

Report to: Business, Economy and Innovation Committee

Date: 29 March 2022

Subject: **Economic Monitoring**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1 To set out the plans for future monitoring indicators and reporting arrangements to support the work of the Committee.
- 1.2 To seek approval for these arrangements subject to any comments from the Committee.

2. Information

Future monitoring arrangements

- 2.1 Under proposals submitted to the Combined Authority in December 2021 it was agreed that a new approach to reporting would be adopted. A key part of this involves the development of a set of socio-economic indicators for each of the seven portfolio committees of the Combined Authority, including the Business, Economy and Innovation Committee. Each committee will be consulted on a set of indicators relevant to its remit and receive regular reporting against these indicators, with this topic becoming a standard item on the Committee's agenda.

- 2.2 The indicators will also be incorporated into the next iteration of State of the Region report, the Combined Authority's annual stock-take of West Yorkshire's socio-economic performance, to be published later this year. The State of the Region indicators are intended to provide a high level, strategic picture of performance against this priority rather than a detailed examination of operational performance of specific projects. However, operational indicators can be mapped against these strategic indicators to show the linkages and contribution of operational activities to identified impact areas.
- 2.3 The analysis will also examine the full range of equality, diversity and inclusion implications, building on the Women and Girls report published in 2021. The main State of the Region report will be supplemented with a series of published interactive dashboards which will allow users to drill down into the available data for each indicator under each priority.

Proposed indicators

- 2.4 State of the Region 2021 assessed performance against a series of indicators linked to the Strategic Economic Framework priority of "Boosting Productivity". These indicators are as follows (see appendix for more detail on these indicators):
- Economic output (GVA)
 - Economic output (GVA) per head
 - Employment rate
 - Productivity
 - Count of private sector businesses and start-up rates
 - Businesses engaging in innovation activity
 - Goods / services exports as % of GVA
 - Cultural sector contribution to employment
 - % of working age population qualified at level 4 and above
 - Gigabit-capable broadband coverage
 - Take-up of superfast (or above) broadband services
 - Mobile coverage (4G and 5G).
- 2.5 It is **proposed to retain these indicators for future reporting** as they remain core measures of West Yorkshire's progress on strengthening its business sector.

Levelling up indicators

- 2.6 The recent Levelling Up white paper also set out a series of indicators linked to 12 levelling up missions. The more than 40 metrics / indicators contained within the White Paper are designed to measure progress in addressing regional and sub-regional disparities in the UK and have some relevance to the CA's own monitoring work. A review of the indicators is provided in the appendix. There are a number of points to note:

- Many of the indicators are already contained within the existing State of the Region indicator bank
- A number of the indicators cannot currently be measured at West Yorkshire level (e.g. R&D expenditure) although there is an intention on the part of government to make more data available in future. These would be treated as supplementary / contextual indicators (with reporting at Yorkshire and the Humber or national level as data allows) until West Yorkshire level data become available.

2.7 The general approach that is recommended is to treat the levelling up metrics (other than those that are already part of the State of the Region basket) as supplementary indicators that will be considered alongside the core indicators (within an appendix to the main report). This is in the interests of keeping the list of indicators to a manageable level and focusing on the metrics that are most directly relevant to our priorities, whilst still reporting on the full range of levelling up indicators, which are clearly of public interest.

Inclusion and equality and diversity

2.6 As noted above, State of the Region 2022 will include a dedicated sub-report on Equality, Diversity and Inclusion, which will analyse key socio-economic indicators by individual characteristics, including ethnicity, sex, disability status and deprivation – the purpose is to highlight specific examples of inequalities.. For the specific indicators set out above, this will include an examination of the diversity of business owners / leaders including start-ups, the diversity of the employment base in the cultural sector, the diversity of people who are highly qualified (level 4+). Access to digital infrastructure across West Yorkshire will be analysed to highlight spatial “cold spots” and levels of access for different population groups will also be considered.

2.7 Looking beyond indicators specifically associated with the BEI agenda, State of the Region will provide further insight by applying inclusive growth and equality and diversity lenses to the following indicators:

- Healthy Life Expectancy
- Employment rate
- Qualification / skills attainment
- Low pay
- Quality work
- Participation in education and training (including apprenticeships)
- Accessibility of jobs by public transport.

2.8 It is proposed that an in-depth presentation of the relevant messages from State of the Region be provided to the Committee following publication.

3. Tackling the Climate Emergency Implications

- 3.1 There are no direct implications from this paper but the wider State of the Region study will enable us to assess West Yorkshire's progress towards a net zero economy.

4. Inclusive Growth Implications

- 4.1 The proposed State of the Region indicators and monitoring arrangements will provide an insight into the degree of inclusion within West Yorkshire's economy.

5. Equality and Diversity Implications

- 5.1 Future reporting will bring out equality and diversity implications across all indicators where data are available, as noted above.

6. Financial Implications

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

7. Legal Implications

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

8. Staffing Implications

- 8.1 There are no direct staffing implications directly arising from this report. However, the Committee should note our plans to increase capacity in this area.

9. External Consultees

- 9.1 No external consultations have been undertaken.

10. Recommendations

- 10.1 That the Committee reviews the proposed indicators with a view to approving them and / or amending them or suggesting additional indicators.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1: overview of indicators.