
Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 20 January 2021

Subject: **Inclusive Growth and Public Policy Panel**

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

Author(s): James Flanagan, Head of Public Sector Reform

1. Purpose of this report

- 1.1 To provide a report on the recent work of the Inclusive Growth and Public Policy Panel, including in relation to:
- The Inclusive Growth Framework
 - Support for the region's Third Sector;
 - A Good Work Standard for the region;

2. Information

Inclusive Growth Framework

- 2.1 The December meeting of the Panel noted that a draft policy framework for driving inclusive economic growth had been endorsed in principle at a private meeting of the Panel in February. Proposals to seek its adoption by the LEP Board were then placed on hold pending the unfolding socio-economic impacts of the pandemic.
- 2.2 Over the summer, the framework was reviewed in light of these impacts, which in turn informed the development of the WY Economic Recovery Plan. This review revealed the following key issues:
- Widening socio-economic inequalities during the pandemic for specific communities and groups;
 - Recognition that even the region's most disadvantaged communities and groups have assets and opportunities that can be built upon to close those inequalities; and
 - The third sector, which had been instrumental in the initial response to the pandemic, is key to unlocking the assets and full potential of our most disadvantaged communities in contributing to an inclusive economic recovery.

- 2.3 The Panel welcomed the refreshed draft Framework, supported by a work-in-progress indicator set, and an indicative pipeline of interventions, and made the following additional points to be reflected going forward:
- The indicative pipeline was considered a welcome starting point for putting the framework into practice, and that there is a case for rebalancing the suggested activities to further increase the regional support proposed for the third sector.
 - To make more explicit references to specific opportunities for inclusive growth, e.g., access to good jobs and skills in the health and social care sector, and in delivering on the ambition of a green net zero economy.
 - To note the wider - and linked - importance of the third sector, not just to delivering an inclusive economic recovery but also ensuring the success of the healthcare system.
 - To fully achieve its ambitions, the framework will need to strongly shape and inform the work of the other Panels and Committees beyond the IG Panel, including Business Innovation & Growth, Green Economy, Skills & Employment, Transport and Place, including through the work of proposed Inclusive Growth Champions.
- 2.4 Subject to the above provisions, it was agreed that the draft Framework should be commended to the LEP Board for adoption as part of the Strategic Economic Framework. A report on the draft Framework is included elsewhere on the agenda.

Support for the third sector

- 2.5 A task and finish group had been convened by the Panel Chair. The purpose of the group was as follows:
- To collate existing evidence in terms of the scale, scope and economic role and impact of the third sector in WY and identify any key gaps;
 - To better understand the various challenges and pressures facing the sector;
 - To develop initial ideas about how best to promote and support the sector to ensure that our most excluded individuals and communities benefit fully from - and contribute to - the region's economic recovery; and
 - To report back to the Panel with clear proposals.
- 2.6 To inform its work, the group convened a very constructive meeting with advocates of the region's third sector, including diverse attendance from the voluntary, community, social enterprise, sports and faith sectors.
- 2.7 The main findings of the group, which were endorsed by the Panel, included the following:
- There is currently limited robust data about the nature of the region's third sector, for example, its size can only be determined by inferring from local or national estimates. This is a practical barrier to making the case for supporting and investing in the success of the sector. It is therefore proposed to commission further focused and proportionate work on filling the key evidence gaps in our understanding, such as

sector turnover, and the number and types of organisations (such as charitable trust, community interest company, community benefit society etc).

- In terms of challenges and pressures, there are known to be significant financial and operational pressures facing all sectors, including the third sector. Local Authorities are often being flexible in terms of how they are dealing with third sector delivery partners, eg payment terms, but despite this type of supportive approach, income levels are falling, and the sector recognises it needs to 'pivot' and re-write its business plans to remain viable.
- There is a powerful case for the LEP and Combined Authority adopting strong principles for supporting the third sector, like the 7 principles that have been established for the regional healthcare sector.
- Initial opportunities to support the region's third sector in its proposed role of working directly with communities, and alongside the public and private sector in delivering an inclusive economic recovery, have been included in the indicative pipeline of projects covered elsewhere on the agenda.

Good Work Standard

2.8 The Panel discussed the following options for progressing the concept of a Good Work Standard:

- Adopting an existing approach e.g., the Greater Manchester Good Employment Charter, which for example requires employers to sign up to the real living wage.
- Adapt and develop an existing approach, such as the GM model, so it better fits with the current WY context, for example our strong focus on diversity and equity.
- Option 3 - an entirely bespoke model, developed from scratch.

2.9 The Panel heard that adapting an existing model, such as the GM Charter, could:

- Strike a balance between the desire to deliver at pace;
- Ensure strong alignment with other standards across the north; and
- Secure local buy-in.

2.10 It was therefore agreed that an engagement exercise would be undertaken with third, private and public sector employers in order to test views on how the GM model could be built on.

3. Clean Growth Implications

3.1 None arising directly from this report.

4. Financial Implications

4.1 The report includes proposals to undertake work to better understand the scale and economic contribution of the third sector. Any associated costs will be accommodated within existing budgets.

5. Legal Implications

5.1 None arising directly from this report.

6. Staffing Implications

6.1 None arising directly from this report.

7. External Consultees

7.1 The report includes proposals to engage third, private and public sector employers about options in relation to a fit for purpose Good Work Standard for the region.

8. Recommendations

8.1 The LEP Board is asked to note and comment on the recent work of the Panel and support the proposed next steps as summarised in Section 2 of the report.

9. Background Documents

9.1 None.

10. Appendices

10.1 None.