

Report to:	Employment and Skills Committee
Date:	19 October 2023
Subject:	Economic Strategy and Digital Blueprint
Director:	Felix Kumi-Ampofo, Diretor of Inclusive Economy, Skills and Culture
Author:	Jo Barham, Policy Manager Marianne Hewitt, Programme Development Lead

Is this a key decision?	□ Yes	⊠ No
Is the decision eligible for call-in by Scrutiny?	⊠ Yes	□ No
Does the report contain confidential or exempt information or appendices?		🛛 No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:		
Are there implications for equality and diversity?	⊠ Yes	□ No

1. Purpose of this Report

- 1.1. To provide the Employment and Skills Committee members with an overview, and update on the development of the West Yorkshire Economic Strategy, and an example the Digital Blueprint of how supporting policies will be developed within the framework of the Economic Strategy.
- 1.2. To engage and seek views from Employment and Skills Committee Members on the emerging structure of the West Yorkshire Economic Strategy and the Digital Blueprint.

2. Information

Background

2.1 In June, the Mayor and West Yorkshire political leaders launched the <u>West Yorkshire</u> <u>Plan</u>. The West Yorkshire Plan sets out a vision and five ambitious missions to improve jobs, incomes, health, skills, transport, places, safety, and well-being across the region.



Progress will be demonstrated by monitoring regional indicators set out in annual <u>State of</u> <u>the Region</u> reporting.

- 2.2 Reflecting the missions of the West Yorkshire Plan, and new powers and flexibilities of devolution, work is now focusing on the development of a new Economic Strategy and supporting policies.
- 2.3 Partnership will be key to the development and delivery of the Economic Strategy which will reflect the Combined Authority's role to influence system change across the regional economy through convening, commissioning, and delivering impact.
- 2.4 The Blueprint will consider how 'digital' enables the economy to improve the lives of people in West Yorkshire. It will do so by exploring how the wider skills system, the business ecosystem, and the enveloping infrastructure can usefully convene, influence and be influenced by digital technologies.

Economic Strategy

- 2.5 The Economic Strategy will contribute to all missions of the West Yorkshire Plan with a particular focus on Mission 1. This will require a whole systems approach to the economy considering the enablers of transport, infrastructure, planning and housing. The Economic Strategy will be key to the Combined Authority's ambition for West Yorkshire to be a net zero region by 2038.
- 2.6 There is no single intervention that will deliver the change needed; partnership will be key to supporting bold action on investment, skills, innovation, and finance, that delivers a thriving net zero carbon economy by 2038. This work will embed equity, diversity, and inclusion across the Strategy with a focus on an inclusive economy that tackles long standing issues of deprivation. The Economic Strategy will establish priorities for emerging policy work including a reflection on the role of health in the economy.
- 2.7 The Economic Strategy will draw on existing policies and strategies including those that are currently in development (see figure 1) and provide a framework for focused action plans and the design of investment programmes. Relevant to the second part of this paper is the 'Digital Blueprint' supporting policy of the Economic Strategy.

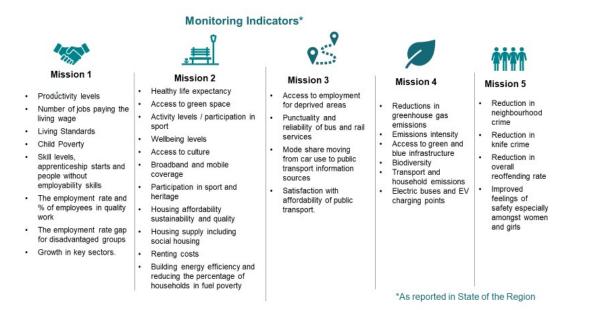


Figure 1: West Yorkshire Combined Authority policy framework by West Yorkshire Plan mission.



2.8 The indicators of the West Yorkshire Plan will be used to provide a high-level framework for monitoring progress with more detailed indicators sitting alongside performance data to track progress of key programmes and projects (see figure 2).

Figure 2: West Yorkshire Plan missions and monitoring indicators





Evidence Gathering

- 2.9 A range of activity is being undertaken to establish and update the economic evidence base; this will incorporate existing policies and strategies currently in delivery. Evidence gathering includes the following:
 - Where new data is available, there will be updates to the 2019 West Yorkshire Economic Assessment which was undertaken as part of development of a Local Industrial Strategy and has informed a number of existing policies at the Combined Authority.
 - The Combined Authority has recently commissioned a new Regional Economic Model (REM) enabling scenario modelling to understand responsiveness of the West Yorkshire Economy
 - An external commission to look at sector growth opportunities for West Yorkshire, including from the green economy and net zero
 - Working with a specialist academic network (Y-PERN) on a call for evidence on topics impacting on an inclusive economy including childcare, the informal economy, and the future of work and the impact of AI.
- 2.10 In addition to the above, an advisory group of leading academics is being brought together to deepen our understanding of health and the impact of health on the broader economy, issues being considered for further analysis include healthy workplaces, and the impact of teenage mental health and the future workforce.

