

Swindon and Wiltshire Local Enterprise Partnership

Joint Strategic Economic Committee

1 December 2015

Subject: Key Performance Indicators

**Member: Cllr Fleur de Rhé-Philippe
Wiltshire Council, Cabinet Member for Economic
Development, Skills and Strategic Transport**

Executive Summary

This report accompanies a suite of economic indicator dashboards and an overview of Swindon and Wiltshire Local Enterprise Partnership (SWLEP) programme performance. These are presented for the Joint Strategic Economic Committee's consideration as helping to meet the SWLEP Assurance Framework requirements for Monitoring and Evaluation.

Proposal(s)

That the Joint Strategic Economic Committee (JSEC) take note of the format and content of the proposed programme key performance and economic indicator dashboards, approve their continued production, and provide officers with feedback and commentary on the indicators selected and their presentation.

Reason for Proposal

In line and complementary with the Monitoring and Evaluation Framework, the proposed dashboards provide an opportunity for the Local Enterprise Partnership, and its partners, to demonstrate the efficiency and effectiveness of certain schemes, and make inferences about the wider Growth Deal and Strategic Economic Plan. Monitoring and evaluation will also inform local decision making by building the understanding of what works to drive economic growth locally in the context of local challenges and opportunities.

**Dr Carlton Brand
Corporate Director**

Wiltshire Council

Joint Strategic Economic Committee

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Purpose of Report

1. To present for the Committee's consideration a suite of programme performance and economic indicator dashboards which capture key economic indicators for the Swindon and Wiltshire area and the planned and actual delivery timeframes and outputs of Growth Deal funded capital and revenue projects and programmes.

Relevance to the Strategic Economic Plan

2. The Strategic Economic Plan sets out the basis for quarterly reporting to the Swindon and Wiltshire Local Enterprise Partnership (SWLEP) Board, the joint committee and Central Government on a quarterly basis, providing a RAG rating of actual against planned progress for each intervention. It further states that the joint teams will also highlight key successes and significant concerns / problems.
3. The set of indicator dashboards and program overview presented at Appendices 1 and 2 are proposed to help meet this requirement, communicating what the SWLEP is doing, monitoring and tracking progress, demonstrating impact, and being accountable and transparent to funding bodies, partners, and benefiting communities.

Main Considerations for the Joint Strategic Economic Committee

4. The JSEC is asked to consider the Programme Performance Indicators and set of Economic Indicator Dashboards presented at Appendices 1 and 2, on SWLEP activity, progress, and economic impact, helping to meet the requirements of transparency and accountability set out in the SWLEP's Assurance and Monitoring and Evaluation Frameworks.
5. The Programme Performance Indicators present visually the actual progress of Local Growth Funded projects. A RAG (red amber green) risk assessment is displayed for each project in the programme. The timeline for each project is broken down into four common milestones:
 - Project development: the time from which a project is initiated, to the point at which a business case is approved and delivery can proceed
 - Planning, design and commissioning: for capital projects, commissioning of architects / contractors for design and build; for

revenue projects, appointment of project team, establishment of operational programme

- Delivery: for capital projects, from start on site to practical completion; for revenue projects, the time from which the project becomes operational and begins to deliver outputs through to the end of the project's lifetime
- Project conclusion / monitoring: for capital projects, the time at which the new facility is opened and outputs are monitored over an agreed period e.g. improved journey time, job creation; for revenue projects, the duration of the monitoring period for outputs still to be delivered following the closure of the project e.g. skills outcomes from a final cohort of learners

Each project line is accompanied by an icon indicating its category (e.g. delivery of employment space, new road infrastructure, skills) and the outcomes which will be monitored once the project is delivered.

