

INCLUSIVE GROWTH AND PUBLIC POLICY PANEL

**MEETING TO BE HELD AT 2.00 PM ON WEDNESDAY, 16 SEPTEMBER
2020 IN REMOTE MEETING – TO BE LIVESTREAMED HERE:
[HTTPS://WWW.YOUTUBE.COM/CHANNEL/UCAZJNSGPQZZT41VIBN2
ZK9A/LIVE](https://www.youtube.com/channel/UCAZJNSGPQZZT41VIBN2ZK9A/LIVE)**

A G E N D A

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**
- 3. POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC**
- 4. MINUTES OF THE MEETING HELD ON 15 JUNE**
(Pages 1 - 4)
- 5. COVID-19 IMPACT AND RECOVERY PLAN UPDATE**
(Pages 5 - 8)
- 6. ROLE OF THE THIRD SECTOR**
(Pages 9 - 16)
- 7. GOOD WORK STANDARD**
(Pages 17 - 22)
- 8. STRATEGIC ECONOMIC FRAMEWORK HEADLINE
INDICATORS**
(Pages 23 - 42)
- 9. EMPLOYMENT AND SKILLS PLAN REFRESH**
(Pages 43 - 52)
- 10. INCLUSIVE GROWTH AND GREEN ECONOMY CHAMPIONS**
(Pages 53 - 54)

Signed:



**Managing Director
West Yorkshire Combined Authority**



**MINUTES OF THE MEETING OF THE
INCLUSIVE GROWTH AND PUBLIC POLICY PANEL
HELD ON MONDAY, 15 JUNE 2020 AT REMOTE MEETING - TO BE
LIVESTREAMED HERE:
[HTTPS://WWW.YOUTUBE.COM/CHANNEL/UCAZJNSGPQZZT41VIBN2
ZK9A/LIVE](https://www.youtube.com/channel/UCAZJNSGPQZZT41VIBN2ZK9A/LIVE) (COPY AND PASTE INTO YOUR BROWSER)**

Present:

Councillor Shabir Pandor (Chair)
Councillor Debra Coupar
Councillor Carole Pattison
Councillor Alex Ross-Shaw
Councillor Jane Scullion
Councillor Andrew Waller
Claire Harrison
Karl Oxford

Sam Keighley
Mike Hawking (Advisory Representative)
Dr Peter O'Brien (Advisory
Representative)

Kirklees Council
Leeds City Council
Kirklees Council
Bradford Council
Calderdale Council
City of York Council
Homes England
African and Caribbean Business
Ventures Ltd
Yorkshire Sport Foundation
Joseph Rowntree Foundation
Yorkshire Universities

In attendance:

Jacqui Gedman
Alan Reiss
James Flanagan
Ben Kearns

Kirklees Council
West Yorkshire Combined Authority
West Yorkshire Combined Authority
West Yorkshire Combined Authority

13. Apologies for absence

Apologies were received from Kate Hainsworth, Rob Webster, and Liz Town-Andrews.

14. Declarations of Disclosable Pecuniary Interests

There were no declarations of pecuniary interests at the meeting.

15. Possible exclusion of the press and public

There were no items which required the exclusion of the press and public.

16. Minutes of the meeting held on 4 December 2018

Resolved: That the minutes of the meeting held on 4 December 2018 be approved.

17. Notes of the Inclusive Growth Workshop - 14th Feb 2020

Resolved: That the notes of the Inclusive Growth Workshop held on 14 February 2020 be noted.

18. Chair's Update

The Chair wished to welcome four new members to the panel: Kate Hainsworth, Karl Oxford, Claire Harrison, and Sam Keighley.

The Chair discussed the issues which would be the focus of the Panel including the impacts of the Covid 19 pandemic and the global reaction to social injustices and inequality, including the Black Lives Matter movement.

19. Covid-19 Economic Response and Recovery

Members considered a report which set out the economic impacts of Covid 19 and the work underway on the response and recovery.

Members discussed the following:

- The way in which the pandemic had impacted some groups disproportionately, which included unprecedented levels of unemployment particularly for young people and the over 50s. The Panel also discussed the disproportionate impact on black and minority ethnic communities.
- That the role played by the voluntary, community and social enterprise sector) during the pandemic was recognised as vital and had connected with the people and communities in need of the most assistance. It was suggested that a key role for the third sector should be to ensure the most excluded benefit from the recovery.
- Members discussed the approach to the recovery and how targeted the approach should be, for instance around geography, communities, and economic sectors. Members felt that targeting a few key priorities with high levels of impact was preferable to broader, but more thinly spread, support.
- That a united voice to government for investment and funding was essential.
- That it was vital to ensure that pockets of deprivation are addressed, and no communities are left behind.

- That immediate resource should be focussed on retaining jobs.
- The importance of designing skills programmes to target specific sector and make sure that they are widely accessible as well as delivering the range of supply side programmes that will be needed.
- Members discussed the role of the Panel going forward. Given that inclusive growth cuts across all areas of the Combined Authority activity the Panel could take on a monitoring / supporting role to ensure that each panel had inclusivity at the forefront of their thinking.
- Members agreed that identifying Inclusive Growth champions on each Panel would be useful in setting challenges and overseeing standards.

Resolved:

- (i) That the emerging key inclusive growth related impacts on the City Region during the pandemic and receives a future report on potential options for monitoring inclusive growth as set out in the submitted report be noted.
- (ii) That the Panel's views on the developing work being led by the West Yorkshire Economic Recovery Board be noted.

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Report to: Inclusive Growth and Public Policy Panel

Date: 16 September 2020

Subject: **COVID-19 Impact and recovery update**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author: Alex Clarke

1. Purpose of this report

- 1.1 To provide an update on the draft Plan for COVID-19 economic recovery and to provide context for subsequent items.

2. Information

- 2.1 The Covid-19 pandemic is a global health and economic emergency that has affected everyone in West Yorkshire in some way. In our collective efforts to stop the spread of the virus, businesses have been required to stop or reduce trading. Travel into our cities, towns and rural areas has vastly decreased. We have already seen large increases in unemployment and applications for Universal Credit, and a significant increase in the number of businesses that are struggling to survive despite support mechanisms locally and nationally. This will have a lasting impact on livelihoods across our region, and substantial investment and action is required to support people and businesses to recover and to build a more sustainable, inclusive economy.
- 2.2 The full implications of COVID-19 on the region are still to be understood. However, modelling commissioned by the West Yorkshire Economic Recovery Board demonstrates the significant impact this crisis will have on West Yorkshire businesses and communities. Even in the event of a relatively rapid recovery, the modelling concludes that the West Yorkshire economy will contract by £5bn in 2020. If we see a slower, more uneven, recovery economic contraction rises to £12bn in 2020, with the West Yorkshire economy shrinking by almost 30% by 2021. Beyond the direct cost to West Yorkshire, the modelling suggests that this economic downturn will result in a cost to the Exchequer of up to £2.4bn in 2020 alone. This modelling has been used to underpin our plans for recovery.

