Responding to COVID-19 in the Liverpool City Region

Liverpool City Region Wealth and Wellbeing Programme: Adapting to COVID-19

Alan Higgins and Matt Ashton

Policy Briefing 007

May 2020
Map of Liverpool City Region Combined Authority (LCRCA) boundary (in red) and constituent local authorities

Data sources: Westminster parliamentary constituencies (December 2018 - ONS), local authority districts (December 2018 - ONS), and combined authorities (December 2018 - ONS)
Liverpool City Region Wealth and Wellbeing Programme: Adapting to COVID-19

Key takeaways

1. Before COVID-19, one third of the productivity gap between Liverpool City Region (LCR) and the rest of the UK can be attributed to poor health within the City Region. Mental ill health is particularly significant when considering economic impact.

2. The LCR Wealth and Wellbeing programme has developed a thematic approach to addressing wealth and wellbeing across the City Region, focusing on three areas for the development of practical actions: employment support programmes, wellbeing economics, and transformation of work and the workplace.

3. Although the thematic areas remain highly pertinent in the context of COVID-19, they will be reassessed for implementation in the next transitionary phase given the transformative nature of the pandemic and its uneven impacts on vulnerable people and groups.

4. COVID-19’s uneven effects are twofold: a) it acts more severely on the health of people who are physically vulnerable, and b) the action taken to stop the spread of infection, through lockdown and other measures, is known to disproportionately affect those who are economically vulnerable. This is clearly problematic for the LCR.

5. The COVID-19 pandemic, and the steps taken in response, underline the extent of the relationship between public health and a well-functioning economy. Adopting health and wellbeing outcomes as positive drivers for economic planning can usefully align with inclusive growth and zero-carbon economy goals to enable a very different approach to future economic development.

1. Introduction

The Liverpool City Region (LCR) Wealth and Wellbeing programme had its initial drive in the established link between work and health. Being in work is, generally, better for an individual’s health than not being in work, and better still if that work is shaped and structured in a way that enhances the health of employees. The Wealth and Wellbeing programme is being progressed by the Liverpool City Region Combined Authority (LCRCA) with the support of Public Health England, to bridge the gap between the health and economic agendas and provide input to the emerging LCR Local Industrial Strategy (LCRCA 2019).

COVID-19 and the national response is having a devastating effect both on people who are more vulnerable to the health impact of the virus and on people who are more vulnerable to the economic and social lockdown necessary to control the spread of the infection. It means that programmes such as the Wealth and Wellbeing programme need to be reassessed for the right balance between relevance and radicalism. Relevance, in the need to support employers to get back into business and people back into work. Radicalism, in recognising that something positive has to come out of the crisis that we did not have before, including the possibility of running the economy in a way that reduces inequity and directly promotes health and wellbeing rather than treating it as an assumed byproduct.
This briefing summarises the work to date to develop a thematic approach to wealth and wellbeing within LCR, sets out the key themes of the Wealth and Wellbeing programme, and flags up the need to reassess the approach to implementation in the context of COVID-19.

2. Introducing the programme

Policy in economic planning rarely considers population health as a desired outcome or as a factor in explaining patterns of economic inactivity or lower performance. A basic illustration of how good worker health can relate to productivity and ultimately social wellbeing and wealth, is shown in Figure 1. The LCR Wealth and Wellbeing programme is exploring the extent of the impact of poor health on lower economic productivity, what can be done about it, and how to shift from an economic growth model to a model of prosperity centred on population wellbeing.

Three themes emerged from engagement with stakeholders, data gathering and analysis to take forward the Wealth and Wellbeing programme in 2020:

- further investment in employee support programmes to help people suffering now from lack of employment owing to poor health.
- develop, with people in communities, what it would mean to plan the economy around wellbeing: wellbeing economics
- shape the changing world of employment so that the needs of employers and employees are best met through a focus on a health-enhancing workplace.

The COVID-19 pandemic necessitates a review of plans to take the work forward in 2020, while highlighting the relevance of that which has been achieved since July 2018. These themes, and the means of engaging with people to develop the ideas further, will therefore have to be reassessed. Before returning to the pandemic’s impact on the programme’s work, we firstly reflect on the progress that has been made to date.

