VGI0008

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1. Introduction

1.1 In this submission, we outline evidence on how and why public health needs to be a prominent concern in the delivery of major government projects and programmes. The NAO's Lessons Learned report (2024), along with the recent PAC reports on resetting (2023) and learning lessons (2021) from major programmes, both focus on the process of major project delivery and the need to effectively monitor the value produced. Here we urge policymakers to go further in three important respects.

1.2 First, and primarily, we suggest that defining the intended *value* of a major project or programme should not be a narrow project-specific or department-specific task but should instead speak to wider cross-cutting government objectives, such as improving public health. On this basis, *value* should not be considered purely in terms of siloed departmental objectives and short-term economic gains, as often driven by HM Treasury.

1.3 Our project, Tackling the root causes upstream of unhealthy urban development' (TRUUD, 2019- 2024, £6.7m), has designed an economic valuation tool for measuring the value of public health outcomes in urban development. The Health Appraisal for Urban Systems (HAUS) model epitomises the type of innovative evidence and novel methodology that can be used to promote cross-cutting government initiatives and secure public value across multiple dimensions.

1.4 Second, in realising this value, it is important to consider not only organisational attributes (leadership, skills, culture, transparency etc.), but also the wider governance system in which major projects and programmes are incepted, delivered, and managed. Questions about how major projects and programmes realise value is necessarily intertwined with questions about the UK's capacity for long-term and cross-government policymaking.

1.5 Thirdly, if the government's major projects and programmes are going to realise a broader understanding of value within a more joined-up government, it will be necessary to take a systems approach. This entails a consideration of how policy interventions have a range of cross-cutting effects, often extending far beyond their intended target. Systems thinking is often most effective at the local level, where a broad coalition of stakeholders can be assembled.

1.6 The views expressed here are drawn from a major United Kingdom Research and Innovation (UKRI) project. More specifically, TRUUD is funded by the United Kingdom Prevention Research Partnership (UKPRP), which is a £50 million multi-funder initiative that supports novel research into the primary prevention of non-communicable diseases to improve population health and reduce health inequalities. The TRUUD project is examining how Whitehall and England's devolved structures can co-create healthy urban development by taking a systems approach to policy design and implementation.

2. Identifying and measuring value

2.1 As argued in the NAO's Lessons Learned report (2024), it is necessary for any major project or programme to start with a clear indication of the *value* it seeks to produce. Different projects are of course likely to produce different types of value, and any value-for-money framework needs the flexibility for such variation. However, our research on urban development shows that value is too often narrowly defined in terms of short-term financial gain, rather than longer-term societal benefit (Barnfield, 2023).

2.2 See TRUUD policy briefing: How value is considered and used in urban development

2.3 At the same time, 'value' cannot be conceived so broadly as to allow any given project or programme to create its own definition according to departmental or case-specific objectives. This contributes to a lack of strategic join-up across government, and to the wider concerns about the siloed nature of policymaking and governance in the UK (Matthews, 2012).

2.4 Instead, value needs to be considered against a series of cross-cutting government objectives or missions, which should be focused on the major policy challenges facing the country, including climate change, sluggish productivity, spatial inequality, and especially public health. In urban development – often the focus for major projects in transport, housing, and public services – public health is currently not prominent in public- or private-sector valuation processes (Bates et al, 2023), and behaviour in the private sector is often dependent on public sector regulations and standards (Black et al, 2021).

2.5 See TRUUD policy briefing: Revealing the health costs of the urban planning policy environment

2.6 Therefore, while the NAO (2024, p.6) rightly argues that in planning a major project, you should "start from the strategic objectives you want to achieve and the value you want to add", it is essential that this value is defined in relation to the major challenges facing society. We argue that this should *always* include public health, so that every project is assessed on whether it will have a positive, negative, or neutral effect on public health.

2.7 In our research, in-depth interviews with 132 urban development stakeholders from the public, private and third sectors in the UK revealed a willingness to think more proactively

about health outcomes. However, many actors felt that they did not have access to sufficient health evidence and were unclear on how health evidence might be incorporated into urban development decision making (Bates et al, 2023).