Consultation

2.11 Consultation is focused on diverse groups and communities. An online questionnaire can be accessed here: <u>Our Economic Strategy | Your Voice (westyorks-ca.gov.uk)</u> with planned follow-up work to take place in different settings and with formats tailored to the audience with a particular focus on voluntary and community groups.

Timeframes

- 2.12 Once the evidence collection and consultation outlined above is complete, a process of prioritisation and translation will take place. This will involve wide ranging engagement with committee members and views are welcome on the best way to work with members of the committee on this approach. Indicative timings are set out below, but are subject to change:
 - Evidence collection complete by end of 2023
 - Analysis of consultation responses end of 2023
 - Priority shaping workshops Jan-Feb 2024
 - Report drafting March 2024



- Consultation on draft and amending March May 2024
- Final report summer 2024.

Digital Blueprint

The Combined Authority approved a Digital Framework in 2019, focusing on businesses, skills, the digital sector, digital infrastructure, and tech for good (the smart cities agenda). The West Yorkshire Combined Authority is proposing to refresh the Digital Framework into a new Digital Blueprint to take us to 2030.

- 2.13 A wide range of stakeholders have been engaged including LEP Board members, private and public sector digital experts, employers, academics and Local Authority partners, to build our approach to the Digital Blueprint¹. One of the ways in which the Combined Authority previously influenced the digital skills system was through the Local Digital Skills Partnerships, which was successful in convening and influencing agents of change within the digital landscape. The Department for Science, Innovation and Technology has ended this funding, therefore the Blueprint will consider how to fill this gap.
- 2.14 The Digital Blueprint will expand on a key area of the Economic Strategy, particularly missions 1 and 2. The Blueprint will consider how 'digital' enables the economy and transforms productivity to improve the lives of people in West Yorkshire. It will do so by exploring how the wider skills system, the business ecosystem, and the enveloping infrastructure can usefully convene, influence and be influenced by digital technologies.
- 2.15 For the purpose of this Blueprint, the definition of digital is as set out by Tom Loosemore, former Government Digital Service Deputy Director: *'applying the culture, practises, processes, and technologies of the Internet-era to respond to people's raised expectations.*
- 2.16 All private sector members of the Employment and Skills Committee (alongside Place Committee, Business, Innovation and Economy Committee, Culture, Heritage and Sport Committee, Climate, Energy and Environment Committee, and LEP Board) were invited to a workshop to help shape the themes of the Digital Blueprint as it is developed.

¹ Specific actions include: LEP Board Digital Deep Dive, a commissioned report into Digital Clusters across West Yorkshire, a 'Mayoral Diversity in Digital' roundtable, Investment Zone consultations, developments of digital skills programmes such as Digital Inclusion and Digital Skills in Schools, and multiple stakeholder conversations.



The Digital Blueprint's Approach

- 2.17 Workshop attendees shaped and then approved the approach. Please see the revised approach here (<u>appendix 1</u>).
- 2.18 The proposed approach of the Digital Blueprint is to focus on the 'horizontal' elements of 'Place', 'People and Education' and 'Business and Organisations.'
 - 'Place' refers to smart city initiatives, infrastructure development, connectivity and connected places.
 - 'People and Education' refers to digital: skills; inclusion; workforce development; educational pathways.
 - 'Business and Organisations' refers to digital: transformation; investment; entrepreneurship; innovation and research; trade and export promotion.
- 2.19 Interwoven with the horizontals, will be 7 'vertical' themes, all of which affect/are affected by the 'horizontals'. The verticals are as follows, in the order prioritised by the private sector committee member consultation:
 - Ensuring that we are benefitting from **advanced technologies**, such as emerging work in the fields of Artificial Intelligence (AI), Virtual Reality (VR), and quantum computing.
 - Showcasing all the digital opportunities that West Yorkshire has to offer
 - Ensuring that digital technologies make **day-to-day life** easier for West Yorkshire residents and businesses
 - Tackling digital exclusion
 - Collaborative working of digital stakeholders in West Yorkshire.
 - Understanding and using **data** to make West Yorkshire a well-connected digital destination
 - Establishing digital as a method to help West Yorkshire work towards tackling the **climate emergency**
- 2.20 A public consultation will be released in mid-late October and publicised by Combined Authority social media channels. This will gauge the public response to elements that will be included in the Blueprint, such as views on AI, the ways in which digital technologies impact their lives (positively or negatively), areas in which they would like more