Economic Recovery – focussing on good jobs and resilient businesses

- 2.18 The longer-term planning for economic recovery for West Yorkshire is being overseen by a West Yorkshire Economic Recovery Board¹, which as reported in June is a working group of the West Yorkshire Combined Authority and brings together the five West Yorkshire Leaders and LEP Chair with partners from the private sector, trade unions, public bodies and the third sector, to develop robust plans for the region's economic recovery and to help build an inclusive and sustainable economy for the future.
- 2.19 Following input to the draft economic recovery plan from a wide range of stakeholders, including this Panel, a draft plan was endorsed by the Combined Authority on 27 July 2020, and a further version was discussed at meetings of the LEP Board and Combined Authority on 3 and 4 September. Links to the first full version of the Plan and supporting documentation are provided in the appendices.
- 2.20 The plan focusses on three action areas of: good jobs and resilient businesses; skills and training; and accelerated infrastructure, and has two overarching goals of inclusive growth and sustainable environment. The plan sets out what steps are required by national government, at a regional level, and how this aligns with local authority level activity, across three stages of rescue, re-imagining and resilience. Across the plan there are initial funding asks in the order of £1.4bn, which will be further refined and developed subject to future announcements and further understanding of the impact.
- 2.21 As the implications of COVID-19 continue to unfold, it is expected that the plan will be further updated, which will be tested with this Panel to make sure priorities remain relevant and are amended as required to meet the recovery needs of the region.

5. Financial Implications

- 5.1 There are no financial implications as a direct result of this report.

6. Legal Implications

- 6.1 There are no legal implications as a direct result of this report.

7. Staffing Implications

- 7.1 There are no staffing implications as a direct result of this report.

8. External Consultees

- 8.1 The development of the economic recovery plan has been led by the West Yorkshire Economic Recovery Board. Further to this, the LEP Board all the LEP Panels have been consulted on the emerging economic recovery plan.

¹ Further details on the full membership and terms of reference of the recovery board can be found at: <https://www.westyorks-ca.gov.uk/erb>

There has been regular engagement with Local Authority officers developing local economic recovery plans, to ensure alignment.

9. Recommendations

- 9.1 That the Panel notes the update in relation to COVID-19 possible impacts and on the draft economic recovery plan, and considers items elsewhere on the agenda in light of how they contribute to its delivery.

10. Background Documents

- 10.1 There are no background documents referenced in this report.

11. Appendices

- 11.1 There are no appendices.

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Report to: Inclusive Growth and Public Policy Panel

Date: 16 September 2020

Subject: **Role of the third sector**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author: James Flanagan

1. Purpose

- 1.1 To consider the nature and role of the third sector across the region in the immediate response to the pandemic and its potential ongoing role in terms of ensuring the region benefits from an inclusive economic recovery.
- 1.2 It is also proposed that a time-bound ‘task and finish’ group is established to:
- Collect evidence and data to better understand the role, composition and scale of the third sector across West Yorkshire, and its interdependency with the public and private sectors;
 - Better understand the social and economic contribution being made by the sector, and the specific challenges it is currently facing; and
 - Identify how the sector could be further supported at regional level to help deliver an inclusive economic recovery.

2. Information

Introduction

- 2.1 There is no commonly held definition of ‘the third sector’ (also sometimes referred to as the Voluntary, Community and Social Enterprise or VCSE sector). The National Audit Office (NAO) for example uses ‘third sector organisations’ as a term to describe the range of organisations that is neither public sector nor private sector. It includes voluntary and community organisations (both registered charities and other organisations such as associations, self-help groups and community groups), social enterprises, mutuals and co-operatives.

- 2.2 A key overall role the third sector is engaging with our most disadvantaged communities and bringing about positive social change, social justice and equality, and economic and social inclusion. Third sector organisations are therefore motivated by the desire to achieve social goals (for example, improving public welfare, the environment or economic well-being) rather than the desire to distribute profit.
- 2.3 During the Lockdown period, a light was shone on the third sector as a strong deliverer and trusted partner.¹ There is now a greater appreciation of the sector's ability to galvanise local response and recovery efforts because of its connections with, and being trusted by, some of our most disadvantaged communities.
- 2.4 There are, conservatively, estimated to be some 6,000 third sector organisations currently operating in West Yorkshire, although this figure, and our understanding of the nature of the sector, is not considered to be very robust.
- 2.5 Nationally, the third sector is comprised of a large number of charitable and voluntary organisations and social enterprises with a small turnover relative to the private sector (having a median turnover of £22k vs £128k for SMEs) and - linked to this financial position - limited reserves. Hence the sector is considered particularly vulnerable to socio-economic shocks.
- 2.6 National statistics suggest that the third sector contributes a modest 1.4% of national GDP. This figure is however considered to greatly underestimate actual social and economic contribution of the sector because the value added of volunteer time is not included in the data. It has been estimated the third sector contributes appropriately 10% of GDP when up to 4 billion hours of volunteer time nationally is factored in². Pro rata, this equates to the third sector contributing circa £5bn p.a. to the economy of West Yorkshire annually.
- 2.7 As such, it is argued by the Bank of England's Andy Haldane and others, that the contribution of the third sector has been significantly undervalued and has therefore been underinvested in compared with the private and state sectors.

Third sector role in the WY Economic Recovery Plan

- 2.8 The West Yorkshire Economic recovery plan recognises that the impact of COVID-19 has demonstrated starkly the range of inequalities and injustices that permeate our region, as well as nationally and globally. The interventions contained in the Plan have been developed to make a positive impact in not just reducing, but eliminating, the unfairness individuals and communities in

¹ (see for example: <https://www.tnlcommunityfund.org.uk/news/blog/2020-08-03/how-can-we-better-support-community-organisations-to-deliver-during-times-of-crisis>).

