
NORTH AYRSHIRE COUNCIL

25 May 2021

Cabinet

Title: Inclusive Economy Dashboard

Purpose: To outline the Council's Inclusive Economy journey and seek Cabinet approval on the proposed Inclusive Economy Dashboard.

Recommendation: That Cabinet:

- a) Notes the activity outlined as part of the Council's Inclusive Economy journey, including the delivery of the Community Wealth Building strategy as a practical means to achieve an inclusive and wellbeing economy.
- b) Approve the proposed Inclusive Economy Dashboard.

1. Executive Summary

- 1.1 North Ayrshire Council is recognised as a sector leader in Scotland and the UK in defining and implementing inclusive growth. The ongoing Community Wealth Building approach provides a practical means to achieving an inclusive and wellbeing economy in North Ayrshire. This report provides an overview of the importance of adopting inclusive economy approaches in North Ayrshire; the findings of the innovative Inclusive Growth Diagnostic Pilot undertaken 2016-2018; what is being progressed to deliver these findings including the Community Wealth Building strategy; the barriers to achieving an inclusive economy; and the creation of a new Inclusive Economy Dashboard as part of the Economic Recovery and Renewal Approach published in September 2020.

2. Background

- 2.1 The concept of inclusive growth recognises that not all people, groups and places benefit from growth. This trend is evident within North Ayrshire, with certain geographies and groups not fully participating or receiving the benefits of the economy. Therefore, inclusive growth was a key component of the refreshed Economic Development and Regeneration Strategy in 2016. The term inclusive economy – replacing the word growth – is now used in recognition that a focus solely on enhancing Gross Domestic Product (GDP) as an output is not sufficient to recognise the wider levels of economic, social and environmental wellbeing across communities. This is not to say that 'growth is not desired and there is certainly no intention to promote degrowth – growth will be fundamental to the ongoing and essential economic recovery in certain areas, for example in green technologies, and

the importance of supporting local businesses to grow (in a sustainable manner) and create fair work is fully recognised. However, it is acknowledged that there are often trade-offs between growth and inclusion or growth and the environment. Therefore it is important to no longer treat the economy, environment and personal health and wellbeing as separate spheres.

Why an inclusive economy?

2.2 It is clear from socio-economic data that there is a need to deliver a different approach to supporting the economy and the current health emergency only strengthens this need:

- North Ayrshire's claimant count (estimate of people claiming unemployment related benefits) for February 2021 is the highest in Scotland – 8.4% as a proportion of the working age population, in comparison the national average is 6.1%; the North Ayrshire rate is 50% higher than the pre-COVID-19 benchmark of February 2020.
- North Ayrshire has the highest rate of unemployment in Scotland over the period of October 2019 to September 2020, at 6.0%.
- Scottish Government analysis identified North Ayrshire as the least resilient economy in Scotland.
- North Ayrshire has the fifth lowest jobs density in Scotland at 0.57 (ratio of total jobs to working-age population).
- North Ayrshire has the second lowest female employment rate at 64.2% compared to 71.3% for Scotland (North Ayrshire's male employment rate is 74.5%).
- North Ayrshire has the third highest rate of economic inactivity in Scotland at 27.3%.
- The Equality Act core or work limiting disability employment rate is below the national level at 47% for North Ayrshire compared to 49% for Scotland.

2.3 Previous analysis by the Fraser of Allander Institute at the University of Strathclyde has highlighted the stark levels of regional inequality in Scotland. The NUTS 2 Southern Scotland region introduced in 2018 (comprised of the Ayrshires, South Lanarkshire, Dumfries and Galloway and Scottish Borders) had the lowest GVA per head across the whole of the UK.

