities – with each being among the most identified spending priority and being aspects of the index performing the least strongly.

Introduction

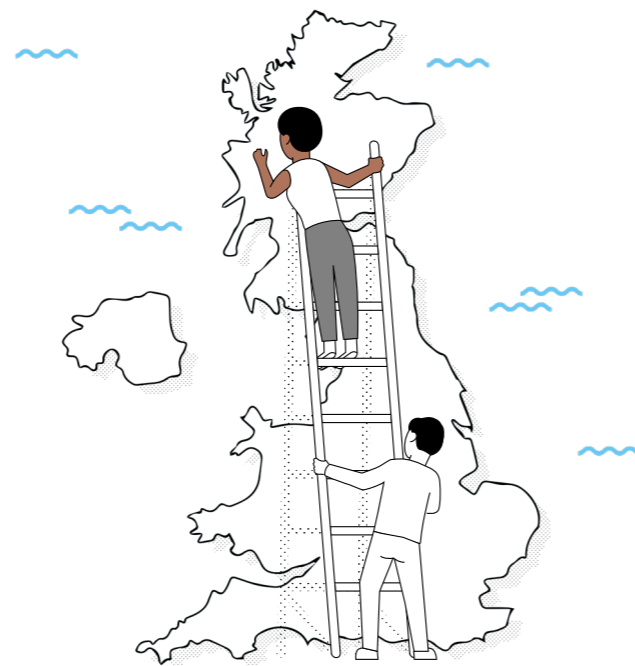
Why focus on Britain's infrastructure? And why now?

At a most basic level, our built environment serves to protect life and promote prosperity. It provides us with homes, schools, hospitals, and workplaces.

It creates the energy needed to heat and power them. The built environment also helps to connect people and integrate communities. This includes the transport systems needed to make society geographically mobile. Social connectivity and inclusion increasingly extend beyond the physical world to include the digital infrastructure needed to connect people remotely. Covid-19 has greatly accelerated digital trends. The built environment shapes all our social and economic interactions.

So, measuring how the built infrastructure meets local needs is essential, particularly now as the UK is embarking on a major programme of national rebuilding. The Rebuilding Britain Index provides such a measure. What the results within this report demonstrate is whether our built infrastructure is helping to serve local communities, regional economies, and the UK overall.

Investment is required across the whole of the UK, but we will not be successful in tackling what really matters to people within our communities if we adopt a top-down approach from Whitehall in setting local priorities. Local input is essential. Placing trust in local people to decide what they need should be the centrepiece as part of any policy programme to build back better.



Providing A Voice For Local Communities

In February 2021, we published preliminary results that suggested that some of the regional and household gaps and inequalities may be growing. This coincided with the ongoing debate about a potentially 'K-shaped' recovery from the Covid-19 pandemic. This K-shape indicates the more affluent communities of the UK are already in recovery mode, whereas the so-called 'left behind' communities, continue to struggle.

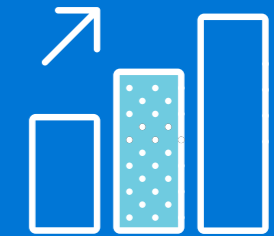
We revisit the theme of a country on two distinct paths throughout this report. Our findings show the scale of the challenge if we are to successfully 'level-up' the UK. The process of levelling up needs to be carefully targeted, not at whole regions, but at communities within the regions.

Creating the Rebuilding Britain Index

L&G is working in partnership with research specialists Cicero/AMO, to develop an index that combines key indicators of social and economic progress.

In developing the Index, we have identified seven key areas covering all aspects of the UK's economic and social infrastructure (Figure 1). For each of these seven areas we built out a series of quantitative and attitudinal statistical measures. In total, the RBI combines more than 50 different measures to provide a comprehensive assessment of how the UK's economic and social infrastructure is helping us to build back better. It also benchmarks the UK's success in 'levelling up' across the left behind communities and households.

Key RBI features



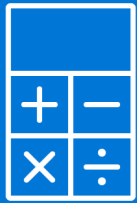
Use of secondary quantitative data

The RBI uses official statistics to provide us with a reliable measure of outcomes. This includes, among others, life expectancy, unemployment rates, average earnings, house prices and educational attainment.



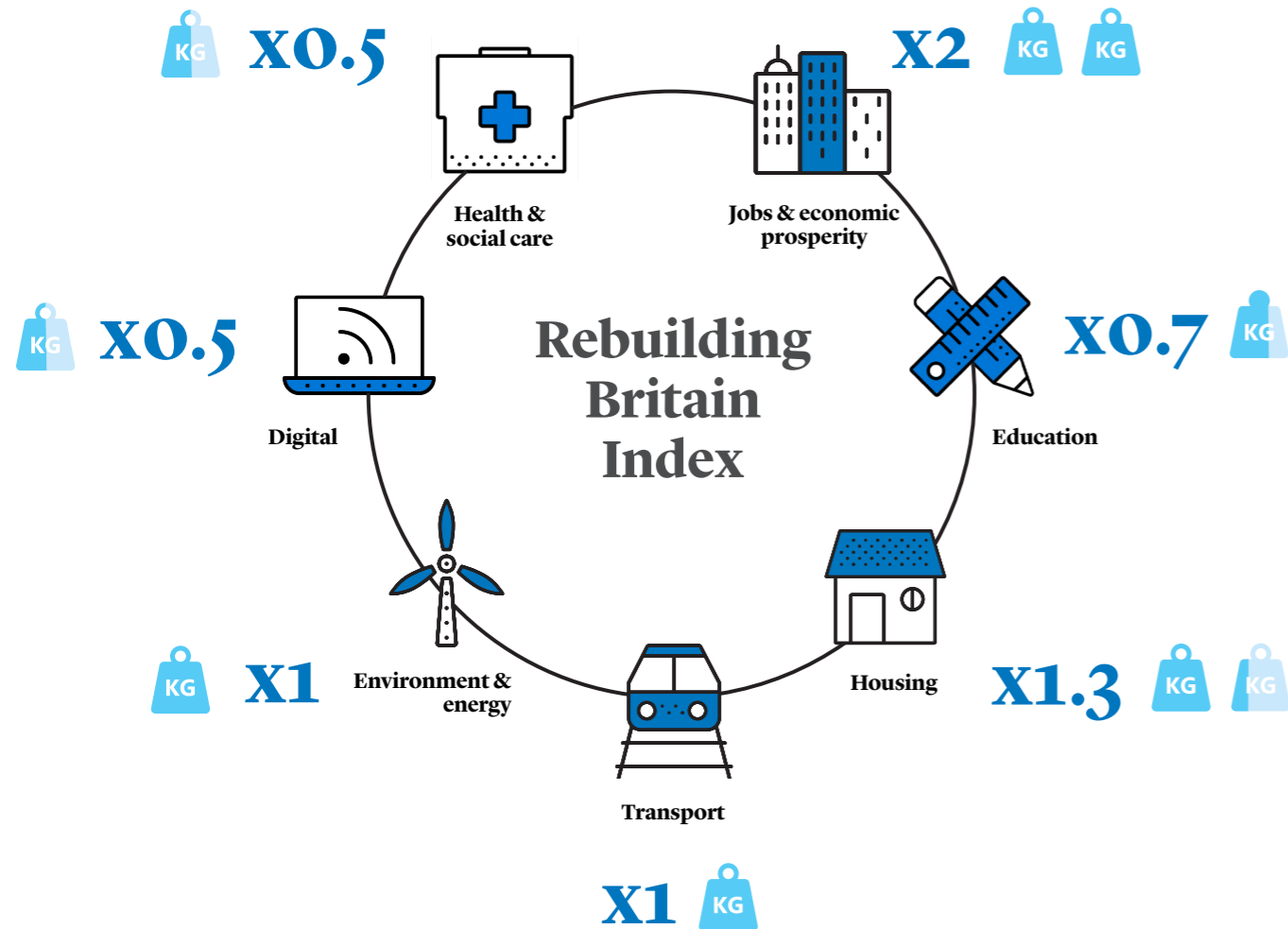
Major household survey

We also undertake quarterly surveys of household sentiment to highlight the 'bottom-up' priorities in determining where best to focus our future investments. This builds into an annual benchmark study of 20,000 people.



When calculating the overall RBI, we have assigned a relative weight of importance for each of the seven key infrastructure areas. This is based on a statistical analysis to assess the strength of correlation between a given measure and the extent to which we 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. Please refer to the appendix for a detailed methodology.

Figure 1. How the RBI is weighted across the seven key measures



'Up-weighted' factors

Jobs and economic prosperity and housing are the key drivers of quality of life and economic wellbeing, as reflected in our preliminary household survey results, based on 5,000 UK adults in February 2021. 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.

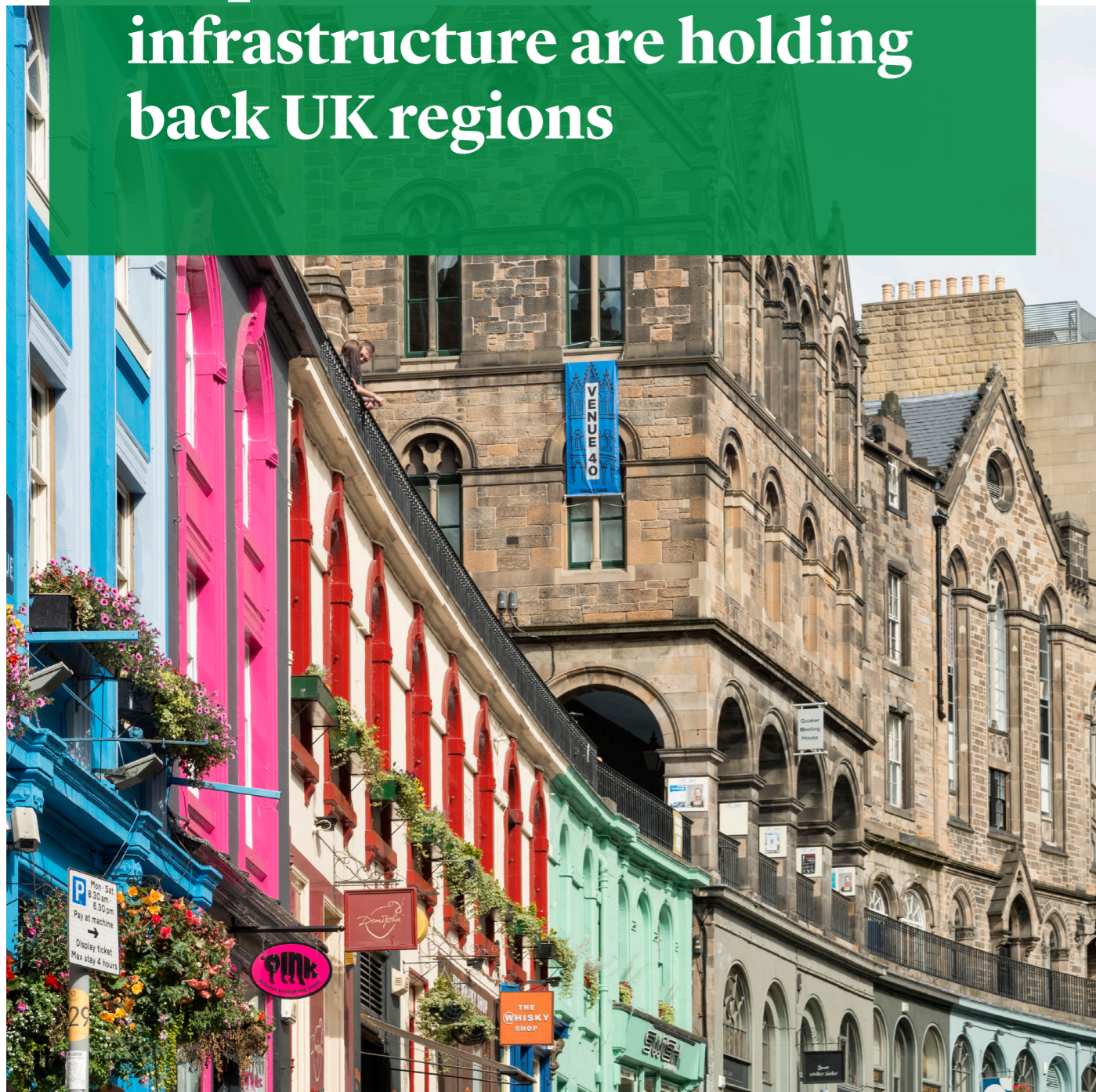


'Down-weighted' factors

As important as factors such as health and social care, education and digital infrastructure clearly are, they are shown to have a weaker influence in determining a person's sense of quality of life and economic wellbeing. Therefore, as indicated in Figure 1, the overall index score has been weighted to reflect this.