² <https://www.probonoeconomics.com/news/andy-haldanes-full-speech-pro-bono-economics-10th-anniversary-lecture>

our region face in relation to the following draft Inclusive Growth Framework Goals of:

- Wellbeing – ensuring good physical and mental health;
- Connectivity and Accessibility – including to economic opportunities;
- Relevant and transferable skills - to enable social mobility; and
- Good work - which offers sustainable, high-quality employment

2.9 The fulfilment of these Goals is central to the achievement of the draft Framework's ambitions (as also set out in the Plan), such that:

- All individuals and communities in West Yorkshire are enabled to contribute to - and benefit from - our economic prosperity because: they are engaged, made confident and inspired;
- All West Yorkshire employers provide good work because: they value diversity (at all levels), promote employee wellbeing, and invest in their workforce (the idea of a Good Work Standard is considered elsewhere on the agenda); and
- West Yorkshire is a region which delivers an inclusive economic recovery because: every person - and every community - matters equally, economic and social disparities are not just reduced but eliminated, and diversity - including of our people and communities - is a key strength of the region.

2.10 It is recognised in the Plan that all our sectors will play an important role in terms of delivering an inclusive economic recovery and ongoing resilience. For example, the crucial role played by the third sector during the immediate response to the pandemic is recognised in terms of connecting with the people and communities that face the greatest inequalities and their continued operation during the crisis (supported largely by independent funders) was fundamental to mitigating some of the worst hardships.

2.11 It is therefore proposed in the Plan that the role of the third sector should be further strengthened and enabled, to ensure (by working closely and in a complementary way with the private and public sector) that our most disadvantaged people and communities benefit fully from recovery.

2.12 For example, ensuring all residents and communities have the relevant and transferable skills required to be able to take up high quality employment - or start in enterprise - is central to an inclusive economic recovery. During the Lockdown phase these communities, and the third sector, have been at the heart of response, coming together in positive ways to support, encourage and sustain, particularly the most vulnerable. This has taken different forms in our diverse West Yorkshire communities, and, because recovery will also impact communities differently, the Plan recognises that it will be important that communities - and the third sector itself - are supported to become more resilient and sustainable.

Proposed Next steps

- 2.13 In order to define the nature and extent of any support needed to enable the third sector to become more reliant and sustainable, and in order to maximise its capacity to support an inclusive economic recovery, it is proposed that a task and finish group of the Panel and other stakeholders, including people who run third sector organisations and private sector partners, supported by officers, is commissioned to gather evidence and formulate recommendations as per the proposed scope set out at Appendix A.

3. Clean Growth Implications

- 3.1 There are no clean growth implications directly arising as a result of this report.

4. Inclusive Growth Implications

- 4.1 The report identifies the opportunity to better understand and support the third sector in the region, which will have a clear focus on delivering more inclusive growth.

5. Financial Implications

- 5.1 Any costs arising out of progressing the work of the task and finish group, such as commissioning research, will be contained within existing budgets.

6. Legal Implications

- 6.1 There are no legal implications arising as a direct result of this report.

7. Staffing Implications

- 7.1 The proposed task and finish group will be supported by officers. There are no additional staffing requirements arising as a direct result of this report.

8. External Consultees

- 8.1 No specific or official external consultations have been undertaken in relation to this report.

9. Recommendations

- 9.1 To recognise and welcome the role that the third sector has played in the response to the pandemic and its potential role in securing an inclusive economic recovery.
- 9.2 To comment on the contents of the paper and proposed scope for a time-bound task and finish group as proposed in Section 2.12.

- 9.3 To delegate the formation and terms of reference of the Task and Finish Group to the Chair and lead Chief Executive.

10. Background Documents

There are no background documents referenced in this report.

11. Appendices

11. Appendix A - Proposed scope for a time-bound task and finish group to consider the role of the Third Sector in delivering an inclusive economic recovery.

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Appendix A

Proposed scope for a time-bound task and finish group to consider the role of the 3rd Sector in delivering an inclusive economic recovery

Subject to Panel agreement, it is proposed that a task and finish group is formed to undertake the following:

Collect evidence and data to better understand the role, composition and scale of the third sector across West Yorkshire, and its interdependency with the public and private sectors:

Undertake a call for evidence, including from the third sector. The aim is to develop a better understanding of the strengths, weaknesses, opportunities and threats facing the sector as well as a better understanding of its scale, composition and economic contribution to the region eg:

- The third sector's contribution to the WY economy in social and economic added value terms;
- The number of organisations and social enterprises, and their activities, comprising the sector;
- The size of the sector in terms of turnover, employees, trustees, and volunteers;
- The range of governance/delivery models in operation, eg charitable bodies, social enterprises, Community Interest Companies, Mutuals/Industrial and Provident Societies and other co-operative models; and
- The range of income streams and related levels of dependency eg grants, commissioned services, commercial/trading income, donations, etc.

Better understand the social and economic contribution made by the sector, and the specific challenges it is currently facing

The sector is frequently reliant on short-term funding, often competing for small and short-term investments. It is also sometimes limited in enterprise and strategic skills and is lacking a recognised, co-ordinated regional voice. Addressing these and other issues would enable the VCSE sector to fully capitalise on its strengths and opportunities and address various threats and weaknesses such as:

- 59% of Locality members are reporting that over a quarter of their income is at risk due to coronavirus.
- For organisations who earn more than 50% of their income through trading, this increases to 75% reporting at least a quarter of income at risk.
- Revenue funding streams are therefore needed for service delivery instead of eg being diverted to maintaining and protecting community assets and drawing on reserves.
- There are also ongoing trust issues in terms of external perceptions of the sector, including related to capacity and governance, eg following high profile failures such as Kids Company. Closer examination of grass roots charities,

the ones referred to in this paper, recognises that such failures of governance are rare and primarily a result of underinvestment rather than the spectacular growth and lack of due diligence of Kids Company.

- A survey by Skills Platform in 2017 found that, while almost three-quarters of charities recognised the potential for digital transformation, only a third believed they had the capacity to deliver it. Without this capability the sector will be unable to access new opportunities (e.g. online service delivery and volunteering)

The task and finish group would be commissioned to better understand:

- The specific impact of COVID-19 on income, employment and service delivery across the sector;
- The current issues that the sector is facing, including in terms of its viability and resilience, and the support that is available both locally and regionally;
- Where there are good practice examples of the sector diversifying and/or developing its resilience with the potential for wider application; The need/requirement for capacity building/infrastructure support; and
- The case for establishing a regional voice for the sector - following the closure of the Yorkshire and Humber Regional Forum, Involve Yorkshire and Humber, and the BME Regional Network, for a number of years there has been no strong, unified regional voice/representation or structured sharing of learning for the diverse range of third sector organisations operating in West Yorkshire.