2.8 TRUUD has developed an economic valuation model called the Health Appraisal for Urban Systems (HAUS) that can remedy this barrier. HAUS clearly shows the health outcomes related to urban design. It identifies who gets ill and with what disease as well as the economic cost of ill health. More specifically, it identifies where these costs are incurred across the system, which is often outside the health sector (e.g. education, welfare, crime and disorder, private sector).

2.9 "A range of qualitative appraisal tools and methods for policy makers already exist, but the few quantitative tools that allow policy makers to estimate changes to health focus on a limited number of environmental characteristics or subject areas, such as active travel. HAUS allows decision makers, developers or planners to consider and adjust a range of health factors by providing unit costs for more than 70 health outcomes. It has been developed using new, large-scale mixed-use development proposals as a starting point, but with modification could be applied more widely. For example, in a recent application we were able to show that increased green space for one urban area could lead to improvements in activity and mental health, reductions in diabetes, cancer and childhood obesity, and could even reduce premature mortality. Over 25 years these benefits could save the community between £20- 35 million through averted health costs" (Eaton et al, 2023, 1). This type of data and analysis has the potential to contribute to the measurement and evaluation of value in the government's major projects.

2.10 See TRUUD policy briefing: Valuing the external social costs of unhealthy urban development

3. The need to work long-term and cross-government

3.1 There are two major challenges in defining value according to cross-cutting societal outcomes like public health. The first relates to the need for long-term strategies or 'missions' that define the government's overall objectives. The second relates to the departmentalised and centralised structures that often inhibit multi-agency working.

3.2 The current government has sought to join-up departments around its 'levelling up missions', which cover a broad range of social and economic outcomes. These missions include a target to improve 'healthy life expectancy' and to reduce the spatial inequalities that exist in healthy life expectancy. However, currently the government's major projects and programmes are not clearly linked to such missions, and the definition of value at the outset of a project will often ignore key issues like healthy life expectancy (Bates et al, 2023). For example, in the road expansion projects currently underway (IPA, 2023), the links between

air pollution and healthy life expectancy have not been properly considered in the calculation of value-for-money.

3.3 A broader failing in the levelling up missions is reflected here, with mission delivery linked to a specified set of interventions. Instead, each mission must act as an overarching strategy against which all policy and projects are considered. The White Paper does not commit substantial new health funding and the Government's ambitious health missions are to be delivered principally through individual health service interventions: social prescribing, drug treatment, tobacco control, dietary assistance (Ralston et al., 2022). This has been criticised for not focussing on the wider determinants of health, such as well-maintained housing, education and access to green space, which are shown to have a far greater impact on public health outcomes and reducing health inequalities (Ford et al., 2021).

3.4 Our research shows that embedding public health in major policy programmes requires long-term funding settlements tied to health outcomes, cross-government targets on the wider determinants of health, and a shift towards place-based policy (Ayres et al., 2023). This needs to be accompanied by more decentralised policymaking, funded by single-pot settlements and backed by significant investment in subnational research and evaluation capacity (Ayres et al., 2023). All these issues need to be considered as part of the framework to ensure that the UK's major projects and programmes are governed and planned effectively.

3.5 See TRUUD policy briefing: What needs to happen to level up public health

3.6 The departmentalised and centralised nature of Whitehall poses a major challenge for constructing broader societal definitions of value that are linked and driven forward by government missions. There is a need for greater cross-government coordination both horizontally (across Whitehall) and vertically (between Whitehall, devolved institutions, and local government). While there is little that the Infrastructure and Projects Authority could do alone to overcome these structural challenges, the UK's existing centralisation means that HM Treasury and the Cabinet Office have significant capacity to enact and implement longer-term changes in the UK's machinery of government (Coyle and Sensier, 2019; Warner et al., 2021; Richards et al., 2023).

3.7 Such changes should focus on bridging the siloes by building on existing policies for cross-government collaboration (PAC, 2024), but also be embedding cross-cutting missions in the delivery of all major projects and programmes, and by setting a requirement to justify decisions to pursue centrally driven policies when local delivery is possible. Our research in Greater Manchester and in Bristol has shown the potential for embedding public health in urban development at the local level. This points to the greater tendency for joined-up policymaking in subnational institutions, and thus the ability to construct broader and more ambitious conceptions of value when delivering projects and programmes.