The big picture:

Disparities in UK infrastructure are holding back UK regions



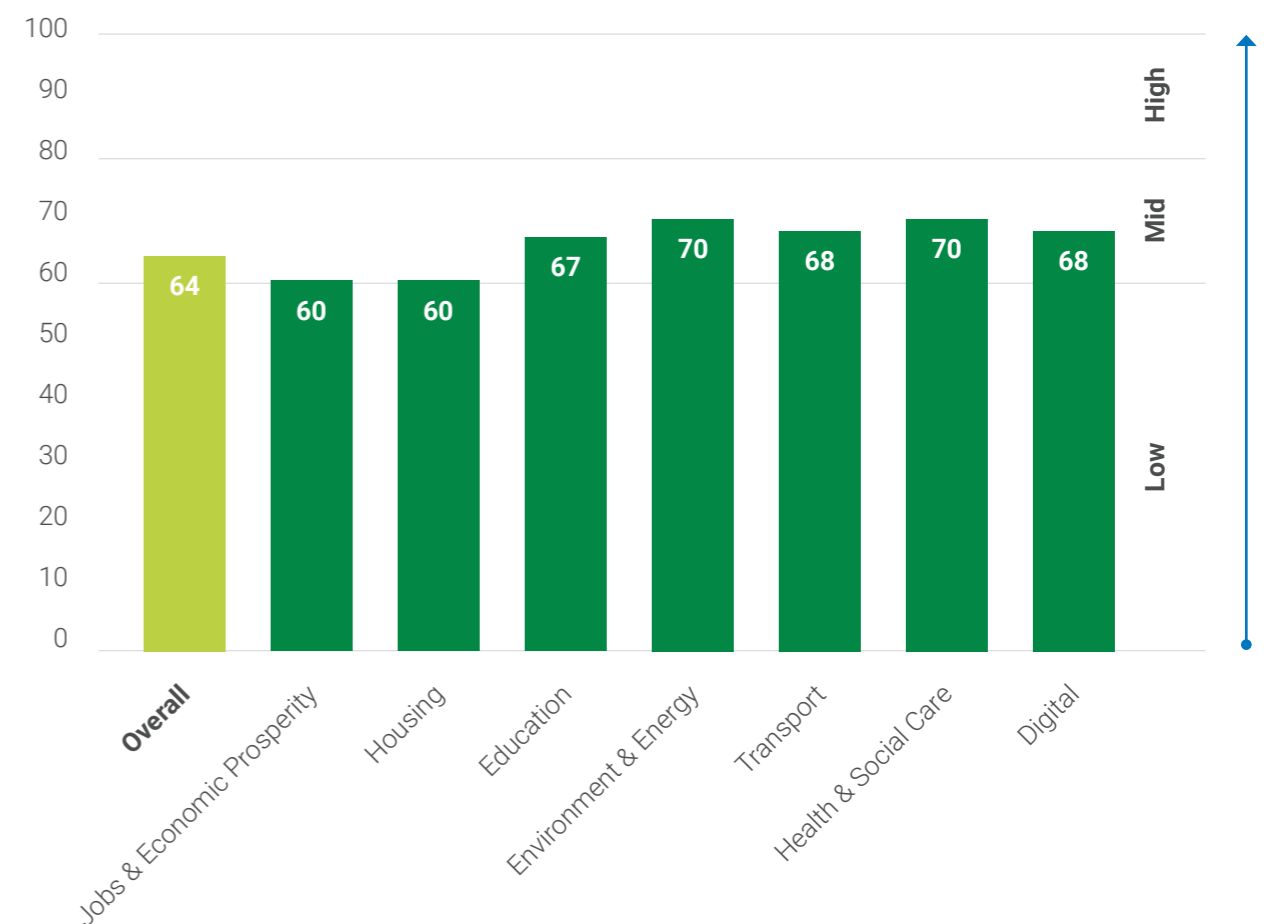
The first edition of the RBI draws a line in the sand. It helps us to benchmark where we currently find ourselves, across the nations, regions, and communities of the UK.

It does this across a range of economic and social infrastructure which together makes up our built environment. Ensuring that communities have access to the right types of built infrastructure is vital in building an economy which provides social and economic inclusion. Our initial findings reveal the scale of the challenge facing the UK in extending opportunities to all.

The overall index score for the UK currently measures at 64. This figure is derived using a scale of 1-100. Any score above 80 is considered as “high” and anything below a 60 considered as “low”.

Within this score, we can see that different types of infrastructure perform very differently. For example, the RBI score for health and social care (score: 70) and environment and energy (score: 70) come out top. However, the lower index scores across housing and jobs and prosperity measures – the two areas which correlate most strongly with quality of life and economic wellbeing – show that there is much work still to be done.

Figure 2. Jobs and Housing are key drivers of wellbeing, but perform poorly



Jobs and housing both account for a greater weighting within the overall RBI. As our analysis shows, there is a greater strength of relationship between these factors and the extent to which we feel quality of life locally is improving or declining. In short, the index is weakest in the areas that seem to matter the most to people.

Whilst largescale national 'mega-projects', such as High Speed 2 or Hinckley Point nuclear power plant, take up large amounts of capital, it seems that investments which are closer to home, such as the need to invest more in 'local' job creation and support for house building – will have the most rapid impact in improving the UK's overall RBI score. How we determine those investment needs should also have a regional and local dimension. Not all regions are faced with the same priorities.

Jobs and economic regeneration

Given the economic impact of the Covid-19 pandemic, it is no surprise to see jobs and economic prosperity as an area in need of improvement. Unemployment has risen from 4 percent at the beginning of 2020 to around 6.5 percent today – a 75 percent increase as a result of the pandemic. Job protection has rightly been – and remains – a key priority for the UK Government through its job furlough scheme and other forms of financial support. However, our Index reflects long-standing economic and social weaknesses in Britain's communities which predate the pandemic over many decades. The need to place more focus on job creation and economic regeneration across the UK's regions goes back to the process of deindustrialisation throughout the post-war era, which began to accelerate during the 1970s. This explains why it is regions such as the North East of England which come out bottom on this measure.

More focus on housebuilding

Likewise, the need to invest in our nation's housing stock, be that social, rented or private, is another area which predates the current economic difficulties.

Notwithstanding the fact that the UK has undergone major population growth since 2000, the volume of new homes built in the UK peaked during the 1960s. These housing pressures are, according to our Index, greatest where affordability is most scarce such as in London and the South East.

We can also see that the RBI scores vary greatly by infrastructure type when broken down locally. The focal point for analysis in this first report will explore the findings on a regional basis as well as looking at differences between the UK's largest urban areas. As our dataset grows and evolves throughout the course of 2021, we will explore these differences to an increasingly local level with data at a local authority level.

Using our initial findings, we can already see how our quantitative and sentiment index measures come together at the UK level, to describe where our strengths and weaknesses are typically found.



Levelling up:

Different communities facing different challenges



The phrase 'levelling-up' is one we have already met in this report. But what do we really mean by it?

Too often 'levelling-up' is used as a short cut to describe a North, versus South debate. Even if done with the best of intentions this concept of 'levelling-up' can over-simplify what is really happening across the UK.

Levelling-up is a complex issue. Different communities and regions face different challenges and that means we cannot take what is happening at a UK level as analogous with what is required regionally or locally. We must look at the variations **within** rather than between regions to see what is driving our quality of life and economic wellbeing.

When we take a holistic view of economic and social infrastructure across the whole of the UK it is evident that there are different strengths and different needs across the nation (Figure 3).

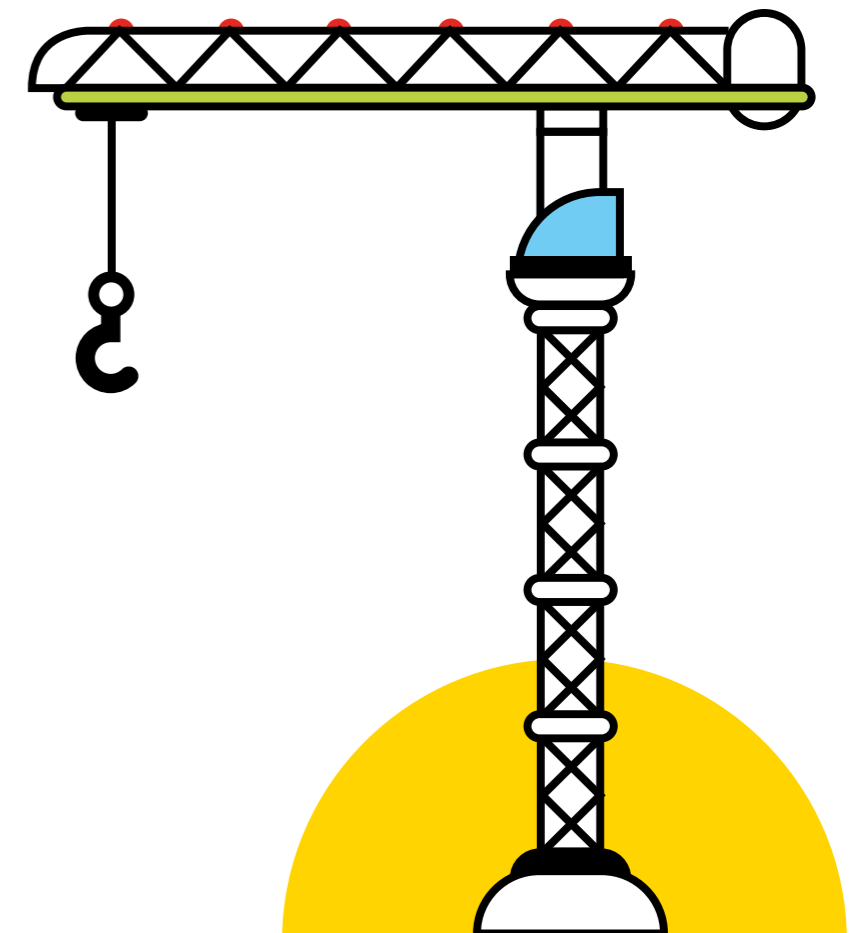
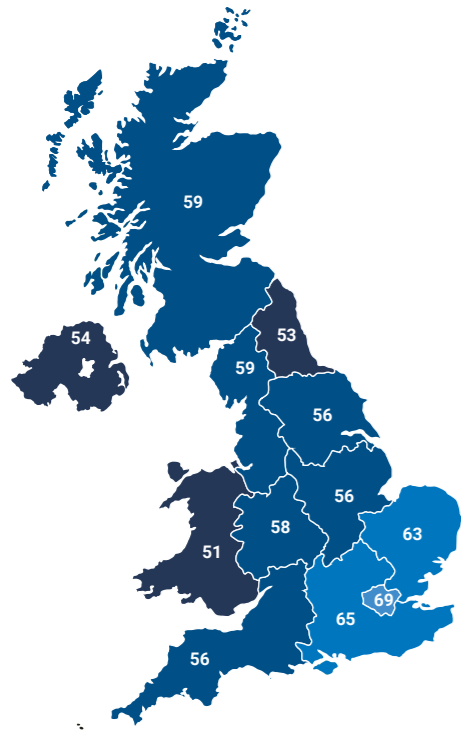
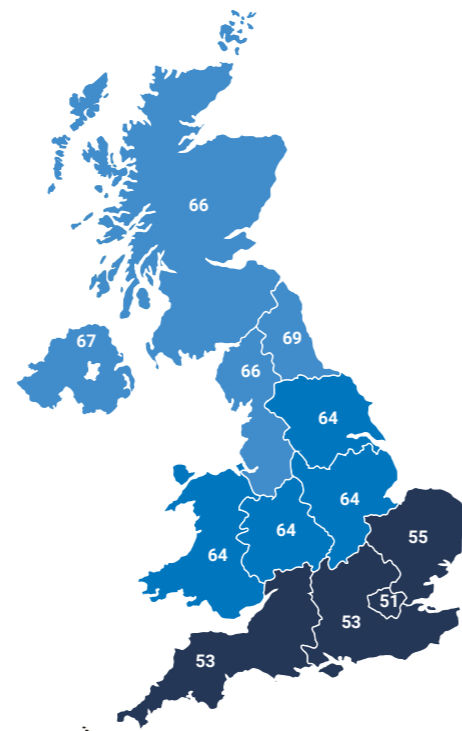