Identify how the sector could be further supported at regional level to help deliver an inclusive economic recovery

A number of options to address these challenges could be considered, including for example:

- A regional programme for two-way mentoring between VCSE organisations and corporates / public sector anchor organisations (eg corporate and public sector could provide VCSE organisations with commercial, technical and management/ leadership skills/expertise and VCSE organisations could advise on social mobility and diversity policy;
- Improving access to financial support – raising awareness of and brokering access to both the larger regional funds (eg Key Fund) and smaller grant-making trusts and corporate social responsibility opportunities and developing the capacity/investment readiness of the sector;
- Bespoke support package, including programmes for those running and governing Social Enterprises focussed on financial and risk management, and implementing digital projects; and
- The case for strategic investment in community hubs, for example those that actively involve communities and empower third sector organisations serving them to develop innovative services and support inclusive growth eg through the provision of training and workspaces, wifi, cafes, crèche facilities etc.

Report to: Inclusive Growth and Public Policy Panel

Date: 16 September 2020

Subject: **Good Work Standard**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author: James Flanagan

1. Purpose

- 1.1 To seek initial Panel views on the development of a regional Good Work Standard and, subject to agreement in principle, to endorse further work to develop options for a fit for purpose approach.

2. Information

- 2.1 The impact of COVID-19 has demonstrated the range of inequalities and injustices that permeate our region, as well as nationally and globally.
- 2.2 The draft West Yorkshire Economic Recovery Plan seeks to deliver inclusive growth and a decent standard of living, where good work and wellbeing allow as many as possible to contribute to, and benefit from the region's economy.
- 2.3 A key goal of the Plan is to ensure that good work is made available to everyone, which means that sustainable, high-quality employment is provided by employers that:
- value diversity - at all levels,
 - promote employee health and wellbeing, and
 - invest in their workforce including in terms of good pay and development.
- 2.4 The Plan also recognises that good work is a driver for levelling up through increased productivity. This builds on work previously discussed by the BIG Panel regarding development of the Local Industrial Strategy. One of the emerging options for how to take this work forward was to consider utilising an approach based on business behaviours that would improve productivity¹. Any

¹ As a starting point we have considered the behaviours outlined in the [BEIS business productivity review call for evidence \(2018\)](#)

approach to a Good Work Standard could work alongside the behaviours agreed as important to boosting productivity.

- 2.5 A Good Work Standard for West Yorkshire is proposed in the Plan as a key intervention which, subject to funding, would focus on securing commitments of - and giving recognition to - a range of employers that drive positive employment and productivity.
- 2.6 Currently, not everyone in the region enjoys good work, for example:
- In-work poverty is a huge challenge – for example, 271,000 WY employees (29% of the total) are not currently in good quality work (ONS definition based on the Taylor Review), eg they are paid below the living wage
 - Poor mental health - 15.1% of people suffer from depression and anxiety in West Yorkshire compared to 13.7% nationally
 - Many of our communities and individuals are excluded from good work:
 - Inequalities and barriers in the labour market for specific individuals, groups and communities, eg BAME communities, disabled people, and mothers who want to work (especially lone parents), all suffer from higher than average levels of unemployment, also in terms of pay gaps, and opportunities for employment and progression (ie underemployment)
 - the spatial distribution and accessibility of good employment differs across the region.
 - LCR has a low productivity challenge – there is evidence that low pay and lack of workforce diversity is a drag on innovation and productivity. There is also evidence of low performance against identified behaviours of high productivity e.g. innovation, higher level skills, exporting.
- 2.7 Subject to the views of the Panel on the principle of establishing a Good Work Standard for the region as a potential means on addressing the above challenges, possible aspects of a Standard could include the following:
- Setting out best employment practices to help employers address the above challenges
 - Be applicable to all types of employers i.e., businesses and enterprises of all sizes, plus public and third sector organisations.
 - Be designed in a way that is complementary/additional to local approaches and learns from bespoke standards developed by others, eg the Mayor of London’s Good Work Standard, Greater Manchester’s Good Employment Charter and the Scottish Business Pledge, or perhaps applies an ‘off the shelf model’, eg the TUC Great Jobs Agenda.
 - Require employers to evidence their commitment, eg to the following aspects of good work:

<ul style="list-style-type: none"> ○ Fair Pay ○ Fair Contracts ○ Financial wellbeing ○ Workforce dialogue and voice ○ Health, Wellbeing & Welfare ○ Work-life balance 	<ul style="list-style-type: none"> ○ Management & Leadership ○ Skills & development/progression ○ In-work progression ○ Equality, diversity & inclusion ○ Fair and inclusive recruitment practices
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- Employers' progress to be assessed against an achievement scale, eg the London model includes a range of:
 - 'Foundation' - The basics for every employer, starting with the minimum legal requirements
 - 'Achievement' - Employment practices every good employer should aim to achieve in a fair and decent workplace; and
 - 'Excellence' - More exemplary practices that can help create a highly collaborative, inclusive, and innovative workplace
- Signing up to the standard would be made easy for employers (online with opportunity for some 1:1 support) and free at the point of access including guidance and resources to help employers become exemplars.
- Public recognition of a community of good employers holding the Standard, including those achieving the highest level, would also be an encouragement for others to engage with the Standard.
- Commitment to the Standard could become a key condition of receiving LEP grant support, potentially replacing the current approach of commitments from a 'menu' of specific Inclusive growth related and other activities.

2.8 If designed and implemented effectively, and subject to take up of the Standard, the following types of outcomes and impacts could be in view:

- An increase in the proportion of workforce paid the living wage (eg as an illustrative example if a quarter of the 302,000 workers in LCR who currently earn below the living wage benefited from this uplift, it would derive an estimated local economic benefit of £54m p.a., and benefit the public finances by c.£33m p.a.);
- Reduced employment and pay gaps for disadvantaged groups;
- Increased workforce diversity and social mobility;
- Increased workforce skills development and skills utilisation leading to reduced skills shortages/gaps;
- Reductions in staff turnover and absenteeism; and
- Increased innovation and productivity

2.9 Subject to the initial views of this Panel, further work could be undertaken by officers to:

- Identify options for a WY Good Work Standard model – either existing 'off the shelf' (such as the Great Jobs Agenda) or a bespoke approach which draws from local consultation and engagement and ideas from other regional models, eg London;

- Scope out the potential costs and funding sources;
- Identify potential risks and mitigations, including alignment with any existing or proposed local approaches; and
- Propose a critical path for delivery and key milestones

2.10 The Business, Innovation and Growth Panel received a similar report on 8th September and endorsed the recommendations.