Inclusive Growth Diagnostic

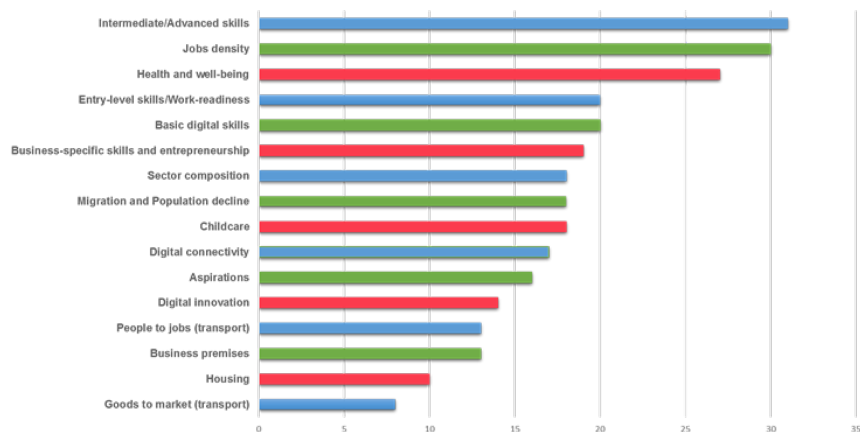
2.4 The Council worked in partnership with the Scottish Government's Office of Chief Economic Advisor, to pilot the 'Inclusive Growth Diagnostic'. The main purpose of the Diagnostic was to identify constraints and opportunities for driving inclusive growth in North Ayrshire, in order to prioritise actions to address them.

2.5 The Diagnostic followed a five-stage process:

- 1) Interrogation of data to unpick what is driving local inclusive growth performance
- 2) What constraints do benchmarking, evidence and local knowledge identify
- 3) Community consultation to ensure constraints identified are accurate
- 4) Prioritisation of constraints using diagnostic methodology
- 5) Local results which are informing priorities and innovative projects

2.6 The Diagnostic identified a list of prioritised constraints as outlined in Graph 1 below.

Diagnostic Results



Graph 1: Findings of North Ayrshire's Inclusive Growth Diagnostic

2.7 Whilst many constraints were identified: health, the volume and type of jobs and skills were the key issues. This exercise also identified 'excluded' groups – that is, groups sharing similar characteristics that have been particularly excluded from the economy (and particularly labour market inclusion). The excluded groups identified were as follows:

- Young people;
- Those experiencing long-term health problems;
- Those experiencing in-work poverty; and
- Females.

2.8 A key finding of the Diagnostic was that whilst the findings are now used to influence key local economic development priorities, as well as embed them into partnership working at a regional level, national government and its agencies must reflect and respond to the Inclusive Growth priorities. For example, addressing a low jobs density will largely depend on the investment decisions made or directed by national bodies. Whilst it is recognised that the priorities in themselves are complex and interdependent, there needs to be recognition that national policy must change to recognise the challenges.

2.9 Since the agreement of the findings of the Diagnostic in 2018, work has taken place to embed the findings into service delivery and partnership working, including:

- In partnership with H&SCP work has taken place to target unemployed parents through the "We Work for Families" initiative. The project uses health visitors to engage and refer unemployed parents (predominantly female) into employability services.
- Targeted lone parents through the Skills for Life programme, which provides 6 months paid work placements.
- A significant health and employability proposal has been developed for the Ayrshire Growth Deal (AGD) and is now moving to implementation.
- A major skills fund has been developed for the Ayrshire Growth Deal (AGD).
- A supported employment service implemented (EQUAL) to support disabled residents back to work.
- Promotion of the Real Living Wage, fair work and skills interventions.

- Development of the Community Wealth Building strategy.
- Development of the Economic Recovery and Renewal Approach ('Green New Deal') focused on young people, wellbeing, Green Jobs Fund, supporting progression opportunities and upskilling, using capital investment to create local jobs. A series of 'asks' of both Scottish and UK Government to support an inclusive and green economic recovery in North Ayrshire were also developed.
- Development of a clear position to promote the need for investment into North Ayrshire, evidence base aligned to this, and participation in a number of national groups, to amplify North Ayrshire's position.