Figure 3. Component index scores by UK country and region

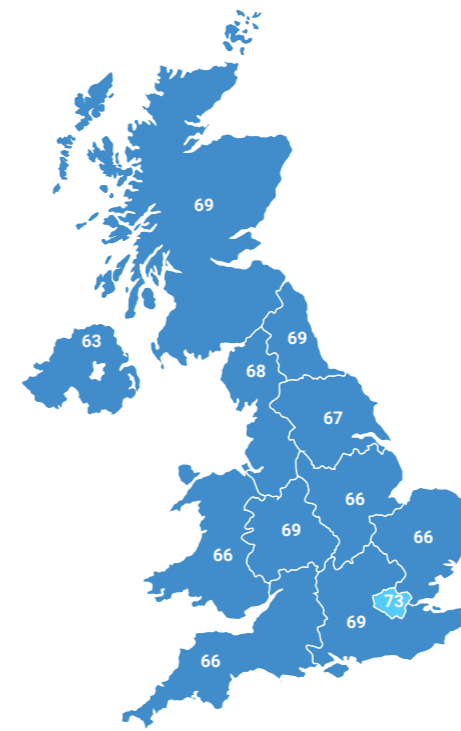
Jobs & Economic Prosperity



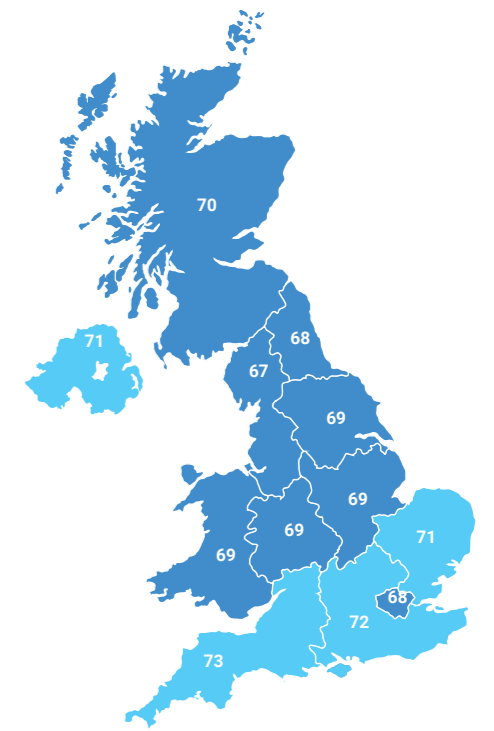
Housing



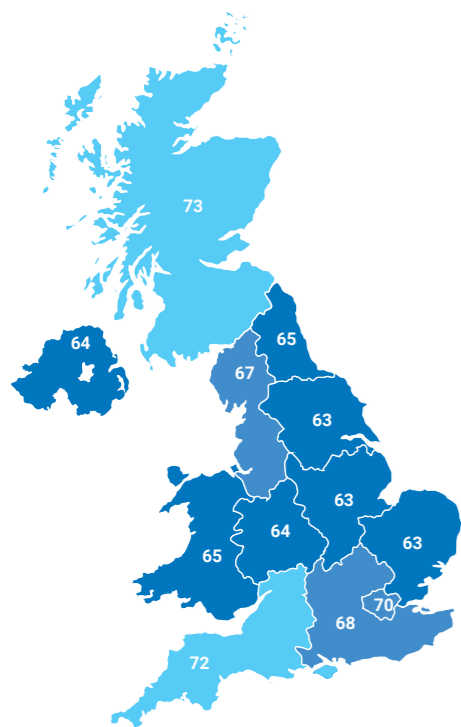
Transport



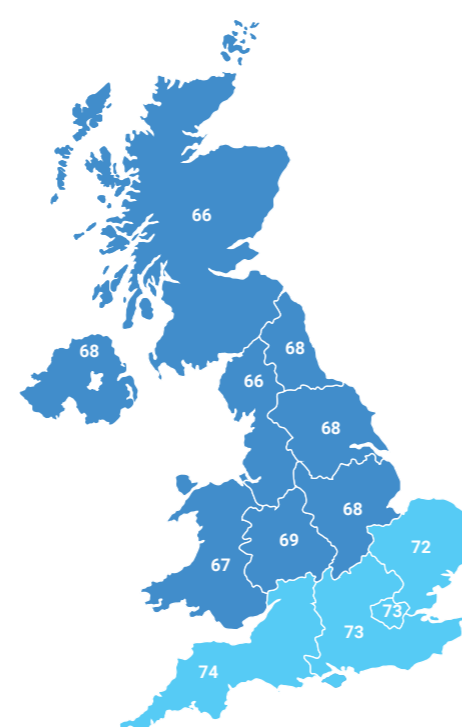
Environment & Energy



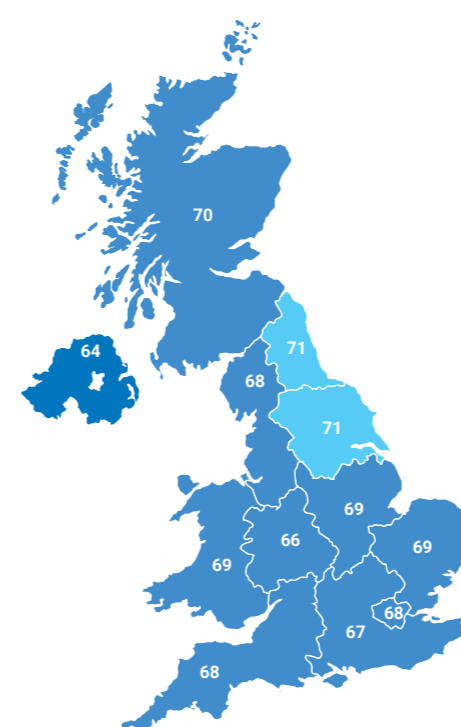
Education



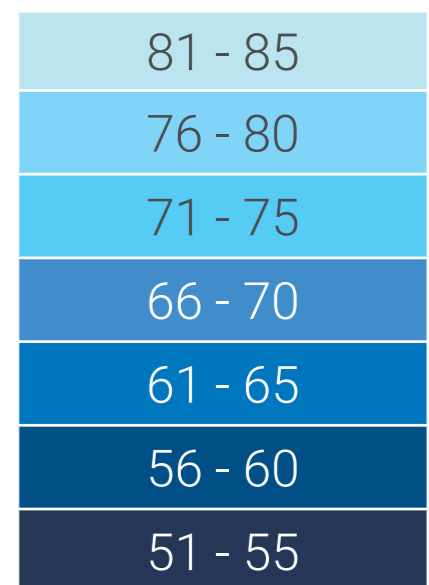
Health & Social Care



Digital



Key



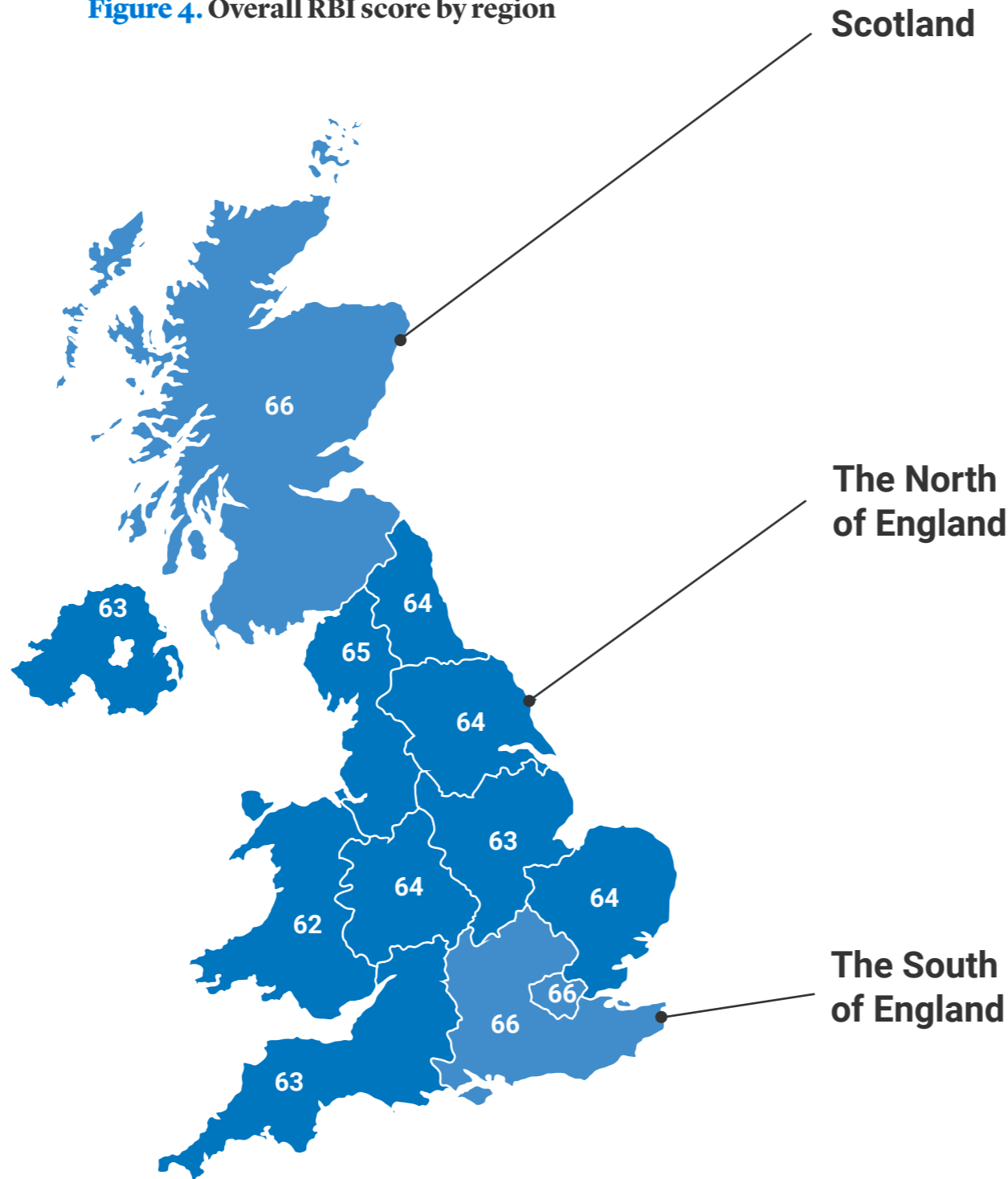
Overall RBI score by region

Understanding these differences is important, though even the regional picture presented in figure 3 hides local nuance that we will better understand during the course of 2021.