3. Clean Growth Implications

3.1 There are no clean growth implications directly arising as a result of this report.

4. Inclusive Growth Implications

4.1 The report identifies the opportunity to develop a Good Work Standard, which will have a clear focus on delivering more inclusive growth across the City Region.

5. Financial Implications

5.1 There are no immediate financial implications arising as a direct result of this report.

6. Legal Implications

6.1 There are no legal implications arising as a direct result of this report.

7. Staffing Implications

7.1 There are no staffing implications arising as a direct result of this report.

8. External Consultees

8.1 No specific or official external consultations have been undertaken in relation to this report.

9. Recommendations

9.1 Initial Panel views are sought on the principle of developing a Good Work Standard for the region.

9.2 Subject to the views of the Panel, officers will progress next steps including those outlined in section 2.9, and provide an update and options for further consideration at the next meeting.

10. Background Documents

10.1 There are no background documents referenced in this report.

11. Appendices

11.1 None

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Report to: Inclusive Growth and Public Policy Panel

Date: 16 September 2020

Subject: **Strategic Economic Framework Headline Indicators**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author: James Flanagan

1. Purpose

- 1.1 To seek Panel member views on draft headline inclusive growth indicators for the West Yorkshire Strategic Economic Framework.

2. Information

- 2.1 Since 2016 the Strategic Economic Plan (SEP) has set out the City Region's priorities for growth and development. To reflect the growing range of policy areas that the Combined Authority operates in, the changing national political and economic circumstances, and the need to incorporate the future Mayor's manifesto commitments into our work, an agile West Yorkshire Strategic Economic Framework (SEF) has been agreed by the Combined Authority.
- 2.2 The SEF forms the new overarching economic strategy for the region, building on the successes of the SEP. It sets out the vision for the region and our priorities for achieving this. It ensures that all LEP and Combined Authority strategies are aligned with a clear focus on meeting these priorities. It has been designed to be flexible, able to reflect our evolving policy remit and improve our resilience during periods of change and uncertainty. It will bring together existing and subsequent strategies under a single banner, ensuring greater alignment between our strategies, priorities and vision for the region
- 2.3 The SEF is underpinned by a monitoring and impact section. The success of the SEF will be monitored against our progress across our five priorities (including inclusive growth) using a set of headline indicators. These headline indicators, once finalised, will be supplemented by a more extensive range of indicators covering each policy and strategy area, and will be the subject of a future report. It is anticipated that this follow-on work will provide an inclusive growth dashboard, which factors in indicators by protected characteristics and area deprivation, as far as possible.

- 2.4 Appendix A provides an overview of proposed headline indicators for the SEF, making specific reference to those relevant to Inclusive Growth. The headline indicators are intended to show how the local economy is broadly developing overall and improving but also demonstrate how the work of the Combined Authority, the LEP and its partners is contributing to that progress.
- 2.5 *Enabling Inclusive Growth* is one of five high level priorities in the SEF with its own set of indicators, split between headline indicators and other indicators. These are set out in the Appendix, linked to the four proposed inclusive growth goals of *Wellbeing, Connectivity and accessibility, Transferable and relevant skills* and *Good work*. However, as the LEP Board recently recognised, many of the headline indicators associated with the remaining SEF high level priorities also have an important bearing on inclusive growth and these are flagged in the Appendix. The Appendix also includes proposed additional inclusive growth indicators which are supplementary to the headline indicator set.
- 3. Clean Growth Implications**
- 3.1 There are no clean growth implications directly arising as a result of this report.
- 4. Inclusive Growth Implications**
- 4.1 The report identifies the opportunity to develop a monitoring approach for understanding and tracking Inclusive Growth, which will have a clear focus on delivering more inclusive growth across the City Region.
- 5. Financial Implications**
- 5.1 There are no immediate financial implications arising as a direct result of this report.
- 6. Legal Implications**
- 6.1 There are no legal implications arising as a direct result of this report.
- 7. Staffing Implications**
- 7.1 There are no staffing implications arising as a direct result of this report.
- 8. External Consultees**
- 8.1 No specific or official external consultations have been undertaken in relation to this report.
- 9. Recommendations**
- 9.1 To note and comment on draft Strategic Economic Framework headline indicators, in particular those in relation to enabling inclusive growth.

9.2 To receive a future report setting out a detailed draft inclusive growth dashboard, which factors in indicators by protected characteristics and area deprivation, as far as possible.

10. Background Documents

10.1 There are no background documents referenced in this report.

11. Appendices

11.1 Appendix A - West Yorkshire Strategic Economic Framework: draft inclusive growth indicators

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West Yorkshire Strategic Economic Framework: draft inclusive growth indicators

September 2020

Introduction

- The following pack provides an overview of proposed indicators for the Strategic Economic Framework (SEF), making specific reference to those relevant to Inclusive Growth
- *Enabling Inclusive Growth* is one of five high level priorities in the SEF with its own set of indicators, split between headline indicators and other indicators. These are set out below, linked to the four inclusive growth goals of *Wellbeing, Connectivity and accessibility, Transferable and relevant skills* and *Good work*.
- However, many of the headline indicators associated with the remaining SEF priorities also have an important bearing on inclusive growth and these are also flagged below.