**Figure 1.** The relationship between wealth and wellbeing

- Good worker health
- Productivity at work
- Business competitiveness
- Economic development and prosperity
- Social wellbeing and wealth
3. Productivity and health

Building on the National Health Science Alliance Health for Wealth report (Bambra et al. 2018), with further analysis by the University of Liverpool, it was possible to quantify the impact of poor health on economic productivity within the LCR in several ways. For example, when considering the gap in productivity between the economy of LCR and the rest of the country, this analysis found that 33 per cent of the gap can be attributed to ill health. This equates to £3.2bn in lost GVA and that is about 10 per cent of the total economic output of the LCR economy on an annual basis (NHS England 2020) (see Figure 2).

Figure 2. The health and productivity challenge

**Health is poorer in LCR**
- 1 in 4 people of working age have a limiting health condition
- Life expectancy 2.5 years less than the national average

**Productivity is poorer**
- GVA per head - £6000 less than the national average
- Wages 6 per cent lower than the national average

**Poor health is harming productivity**
- 33 per cent of productivity gap is due to ill health

Further analysis by Public Health England indicated that the major impact of ill health on the economy is through mental ill health specifically. A work and health profile was produced for the City Region and for each of its six constituent councils.

4. Connecting across the system

Early in the programme the council leadership advised that the work should engage with communities and bring together parts of the system that might not usually have much interaction. The emphasis was on a system leadership approach that invited views from as wide a range of perspectives as possible.

This approach took its most tangible form in six workshops, one in each of the six LCR boroughs, on a different aspect of the Wealth and Wellbeing programme. The intention was to place less emphasis on the presentation of good practice, although that is important at times, and to provoke discussion by posing questions. Workshop themes included links to the environmental agenda and asked whether it was more important to have a good job for everyone or a good quality environment for everyone. The workshops helped to engage people in discussion on work, health and the economy that would not otherwise have happened.

5. A compelling narrative

It is important in any programme that is considering large scale change, to have a good understandable story at the core. It is crucial that, in this case, the story is built upon the views of the people most affected by the current state of work and health. A commission was made to gather the views of around 40 people across the region who are experiencing the impact of ill health on employment. The findings of this commission have been written up in a
Figure 3. Infographic produced following the first Wealth and Wellbeing workshop

... report and presented in a video. They are the basis for the development of a story about work, health and the economy in LCR that will become a compelling narrative for change.

6. What next for the programme in 2020

A review of the evidence base on health and work showed good evidence for employee support programmes – particularly individual placement and support schemes for people with severe mental illness (and others) – as a sound investment to support people with health problems to engage with work again. Building on the good practice in the region in this area will be a feature of the programme as it moves into the next decade.

Much is being done through fair employment charters, healthy workplace charters and other activities to shape the workplace to be better for the health of employees. The Wealth and Wellbeing programme will bring a stronger health focus to this work in LCR and will take onboard the national reviews of the changing world of work to ensure that health for its own sake is prioritised, but also because we know that a healthy workforce is better for business.

Finally, the programme has tapped into the national and international interest in wellbeing economics. In 2020, we will engage across the communities, health services, employers and LCR councils asking what would it mean to have wellbeing at the core of economic planning for a city region; what would be different from the current focus of economic planning; what different priorities, actions and investment could follow if the main goal of economic planning was population wellbeing?
By asking questions and inviting views from any quarter that is interested, we believe that we stand a better chance of making a difference. We are establishing the belief that an economy that functions effectively for everyone is better for health and wellbeing, and that a population with better health and wellbeing is better for an effective and fair economy. And, that economic planning is a legitimate interest of anyone interested in a healthier population.

To maintain the momentum that has built behind this policy agenda, the following actions will be crucially important at city regional level, however, as we move forward:

- Employee support programmes should be taken forward by LCRCA, working with the economy and employment leads in each of the local authorities and in partnership with the Cheshire and Mersey Health and Care Partnership.

- Work already underway to transform the workplace through the development of the fair employment charter should be further extended by LCRCA with the employment and economy leads in each of the local authorities and the Local Enterprise Partnership.