When we factor in all 52 individual measures, across the seven infrastructure types, the overall result is that, at first glance, relatively little appears to separate the UK. Instead, what this overall UK picture really tells us is that framing the “levelling-up” debate in this North versus South manner is not wholly accurate or helpful. Investment is required across the whole of the UK, but how that investment is made requires a local lens working on local priorities.

While our ability to delve into differences at a local level will grow over the course of 2021, we can already start to see these differences in action. Leeds and Edinburgh are examples of pockets in Scotland and the North of England faring particularly well in our index – though not without challenges of their own. On the other hand, Cornwall is an example across the South of England scoring well below the UK average.

Figure 4. Overall RBI score by region



Above average RBI score

Edinburgh

Overall RBI Score: 73

Scores Poorly On: Life expectancy and 4G coverage

Leeds

Overall RBI Score: 70

Scores Poorly On: Life expectancy and CO2 per capita

Cambridge

Overall RBI Score: 69

Scores Poorly On: House prices vs. income and reliability of 4g indoors

Below average RBI score

Fife

Overall RBI Score: 64

Scores Poorly On: Life expectancy, unemployment and earnings

Kirklees

Overall RBI Score: 57

Scores Poorly On: 4G coverage and educational attainment

Cornwall

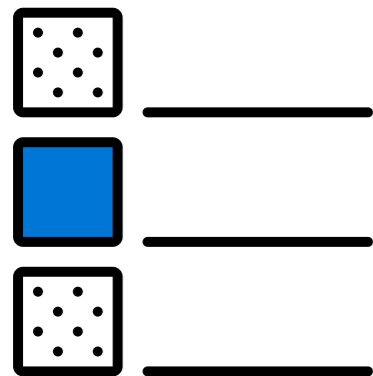
Overall RBI Score: 56

Scores Poorly On: Unemployment and internet broadband speeds

Key

81 - 85
76 - 80
71 - 75
66 - 70
61 - 65
56 - 60
51 - 55

How the index performs in different parts of the UK?



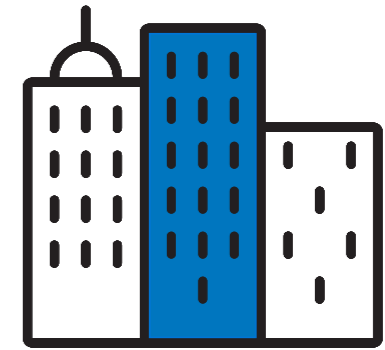
Jobs & Economic Prosperity (JEP):

The Jobs and Economic Prosperity (JEP) index is the key driver in understanding how people view their quality of life. Not surprisingly, given the economic impacts of the Covid pandemic, the JEP index score is lower than all the other six factors contained within the RBI.

The JEP index score shows that London (score: 69) is notably out of step with the rest of the UK. In contrast, Wales (score: 51) and the North East of England (score: 53) both perform particularly poorly. In each of these parts of the UK, we find that around three quarters of people posted a 'low' score (below 60). Our data generally mirrors what we see across the UK Labour Force Survey from the ONS where economic inactivity is highest across the North East of England and the devolved nations and lowest across London and the South East of England.

How the UK labour market resets post-Covid will be critical in whether we see this gap narrow. London, being the UK's main engine for economic growth, is likely to outperform, but in a world of increased remote working we might see the other UK regions starting to benefit from a 'reverse brain drain' (as talent moves away from London) which could give the regions a greater share of the growth in digitally enabled remote working. Covid has not only resulted in a major shift towards remote working practices, but it has also seen a movement of people from urban centres.

It has been estimated that 700,000 people have relocated from London since the beginning of the first Covid lockdown, with increased demand for housing in provincial towns, rural and coastal communities. This is likely to have an immediate impact on some of the left behind communities as house prices increase and more investment goes into local businesses and amenities.



Housing:

Generally, our findings show that the Housing index worsens as we move south down the UK. While not 'high', the index is highest in the North East of England (score: 69), Northern Ireland (score: 67), Scotland (score: 66), and the North West of England (score: 66). With a housing score of 51, London is already falling behind the rest of the UK. The score is low across the entire South of England ranging from 53 in the South West and South East up to 55 in the East of England. Combined, this means that more than two thirds of people in London, the South East and South West of England record a 'low' Housing Index score.

That the availability and affordability of housing across London is a concern will come as little surprise. Though the extent to which the Housing Index in London and the South East lags far behind most other UK regions is a cause for concern. It is the single most important factor in undermining people's quality of life and sense of economic wellbeing in these regions. When it comes to that most basic of human needs – shelter – our capital needs to do much more to meet the needs of its 9 million citizens. London has already recognised this, and the London Housing Strategy sets out the Mayor's plans to tackle the capital's housing crisis and his vision to provide all Londoners with a good quality home they can afford. The findings underline the need for this to be a top priority.

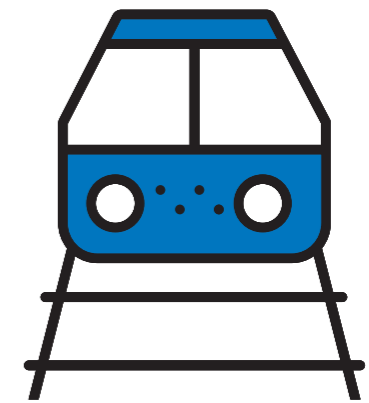


Transport:

Across the UK, the overall Transport index is relatively consistent with households feeling equally well-served by transportation systems. Again, London is an outlier with citizens believing that they have the best transport system in the UK. In contrast, Northern Ireland is the part of the UK which feels least-well served by its transport system. This is important because the quality of local road networks is an important factor for local communities. This is particularly true in regions where there is less access to public transport and a greater proportion of people who commute to work in their cars.

Again, it will be interesting to see whether people attach less importance to local road networks in future waves of the RBI data, if, as we expect, there is a long-term trend towards working from home with fewer people having to make daily commutes to their current place of work. As digitally enabled working patterns become more commonplace, and people find new ways to work and keep in touch, it might follow that reliance on local transport becomes less important than reliance on local broadband speeds and Internet connectivity.¹

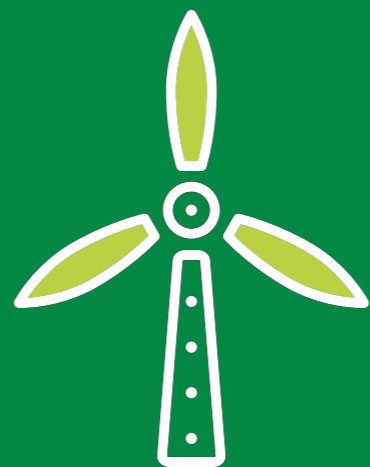
Transport priorities can look very different when viewed from a national or local level. The economic benefits of national transport projects, such as HS2, are well documented and measured in terms of overall gains to national GDP. But this does not translate into a sense that such largescale projects deliver benefits to local communities. Similarly, national road infrastructure priorities are more typically fixed on how we prepare our road networks for the increasingly electric and autonomous future. The roll-out of smart motorways being a prime example. These mega-projects are clearly important and if successful will, in no small way, have a major influence on wider economic and environmental indicators. They will not, however, be felt at a local level to the same extent. Transport as a sector, probably more so than any other, needs to strike the right balance between meeting the competing needs of national versus local priorities.



¹Refer to Appendix

Environment & Energy:

Across the regions and nations of the UK, scores for the Environment and Energy index are relatively consistent. Access to energy and affordability of energy sources is not a major driver of regional disparities with little to separate the top-ranking region, the South West of England (score: 73) and the lowest performing region, the North West of England (score: 67).



Beyond how we source our basic energy needs, there are some important regional variations in terms of how we protect the natural environment. Regions with larger rural communities such as the South West do well, in contrast to regions with more urban populations like London and the North West. Urban areas perform less well on key metrics like per capita carbon emissions, air quality and pollution levels.

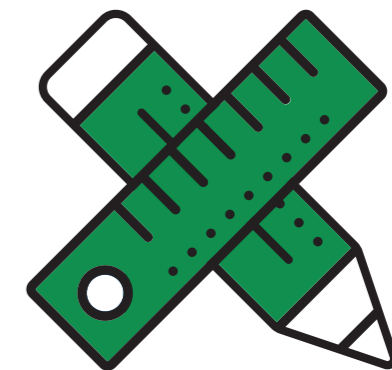
Beyond energy and emissions, the wider built environment of our local area also plays a significant role in how we think about our quality of life. Our analysis shows that these factors, including access to green spaces, use of public land and security in public spaces, are bigger drivers of perceived quality of life than our access to education and health services.

In terms of the public purse, urban renewal may be of a lower priority than those essential health and education services and amenities, but this does not mean they are not important to people locally. Indeed, they are often among the most immediate and obvious ways in which people, at a local level, can perceive progress and investment.

Education:

Scotland slightly outscores the rest of the UK on the Education index achieving a score of 73 – with 27% of Scottish respondents scoring highly. However, it is clear that this score is driven by the “inputs” (i.e. perceived access to high quality education and pupil/teacher ratio) as opposed to educational outcomes (i.e. the proportion of adults without any NVQ equivalent qualifications) where Scotland fell behind the UK average.

Elsewhere, the slightly higher scores in the South East and South West of England and London reflect the higher educational outcome score recorded in those regions as compared to the rest of the UK.



Health & Social Care:

The South West of England (score: 74) outscores the rest of the UK on the Health and Social Care index, with the South East of England (score: 73) and London (score: 73) performing particularly well. In contrast, Scotland (score: 66), the North West of England (score: 66) and Wales (score: 67) show a need for improvement on this issue, with as many as 30% of those in the North West of England achieving a low Health and Social Care Index score.

The NHS continues to be a huge talking point and very much part of the public consciousness at present – not least due to the impact of Covid-19 which has highlighted several gaps in healthcare investment, notably, the provision and quality of later life social care. Access to high quality health and social care is something we view as a birth-right. What is clear is that the extent to which we view the NHS as delivering effectively varies across and within regions. Our index shows that, outside of London and the South of England, regions are more likely to score 'low' than they are 'high' on this issue. This reflects both life expectancy variations and the concentration of NHS teaching facilities in London and the South East where the quality of healthcare is often assessed to be higher.

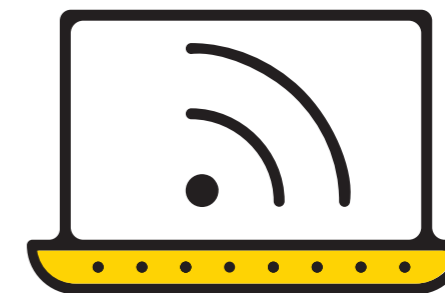


Digital:

It was interesting that digital technology had the weakest correlation of all the seven areas of infrastructure when it comes to driving our quality of life and economic wellbeing. In this respect, digital should be regarded as a 'sleeping giant' with the hidden potential to become a great leveller in terms of driving future quality of life outcomes and economic opportunities. The extent to which the UK will successfully tap into its digital potential depends on many factors, some of which go beyond the scope of our index. This includes the ability to expand access to digital skills and to build digital confidence across all households and communities. It will also depend on the affordability and access to IT hardware.

