

AGENDA MANAGEMENT SHEET

Name of Committee Economic Development Overview & Scrutiny Committee
Date of Committee 29 January 2008
Report Title LAA Six Monthly Performance
Summary Reporting on the performance of the LAA over the first six months
For further information please contact: Nick Gower Johnson County Partnerships Manager Performance & Development Tel: 01926 - 412053 nickgowerjohnson@warwickshire.gov.uk Janet Fortune Group Manager Regeneration Strategy & Europe Tel: (01926) 412739 janetfortune@warwickshire.gov.uk

Would the recommendation decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision]

Background papers None

CONSULTATION ALREADY UNDERTAKEN:- Details to be specified

- Other Committees
- Local Member(s)
- Other Elected Members Cllr Jones, Cllr Morris-Jones, Cllr Barnes
- Cabinet Member Cllr Saint
- Chief Executive
- Legal Ian Marriott, Paul Williams
- Finance
- Other Chief Officers David Carter, Strategic Director for Performance & Development, Janet Fortune, (E & E)

District Councils

Health Authority

Police

Other Bodies/Individuals Louise Bennett – Director of Coventry & Warwickshire Chamber of Commerce
Email: louiseb@cw-chamber.co.uk

LAA 6 months Performance has been reported to the Public Service Board on 29th November 2007

FINAL DECISION

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

**Economic Development
Overview & Scrutiny Committee - 29 January 2008.**

LAA Six Monthly Performance Report

**Report of the Strategic Director of
Performance & Development**

Recommendation

That the Committee:

- a) Welcomes the comprehensive performance management information contained in this report
- b) Comments upon the progress made to date in relation to the Economic Development & Enterprise block and relevant indicators in the Climate Change & Environment block of the LAA and remedial actions suggested by the Block Leader in respect of those measures that are currently forecasted to miss target
- c) Makes initial comments on the indicators for the revised LAA

1.0 Introduction

- 1.1 This report presents the Economic Development Overview & Scrutiny Committee with the mid year (2nd quarter) update on the performance of the Local Area Agreement overall, paying particular attention to the performance of indicators relating to the Economic Development & Enterprise block and relevant indicators in the Climate Change & Environment block.
- 1.2 The Performance Management process for collection of this data has recently been substantially revised in consultation with Performance Leads and it is now a more comprehensive process. The process is now aligned with the Warwickshire County Council corporate performance approach and has fully integrated the LPSA2 agreement.
- 1.3 For this quarter, as well as reporting the performance data the Block and Performance Leads were charged with providing information on remedial action, good news stories, as well as highlighting any changes to be considered as part of the Mid Year Review. This revised approach has worked well and is reflected in the comprehensive and robust performance information contained in this report. Performance leads have played a crucial

role in co-ordinating performance data within their respective Blocks and will play a key part in the discussion on the Mid Year Review.

- 1.4 To facilitate exception-based reporting, when measuring performance against targets in 2007/08, a zero tolerance has been applied to all measures in the Local Area Agreement.
- 1.5 This report therefore presents the following performance information:
- Overall Summary of LAA Performance
 - Economic Development & Enterprise and Climate Change & Environment Block performance summary, general LAA indicators
 - Overview of the new LAA process
 - Detailed performance summary and remedial action (Appendix 1)
 - Good News Stories (Appendix 2)
 - Provisional Priorities for the new LAA (Appendix 3) (subject to further discussion and negotiation)
- 1.6 LAA pooled funding is predicted to be spent by 31 March 2008, with a marginal overspend forecast at £2,692. At 30 September 2007 there was an actual underspend of £633,746 in comparison to LAA pooled funding allocated to date. The Climate Change Block underspend of £389,702 has been incurred primarily because some schemes are not due to commence until later in the financial year

Table 1 shows a summary of the mid-year position and the projected year-end outturn for the Climate Change and Environment Block.