3.8 See TRUUD policy briefing: Introducing a healthy evidence base with Transport for Greater Manchester

4. The need for stakeholder engagement and a systems approach

4.1 Systems approaches are critical for operationalising a more joined-up approach and broader understanding of value in government. Systems thinking is increasingly supported and understood in Whitehall (Slater, 2023) and is an important factor in bringing together disparate stakeholder groups for cross-sectoral and innovative action. Thinking systemically about projects that impact on health outcomes supports a greater understanding of their true value, because these outcomes are often linked with cross-sector benefits.

4.2 TRUUD's economic valuation tool, HAUS, demonstrates how regeneration projects that lead to a range of health benefits will contribute to savings in crime and disorder and improve workforce productivity, as well as savings in the NHS. Taking a systems approach helps to explore the potential outcomes of projects across sectors, providing an opportunity to better understand value for money.

4.3 Bringing different stakeholder groups together is key to achieving a systems approach. It is also key to tackling complex health problems such as non-communicable diseases and widespread health inequalities. In many policy areas, the best scale for achieving this collaborative action is frequently at the local level where projects can be co-created by policymakers, stakeholders and communities who have the greatest understanding of the characteristics and needs of their local areas. We argue that supporting systems approaches at the local level and enabling long-term and upstream preventative policymaking requires funding models that will give greater autonomy to local actors over target setting and greater flexibility on spending (Ayres et al., 2023).

4.4 However, local actors currently lack the power and resources to effectively respond to their priorities and targets (Houlden et al, 2022). One key reason for this is a lack of whole systems thinking in the setting of nationally-drive targets that do not always reflect the variation of needs within and across regions (Sandford, 2022). This limits the potential for pro-active place-making to reflect local preferences and agendas. For example, our research highlights how national house building targets drive local decision-making over the needs of local communities and restrict autonomy (Ayres et al, 2023). Taking a systems approach will involve giving local actors more control over how to use funding and enhance their ability to invest in preventative approaches with long-term outcomes to better reflect local placemaking needs.

5. The case of DLUHC and DHSC

5.1 Better preventative health is a key part of solving the policy challenges facing the country. Healthier people are more economically productive and have a smaller financial footprint on health and social care. A critical aspect of preventative health is the link between urban environments and health. Public funding is tight and we know the NHS spends more than £2.5 billion a year to treat people who are affected by poor housing alone (e.g. General

Practice visits, prescriptions, and hospital treatment) (Garrett *et al.* 2023), and that these are the highest medical costs associated with inadequate housing compared to all European Union member states (Nico *et al.* 2016). If wider societal impacts are included, such as those relating to care, the costs are even greater (Garrett *et al.* 2023). Despite this, health outcomes and concerns are rarely prioritised or considered in Whitehall urban development policy making, despite the well-evidenced health implications of policy in this area, and therefore linking the work of DLUHC and DHSC is fruitful for improving value for money and delivery of public services.

5.2 There is receptiveness amongst government officials to engage with systems approaches (Government Science & Engineering Profession, 2022). Examples of where systems mapping has been used previously to improve healthy urban development include: the Department for Energy Security and Net Zero undertaking of 'systems modelling' to understand where buy-in was needed from other parts of government to achieve a policy aim (House of Commons, 2024); and the Sustainable Living Places project (Royal Academy of Engineering, 2020).

6. Conclusion

6.1 For major projects and programmes to improve their benefit to society, they must be guided by a clear strategy about the value they seek to produce, and they must have the necessary organisational attributes (leadership, capacity etc.) to deliver this strategy (NAO, 2024). In this evidence submission, we argue that these aspects identified by the NAO are necessary but not sufficient for maximising the social value of major projects and programmes.

6.2 We argue that it is also necessary to:

- Link project-specific definitions of value to wider cross-cutting government objectives or 'missions', which need to be considered by every project. The TRUUD project offers the HAUS tool as a means of evaluating the public health impacts of urban development projects.
- Seek to create a machinery of government capable of embedding these cross-cutting missions in departmental activities. A crucial component will be the decentralisation of policymaking to the local and regional level where joined-up government is much more feasible.
- Embed a systems approach in the development and evaluation of major projects and programmes. This will require partnership-building across a range of stakeholders, which again is most feasible at the subnational level.
- Build bridges between key departments to enable more joint projects. In the case of healthy urban development, this is DLUHC and DHSC. These bilateral arrangements are crucial for wider cross-government working.

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