skills/awareness/access to digital, online safety confidence, awareness of Smart Cities/Connected Place, and – for business owners – what digital technologies they are looking to incorporate into their business. Crucially, this consultation will also include a question inviting residents to answer on behalf of those in their networks and communities who may be digitally excluded.

- 2.21 Pending the feedback and approval of the underlying structure of the Digital Blueprint at this committee, members will be sighted with a draft of the Digital Blueprint at the January meeting.
- 2.22 The first draft of the Digital Blueprint draft will be presented at a future Committee, aiming for a Summer 2024 Combined Authority approval and publication. The contribution and engagement of private sector members so far is greatly appreciated.

3. Tackling the Climate Emergency Implications

- 3.1 The West Yorkshire Combined Authority has made a bold and ambitious target to reach Net Zero by 2038. This will be a key theme of the Economic Strategy setting out opportunities for net zero in West Yorkshire, alongside actions to support businesses and people to adapt.
- 3.2 This approach will also be part of supporting policies and strategies. The Digital Blueprint aims to tackle the climate emergency through inclusion of elements such as evolution of digital skills supporting sectors developing and innovating their sustainability, support of 'better jobs', skills training for retrofitters of fibre and copper (internet access) and smart homes. The Blueprint will also cover elements of adoption of digital tech by businesses and organisations which will facilitate efficiency and reduce waste, and refer to the opportunities for remote working (which has implications on reducing travel and paper). Digital and smart infrastructure will contribute to reduced energy use, such as smart street lamps, electric vehicles etc. Data capture from smart infrastructure and local area energy plans and grids will help with efficient and sustainable planning. Asset mapping allows delivery alignment and strategic sequencing to ensure we 'dig once', which saves on carbon.

4. Inclusive Growth Implications

4.1 Mission one of the West Yorkshire Plan is for an inclusive economy which will be a guiding principle of the Economic Strategy. Skills recommendations outlined in Digital Blueprint will work directly with those disproportionately affected in the labour market.

5. Equality and Diversity Implications



- 5.1 Equality, Diversity and Inclusion is embedded across each of the missions of the West Yorkshire Plan and will be a guiding principle of the strategy. This is reflected in the approach to consultation which is seeking to work with a diverse range of stakeholders.
- 5.2 Inclusion will underpin the Digital Blueprint, and is one of the 7 'verticals', and will be interwoven throughout other 'verticals'. The Blueprint will include and make recommendations regarding demographic information about those who are digitally excluded and reasons why e.g. skills, cost, or infrastructure. Stakeholders in community organisations and central government will be consulted on and included in recommendations around support those who are digitally excluded.
- 5.3 An Equality Impact Assessment (EqiA) has been developed for the Digital Blueprint. The Blueprint will consider EDI elements such as digital as an accessibility tool for those with disabilities, e.g. working remotely. Regarding Business and Organisations, the Blueprint will take into consideration in recommendations elements such as the lack of diversity that is prevalent in venture capital investments. The Blueprint will map out the rural and urban 'not-spots' (areas without any internet coverage) to ensure that geography is not a barrier to participating in an increasingly digital society.

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 staffing implications directly arising from this report.

9. External Consultees

9.1 As detailed above, Your Voice surveys are in development. The surveys includes open ended questions on the strengths and challenges of the West Yorkshire economy, and the digital ecosystems within that. The aim is to capture feedback from a range of voices, but targeted emails and follow-up activity being planned. In addition, a programme of consultation is being developed with stakeholders including local authorities, business groups and universities.

10. Recommendations

10.1 That the Committee members note progress and framing of the Economic Strategy and provide feedback on the proposed approach and further opportunities for engagement.



10.2 That the Committee members provide feedback and endorse the direction of the Digital Blueprint, ahead of drafting, and consider whether the 'horizontal' and 'vertical' approach is clear, whether there are any gaps re digital skills, and whether the 'verticals' capture the most relevant areas of digital skills needs for West Yorkshire. Notably, do committee members approve officers to develop a first draft of the Digital Blueprint, in line with the proposed structure and subjects?

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – Item 5 – Digital Blueprint