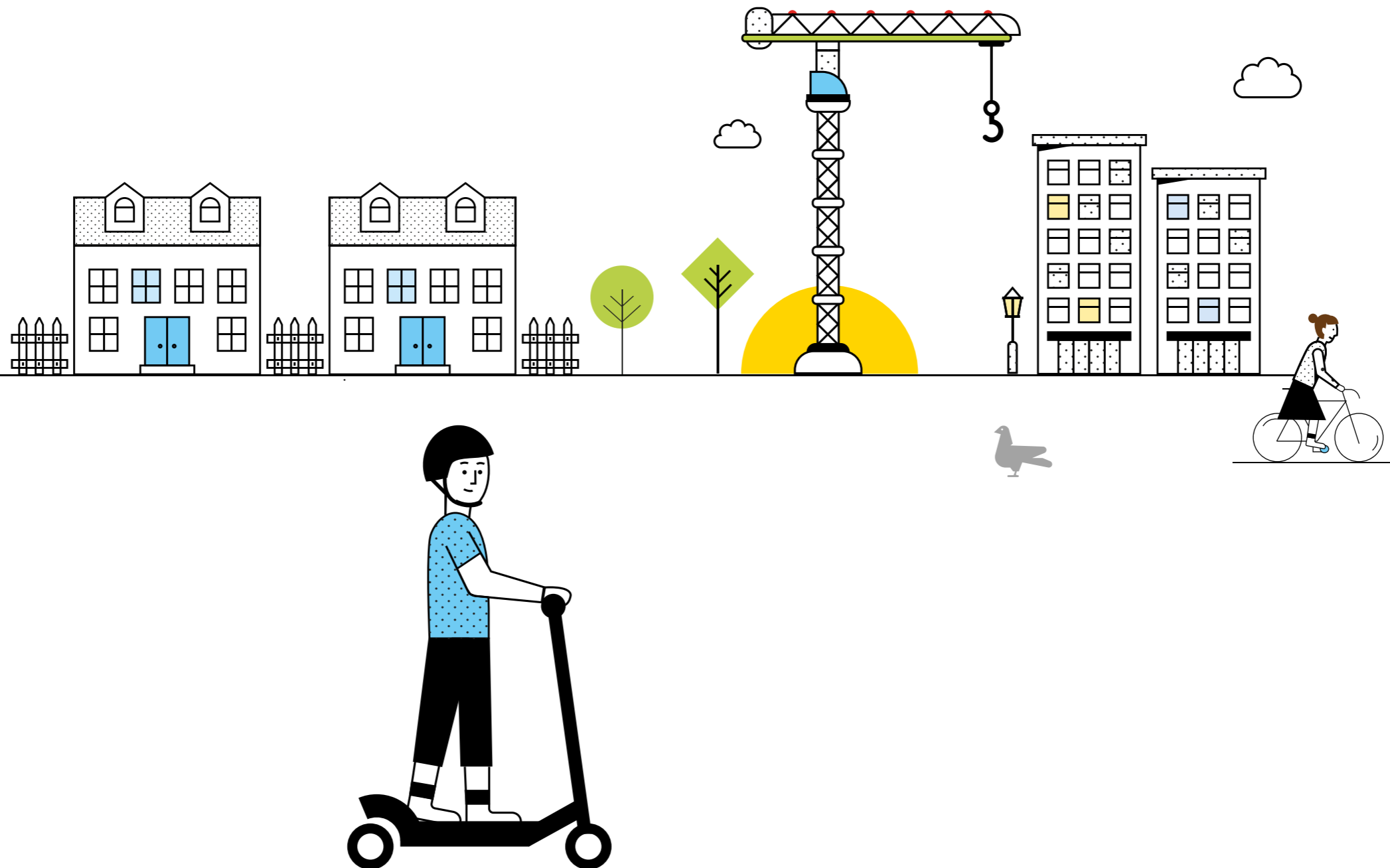
The growth of digital skills and infrastructure will become increasingly central to the prosperity of our communities given the estimates that 90 percent of all jobs will require digital skills within 20 years. However, we can already see how digital infrastructure plays a significant role in creating the right conditions for people across the UK to be able to thrive. For example, those who already undertake digitally enabled occupations, such as call centre workers and other clerical jobs, have been much better protected against the economic impacts of the Covid pandemic than those who are required to work onsite. Online sales have also proved a lifeline for millions of small businesses during the lockdown.

However, even connectivity to broadband and mobile data is not even across the UK. Through the data published by OFGEM we have a good understanding of where the gaps in higher speed mobile and broadband connectivity are. Tracking how these connectivity gaps (typically, but not exclusively, found in more rural areas) narrow over time at a local level will be critical – particularly considering the increasingly important role that digital will play across wider economic, educational, health and transport priorities.



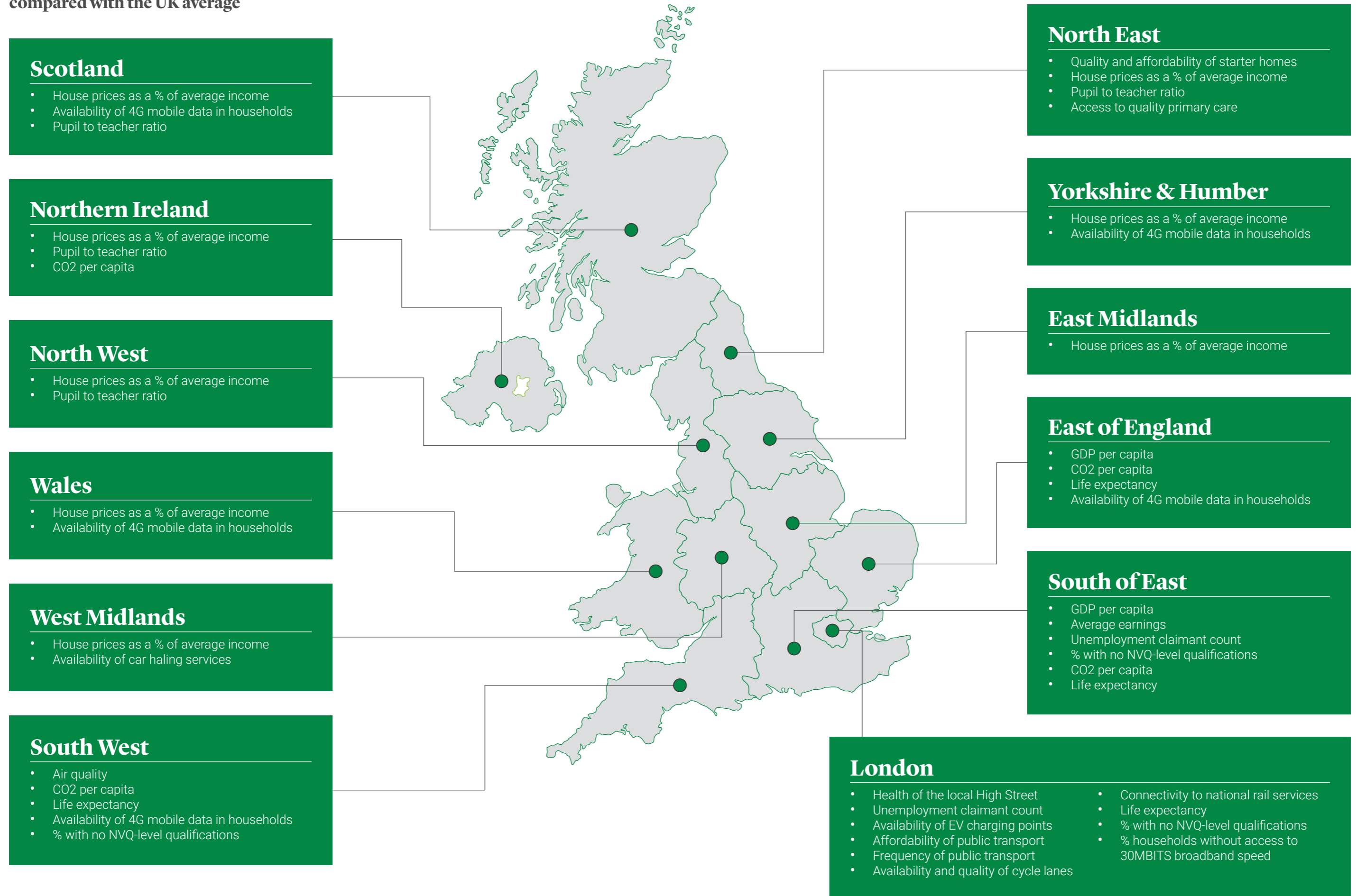
Where are our communities falling behind?

While our seven infrastructure types provide a useful overview of the where the regional priorities might lie, each of these is complex in its own right. Simply because two regions might achieve, for example, a similar transport index score, does not mean that their individual needs or their daily experience in using local transport systems are the same. Figure 5 summarises the individual regional strengths (as compared to the national average) and where regional improvements are required to bring them back into line with the rest of the UK.



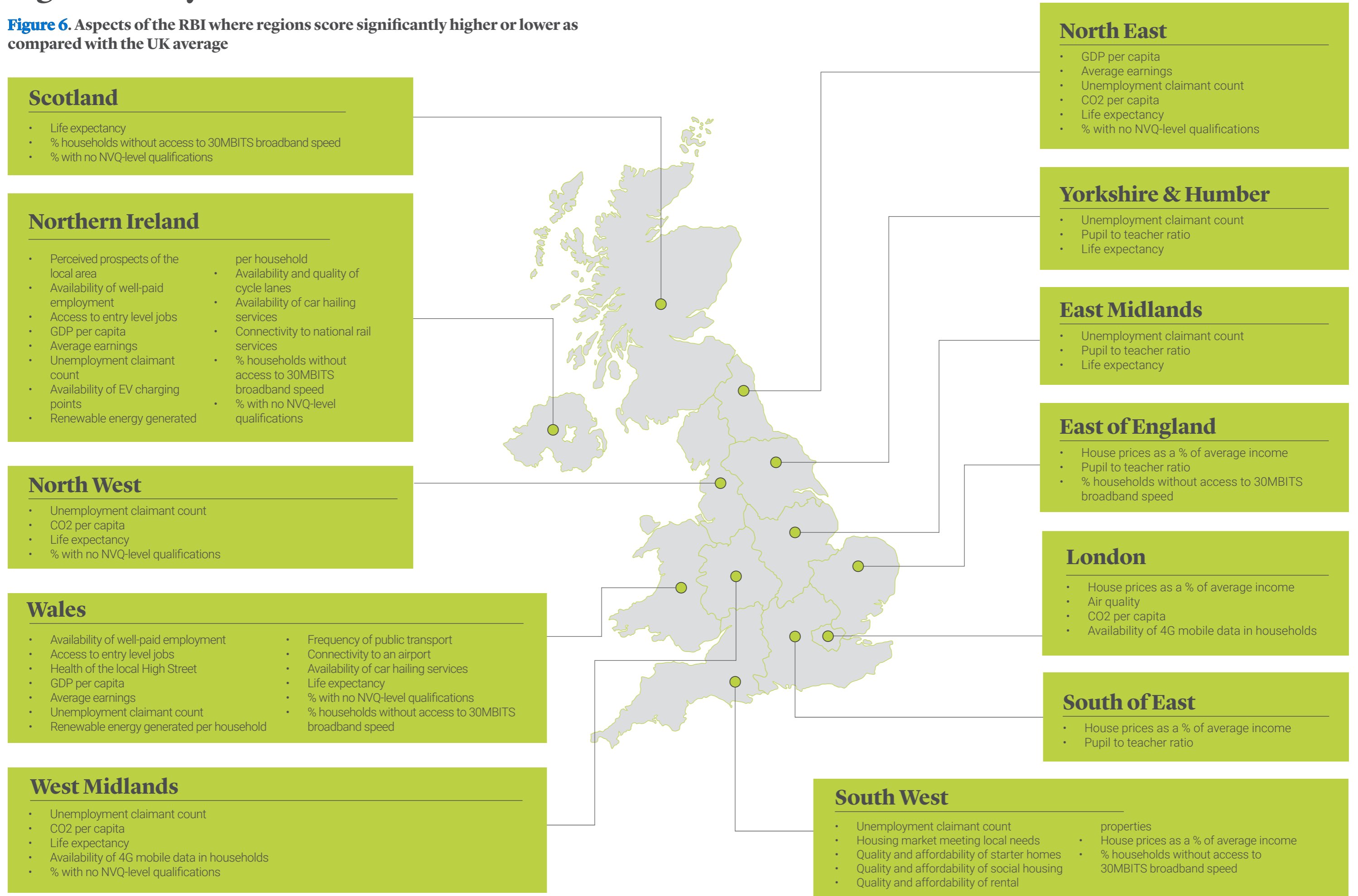
Significantly higher index score

Figure 5. Aspects of the RBI where regions score significantly higher or lower as compared with the UK average