Table 1: Summary of Projected Variations

	Block	Position as at 30/09/07				Projected Outturn			
		Grant	Spend	Variation	Variation	Grant	Spend	Variation	Variation
		£'s	£'s	£'s	%	£'s	£'s	£'s	%
	Climate Change and Environment Block	581,582	191,880	(389,702)	-67.0%	1,118,426	1,118,426	-	0.0%

2.0 Overall Summary of LAA Performance

- 2.1 There are 188 measures within the Local Area Agreement and at mid-year for 2007/08 performance is reported for 153 of these. Of the total reported at mid-year, there are 24 LPSA2 targets.
- 2.2 The 35 indicators not reported this quarter are mainly due to data issues, indicators which are collected annually and indicators which are gathering baseline information via the LAA Survey in spring 2008. These will be reported in subsequent quarters. The performance at the mid-year point of 2007/08 is summarised in the table below against target:

Table 2: Overall Performance

	Mid-year (Qtr 2) Forecast compared to year end target [#]						Total	
	Mid year forecast to exceed target		Mid year forecast to meet target		Mid year forecast to miss target			
								
	Total no. of measures	%	Total no. of measures	%	Total no. of measures	%	Total no. of measures	%
Children & Young People	5	18%	14	52%	8	30%	27	100%
Safer Communities	6	35%	2	12%	9	53%	17 (8)*	100%
Stronger Communities	0	0%	2	50%	2	50%	4 (6)*	100%
Healthier Communities & Older People	10	30%	13	40%	10	30%	33 (7)*	100%
Economic Development & Enterprise	6	27%	9	41%	7	32%	22	100%
Climate Change & Environment	11	42%	7	27%	8	31%	26 (12)*	100%
LPSA targets	11	46%	3	12%	10	42%	24 (2)**	100%
OVERALL TOTAL	49	32%	50	33%	54	35%	153(35)	100%

* Outstanding

** Status needs to be verified

[#]NB Please note that although the standard LAA is measured against targets for the end of 2007/08 the decision has been taken to measure performance of the LPSA2 targets against the targets within the LPSA 2 agreement which have completion dates ranging from 2007 to the end of 2009.

3.0 Economic Development & Enterprise Performance Summary

Overall performance of the Economic Development & Enterprise Block has been good in the first months, with six of the 22 indicators set to exceed their original targets. Moreover, all but two indicators are showing positive improvement, although currently seven are estimated to miss their end of year target. This is perhaps due to overly ambitious target setting, which will need

to be reviewed when developing the new LAA. With regard to the two indicators not showing positive improvement, one (share of employment in key sectors) is due to better than anticipated employment growth in the rest of the economy (which can hardly be considered a bad thing) and the other (unemployment levels in Nuneaton & Bedworth) is expected to improve in the second half of the year and meet the end of year target.

While the Economic Development & Enterprise LAA Block has no dedicated or pooled funding and the key public sector agencies were already engaged in strong partnership working, the introduction of the LAA has helped to strengthen these relationships, enhanced strategic engagement by partners, and led to the development of a number of initiatives looking at how mainstream resources can be better aligned. Key objectives for the revised LAA will be to expand engagement with partners and activities that are crucial to, but not directly involved, economic development (i.e. health, children & young people, safer & stronger communities); and to increase the availability of resources (either directly through pooled budgets or indirectly by influencing external grants and budgets).

Current performance of the Brown Field Site Indicator is 73.9% and even though this did not meet to LAA target of 80%, it is far higher than the national indicator of 60% when measuring like for like and should be celebrated.

4.0 New LAA Process

Whilst we are reasonably content with progress to date, the delivery arrangements for the LAA have now been overshadowed by the requirement of us to establish a new LAA by June 2008 based on the 198 indicators appearing in the National Indicator Set published by CLG in November 2007. Initially, this requirement caused some frustration and instability across the LAA Blocks and within the PSB.

