

## **Key Performance Indicators**

### **1. Purpose and Reasons**

- 1.1 At the JSEC meeting of 1 December, the committee Committee (JSEC) took 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.
- 1.2 Officers have continued to produce the indicator dashboards and these are circulated to SWLEP board members. Following minor corrections the SWLEP Vice Chair has proposed that the indicator dashboards be published on the SWLEP website. This report provides an update on progress and recommends to JSEC that publishing of the indicator dashboards on a regular basis alongside the SWLEP Economic Bulletin be approved, and that JSEC consider the options set out regarding reporting period.

### **2. Progress Update**

- 2.1 Both the indicator dashboards for programme monitoring and key economic indicators in the SWLEP area have been updated for January 2016 and these are provided as appendices 1 and 2.
- 2.2 The Programme Key Performance Indicators table has been updated to reflect the actual anticipated monitoring periods following project completion. Different types of project have different monitoring periods. For example, Porton Science Park will have a monitoring period of ten years following the delivery of phase 1 to measure the project's success, both in terms of the immediate measurable impact on employment, and the longer term success of the science park as a whole. Conversely, while major transport infrastructure projects have a measurable beneficial effect on journey times, traffic congestion, and carbon emissions, the effects of transport schemes become apparent over a period of time rather than having an instantaneous effect. For Local Growth Fund schemes it has been proposed to monitor at years 1, 2 and 3 following delivery.
- 2.3 JSEC is invited to note that the A429 Malmesbury road improvements projects is being delivered slightly ahead of schedule, while both Corsham Digital Campus and West Ashton / Yarnbrook improvements have moved from Amber Green to Green status as issues are resolved.
- 2.4 The City Deal (now 'Higher Futures') project line has been updated to reflect the progress in establishing Higher Futures as a programme of the SWLEP. The title on this line will be updated from 'City Deal' to 'Higher Futures' with the next update.
- 2.5 Overall, there has been a positive trend in terms of overall economic indicators in the SWLEP area since the last report, with the claimant rate falling from 3,304 to 2,954.

2.6 Officers note that many of the economic indicators are monitored on a quarterly or annual basis. JSEC is asked to consider the options for reporting periods set out below.

### **3. Financial Implications**

3.1 For European funded projects in particular, it is important that robust monitoring arrangements be implemented in order to report accurately to the Management Authority on project outputs and outcomes, to satisfy conditions that may be placed on the funding. This is important both in terms of realistic and evidence based forecasting of anticipated benefits of a scheme, and ensuring that monitoring arrangements are in place and resourced over the lifetime of the project.

3.2 There is also a cost associated with the monitoring of highways projects which is dissimilar from that of monitoring, for example, employment growth at a regeneration or business site. While it is relatively inexpensive to monitor employment and business growth, because the required evidence is straightforward to obtain (e.g. company letterheaded confirmations of employment and investment activity), gathering evidence on traffic counts, journey times and carbon emissions requires both specialist technical resources over a period of time, as well as equipment.

3.3 The costs of pre and post monitoring are included in the overall budget for project delivery and therefore do not impact on service areas' revenue budgets.

### **4. Options Relating to Reporting Period**

4.1 As set out above:

- a) It has been proposed that the Key Performance Indicator dashboards be published on the SWLEP website
- b) Many economic indicators are not monitored by the Office for National Statistics (ONS) and other monitoring bodies (e.g. Highways England) with a frequency of more than quarterly, and others are only monitored annually.

4.2 JSEC is also asked to consider that the SWLEP Economic Bulletin (please see JSEC report on KPI's dated 1 December 2015 for description and comparison between the KPI dashboards and the Economic Bulletin) is published on a quarterly basis.

4.3 With these factors in mind, officers propose the following options for publication frequency of the economic indicator and programme performance indicator dashboards:

#### **a) Monthly publication**

Under this option, officers could in most months publish a brief set of economic indicators comprising only those indicators which are monitored on a monthly basis by the ONS and other monitoring bodies included in each report, with quarterly reports including a fuller set of updated statistics. Similarly, officers could include only those projects whose RAG rating has changed / where there has been a significant change in the forecast delivery schedule or outputs, rather than the full suite of projects every month. This would be more intensive in terms of resource requirement than the other options.

#### **b) Quarterly publication**

Under this option, officers could continue to publish both indicator dashboards as appended to this report. A minority of the indicators included are currently reported on an annual basis

(e.g. housing delivery), however officers could explore options to report, where possible, on a quarterly basis on each indicator included in the dashboard.

Publication could be aligned to that of the SWLEP Economic Bulletin, and it is proposed that this be in the second month of each quarter to allow time for the statistics to be collated and the report to be delivered. This is the preferred option because of its alignment with other reporting mechanisms that are in place and the monitoring frequency of the majority of the indicators.

#### c) Annual publication

This is the do least option in terms of resource commitment, but is not the preferred option since the reporting frequency would not be sufficient to properly inform the SWLEP and broader public, nor would the publication frequency be in line with that of the SWLEP Economic Bulletin.

### 5. Recommendations

- 5.1 That JSEC note the progress made on the publication of the indicator dashboards for both the SWLEP programme of projects and key economic indicators for the area
- 5.2 That JSEC confirm its preferred option for frequency and format of publication on the SWLEP website to the SWLEP board.
- 5.3 That, once publication is formally underway, the Dashboards need not be further formally considered at JSEC unless the format, measures and period of the report are proposed to be substantially changed. As reported previously, as further funding programmes and funded projects become live, e.g. European Structural and Investment Funding, the relevant indicators will be added to the dashboards for monitoring.

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#### Appendices

Appendix 1 SWLEP Programme Performance Indicators February 2016

Appendix 2 SWLEP Area Economic Indicators February 2016