6. The set of Economic Indicator Dashboards comprise:

- An overview dashboard which presents a key indicator from each of the more detailed dashboards
- An employment indicators dashboard comprising employment and claimant counts
- A funding dashboard which at this time presents the level of funding secured by the SWLEP; as the European Structural and Investment Fund begins to be drawn down this will also be included in this dashboard, as will a monitor of defrayal (investment) of funding drawn down against planned investment over time
- A skills dashboard presenting the proportion of the workforce at various National Vocational Qualification skill levels, with NVQ4+ being degree level or above. As the City Deal programme is implemented outcome monitoring will also be included (i.e. number of individuals supported with training and skills development via this programme)
- A transport dashboard showing average journey times and vehicle speeds during the weekday morning peak on locally managed 'A' roads
- A business support dashboard featuring Growth Hub progress against core programme outputs and business survival rates in the area
- A housing dashboard showing the net number of dwellings delivered against the planned requirement

For each indicator, where possible figures are broken down between Swindon, Wiltshire, and the SWLEP as a whole, and where appropriate comparisons are made with neighbouring LEP areas to provide context for performance and impact made by the SWLEP on the local economy.

Background

7. The SWLEP published its Economic Assessment and Strategic Economic Plan in early 2014. The priorities for investment identified through the

development of these documents formed the basis for Growth Deal negotiations with Government for Local Growth Funding, which resulted for the SWLEP in an allocation of £140.8 million, the highest allocation per capita amongst the SWLEP's identified 'neighbouring' LEPs (see paragraph 12) and 3rd highest in the country.

8. In December 2014, subsequent to the award of the first two rounds of Local Growth Funding, the Government published a single assurance framework setting out its expectations of what LEPs should cover in their local assurance frameworks. As part of their Growth Deal, LEPs are expected to use this national framework to inform how they work locally, setting this out in their own local assurance framework.
9. In response, the SWLEP published its Assurance Framework in March 2015. Within this document are set out responsibilities for delivery and monitoring for the allocation of funding, to be specified by the Accountable Body (Wiltshire Council) to scheme providers. Specification will include the requirement for quarterly provision of delivery and performance information from programme managers in line with the Monitoring and Evaluation Framework and Implementation Summary Reports to monitor spend to budget, time, and to scope inputs and outputs by project.
10. Alongside this requirement, at the request of the SWLEP Commissioning Group on 1 July 2015, the first edition of the Swindon and Wiltshire Economic Bulletin has been produced in-house by the SWLEP. The bulletin will be produced on a quarterly basis and comprises five sections: business news, business and enterprise, labour market, skills and occupation profile, and economic infrastructure. It will be published on the SWLEP website.
11. The set of dashboards of economic indicators and interventions overview presented with this report differ from the economic bulletin in the following ways:
 - These indicators are presented in a visual manner, with no accompanying written narrative, whereas the economic bulletin presents written analysis and commentary alongside tables and graphs showing trends over time. They are designed to provide a high level, at-a-glance summary.
 - The interventions overview provides an overview of Local Growth Funded projects actual progress against planned timeframe and outputs along with a 'RAG' status indicator, whereas the economic bulletin provides a business news update including both SWLEP led interventions and investment and other news stories independent of SWLEP led activity.

In summary, where the Economic Bulletin provides a roundup of business news and economic analysis to inform SWLEP strategy and provide a news source for the business community, the performance indicators and interventions overview presented with this report are focussed on measuring the specific performance and impact of SWLEP led investment,

thereby helping to satisfy the requirements of the Assurance and Monitoring and Evaluation Frameworks.

12. Both the set of performance indicators presented with this report and the economic bulletin make comparisons between the SWLEP's performance and that of 'neighbouring' LEPs. 'Neighbouring' is used in the sense of similarity between the economies of these LEP areas rather than sharing geographical boundaries. These LEP areas with similarities to the economy of Swindon and Wiltshire were identified in the Swindon and Wiltshire Economic Assessment 2014.
13. Whereas the Economic Bulletin also makes some comparisons at a regional and national level, the performance indicator dashboards are focussed on SWLEP impact and as such while comparisons are made with neighbouring LEP areas to contextualise the SWLEP's performance, the focus of this reporting is not to compare the SWLEP area's economy generally with regional and national economic performance.