However, we have now reached the stage whereby the partnership considers that this should be seen as an opportunity to bring a greater sense of priority, focus and coherence across the breadth of LAA and partnership activity and have agreed processes for the development of the new LAA as follows:

- By mid January 2008 - each of the current Blocks to have considered their preferred indicators for inclusion in the new LAA
- Third week of January 2008 – Additional meeting of the Public Service Board to consider and agree indicators for inclusion within the new LAA
- By the end of January 2008 – submission to Government Office West Midlands of draft outcome framework for the new LAA
- By the end of March 2008 – detailed fully worked up draft LAA to have been completed and submitted to Government Office West Midlands

This comprehensive review of the progress to date in relation to the current LAA has given the partnership the opportunity of:

- Assessing the latest progress towards the individual outcomes in LAA
- Addressing any gaps in outcomes, indicators, baselines, targets, milestones and data and any actions needed to address under-performance
- Highlighting good practice and identifying what difference the introduction of the LAA has made to date
- Informing the priorities for new style 2008 LAA and start the process of thinking about the priorities to be included

5.0 Elected Member involvement in the development of the new LA

Members will have noted from Paragraph 4 of this report that, by the end of January 2008, a provisional list of the indicators to be included in the new LAA relating to Economic Development & Enterprise, Climate Change and Environment should have been considered both by the two Theme Groups and by the Public Service Board.

We would hope to be able to share this provisional list of indicators with the Committee at the meeting to gain the preliminary views of members. In any event, we would suggest that the matter is considered in greater detail at the next meeting of this Committee on 11th March 2008 so that the Committee's views can be gained and reported on in full to subsequent meetings of the Cabinet and Council relating to the overall contents of the new LAA.




David Carter
Strategic Director of Performance and Development
December 2008

Shire Hall
Warwick

Appendix 1: Local Area Agreement Indicators – 2nd Quarter 2007/08

Key

Target Symbols

	Year end forecast to exceed target
	Year end forecast to meet target
	Year end forecast to miss target (See remedial action section)

Definitions

1	Aim of the measures i.e. Whether a higher or lower value is best (High, Low or Target)
2	Frequency that data for the indicator is collected e.g. annually, quarterly, monthly
3	Year end actual for 2006/07 as submitted by the Performance and Block Lead

4	Quarter 1 Year End Forecast (A) as submitted by the Performance and Block Lead
5	Quarter 2 year end forecast for 2007/08 (A) (based on period April – September) NB. In some cases this will be an actual figure
6	End of year target for 2007/08 as agreed with Government and published in the LAA
7	Alert - Quarter 2 year end forecast (A) compared to the End of year target for 2007/08 (C) – attach appropriate symbol

Reference	This will be the LAA reference.
Description	An abbreviated description of the indicator – a full version is in the LAA Document
Lead Officer	Details of the officer responsible for reporting on this indicator
Aim	Shows whether bigger or smaller or on target is the best result for the measure
Frequency	Frequency that data for the indicator is collected e.g. annually, quarterly, monthly
Base line 2006/07	Base line information 2006/07 submitted in the LAA
Qtr 1 YE Forecast	Qtr 1 year end forecast – Submitted by performance Leads in July 2007
Qtr 2 Year end forecast	Forecast of final outturn for 2007/08 based upon performance between April and Sept. NB To minimise the amount of blanks where there are annual figures, and to avoid confusion in the PSB please supply forecast based on current experience or explain when the data will be available. Actions on milestones can be recorded separately in section 4.
End of Year target	Target for the end of 2007/08 performance, as set in the LAA NB. There is an opportunity to flag up any changes to the targets for measures which appear in the current LAA document, for consideration as part of the six month review process – please see section 5
Qtr 2 YE Forecast against end of year target	This is a straight comparison between your Forecast year end performance and the previously agreed End of Year target using the stars, triangle and circles symbols. If a Red triangle is used remedial action will need to be recorded in the separate table in section 3.