Headline indicators

Enabling inclusive growth (1)

Indicator	IG priority	Description
% of households in fuel poverty	Wellbeing	Proportion of households in fuel poverty - required fuel costs are above average and would take household below poverty line were that amount to be spent.
Housing affordability	Wellbeing	Ratio of lower quartile house price to lower quartile earnings
Rented housing costs	Wellbeing	Median monthly rents for private sector two bedroom properties
Life expectancy	Wellbeing	Inequality in healthy life expectancy at birth
Premises at risk of flooding	Wellbeing	Number of homes and commercial units by likelihood of flooding
Gross disposable household income	Wellbeing	Gross disposable household income per head
Net additional dwellings	Wellbeing	Net gain in dwellings based on local authority estimates of gains and losses of dwellings during each year

Enabling inclusive growth (2)

Indicator	IG priority	Description
Jobs paying below Real Living Wage	Good work	% of local jobs that pay below the Living Wage Foundation's Real Living Wage threshold
% of employees in Good Work	Good Work	% of employees who have good hours, a desired contract type, and are not in low pay
Employment rate gap for disadvantaged groups	Transferable & relevant skills	% of people in employment in disadvantaged groups (disabled, BAME, aged over-50) vs overall employment rate
People without basic digital skills	Transferable & relevant skills	Proportion of people who lack digital skills needed to operate in society and / or the workplace
% qualified below level 2	Transferable & relevant skills	% of population aged 16-64 with highest qualification below level 2 or no formal qualifications
Unemployment rate	Transferable & relevant skills	% of labour force who are unemployed and actively seeking and available for work
Apprenticeship starts	Transferable & relevant skills	Number of people starting an apprenticeship each academic year
NEETs	Transferable & relevant skills	% of 16-17 year olds NEET or activity not known

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Delivering 21st Century Transport

<i>Indicator title</i>	<i>IG priority</i>	<i>Description</i>
Access inequality ratio (employment)	Connectivity and accessibility	Ratio of jobs that can be accessed within 30 minutes by bus compared with those accessible by car from the 10% most deprived neighbourhoods in West Yorkshire
Reported road casualties	Wellbeing	Total killed or seriously injured casualties in the West Yorkshire area.
West Yorkshire mode share		Average number of trips / distance travelled by mode by WY residents, based on NTS trip rates
Public satisfaction with bus and rail services in the region		Satisfaction scores for local bus and rail services as per the West Yorkshire Public Perceptions of Transport Survey
MCard ticket transactions (bus)		Annual number of bus trips made using MCard products
Satisfaction with highway infrastructure		Average weighted satisfaction score (by importance) of infrastructure maintenance items, such as condition of roads, quality of street lighting etc

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Boosting productivity (1)

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<i>Indicator</i>	<i>IG priority</i>	<i>Description</i>
Employment rate	Transferable & relevant skills	% of 16-64 resident population in employment
% qualified at level 4 and above	Transferable & relevant skills	% of population aged 16-64 with highest qualification at Level 4 and above
Take-up of superfast (or above) broadband services	Connectivity and accessibility	% of properties that use superfast or ultrafast (at least 300 Mbit/s) services in areas where at least superfast broadband is available
Full-fibre coverage	Connectivity and accessibility	Full-fibre coverage (% premises connected - FTTP or FTTH)
Mobile coverage (4G and 5G)	Connectivity and accessibility	% of area with access to good 4G and 5G mobile coverage (indoors)
Productivity		Nominal gross value per hour worked
Businesses engaging in innovation activity		% of businesses in the area that have engaged in innovation, including new / improved products or services, new technologies, knowledge transfer etc
Goods / services exports as % of GVA		Value of i) goods and ii) services exports expressed as a proportion of total GVA

Boosting productivity (2)

<i>Indicator</i>	<i>Description</i>
Cultural sector contribution to employment	% of jobs that fall within cultural activities sector
Economic output (GVA)	Gross value added (balanced) at current basic prices
Economic output (GVA) per head	Gross value added (balanced) per head of population at current basic prices
Private sector businesses	Number of private sector workplaces per 1,000 resident population
Business birth rate	Proportion of active businesses that began trading in reporting year

Tackling the Climate Emergency

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<i>Indicator</i>	<i>IG priority</i>	<i>Description</i>
CO2 emissions (ktCO2)	Wellbeing	Carbon dioxide emissions estimates at local authority level
Building energy efficiency	Wellbeing	Average Energy Performance Certificate rating of domestic properties
Access to Green and Blue infrastructure	Wellbeing	% of population within easy reach of network of green and blue infrastructure
Air Quality	Wellbeing	Performance against Defra Air Quality Index
CO2 emissions (ktCO2) by sector: *Domestic *Industry and commercial *Transport		Contribution of different sectors of local economy to total carbon emissions
Emissions intensity ratio		Ratio of carbon emissions to gross value added (indicator of carbon-intensity of economy)

Securing money and powers

Indicator	Description
Net contribution of local area to exchequer	Balance between taxes and public spending attributable to West Yorkshire. Ambition is to make area a net contributor to national economy

Other inclusive growth indicators

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Supplementary indicators – additional to the Headline indicators

Goal 1: Wellbeing

Indicator	Description
Sickness absence rate	% of working hours lost to sickness absence
% of workforce with long-term health conditions	% of economically active with health conditions or illnesses lasting more than 12 months
Physical activity levels	% of adults undertaking less than 30 minutes of moderate physical activity per week

Goal 2: Connectivity & Accessibility

<i>Indicator</i>	<i>Description</i>
Hard-to-fill vacancies	% of hard-to-fill vacancies that are due to location and access difficulties
Households in transport poverty (transport cost stress)	% of income that residents in the most deprived decile of neighbourhoods would have to spend to match the average household expenditure on transport

Goal 3: Transferable & Relevant Skills

<i>Indicator</i>	<i>Description</i>
Skills shortages and gaps	<ul style="list-style-type: none"> • % of vacancies that are hard-to-fill due to lack of candidates with required skills • % of employees who lack full proficiency in their job
Social mobility	<ul style="list-style-type: none"> • Gap in attainment at Key Stage 4 between pupils eligible for free school meals and other pupils • Gap in entry rate into higher education between pupils eligible for free school meals and other pupils
Employer engagement with schools	% of employers offering work experience and work inspiration activities to schools

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Goal 4: Good Work

<i>Indicator</i>	<i>Description</i>
Pay inequality ratio	Ratio of gross hourly pay between 80 th and 20 th percentile of pay distribution
Gender pay gap	Difference between average hourly earnings (excluding overtime) of men and women as a proportion of men's average hourly earnings (excluding overtime)
Flexible working	% of employees with access to agreed flexible work arrangements including homeworking

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Report to: Inclusive Growth and Public Policy Panel

Date: 16 September 2020

Subject: **Employment and Skills Plan Refresh**

Director(s): Alan Reiss, Director Policy, Strategy and Communications

Author(s): Sonya Midgley

1 Purpose of this report

- 1.1 The purpose of this report is to update the Panel on the refresh of the Employment and Skills plan.
- 1.2 A presentation on the key elements of the refreshed plan will be given, and the Panel is asked to comment in order to inform the development of the plan.