Significantly lower index score

Figure 6. Aspects of the RBI where regions score significantly higher or lower as compared with the UK average



Left behind communities

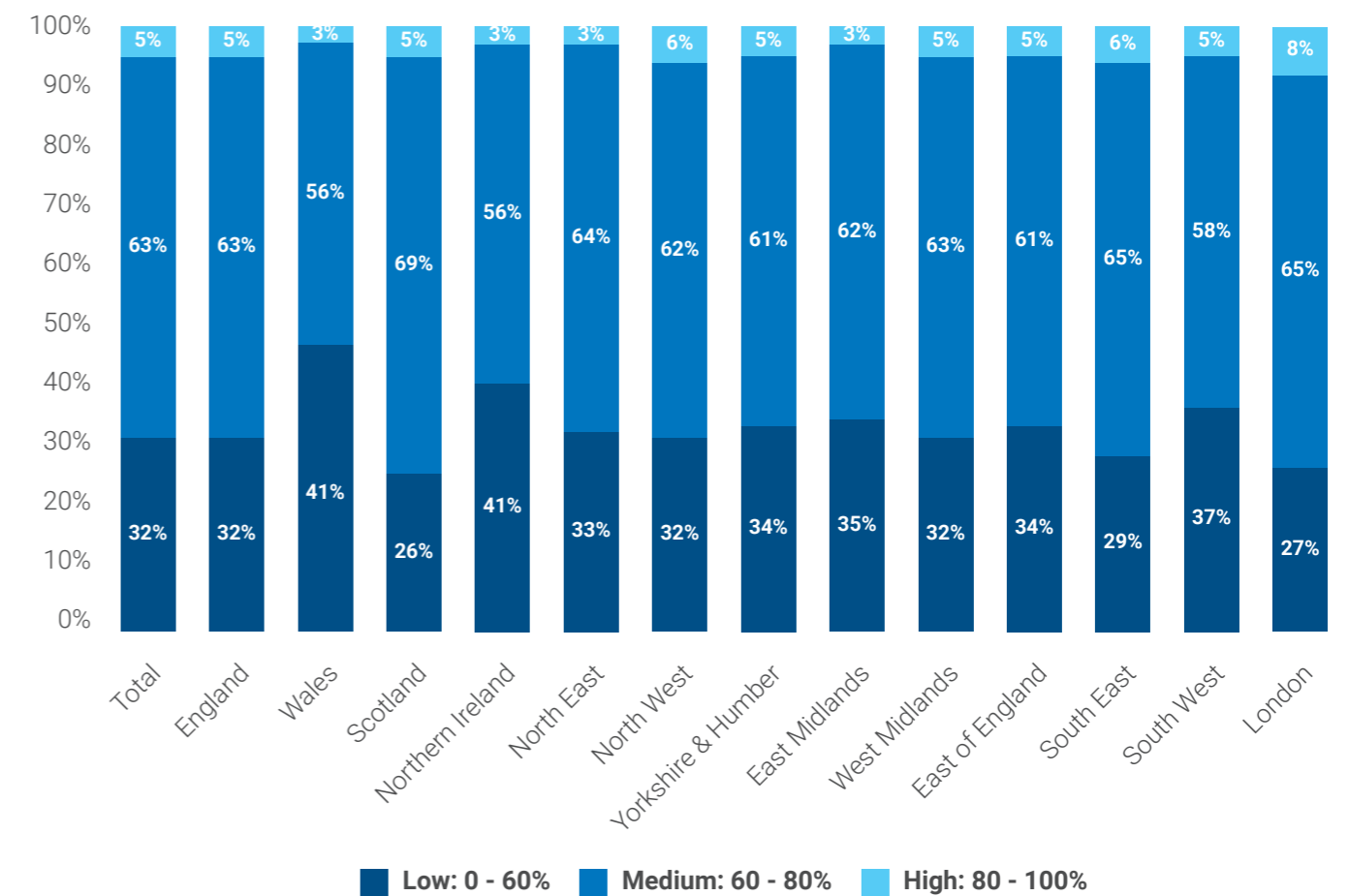


As we have already outlined, the differences between regions reveal only a partial story.

What our findings so far tell us is that across the RBI as a whole we see a small minority posting a high index score and a much larger minority posting a low index score. This story is consistent across the nations and regions, though we do see a slightly higher concentration of high scores in the London population than elsewhere. This, however, remains fewer than one-in-ten people.²

Just as important, particularly within the context of the “levelling-up” conversation, is the relationship between our index and household income. If we wish to see progress across our society then we need to ensure that we are improving quality of life for everyone and that we are not simply creating a society of “have’s” and “have-not’s”.

Figure 6. Dispersal of High, Medium and Low RBI scores by region



Across all index measures, lower income households achieve significantly lower scores. Over time we will be able to get a clearer picture of the local areas within regions where the need for investment is most

acutely felt – but in the first instance, prioritising local areas with a greater concentration of lower income households would be a sensible approach.

Figure 7. Overall UK-level RBI score and component index scores by household income



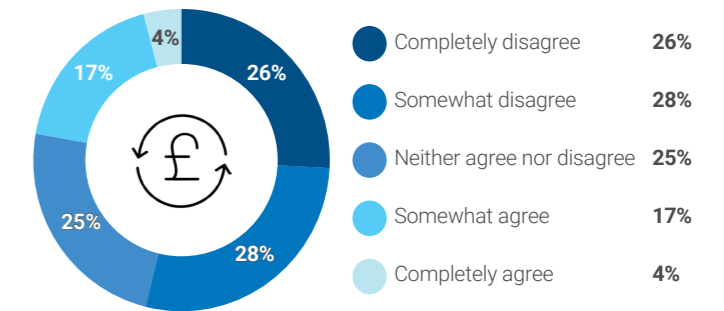
'Levelling-up', then, is about a fairer distribution of economic opportunities across the UK. This means building the right infrastructure in the right places. Given the inequalities that exist nationally, education and health outcomes remain, rightly, a priority for government. However, the RBI shows that how people feel about their local economy, and its ability to provide jobs, housing, and prosperity, ultimately drives a person's assessment of their quality of life and their broader sense of economic wellbeing.

Ultimately, 'building back better' means creating local communities that have competitive economies with greater access to employment opportunities. This means local economies which can support strong private sectors and foster greater levels of private investment. This is as important, if not more so, than ensuring equal educational and health outcomes across the UK. The benefits of narrowing health and educational inequalities in local communities will be limited if people feel the need to move elsewhere to maximise their opportunities in life.

It is therefore concerning to see so few people (around one-in-five) across the UK feeling that economic opportunity and government investment is spread evenly across the regions and nations. The same is also true for how we feel that quality of life is changing within our local communities.

Figure 8. The extent to which UK adults believe that...

Economic opportunity is evenly spread across the regions and four nations of the UK



Government investment is evenly spread across the regions and four nations of the UK