ECONOMIC DEVELOPMENT & ENTERPRISE

Block Lead: Louise Bennett, Chief Executive Coventry & Warwickshire Chamber of Commerce

Performance Lead: Janet Fortune WCC

Indicators					2006/07	2007/08			
Ref	Description	Lead officer	Aim ¹	Frequency ²	Baseline ³	Qtr 1 Year End Forecast ⁴	Current Performance		
							Qtr 2 Year End Forecast ⁵ (A)	End of Year Target ⁶ (B)	Qtr 2 Year End Forecast against end of year target ⁷ (A) v (B)
ED1a	Footfall in market towns								
ED1ai	Footfall – Stratford	District Economic Development Officers (DEDO's)	Higher	Annual	5.89	0.50%	6.18	0.5	●
ED1aii	Footfall - Leamington		Higher	Annual	26.73	no change	26.73	0.0	●
ED1aiii	Footfall – Kenilworth		Higher	Annual	7.54	-0.50%	7.16	-0.5	●
ED1aiv	Footfall – Warwick		Higher	Annual	9.87	no change	9.87	0.0	●
ED1av	Footfall – Rugby		Higher	Annual	110	0.50%	115.5	0.5	●
ED1avi	Footfall – Nuneaton		Higher	Annual	120	no change	120	0.0	●
ED1avii	Footfall – NW Market Towns		Higher	Annual	275	no change	275	0.0	●
ED1b	Employment levels in target towns								
ED1bi	Employment – Town Centres	(DEDO's)	Higher	Annual	21024	22500	21,184	22500	▲
ED1bii	Employment – Market Towns		Higher	Annual	4686	4750	5,365	4750	★
ED1c	Services in market towns								
ED1ci	Services – Town Centres	(DEDO's)	Lower	Annual	1.37	1.37	1.37	1.37	●
ED1cii	Services – Market Towns		Lower	Annual	1.40	1.39	1.37	1.39	★
ED2	Sustainable Growth of Businesses								
ED2i	Number Employed in key sector		Higher	Annual	46900 (43,200)	48050	44,100	48,050	▲

ECONOMIC DEVELOPMENT & ENTERPRISE

Block Lead: Louise Bennett, Chief Executive Coventry & Warwickshire Chamber of Commerce

Performance Lead: Janet Fortune WCC

Indicators					2006/07	2007/08			
					Baseline ³	Qtr 1 Year End Forecast ⁴	Current Performance		
							Qtr 2 Year End Forecast ⁵ (A)	End of Year Target ⁶ (B)	Qtr 2 Year End Forecast against end of year target ⁷ (A) v (B)
Ref	Description	Lead officer	Aim ¹	Frequency ²					
ED2ii	Percentage employed in key sectors	Chamber of Commerce & Business Link	Higher	Annual	20.40 (18.7)	20.7%	18.34%	20.70	▲
ED2iii	Warwickshire's Business Growth Ratio - UK		Higher	Annual	1.072 (1.071)	1.078	1.074	1.078	▲
ED2iv	Warwickshire's Business Growth Ratio – South East		Higher	Annual	1.018 (1.017)	1.016	1.023	1.016	★
ED3	Skills and Qualifications	Learning & Skills Council							
ED3i	People with no qualifications		Lower	Annual	13.40	12.3%	11.1%	12.30	★
ED3ii	People without NVQ2 or Equivalent Qualification		Lower	Annual	31.70	28.6%	30.4%	28.60	▲
ED3iii	People with NVQ4 or Equivalent Qualification		Higher	Annual	27.80	28.5%	28.8%	28.50	★
ED4	Worklessness	Jobcentre Plus							
ED4i	Incapacity Benefit - Warwickshire		Lower	Quarterly	4.43 (4.59%)	4.4%	4.58%	4.40	▲
ED4ii	Incapacity Benefit – Nuneaton & Bedworth		Lower	Quarterly	8.33 (8.31%)	8.2%	8.18%	8.20	★
ED4iii	Jobseekers Allowance - Warwickshire		Lower	Quarterly	1.76 (1.8%)	1.8%	1.79%	1.80	●
ED4iv	Jobseekers Allowance – Nuneaton and Bedworth		Lower	Quarterly	3.26	3.2%	3.36%	3.20	▲


NB: Changes to Baselines

On the indicators ED2i-iv, the baseline has been revised in light of changes made to statistical source used – this is often due to the resolution of data errors in the original data set, or the introduction of new and improved methodologies applied to the collection and/or analysis of the data sets. Where this has occurred, the revised baseline is provided in parenthesis below the original baseline.