2 Information

- 2.1 The current Employment and Skills Plan runs until the end of this year. Since it was written significant progress has been achieved. There has also been significant change in the skills landscape, including devolution of the Adult Education Budget (AEB), the economic impact of COVID-19 and the UK's exit from the European Union.
- 2.2 The skills and training action area covers many issues considered frequently by the Employment and Skills Panel prior to COVID-19. These are now critical to recovery and, in relation to employment and skills, the COVID-19 economic recovery plan identifies five Must Win Battles:
 - Prevention of NEETs and youth unemployment
 - Address inequality of access to learning
 - Building a strong skills offer for the West Yorkshire labour market
 - Delivering relevant and transferable skills
 - Improved skills utilisation in the workplace

2.3 The refresh the Employment and Skills Plan, will also need to consider the following:

- Proposals from the Future-Ready Skills Commission
- Business Plan priorities from employment and skills programmes
- Combined Authority's Economic Recovery / COVID-19 response
- Labour Market Intelligence
- Strategic Economic Framework priorities
 - Boosting Productivity
 - Enabling Inclusive Growth
 - Delivering 21st Century Transport
 - Tackling the Climate Emergency
- West Yorkshire Devolution Deal

2.4 The devolution deal agreed for West Yorkshire earlier in the year has secured a number of strategic skills and employment commitments including the following which relate to delivering more inclusive growth:

- **Adult Education Budget (AEB) Devolution Implementation** - underway, with an internal project board undertaking technical and capacity preparation. An **AEB Strategy** has been developed with key stakeholders and publicly consulted on. This AEB Strategy will shape commissioning and help to ensure this devolved budget better meets our regional needs and aspirations, and was taken to the Combined Authority for approval on 4th September. The strategy has identified a number of priorities including the following:
 - Support the unemployed to gain and sustain employment
 - Unlock progression opportunities and career adaptability through skills, particularly for those on low wages and with insecure work
 - Making learning more inclusive to support disadvantaged residents
- Maximising the investment in **apprenticeships** including convening employers to increase the number of apprenticeships available, including via levy transfers.
- West Yorkshire and Government will continue to work together to **prioritise support for under-represented groups** in the labour market (including women, people from BAME groups, and those with a disability or health condition). This includes a government commitment to working with the Region on how to provide the targeted support needed for people who are furthest away from the labour market, and those in low pay who need support to stay in work and progress.
- Collaboration on design of local **careers** and enterprise interventions, for all ages.
- To deliver these and other priorities, we have in place **Delivery Agreements** with all West Yorkshire FE Colleges to link their delivery and curriculum planning to the region's skills priorities. This will be extended as a minimum to all AEB grant recipients and could be included for all AEB provider recipients (grants and procured).

- 2.5 The refreshed Employment and Skills plan will set out the City Region’s vision and ambitions in relation to its priorities, as well as the actions that we and our partners can take forward over the next five years, to 2025.
- 2.6 The refreshed plan will cover the geography of West Yorkshire, while also having regard for programmes and projects that involve partnership work across the functional economic area of the region, in particular European-funded projects with delivery in York and North Yorkshire.
- 2.7 Current themes and priorities in the existing Skills Plan include:
- More and Better Apprenticeships
 - Employability, Accessing Jobs, and Realising Potential
 - Great Education Connected to Business
 - Building Workforce Skills and Attracting Talent
 - Raising the Bar on High Level Skills
- 2.8 Many of these continue to be a priority for the region, despite the progress that has been made over the last four years. As a result of COVID-19 and the impact on the job market, it is expected that the focus on employability, accessing jobs, and realising potential will increase.
- 2.9 The proposed timescales and plans for the refresh are as follows:
- Stage 1: Scoping and appraising current priorities (May – July 2020)
 - Stage 2: Consultation with key stakeholders and partners, and open consultation (July – September 2020)
 - Stage 3: Preparation and sign-off of the refreshed plan (October – December 2020)
- 2.10 Presentation slides summarising the work of the Plan refresh are included at Appendix A and will be presented at the meeting.
- 2.11 The Panel is asked to consider the key Inclusive Growth priorities in relation to skills and employment that need to be captured in the refreshed plan.
- 2.12 As the implications of COVID-19 continue to develop, it is expected that the plan will be further updated, which will be tested with the Employment and Skills Panel to make sure priorities remain relevant and are amended as required to meet the recovery needs of the region.
- 2.13 Once agreed, the Employment and Skills Plan will form part of the Strategic Economic Framework.

3 Financial Implications

- 3.1 There are no financial implications directly arising from this report.

4 Legal Implications

- 4.1 There are no legal implications directly arising from this report.

5 Staffing Implications

5.1 There are no staffing implications directly arising from this report.

6 External Consultees

6.1 No external consultations have been undertaken.

7 Recommendations

7.1 The Panel is asked to comment on Inclusive Growth elements and priorities for a revised Employment and Skills Plan.

8 Background Documents

None

9 Appendices

Presentation

Appendix A – Review of priorities from Employment and Skills Plan 2016-2020

**Employment
and Skills Plan
Refresh**



Employment and Skills Plan (2016- 2020)

