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The Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
Westminster
London
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United Kingdom

24 September 2024

Dear Chancellor,

Building a budget to support the missions and improve wellbeing outcomes

Carnegie UK is an independent policy foundation with a mission to improve the collective wellbeing of the people of our country.

I write to highlight relevant evidence about the current state of collective wellbeing in the UK which I would ask you to consider as you develop your tax and spending plans.

The latest update to the [ONS UK Measures of National Well-being Dashboard](#) shows that:

- Around a fifth of adults found it difficult to manage financially in the last month.
- About two thirds of people believe that they do not have any say in what the UK government does.
- A third of adults in the UK are struggling to access basic healthcare services.

In addition, [Carnegie UK's Life in the UK Index](#) – the largest independent measure of collective wellbeing in the country, based on a survey of around 7,000 people – shows large wellbeing gaps between different people in society. The early results from our 2024 Index, based on questions across social, economic, environmental and democratic themes show that the following groups have lower wellbeing than the UK average:

- People on household incomes of less than £26,000.
- Disabled people.
- People from minority groups.
- People living in social housing.
- People under the age of 55.

In Wales, Australia and New Zealand, we've seen Labour governments use wellbeing principles and indicators to inform and shape their difficult spending and policy decisions. As you develop your 2024 Budget, we would argue that improved collective wellbeing for the people of the UK is the overall outcome you should seek.

Carnegie United Kingdom Trust

Chair
David Emerson CBE

Chief Executive
Sarah Davidson

To achieve this, we suggest that your tax and spending decisions should be targeted towards improving the wellbeing of the groups we've identified above, and addressing all the issues highlighted on the ONS well-being data dashboard, (i.e. going beyond the four measures of personal wellbeing).

At Carnegie UK, we have worked with local, regional and devolved governments on effective and practical approaches to public policy and practice to improve wellbeing outcomes.

Drawing on what we have learned through this process, we would strongly urge you to demonstrate the Treasury's commitment to improving outcomes by structuring your budget around the delivery of the Government's mission-based policy platform. While political and executive leadership will be necessary for the success of the missions, it will be insufficient without investment in people and places.

This approach would ensure that your missions have sufficient capital behind them to make success possible and – where appropriate – to enable a switch to a preventative agenda. This totemic act would also signal to stakeholders, commentators and partners that mission-based government really does mean a different way of doing things.

Alongside this, we encourage you to consider how the Treasury could:

- Use the full suite of wellbeing data to assess the effectiveness of your spending decisions over time and work hard to communicate this to the public.
- Ensure that public sector accountability mechanisms support the delivery of the missions.
- Encourage new ways of working across the senior leadership of HMT and all of Government which encourage long-term thinking and systems change.

I hope that the material linked to above is useful to you and your team as you look to deliver improved collective wellbeing for the people of the UK.

With best wishes,



Sarah Davidson
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