- Action on developing the concept of wellbeing economics in the City Region should be taken forward by LCRCA, working with each local authority, with communities and other interested parties.

Inaction on the above will mean that economic planning continues to ignore the contribution of health as a factor in limiting people’s potential, and that population health will further suffer as a consequence of an unfair economic system.

7. COVID-19’s impact on Wealth and Wellbeing: now what?

Arguably, the impact of COVID-19 has forced one of the goals of the programme – to put health and wellbeing at the centre of economic planning – into the limelight. The economic lockdown is a deliberate government attempt to deal with the threat of the virus on health. Of course, the move has also been influenced, perhaps more so, by considerations about the potential of the pandemic to overwhelm the health services and its political and social consequences.

It has been a theme of the development of the programme that investment in health is an economic imperative. If we want to close the productivity gap between LCR and the rest of the country then we have to pay attention to the significant contribution made by poor health to that gap. Again, the experience of dealing with the pandemic has highlighted the need to invest in a health system that can deal with such a crisis as a health goal, but also because the close connection between sustaining population health and sustaining the economy has been brought into sharper focus.

The pandemic compels us to consider how to take the three themes of the Wealth and Wellbeing programme forward. However, there is no doubt that the three themes – employee support, wellbeing economics, and transforming the workplace – are still the right ones. Indeed, employee support is ever more relevant, especially for people in sectors where employment has been precarious. Furthermore, the need, and possibility, of placing health, wellbeing and environmental sustainability to the fore in economic planning has become a far less radical proposition than it might have been previously.
The Wealth and Wellbeing programme will:

- Support back-to-work programmes, to promote employment and good quality work in the recovery.
- Invest in new active labour programmes for those out of work with particular emphasis on health and disability aspects of support.
- Develop ideas, in partnership with others, on an economic model for LCR that gives priority to citizen wellbeing and environmental sustainability.

Before the pandemic, the emerging Local Industrial Strategy was the main planning vehicle through which to structure economic development within the City Region. The entwined work, health, economy and fairness narrative was reflected in the early drafts of the strategy that, pre-COVID, was close to completion. The next version of the strategy must necessarily respond to the impact and additional challenges presented by the pandemic and the steps taken to manage its implications. It will undoubtedly also consider what is needed to progress recovery and, it is hoped, will equally look at what is possible in building a health-enhancing economy aligned with fairness, inclusivity and the need to address the climate crisis through economic change.

At this point, it is clear that the local councils within the LCR have experienced significant COVID-19 infection rates. Indeed, recent Office for National Statistics analysis also shows that mortality rates tend to be higher in lower paid occupations (ONS 2020). Data is not available at a sub-national level, but this is of major concern given that areas of the LCR have a higher proportion of people working in these occupations compared to the national average. It also underlines the extent of the relationship between public health and inequalities and the road that still needs to be travelled in creating a well-functioning economy with wealth and well-being at its heart.

8. References


Liverpool City Region Combined Authority [LCRCA]. 2019. Liverpool City Region Local Industrial Strategy: Statement of Emerging Strategic Priorities. Liverpool, UK: LCRCA.


The Heseltine Institute is an interdisciplinary public policy research institute which brings together academic expertise from across the University of Liverpool with policy-makers and practitioners to support the development of sustainable and inclusive cities and city regions.

Heseltine Institute for Public Policy, Practice and Place
University of Liverpool, 1-7 Abercromby Square, Liverpool, L69 7ZH

Follow us @livuniheseltine

About the authors

Alan Higgins
Alan is currently head of programme for Public Health England North West and is an independent consultant in public health.

Matt Ashton
Matt was appointed director of public health for Liverpool in April 2020, having previously held the post at Sefton Council for four years, and prior to that at Knowsley Council. He holds an honorary professorship in the Department of Public Health and Policy at the University of Liverpool.

The information, practices and views in this Policy Brief are those of the author(s) and do not necessarily reflect the opinion of the Heseltine Institute.

COVID-19 Policy Briefs can be accessed at: www.liverpool.ac.uk/heseltine-institute