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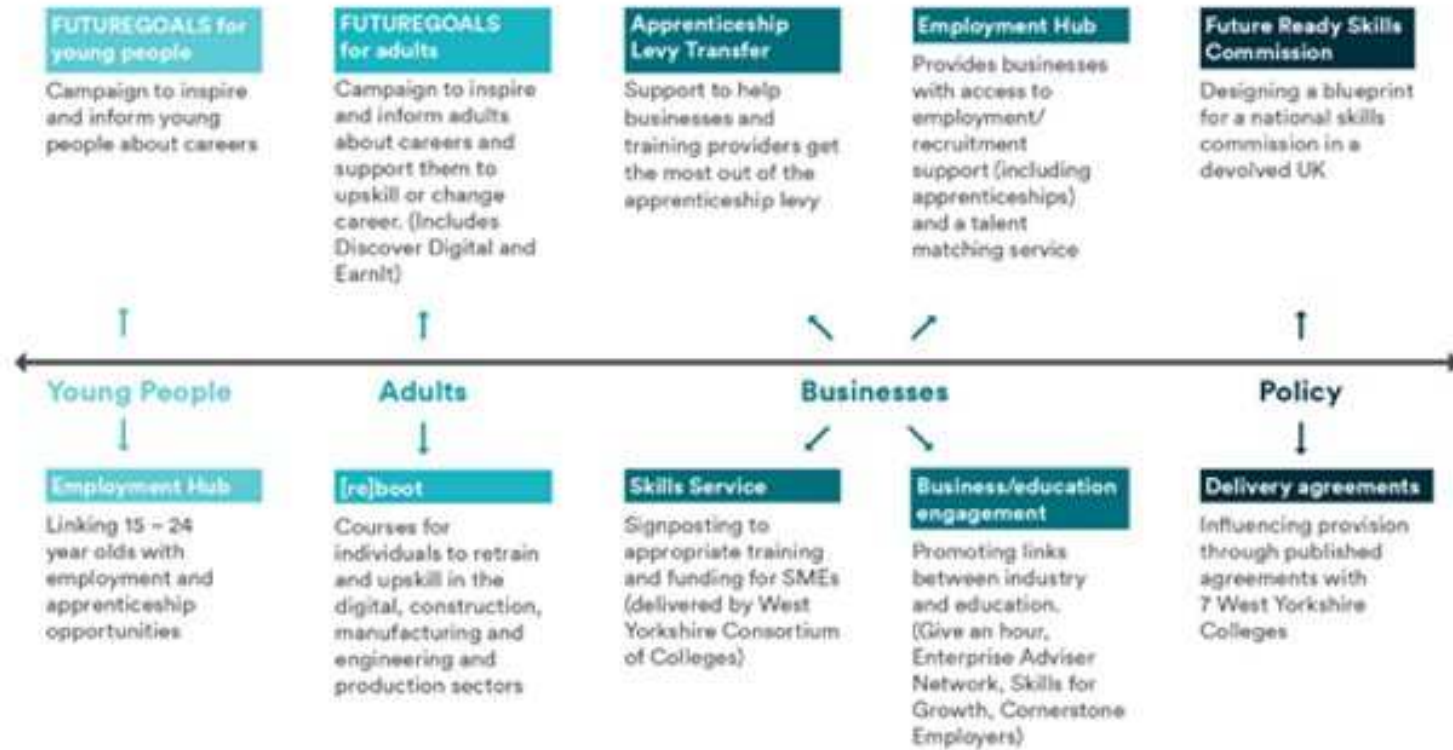


Where are we now – labour market challenges

- **Skills levels** - are below the national average (at level 4+). There is significant over-representation of people with low / no qualifications in West Yorkshire and large numbers without basic literacy and numeracy.
- **Skills Supply** - Around two-thirds of employers expect future upskilling needs. Many report they are unable to find the skills they need, yet the majority of employers under-invest in skills. Only 9% of employers demonstrate high performing workplace practices.
- **Skills deprivation** - West Yorkshire has more than twice its “fair share” of neighbourhoods that are among the most acutely deprived in terms of adult skills.
- **Unemployment** - West Yorkshire’s unemployment rate is above the national average. The claimant count (the number of jobless people claiming benefits) has been on an upward trend for some time.

Where are we now – delivery strengths

Leeds City Region employment and skills offer



What Does Success Look Like?

By the end of the period covered by the employment and skills plan, we want West Yorkshire to have:

- A productive, resilient and innovative economy that offers a high standard of living and is based on a highly skilled, diverse and flexible workforce.
- Stronger relationships between employers and training providers with good quality skills and training opportunities that reflect the unique needs of our labour market.
- Closed the attainment gap for disadvantaged learners, so that all communities are able to access and progress in learning, and experience the economic benefits
- Universal access to a widely used and valued, high-quality careers information and support service, and for people to understand how to access their entitlements in relation to careers guidance and training.

Process and next steps

The proposed timescales and plans for the refresh are:

- **Stage 1:** Scoping and appraising current priorities (May – July 2020)
- **Stage 2:** Consultation with key stakeholders and partners, and open consultation (July – September 2020)
- **Stage 3:** Preparation and sign-off of the refreshed plan (October – December 2020)
- **Stage 4:** Publish and launch plan (Early 2021)



Report to: Inclusive Growth and Public Policy Panel

Date: 16 September 2020

Subject: **Inclusive Growth and Green Economy Champions**

Director: Alan Reiss, Director of Policy, Strategy and Communications

Author: James Flanagan

1. Purpose of this report

1.1 To provide the Panel with a proposed approach to ensure the LEP and its advisory panels continue to support the delivery of inclusive growth.

2. Information

2.1 The Combined Authority and LEP have identified securing inclusive growth as a key priority.

2.2 This Panel provides the lead in terms of advising the LEP on inclusive growth matters. However, inclusive growth is cross cutting in nature and is therefore it is not just for one organisation or Panel to deliver. Everyone needs to play a role, including each of the LEP advisory Panels.

2.3 As discussed elsewhere on the agenda, the draft COVID-19 economic recovery plan makes inclusive growth an overarching objective, and it therefore needs to be a consideration in terms of all the regional interventions proposed and delivered.

2.4 The idea of 'champions' was proposed at the last meeting to ensure that all Panels promote inclusive growth.

2.4 One of the challenges to progressing the inclusive growth agenda to date has been the scale and cross-cutting nature of the solutions required. Action is therefore required by all Panels and by many programmes, and so although widely appreciated and supported it has arguably not been fully considered strategically across the whole of the LEP agenda.

2.5 There is a key role for each Panel to play around this agenda, but also a need for aligned thinking and co-ordinated action. Therefore, it is recommended

that inclusive growth champions or advocates are identified for each Panel. They would be responsible for ensuring that the priority of enabling inclusive growth is fully considered in all decisions and that new opportunities are considered and implemented where appropriate and where they can add value to the agenda of that Panel.

- 2.5 It is proposed that these champions will convene as a group as required and engage collectively with this Panel to help steer the inclusive growth response across the LEP.
- 2.6 In the first instance, champions may be recruited as volunteers from existing Panel members, but if there are any gaps then future recruitment of LEP members should factor this in. Each Panel will be asked to designate a champion in the first instance.
- 2.7 The Green Economy Panel is also establishing champions in each Panel, on the basis that achieving zero carbon is also an overarching ambition of the recovery plan. The Panel is therefore requested to nominate a member to act as a Green Economy Champion.

3. Financial Implications

- 3.1 None directly as a result of this report.

4. Legal Implications

- 4.1 None directly as a result of this report.

5. Staffing Implications

- 7.1 None directly as a result of this report.

6. External Consultees

- 6.1 None

7. Recommendations

- 7.1 The Panel endorses the creation of inclusive growth champions for all Panels and seeks nominations.
- 7.2 That the Chair nominates a champion in respect of the Green Economy agenda.

8. Background Documents

- 8.1 None

9. Appendices

- 9.1 None