2.10 Community Wealth Building is the Council's key economic priority moving forward and this approach provides a practical means to achieving an inclusive and wellbeing economy. The Ayrshire Community Wealth Building Anchor Charter commits local and regional Anchor Institutions to a range of pledges across the five pillars of Community Wealth Building and a 'sixth pillar' of the Environment/Climate Action to improve wellbeing and create a strong, resilient and inclusive local and regional economy. A mapping exercise has taken place to outline how the Community Wealth Building strategy embeds the findings of the Diagnostic and is outlined in Table 1 below.

Table 1: CWB and Inclusive Growth

<i>How the CWB strategy tackles the IG constraints identified</i>	
<i>Volume and type of jobs</i>	<ul style="list-style-type: none"> • Enhance local spend and support local supply chains and supplier development • Support creation, sustainability and growth of plural ownership models including local SMEs, social enterprises, cooperatives, community enterprises and municipal activity • Support transition to employee ownership and a cooperative culture in North Ayrshire • Use land and assets for community and business benefit, ensure commercial property portfolio supports the growth of local businesses and entrepreneurial activity, including building on incubation space • Promote the Real Living Wage • Embed Fair Work approach and support other Anchor Institutions and businesses to do the same, maximising the potential of employees • Promote our investment opportunities to regional and national institutions to gain investment in our communities
<i>Health</i>	<ul style="list-style-type: none"> • Embed Fair Work approach and support other Anchor Institutions and businesses to do the same, maximising the potential of employees including focus on excluded groups • Continue employability focus on health and wellbeing and deliver a new supported employment programme 'EQUAL'

	<ul style="list-style-type: none"> • Take a more proactive approach to our Disability Confident status and encourage others to adopt this • Accessible recruitment process
Skills	<ul style="list-style-type: none"> • Maximise our approach to Community Benefits • Embed Fair Work approach and support other Anchor Institutions and businesses to do the same, maximising the potential of employees including focus on excluded groups • Supporting supplier development • Improve the linkages between our apprenticeship programmes and workforce planning • Support creation, sustainability and growth of plural ownership models including local SMEs, social enterprises, cooperatives, community enterprises and municipal activity • Support community capacity building to grow community ownership

2.11 The Economic Recovery and Renewal Approach (Green New Deal) approved by Cabinet in September 2020 further builds on the ongoing inclusive economy work, outlining specific actions for an inclusive and green economic recovery including:

- Targeted actions to support young people;
- Focus on wellbeing and supporting those impacted back to work;
- Supporting progression opportunities and upskilling;
- Using capital investment to create local jobs;
- A Green Jobs Fund;
- Keep it Local campaign.

2.12 As part of this Economic Recovery and Renewal Approach a targeted response through employability services is very much focused on females (parents), disabled/health barriers and young people. Significant promotion of fair work through the Kickstart approach being supplemented above the National Minimum Wage is also in place.

Inclusive Economy Dashboard

2.13 The Economic Recovery and Renewal Approach, published in September 2020, outlined an action to: 'Develop an Inclusive Economy Dashboard to track inclusive and green economic recovery and the new economic model, learning from the Doughnut Economics tool which proposes an economy with a social foundation we cannot fall below and environmental limits that should not be exceeded'.

2.14 Doughnut Economics proposes a social foundation that we cannot fall below and an ecological ceiling that should not be exceeded if we are going to create an ecologically safe and socially just space for healthy people and a healthy planet.

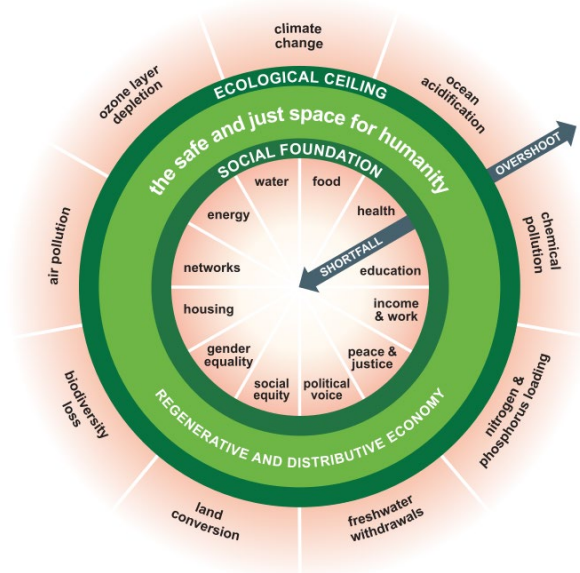


Figure 1 – Illustration of the original 'Doughnut'

