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PRESS RELEASE

For Immediate Release

UK cities are rich so why are their residents not prosperous?

A new report from the Legatum Institute finds that UK cities are failing to turn their economic growth into better lives for people.

The [UK Prosperity Index](#) is the first of its kind for the UK. It defines and measures prosperity through seven pillars—Economic Quality, Business Environment, Education, Health, Safety & Security, Social Capital, and Natural Environment—it covers 389 local authority areas.

Reinforcing the new Prime Minister’s agenda to deliver a country that “works for everyone”, the report spells out who the country isn’t working for and makes recommendations for how that might change.

Headline findings include:

- **Urban Britain is failing to deliver prosperity**
When prosperity is compared to an area’s wealth, just 34 of the UK’s 138 urban areas are delivering notably more prosperity than their wealth would suggest (a surplus). The rest have marked prosperity deficits.
- **Poor but prosperous**
The top ten most prosperous areas represent a staggering cross-section of the nation’s wealth, from an economic output per head of around £14,000 (putting it within the ten poorest) to £33,000 (just outside the 20 richest). How well local areas do in turning their wealth into prosperity—rather than their wealth alone—is by far the strongest predictor of how prosperous they are.
- **Deliver on life chances and you deliver on prosperity**
Life chances—health, social capital, education level, wellbeing, and sense of opportunity—are the best predictor of whether a local area is delivering a prosperity surplus.
- **Social capital has the potential to be a potent driver of prosperity through real localism**
Social capital—when community-focused—has the potential to supercharge prosperity through localism, using direct community-level decision-making. When social capital is more identity-based, however, this is harder to achieve.

This is the first time that the distribution of prosperity has been measured in the UK at this very local level. The report is also the first tool of its kind in the UK to use both objective and subjective data, measuring not only how prosperous an area is, but also how prosperous its citizens feel. The Index highlights the widespread failure of the UK’s urban areas to deliver prosperity with their higher wealth, the critical role of life chances in this, and the power of localism to transform prosperity delivery.

Results:

Most Prosperous in the UK		Least Prosperous in the UK	
1	Waverley	380	Stoke-on-Trent
2	Mole Valley	381	Liverpool
3	Winchester	382	Barking and Dagenham
4	St Albans	383	Blaenau Gwent
5	Chiltern	384	Sandwell
6	South Oxfordshire	385	Glasgow
7	Mid Sussex	386	Nottingham
8	East Hampshire	387	Middlesbrough
9	East Dunbartonshire	388	Blackpool
10	Guilford	389	Kingston upon Hull

The report's author, Harriet Maltby (Head of Policy Research at the Legatum Institute) said:

“The UK’s cities are letting down many of their residents by failing to turn their higher wealth into real prosperity, a prosperity, as much about wellbeing as wealth. They’re failing because they are struggling to provide basic life chances to the large numbers who live there.

“If there is no good school for your child, your environment and lifestyle is unhealthy, and you don’t have people around you to depend on, then many more life opportunities are closed to you. Theresa May is right to focus on those who feel left behind because this Index proves they have been.

“The challenge for Government is that government alone cannot provide all the answers. Many of the obstacles to prosperity are deeply local. Rather than try to solve the problems, government should better empower local government and communities to take the action they are best placed to know, if true prosperity is to reach everyone”

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Notes to Editors

1. A full methodology document and interactive map is available at www.uk.prosperity.com

Media Enquiries

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About the Legatum Institute

The Legatum Institute is an international think tank and educational charity focused on understanding, measuring, and explaining the journey from poverty to prosperity for individuals, communities and nations. We believe true prosperity is as much about wellbeing as it is wealth, if all people are to flourish. To support and promote this vision, our research programmes—the Economics of Prosperity, Transitions Forum, the Culture of Prosperity, and the Centre for Character and Values—seek to understand what drives and restrains national success and individual flourishing. The *Legatum Prosperity Index™*, our signature publication, ranks 142 countries in terms of wealth and wellbeing. To find out more please visit www.li.com and www.prosperity.com.