Climate Change and Environment

Block Lead: Christine Kerr – Chief Executive of Nuneaton & Bedworth Borough Council

Performance Lead: Nik Moore (RBC)

Indicators					2006/07	2007/08			
					Baseline ³	Qtr 1 Year End Forecast ⁴	Current Performance		
Ref	Description	Lead officer	Aim ¹	Frequency ²			Qtr 2 Year End Forecast ⁵ (A)	End of Year Target ⁶ (B)	Qtr 2 Year End Forecast against end of year target ⁷ (A) v (B)
E7	Brown field Sites	Ernest Amoako	High	Annually	69.49%	73.9%	80%		

Remedial Action Taken or Proposed for all 'Red' Indicators Economic Development & Enterprise

Ref	Indicator	Reason for Red Status	Remedial Action	By Whom	By When
ED1bi	Employment – Town Centres	While employment levels have risen, they have not (and may not depending on frequency of data release) met the original targets set. Mainly due to sluggish employment growth in Rugby and Warwick town centres.	To be discussed at Sub-Regional Economic Development Officers Group (SREDOG) and relevant Town Centre Managers to discuss issue and identify potential causes and therefore remedial actions	Janet Fortune to lead discussion with SREDOG	November
ED2i	Number Employed in key sectors	Employment in the key sectors has increased, but has not met the original target. However, the data has been revised and hence the original baseline has been adjusted. Growth rates of employment between new baseline and Q2 update (2.1%) are close to originally anticipated growth of 2.4%.	Remedial action not really required – with revised figures, growth is broadly in line with original forecast. See note at end of page 29		

<i>Ref</i>	<i>Indicator</i>	<i>Reason for Red Status</i>	<i>Remedial Action</i>	<i>By Whom</i>	<i>By When</i>
ED2ii	Percentage employed in key sectors	Despite growth in employment in key sectors, employment in Warwickshire's other sectors has been even stronger – hence a reduction in overall % of employment share	Remedial action not really required as missed target is a result of a reasonably buoyant economy. Activities to help support and boost key sectors to be considered through High Technology Corridor and revised Regional Economic Strategy	Business, Tourism & Economy (STE) & wider partners	Autumn 07
ED2iii	Warwickshire's Business Growth Ratio - UK	Growth in Warwickshire's business base (relative to the UK) is strong – growing at an average of 7.4% more than the UK as a whole. However, this is not as fast as original target of 7.8%	Remedial action probably not required as growth is still impressive (particularly when compared to the South East –indicator ED2iv). Original target probably too optimistic. Important that Warwickshire gains suitable monitoring information from Business Link West Midlands, which to date has not been forthcoming.	Business Link West Midlands/ AWM / C&W Chamber of Commerce	Asap
ED3ii	People without NVQ2 or Equivalent Qualification	Has been an improvement in this indicator, but has not reached target levels. Likely that original target was too optimistic, largely due to limited trend information with which to base target on due to change in way data is collected nationally	Use experience and larger set of baseline data to set improved targets for next time	LSC and WCC	Feb 2008
ED4i	Incapacity Benefit – Warwickshire	Recalculation of the rate of incapacity benefit claimants (as a result of revised population statistics) has increased the rate above the original target.	Remedial action probably not required – but the end of year target should be changed to reflect the change in population statistics.		
ED4iv	Jobseekers Allowance – Nuneaton and Bedworth	As a result of economic cycles, unemployment during the year was at first expected to rise, and then fall again. As such, unemployment levels at the mid-year stage are above the end of year target	Remedial action not required as forecast is still for unemployment to fall in the last two quarters.		