Procurement Implications

14. The SWLEP Assurance Framework sets out that, 'Scheme promoters must monitor and evaluate their scheme's progress in line with the SWLEP Monitoring and Evaluation Framework,' and that, 'Each scheme will also have an Implementation Summary Report containing delivery milestones'. These requirements are to be specified by the Accountable Body (Wiltshire Council) and may, where necessary, be written into funding agreements.
15. It follows that these requirements will also, where necessary, inform part of the works specification when works or services are procured for project delivery. For example, the specification for business support services may need to include a requirement to record and make available to the Accountable Body statistics relating to number of start-up and other businesses supported.
16. This mechanism will facilitate the monitoring and presentation of project performance overall, minimising the public resource required to collate the indicators relating to project performance and outputs, and ensuring transparency and accountability on the part of scheme promoters and delivery partners.

Equalities Impact of the Proposal

17. The proposed programme and economic indicators are impartial and non-discriminatory.

Risk Assessment

Risks that may arise if the proposed decision and related work is not taken

12. A reputational and financial risk may arise since the requirement for monitoring and evaluation of SWLEP projects and their impact on the economy are a part of the Assurance and Monitoring and Evaluation Frameworks. Whilst projects are monitored on an individual basis in line with individual funding agreements, a summary of SWLEP performance and economic impact will help the SWLEP to continue its success in securing Government funding for project delivery and enable stakeholders, funding bodies, business and local communities to understand the benefits of the SWLEP's strategy and its programme of interventions.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

13. Producing the indicators on a quarterly basis will require resource and there is a modest risk of failing to meet production deadlines, or making errors, which could raise a minor reputational risk. To mitigate this, the Accountable Body will clearly define where responsibilities lie in terms of reporting on project performance and collating economic statistics which feed into the report, as well as the production of the graphics for publication, and define a programme of work with clear and realistic deadlines for production well in advance.

Financial Implications

14. There is a minimal additional resource requirement in order to publish these indicators on an ongoing basis. This can be absorbed into the workload of existing staff and will not have a financial impact.
15. The benefit of producing the indicators to communicate the beneficial impact of SWLEP interventions that are ongoing on the local economy will be to improve its prospects of securing further funding opportunities moving forward.

Legal Implications

15. The Assurance Framework calls for agreements between the SWLEP, Accountable Body and scheme promoters to be legally binding. Where appropriate, monitoring and evaluation requirements may be built into the operating frameworks and relevant legal agreements to ensure that publicly funded interventions are transparent and accountable.

Options Considered

16. There is a requirement to produce regular indicators to monitor SWLEP performance and local economic impact, so the do nothing option is not preferred.

17. It is recommended that the overall proposed format for reporting on key economic indicators and the impact of the SWLEP programme of projects be approved and form the basis for quarterly reporting to the JSEC, SWLEP Commissioning Group and Board.
18. Over time further indicators may be considered for inclusion in the suite of Dashboards, and as projects are delivered the summary of interventions may be further developed to provide a summary of deliverable outputs post-completion e.g. impact on journey time, job creation, provision of skills training and support, and housing delivery. Refinements to the current proposed formatting and data, additional to the proposals set out in paragraphs 5 and 6, may be implemented at any time to improve the quality of the dashboards and programme summary, at the request of SWLEP Commissioning Group, LEP Board, and JSEC members. Comments and suggestions should be directed to the Accountable Body.

Conclusions

17. The proposed set of dashboard indicators and programme performance overview will provide the SWLEP and all stakeholders with an accessible and high level overview of SWLEP programme performance and beneficial impact on the economy. It will help inform economic strategy and improve its potential to secure future funding opportunities as well as helping to ensure the transparency and accountability of the SWLEP. It will be complementary to the SWLEP Economic Bulletin and will evolve and improve over time as new funding and programmes are implemented.

Proposal

18. That the Joint Strategic Economic Committee (JSEC) take note of the format and content of the proposed programme key performance and economic indicator dashboards, approve their continued production, and provide officers with feedback and commentary on the indicators selected and their presentation.

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Background Papers

None

Appendices

Appendix 1: SWLEP Programme Key Performance Indicators November 2015
Appendix 2: SWLEP Economic Indicator Dashboards November 2015
Appendix 3: SWLEP Economic Bulletin September 2015