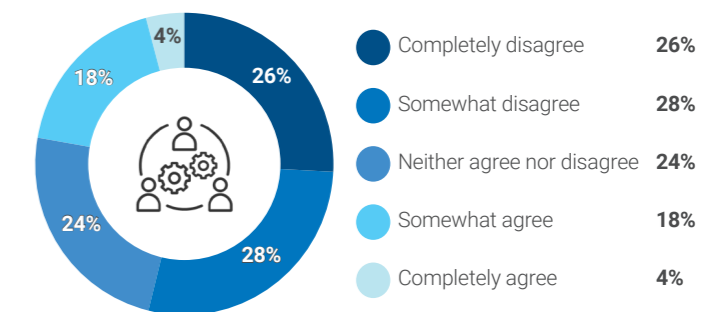


Figure 9. Perceived change in quality of life within local communities by region

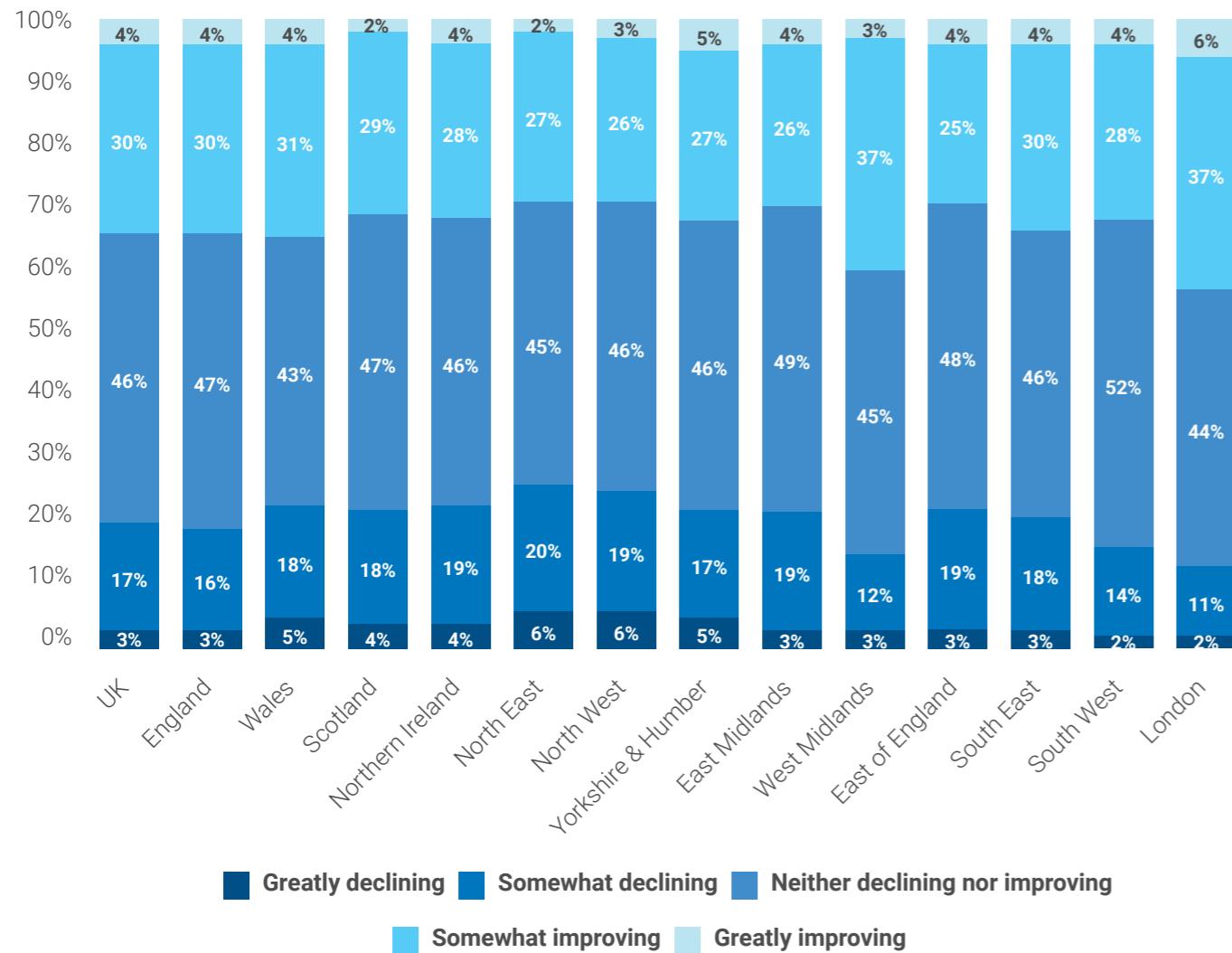
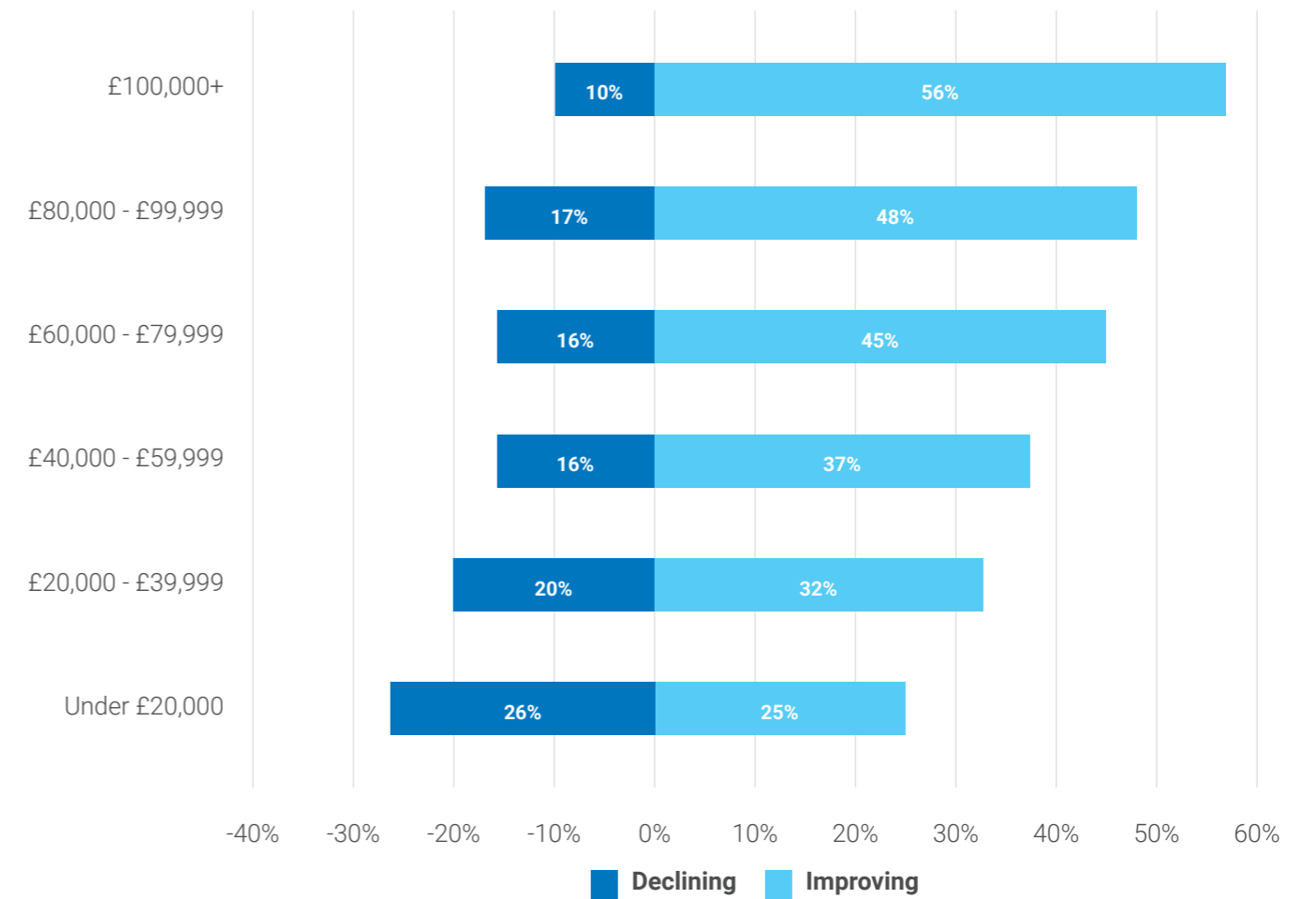


Figure 10. Perceived change in quality of life by household income



While it is true that those in London are more likely to feel quality of life in their local community is improving, the more telling finding is that, across the whole country there are pockets who feel that quality of life

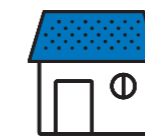
is declining. Given that these people are far more likely to be found in low income households it is vital that investment reaches and benefits everyone and does not serve to widen the inequalities that already exist.

Spending priorities



As 2020 drew to a close the Spending Review outlined how the Government planned to prioritise funding to support the UK's recovery from Covid-19. Key highlights included:

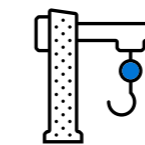
£7.1bn



Housing

including £7.1bn for a National Home Building Fund

£12.2bn



Housing

a reconfirmed £12.2bn for the Affordable Housing Programme

£100m



Housing & urban renewal

£100m was allocated for non-Mayoral Combined Authorities to support housing delivery and regeneration of brownfield sites to deliver housing

£4bn



Levelling up

a new Levelling Up Fund worth £4 billion for England. The Fund will be cross-departmental and encompass expenditure on town centre regeneration and key local transport priorities, such as bypasses, local roads and railway station upgrades. Local areas can bid directly for projects and they must have local support and the support of their MP.

Looking across the UK as a whole – the three key spending priorities identified by our local communities are:



1. Access to high quality primary care

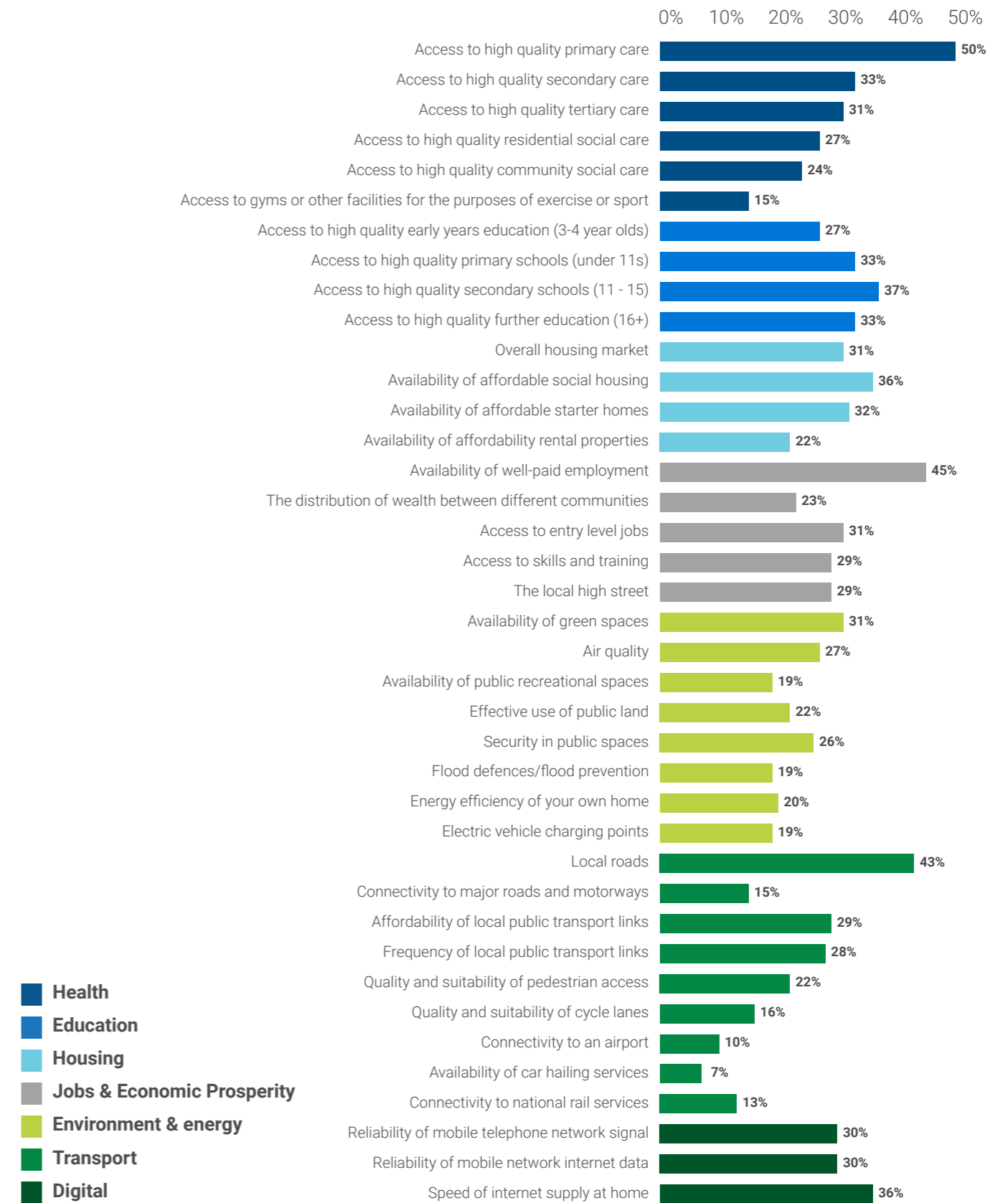


2. Availability of well-paid employment



3. Local roads

Figure 11. Perceived local spending priorities across the whole of the UK



Two things are immediately evident. Firstly, across the whole country, our communities identify a long tail of spending priorities. We cannot simply focus our efforts on tackling one single issue and think that this will successfully address the challenges we face across the country. The £4 billion allocated by government is welcome evidence that there is recognition that spending decisions increasingly need to be made through a local lens, though the figure allocated pales in comparison to the large scale housing project budgets.

Secondly, it is not necessarily true that communities prioritise spending on the types of infrastructure



Our communities identify a long tail of spending priorities. We cannot simply focus our efforts on tackling one single issue and think that this will successfully address the challenges we face across the country.

that they rate most negatively in their local area. The matrix at figure 12 maps the proportion of UK adults that perceive each factor as a spending priority locally against how well each performed in our index.

The findings show that a number of factors around health, education and digital performed comparatively well across our index but remain issues that communities see as a local spending priority – notably, access to high quality primary care, speed of internet supply in the home and access to high quality primary schools.

Figure 12. Perceived local spending priorities across the whole of the UK



Conversely, well-paid employment, local roads and affordable social housing are three specific infrastructure types that, across the UK, show the need for improvement and are seen as key local spending priorities. While local roads and affordable housing are both referenced explicitly in the government Spending Review, it is evident that our local communities are also looking for investment that will support the creation of better paid jobs.

This should be seen as reaffirming the extent to which perceptions of jobs and economic prosperity drive the RBI. There needs to be a holistic approach to levelling up our communities across the UK, but a thriving jobs and economic climate at a local level will, ultimately, sit at the heart.