Remedial Action Taken or Proposed for all 'Red' Indicators Climate Change & Environment

<i>Ref</i>	<i>Indicator</i>	<i>Reason for Red Status</i>	<i>Remedial Action</i>	<i>By Whom</i>	<i>By When</i>
E7	Brown Field Sites BVPI (End of year target set out in the LAA approved document is 80%. Latest performance achieved up to May 07 is 73.9%). Please see separate attachment for historical figures	<p>The definition of BVPI 106 given in the LAA document to inform the LAA targets is inconsistent and different from the actual definition of BVPI 106 given in the National Core Output Indicator. The LAA definition and its targets are based on planning permissions granted on brownfield land. Local Authorities however monitor performance on house completions which are required by the National Core Output Indicator. Figures generated from these two different definitions will almost always be different.</p> <p>The national target/indicator for BVPI 106 is 60%. This is based on the definition of the National Core Output Indicator. In this regard whereas the 73.9% achieved in the LAA area is over the national target and can be considered as a success story it still fall short of the LAA target which is based on a different definition.</p>	<p>A delivery plan has been prepared to deliver the LAA targets. It comprise of the following actions:</p> <ul style="list-style-type: none"> * carry out strategic housing land availability assessment as part of local development framework; * develop planning policies to time frame the release of sites to bring forward realistic brownfield land before the release of Greenfield land * take appropriate measures to bring forward brownfield land (such as land bank) where appropriate. <p>The definition of BVPI 106 in the LAA should be changed to reflect national definition. Consequently, the target should be changed to reflect national target. If the LAA definition were to be used, then the information current being collected by Local Authorities to change to reflect the LAA definition.</p>	<p>All Local Authorities in the LAA area.</p> <p>By the LAA governing body.</p>	<p>Strategic housing land availability assessment to be carried out by mid 2008</p> <p>Policy/guidance developed by end of 2008</p> <p>Immediately</p>

Appendix 2: Good News Stories/Actions on Milestones

Economic Development & Enterprise

<i>Ref</i>	<i>Indicator</i>	<i>Good News Story/Action on Milestone</i>
ED4ii	Incapacity Benefit – Nuneaton & Bedworth	Significant drop in Incapacity Benefit Claimants (from 8.33% to 8.13% of working age population) in an area of significant deprivation and historically high levels of worklessness. Due to good work largely by Jobcentre Plus and through the Sustained Employment through Learning (SEtL) project.

Climate Change & Environment

<i>Ref</i>	<i>Indicator</i>	<i>Good News Story/Action on Milestone</i>
E7	Brown Field Site BVPI 106 (LAA target is 80%)	Figures achieved in the LAA area is 73.9% based on the actual definition of BVPI 106. This is far higher than the national indicator of 60% when measuring like for like and should be celebrated although the LAA target of 80% is not met.

Appendix 3: Priorities (Provisional) for the New LAA

Priority Issue	Rationale/Evidence	Potential Indicators	Geographic focus?	Systemic Links?
Tackling worklessness	<p>While county-wide unemployment is low compared to UK average, there is significant local variation with some wards and LSOAs (particularly, but not exclusively, in the north of the county) experiencing particularly high levels. Relative change in numbers claiming JSA show that the county, and N&B in particular, are seeing much faster than average growth in unemployment.</p> <p>Broader measures of all out of work benefits show a much more static picture, but again significant local variation – wards such as Abbey, Wem Brook and Camp Hill in Nuneaton & Bedworth all have rates of worklessness in excess of 15% of the working age population, compared to lows of around 2% in the most prosperous areas</p>	<p>NI 151 Overall Employment Rate</p> <p>NI 152 Working age population on out of work benefits</p> <p>NI 153 Working age population claiming out of work benefits in worst performing neighbourhoods</p> <p>NI 173 People falling out of work and on to Incapacity Benefits</p> <p>NI 117 16-18 year old NEETs</p>	<p>A number of priority wards could be identified across Warwickshire, but with a focus on the north. Could also target more specifically through LSOAs.</p> <p>Potential mini “City Strategy” pilot in Nuneaton & Bedworth priority wards?</p>	<p>This agenda has clear and strong links with health (IB, condition management, etc); crime (one of the most successful ways to reduce re-offending is employment), and child poverty.</p> <p>Other links to transport (accessibility to jobs), educational attainment (correlation between household income and attainment), and stronger communities (helps build social capital).</p> <p>This area is also fundamentally linked to other supply (i.e. skills) and demand (business growth) side economic development priorities.</p>
Addressing low skills	<p>At the county level, Warwickshire performs well on measures of low skills, with lower than UK average proportion of the working age population with no qualifications, and with just an NVQ2 or equivalent. However, again significant local variation, particular in terms of a north/south split. North Warwickshire has particularly high levels of no qualification, well above the national average.</p> <p>Addressing low level skills is crucial in boosting employment and wage levels, and also important to the underlying productivity of the economy.</p>	<p>NI 161 Learners achieving a Level 1 qualification in literacy</p> <p>NI 162 Learners achieving an Entry Level 3 qualification in numeracy</p> <p>NI 163 Working age population qualified to at least Level 2 or higher</p> <p>NI 174 Skills gaps in</p>	<p>A focus on the north of the county, perhaps around areas that also have high levels of worklessness.</p>	<p>Links to worklessness above (<i>perhaps should be incorporated within this priority area</i>). Links to child poverty in terms of helping increase employability and household income.</p>