(source: Kate Raworth, Doughnut Economics Action Lab)

- 2.15 The Inclusive Economy Dashboard has been developed to measure social, economic and environmental wellbeing in North Ayrshire. It uses publicly available statistics to track progress on the things that are important to the Place in relation to an inclusive and green economic recovery and renewal. The Dashboard has been developed through support as part of the Council's membership of the Inclusive Growth Network, with the Economic Policy team working closely with Metro Dynamics consultancy to develop the Dashboard.
- 2.16 The following key steps have been undertaken to support the development of the Dashboard:
1. *Assessment of metrics aligned to local objectives and the Doughnut Economics tool. Metrics cut across social, economic and environmental measures.*
 2. *Metrics developed into a draft model informed by Doughnut Economics' principles. This captured trends in data, comparisons to Scottish average, and linked metrics to local priorities (Inclusive Growth Diagnostic, Community Wealth Building strategy, Council Plan Performance Framework, Child Poverty Action Plan, Environmental Sustainability and Climate Change Strategy, Fair for All, as well as the UN Sustainable Development Goals (SDGs)). As part of this step, the project team reviewed similar models and best practice from other places.*
 3. *Revision of this model based on feedback from Council officers and external partners. This included an internal officer workshop and engagement with officers from the following services: Business Development, Children's Services, Community Planning, Corporate Policy and Performance, Corporate Sustainability, Education, Employability and Skills, HSCP, Planning, Protective Services and Regeneration. Feedback was also sought from the following 'critical friends': Centre for Progressive Policy (Inclusive Growth Network), Joseph Rowntree Foundation (Inclusive Growth Network), Fraser of Allander Institute, Professor Alan McGregor (University of Glasgow).*

- 2.17 The full Dashboard is presented in Appendix 1. Learning from the Doughnut Economics tool, the Dashboard is designed with two overarching themes: ‘sustainable environment’ and ‘socio-economic foundation’. Within these a series of domains are presented reflecting local, national and international priorities. Within each domain is at least one indicator which reflects performance within that particular domain, along with a comparison to the Scottish average, trend performance and a description. The Dashboard includes a visualisation of the domains in the ‘doughnut’ shape including a ‘RAG’ status colour coding on trend performance, with tables below including the data, comparisons, performance and descriptions. Behind the public facing Dashboard are Excel spreadsheets which include links to the original datasets, sources as well as the update frequency of the data. In addition to this, a technical note has been prepared (attached within Appendix 2).
- 2.18 The approach for the socio-economic foundation has followed a ‘life cycle approach’ as well as domains on equality, place and business. The life cycle approach is a tool used as the first stage of place-based inclusive growth diagnostics to understand the anatomy of the local inclusive growth challenge. It looks at a series of indicators across a person’s life cycle, from early years to older residents.
- 2.19 The Dashboard has taken forward key findings of the Inclusive Growth Diagnostic, particularly regarding the identification of ‘excluded groups’ (groups that have been particularly excluded from the economy and in particular labour market inclusion) with indicators included to track these groups: those with health barriers (Equality Act Core or Work-Limiting Disability Employment Rate); those in in-work poverty (Percentage earning below the Real Living Wage); females Female Employment Rate); and young people (Youth Claimant Count, Participation Rate, School Leaver Positive Destination). The Dashboard also reflects the key ‘constraints’ identified by the Diagnostic (health, the volume and type of jobs, and skills).
- 2.20 When deciding on indicators, it was important to ensure that they:
- Align with North Ayrshire Council and CPP strategies;
 - Allow for comparisons with Scotland averages and over time;
 - Are regularly updated and easy to access;
 - Provide insight on the North Ayrshire people, place and economy;
 - Are considered to be accurate and robust measures;
 - Indicate socio-economic and environmental outcomes.
- 2.21 In terms of indicators included, there were several areas officers would like to see reflected in the Dashboard, nevertheless for various reasons such as availability and reliability of data these were not included at this stage. Table 2 below outlines the areas not included and the rationale.