Final Word: Localism and the role for national government



The process of setting local spending priorities cannot be managed from Whitehall as part of a top-down approach. It will require local government input to ensure local strategies are developed to reflect local funding priorities. Whereas Londoners are concerned about improving their air quality, people in Wales are more concerned about improving the health of their High Street. These distinctions create a patchwork quilt of needs which vary hugely across the UK.

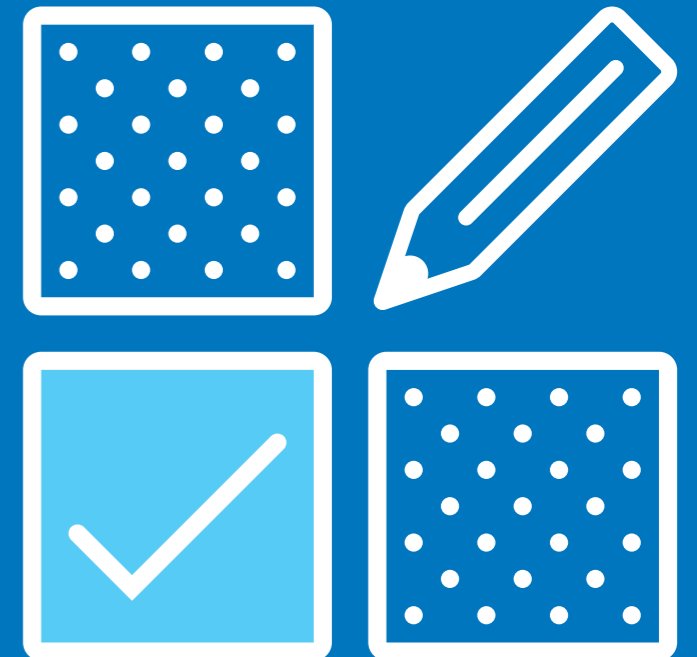
The ongoing process of devolution has enabled local priorities to be set which has improved access to, and quality of, key public services, such as the additional investments in pre-school years and universities in Scotland. The trend in recent years towards greater localism and devolved funding packages in England's regions, through the city and regional deals, are another major step forward. Trusting local people to decide what they need should be the centrepiece as part of any policy programme to build back better.



This shift to localism will still require central government to provide a national framework for deciding national priorities and for ensuring a fair balance between national and regional funding priorities.

This shift to localism will still require central government to provide a national framework for deciding national priorities and for ensuring a fair balance between national and regional funding priorities. It also needs to ensure that we close any regional disparities in public funding of capital expenditure across the UK. The UK government also has an important role to play in creating the right conditions for leveraging private finance, via capital markets, to ensure that the different regions can access the infrastructure investment capital they require.

Appendix



Appendix 1: Regional Snapshots

	Jobs & Economic Prosperity	Housing	Education	Environment & Energy	Transport	Health & Social Care	Digital
UK Index Score	60	60	67	70	68	70	68
Scotland							
Scotland Index Score	59	66	73	70	69	66	70
% with a High Index Score	4%	15%	27%	18%	19%	13%	22%
% with a Low Index Score	51%	33%	16%	16%	32%	30%	19%
Wales							
Wales Index Score	51	64	65	69	66	67	69
% with a High Index Score	0%	14%	7%	14%	14%	16%	16%
% with a Low Index Score	76%	44%	35%	20%	38%	41%	24%
Northern Ireland							
Northern Ireland Index Score	54	67	64	71	63	68	64
% with a High Index Score	2%	25%	4%	20%	17%	21%	15%
% with a Low Index Score	71%	36%	35%	19%	41%	27%	29%
North East of England							
North East Index Score	53	69	65	68	69	68	71
% with a High Index Score	1%	25%	11%	11%	19%	16%	18%
% with a Low Index Score	75%	27%	39%	23%	28%	25%	15%
North West of England							
North West Index Score	59	66	67	67	68	66	68
% with a High Index Score	5%	18%	13%	13%	18%	14%	13%
% with a Low Index Score	53%	36%	31%	27%	28%	30%	22%
Yorkshire & Humber							
Yorkshire & Humber Index Score	56	64	63	69	67	68	71
% with a High Index Score	4%	14%	11%	15%	14%	15%	16%
% with a Low Index Score	63%	35%	38%	23%	33%	25%	18%

Cont. Appendix 1: Regional Snapshots

	Jobs & Economic Prosperity	Housing	Education	Environment & Energy	Transport	Health & Social Care	Digital
East Midlands							
East Midlands Index Score	56	64	63	69	66	68	69
% with a High Index Score	1%	12%	8%	13%	12%	16%	16%
% with a Low Index Score	62%	41%	41%	21%	35%	27%	20%
West Midlands							
West Midlands Index Score	58	64	64	69	69	69	66
% with a High Index Score	4%	13%	10%	12%	20%	19%	7%
% with a Low Index Score	61%	37%	37%	20%	32%	24%	30%
East England							
East England Index Score	63	55	63	71	66	72	69
% with a High Index Score	9%	4%	9%	20%	14%	26%	18%
% with a Low Index Score	44%	63%	41%	12%	34%	22%	23%
London							
London Index Score	69	51	70	68	73	73	68
% with a High Index Score	21%	3%	20%	14%	25%	30%	12%
% with a Low Index Score	27%	68%	23%	25%	19%	18%	25%
South East of England							
South East Index Score	65	53	68	72	69	73	67
% with a High Index Score	15%	4%	13%	20%	17%	30%	9%
% with a Low Index Score	36%	67%	27%	14%	26%	16%	28%
South West of England							
South West Index Score	56	53	72	73	66	74	68
% with a High Index Score	4%	5%	19%	25%	13%	32%	14%
% with a Low Index Score	60%	67%	16%	10%	36%	15%	24%

Appendix 2: Index Measure Scores By Region

		UK	Scot	Wal	N.Ire	NE	NW	Y&H	EM	WM	EE	Lon	SE	SW
Jobs & Economic Prosperity	Overall economic prospects of my local area	61	60	59	56	58	59	59	60	63	62	63	63	59
	Availability of well-paid employment	60	59	55	56	58	59	58	59	61	61	64	62	59
	Access to entry level jobs	63	61	58	58	61	62	62	63	63	63	66	64	62
	Access to skills and training	66	63	64	63	66	66	65	65	67	65	68	66	66
	Extent to which the Local High Street meets local needs	63	60	59	63	60	62	62	62	65	62	70	63	60
	GDP per capita	60	61	44	52	46	63	55	55	54	67	64	69	57
	Average earnings	60	61	44	52	46	63	55	55	54	67	64	69	57
	Unemployment claimant count	49	48	26	30	30	38	36	33	38	57	91	66	33
Housing	Extent to which housing market meets local community needs	63	65	64	63	66	65	64	66	64	61	63	62	58
	Availability of affordable social housing	59	62	60	60	65	61	60	60	61	57	59	56	55
	Availability of affordable starter homes	59	61	60	61	64	61	60	61	62	57	59	56	55
	Availability of affordable rental properties	60	63	61	59	64	62	59	61	63	57	59	58	55
	Average house prices as a % of income	57	78	73	89	85	77	75	70	67	44	18	36	39
Education	Access to high quality early years education	73	73	74	76	77	72	75	72	72	73	71	74	74
	Access to high quality primary education	76	77	77	80	77	76	76	75	75	77	75	76	77
	Access to high quality secondary education	75	76	74	79	74	74	75	75	74	75	73	74	76
	Access to high quality further education	74	75	74	78	75	75	75	75	75	73	73	75	74
	% with no NVQ equivalent qualification	49	38	41	10	32	39	44	46	32	53	62	64	71
	Pupil / teacher ratio	66	100	61	76	74	75	55	54	65	48	70	57	67
Environment & Energy	Availability of public green spaces	79	82	81	80	80	78	77	78	78	81	77	81	82
	Air quality	75	79	76	78	77	74	75	75	74	77	68	75	81
	Availability of public recreational spaces	74	74	73	74	74	72	72	73	72	75	73	76	75
	Effective use of public land	69	71	70	67	67	66	67	67	69	71	71	70	69
	Security in public spaces	71	73	70	71	69	70	71	70	70	71	72	72	74
	Waste disposal and waste management	75	73	74	77	76	74	75	75	76	77	73	76	77
	Recycling services	76	74	77	79	76	76	75	76	77	78	74	76	79
	Flood preparedness	63	66	62	64	64	61	64	61	63	61	64	63	66
	Energy efficiency of home	74	75	73	72	75	74	75	73	75	75	73	75	76
	EV charging points	48	48	43	42	46	47	48	46	53	45	59	47	44
	CO2 per capita	51	50	55	76	32	37	47	53	38	62	35	65	73
Renewable energy generation per household	80	78	72	73	77	80	78	82	83	80	79	83	82	

Cont. Appendix 2: Index Measure Scores By Region

		UK	Scot	Wal	N.Ire	NE	NW	Y&H	EM	WM	EE	Lon	SE	SW
Transport	Local roads	58	58	61	54	60	55	59	55	59	55	62	56	58
	Connectivity to major roads and motorways	76	76	74	73	79	78	75	77	76	74	76	78	75
	Affordability of local public transport	67	69	67	66	67	67	67	64	68	64	72	66	65
	Frequency of local public transport	69	71	63	65	72	69	68	66	68	65	76	69	65
	Quality and suitability of pedestrian access / pavements	71	72	70	72	72	70	72	70	70	70	74	72	71
	Quality and suitability of cycle lanes	65	65	66	60	65	63	63	64	65	64	70	66	67
	Connectivity to an airport	71	72	61	70	74	71	67	68	69	73	74	73	67
	Availability of car hailing services	66	65	58	56	67	66	65	64	71	63	76	68	61
	Connectivity to national rail services	70	69	68	53	69	71	68	67	71	69	76	73	66
Health & Social Care	Access to high quality primary care	76	79	75	77	80	75	76	76	76	73	73	75	78
	Access to high quality secondary care	76	77	75	76	78	76	76	76	74	74	75	75	76
	Access to high quality tertiary care	74	73	74	71	76	74	75	74	72	74	73	72	76
	Access to high quality residential social care	72	72	71	72	73	72	72	71	73	71	71	71	73
	Access to high quality community social care	71	71	70	71	72	70	70	70	72	70	70	71	72
	Access to gyms or other exercise and sports facilities	75	74	72	77	77	76	75	76	76	76	75	76	76
	Life expectancy	48	20	33	40	24	28	36	37	41	64	75	69	69
Digital	Reliability of mobile telephone network	76	78	74	75	80	76	76	76	74	77	74	76	75
	Reliability of mobile internet data	77	79	75	76	79	77	76	78	77	78	76	76	74
	Home internet speed	75	77	74	76	77	75	75	75	75	75	75	75	74
	% of households with access to 4G signal in their home	47	57	70	-	49	44	56	52	35	54	19	46	63
	% of households without access to 30MBITS home broadband	67	59	53	31	68	70	70	69	69	58	96	60	52

Appendix 3: Methodology

The L&G Rebuilding Britain Index has been designed in conjunction with Cicero/AMO.

The underlying research is based on:

- A nationally representative survey (by age, gender and region) of 5,000 UK adults. The first survey was conducted in February 2021 and will be repeated on a quarterly basis;
- 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
 - OFGEM

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

- A standardisation of all 52 measures (refer to appendix 2) onto a 1-10 scale – where ten 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.
 - Weighting the seven stand-alone index measures based on this analysis to ensure the index most strongly reflects the measures that most matter to UK households (please refer to figure 1).
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cicero/amo
strategic advisors