Priority Issue	Rationale/Evidence	Potential Indicators	Geographic focus?	Systemic Links?
		the current workforce reported by employers		
Developing a knowledge-based, high skill economy	<p>Warwickshire as a whole has a lower than average proportion of knowledge intensive businesses, but higher than average proportion of residents working in knowledge intensive occupations. Suggests out-commuting at the higher level, and may go some way in explaining Warwickshire's relative recent dip in overall economic output.</p> <p>Also significant north/south split on both these measures, with North Warwickshire with a particularly low density of knowledge intensive industries*, and N&B with low volumes of residents in knowledge intensive occupations. (* Work Foundation definition will exclude manufacturing and engineering)</p> <p>Overall, Warwickshire has good proportions of working age population with higher level skills, with Warwick District having a particularly high level of residents with NVQ4 or equivalent (i.e. degree level). However, N&B has particularly low levels of NVQ4 or equivalent.</p>	<p>NI 165 Working age population qualified to at least Level 4 or higher</p> <p>NI 166 Average earnings of employees in the area</p> <p>Scope for local indicators on knowledge economy? Graduate retention?</p>	Enhance and promote knowledge based economy throughout Warwickshire, but focus higher level skills interventions in north of the county	<p>No clear links, although a strong and prosperous economy is fundamental to achieving the wider goals of the LAA.</p> <p><i>(could be linked to priority on attracting and retaining high value, quality employment priority below)</i></p>
Strategic, pro-active and targeted approach at developing high value-added, quality employment	<p>There is a clear north/south split in terms of the type and nature of Warwickshire's economy. The north is characterised by more lower value, lower skilled occupations and businesses, while the south is more of a "knowledge economy", with higher value, higher skilled businesses and occupations.</p> <p>There is a danger that a "laissez-faire" approach to business development in the county will reinforce existing economic patterns – i.e. lower value businesses will be attracted to the north of the county, higher</p>	<p>Nothing specific in the National Indicator Set that would apply to this – maybe a proxy could be NI 166: Average Earnings.</p> <p>Local indicators on knowledge economy (BETA model?)?</p>	Enhance and promote knowledge based economy throughout Warwickshire, but with specific focus on north of the county (N Warks and N&B).	<p>Clear links to the wider economic development agenda – i.e. housing, transport and planning. Links to AWM's cluster policy.</p> <p>Also strong links to employment and skills support to match the desired growth in higher skilled occupations.</p>