Table 2: Gaps in data and data reliability issues faced

Indicators where there should be lobbying of Scottish Government to develop a local measure:

- Social capital
- ‘Green’ jobs and ‘green’ business adoption

Indicators that were not included due to data reliability issues:

- Ethnic Minority employment rate (no data available due to small sample size)
- Access to and use of public transport (Scottish Household Survey)
- Access to green and blue space (Scottish Household Survey)
- Volunteering
- Social enterprises

Areas we would look to include in a future version when the measure is obtained:

- Land covered in forest
- Biodiversity

2.22 It is worth noting that even though there is no weighting attached to the domains, that there are inter-relationships between them. For example, an increase in GVA might not necessarily be positive for emission reduction.

Next Steps

2.23 It is proposed that this Dashboard will replace the socio-economic reports that were previously reported to the North Ayrshire Council's Executive Leadership Team and shared with wider partners (produced by the Economic Policy team, with the previous two versions undertaken by the Fraser of Allander Institute). Monthly Covid-19 Economic Impact briefings continue to be reported to the Emergency Management Team, Elected Members, Chief Officers and Community Planning partners. The Dashboard provides easy to understand social, economic and environmental wellbeing data to communities, partners and Council officers, supporting an evidence-based approach. Future reviews would take place on the indicators included and the presentation of the Dashboard.

2.24 There are opportunities to think about how the Council uses the model beyond monitoring progress. Some Local Authorities in the UK including Cornwall, as well as Amsterdam on an international level, have used the Doughnut Economics tool as a model for supporting decision making across social, economic and environmental domains. Further engagement will take place with external partners including the Inclusive Growth Network on lessons that can be learned from the use of such tools to inform any future updates to the Dashboard. In addition to this, a mapping exercise has been undertaken against the Council Plan's priority outcomes and performance management framework and wider Council strategies.

2.25 The Economic Recovery and Renewal Approach set out a series of 'asks' of both Scottish and UK Government to support an inclusive and green economic recovery in North Ayrshire. It is widely accepted that fragile regions like North Ayrshire and Ayrshire are hit hardest by economic shocks and so must be prioritised for investment moving forward in order to achieve an inclusive economy in Scotland. The need for an inclusive economy will continue to be promoted through the following means:

- Participation in national and regional networks including COSLA, SOLACE, SLAED, Industrial Communities Alliance, West of Scotland European Forum,

Highlands and Islands European Partnership, Convention of Highlands and Islands, Southern Scotland NUTS2 Local Authorities;

- The Council's membership of inclusive and wellbeing economy best practice and advocacy networks including the Inclusive Growth KnowHow Network, CLES Community Wealth Building Community of Practice, the Wellbeing Economy Alliance;
- Consultation responses to government and parliamentary committees (recent examples including Scottish Parliament inquiry on Economic Recovery, Scottish Government Advisory Group on Economic Recovery, Scottish Government Infrastructure Investment Plan, Scottish Government Future of European Funding, Scottish National Investment Bank);
- Regional partnership working and influencing of strategic issues and regional and national partner's activities where appropriate through the Regional Economic Partnership and Ayrshire Growth Deal (i.e. Regional Spatial Strategies);
- Meetings and dialogue with senior governmental and agency officials;
- Meetings and dialogue with Council Leader, Portfolio Holders and Government Ministers.