Priority Issue	Rationale/Evidence	Potential Indicators	Geographic focus?	Systemic Links?
	value ones to the south – making it hard to narrow the gap. Therefore, a more proactive, targeted approach is required to ensure the “right” types of businesses are supported to locate and grow in the north of the county. This could include increasing the role of the high technology corridor in the north of the county, improved university & FE engagement, graduate retention, focussed inward investment promotion, and more strategic use of employment land and planning permissions.			<p>Potential indirect links to the climate change agenda – a shift towards more “knowledge economy” sectors could have a positive impact on emissions.</p> <p>Developing a more prosperous north of the county would have long-term, indirect impacts on a range of more social issues such as crime, health, educational attainment, child poverty, etc.</p> <p><i>(could be linked with higher skills priority above)</i></p>
Develop an enterprise culture	<p>In terms of new business start-ups, Warwickshire as a whole has above average VAT registrations. However, Nuneaton & Bedworth has particularly low levels, significantly lower than the UK average. Further analysis using the BETA model suggests particularly low enterprise activity in the Regeneration Zone.</p> <p>In terms of wider “entrepreneurship”, there is a growing need to develop an entrepreneurial culture across all residents and employees in Warwickshire, with a particular attention on young people and those still in education. Economic output (as measured by GVA per capita) of Warwickshire appears to be stuttering in recent years, and increased entrepreneurial activity (by employees as well as those starting their own businesses) is a critical driver of productivity and growth.</p>	<p>NI 171 VAT Registration Rate</p> <p>NI 172 VAT registered businesses in the area showing growth</p> <p>Local indicators on enterprise in more deprived areas (BETA Model)? Enterprise education in schools? Social enterprise?</p>	<p>Entrepreneurship is needed across the county.</p> <p>Specific focus on enterprise (new business start-ups) in Nuneaton & Bedworth,</p>	<p>Enterprise education for school children can help re-engage disenfranchised pupils, therefore can help in terms of NEETS and educational attainment.</p> <p>Self-employment can in some circumstances be good career choices for ex-offenders, people with health difficulties, lone parents, etc. – so links to crime, health and child poverty agendas.</p> <p>Social enterprise development can help build social capital and stronger communities.</p>
Ensuring accessibility and connectivity?	Lack of transport can be a key barrier for individuals finding and retaining employment, particularly in the more income deprived	<p>NI 167 – Congestion?</p> <p>NI 175 – Access to</p>	North – South corridor?	Clear links to the worklessness agenda, as transport can be a key

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	<p>areas. There is a clear problem in terms of connectivity between the north and south of the county, which could be a major contributor to the gap that we can see between these distinct economies.</p>	<p>services by public transport, walking and cycling</p> <p>NI 176 – Working age people with access to employment by public transport</p> <p>NI 177 – Local bus passenger journeys originating in the authority area</p> <p>NI 178 – Bus services running on time</p>	<p>Rural access to employment?</p> <p>Green travel plans linked to new strategic investment sites (e.g. Stoneleigh, Ansty)</p>	<p>barrier.</p> <p>Links to the environment/climate change agenda</p> <p>Broader links to stronger communities, health and older people through access to services?</p>
Town Centres	<p>The town centres of Warwickshire are critical contributors to the local economy, as well as service provision. The Regional Spatial Strategy also promotes town centres as the areas where economic growth should be focussed.</p> <p>Many of Warwickshire’s town centres are also unique and distinctive, and are a major economic asset which could be maximised further. Tourism is a major contributor to Warwickshire’s economy.</p>	<p>Nothing in national indicator set</p> <p>Local indicators? BETA model? Visitor numbers</p>	Town Centres and Market Towns	<p>Links to stronger communities? Improved service provision in town centres could link to a multitude of agendas throughout the LAA</p> <p>Links to BIDs programmes.</p>
Environmental support to businesses	<p>Now almost universal agreement on the challenge of climate change, and the recent Stern Review on the Economics of Climate Change concluded that the low carbon economy is the pro-growth strategy of the future.</p> <p>Local businesses need practical support and help to move towards this low carbon future, which can also help provide them with a competitive advantage through lower costs and improved image.</p>	<p>NI 186 Per capita CO2 reduction</p> <p>NI 188 Adapting to climate change?</p> <p>NI 172 VAT Registered businesses showing growth</p>	County wide	Clear links between economic development and environment/climate change agenda.

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	Increasingly, businesses also need to think and plan for climate change adaptation.			