2.26 The Council's membership of the Inclusive Growth KnowHow Network facilitated by the Centre for Progressive Policy and funded by the Joseph Rowntree Foundation, provides a significant opportunity to further promote North Ayrshire's position as a leader in defining and delivering an inclusive and green economy.

2.27 The above actions will ensure the Council continues to be recognised in the field of inclusive and wellbeing economic policy and, most importantly, will promote the need for additional investment in North Ayrshire by supporting a key commitment of the Council Plan – 'A powerful and respected voice':

- We will make our case nationally, regionally and locally to secure investment to support delivery of our priorities.
- We will work with partners nationally, regionally and locally to align their strategies and resources to support our priorities.

3. Proposals

3.1 That Cabinet:

- a) Notes the activity outlined as part of the Council's Inclusive Economy journey, including the delivery of the Community Wealth Building strategy as a practical means to achieve an inclusive and wellbeing economy.
- b) Approve the proposed Inclusive Economy Dashboard.

4. Implications/Socio-economic Duty

Financial

4.1 None.

Human Resources

4.2 None.

Legal

4.3 None.

Equality/Socio-economic

4.4 The Dashboard outlines a range of indicators related to socio-economic conditions.

Environmental and Sustainability

4.5 The Dashboard outlines a range of indicators related to the environment and sustainability.

Key Priorities

4.6 The report covers information relevant to the following Council Plan priorities:

- North Ayrshire has an inclusive, growing and enterprising economy
- North Ayrshire's residents and communities enjoy good life-long health and well-being
- North Ayrshire's children and young people experience the best start in life
- North Ayrshire is well-connected with effective infrastructure
- North Ayrshire is a sustainable environment
- North Ayrshire is a vibrant, welcoming and attractive environment
- A powerful and respected voice
- An efficient Council that maximises resources and provides value for money

Community Wealth Building

4.7 The Dashboard outlines a range of indicators relevant to the Community Wealth Building strategy and these are noted below. It is recognised nationally that a dedicated set of Community Wealth Building indicators would be beneficial to measure the progress of this new economic approach and North Ayrshire will work with national partners such as the Centre for Local Economic Strategies (CLES) to progress this.

Procurement: GVA per head, Business 5-year survival rate, Jobs density.

Fair Employment: Percentage of children living in poverty (after housing costs), Youth claimant count, 16-19 participation rate, Percentage of school leavers entering positive destinations, No or low qualifications (up to NVQ2), Employment rate, Unemployment rate, Economically inactive, Claimant count rate (claimants as a proportion of population of area aged 16-64), Percentage of those earning less than the Living Wage, Average earnings, Female employment rate, EA Core or Work-Limiting Disabled employment rate, ONS Personal well-being.

Land and Assets: Vacant and derelict land, Town Centre vacancy rate.

Financial Power: Fuel poverty.

Plural Ownership of the Economy: Business 5-year survival rate, Jobs density.

5. Consultation

- 5.1 In the development of the Inclusive Economy Dashboard, engagement has taken place with the following services: Business Development, Children's Services, Community Planning, Corporate Policy and Performance, Corporate Sustainability, Education, Employability and Skills, HSCP, Planning, Protective Services and Regeneration. Feedback was also sought from the following 'critical friends': Centre for Progressive Policy (Inclusive Growth Network), Joseph Rowntree Foundation (Inclusive Growth Network), Fraser of Allander Institute, Professor Alan McGregor (University of Glasgow). The Dashboard was presented at the March 2021 meeting of the Community Wealth Building Expert Advisory Panel. Engagement has taken place with the Community Planning Partnership Senior Officer Group.

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For further information please contact **Julie McLachlan, Senior Manager – Economic Policy**, on **07971332909**.

Background Papers

Report to Cabinet on the findings of the Inclusive Growth Diagnostic – March 2018

Report to Policy Advisory Panel on implementation of Inclusive Growth Diagnostic – March 2019

Report to Cabinet on the Economic Recovery and Renewal Approach – September 2020

Appendix 1 – Draft Inclusive Economy Dashboard

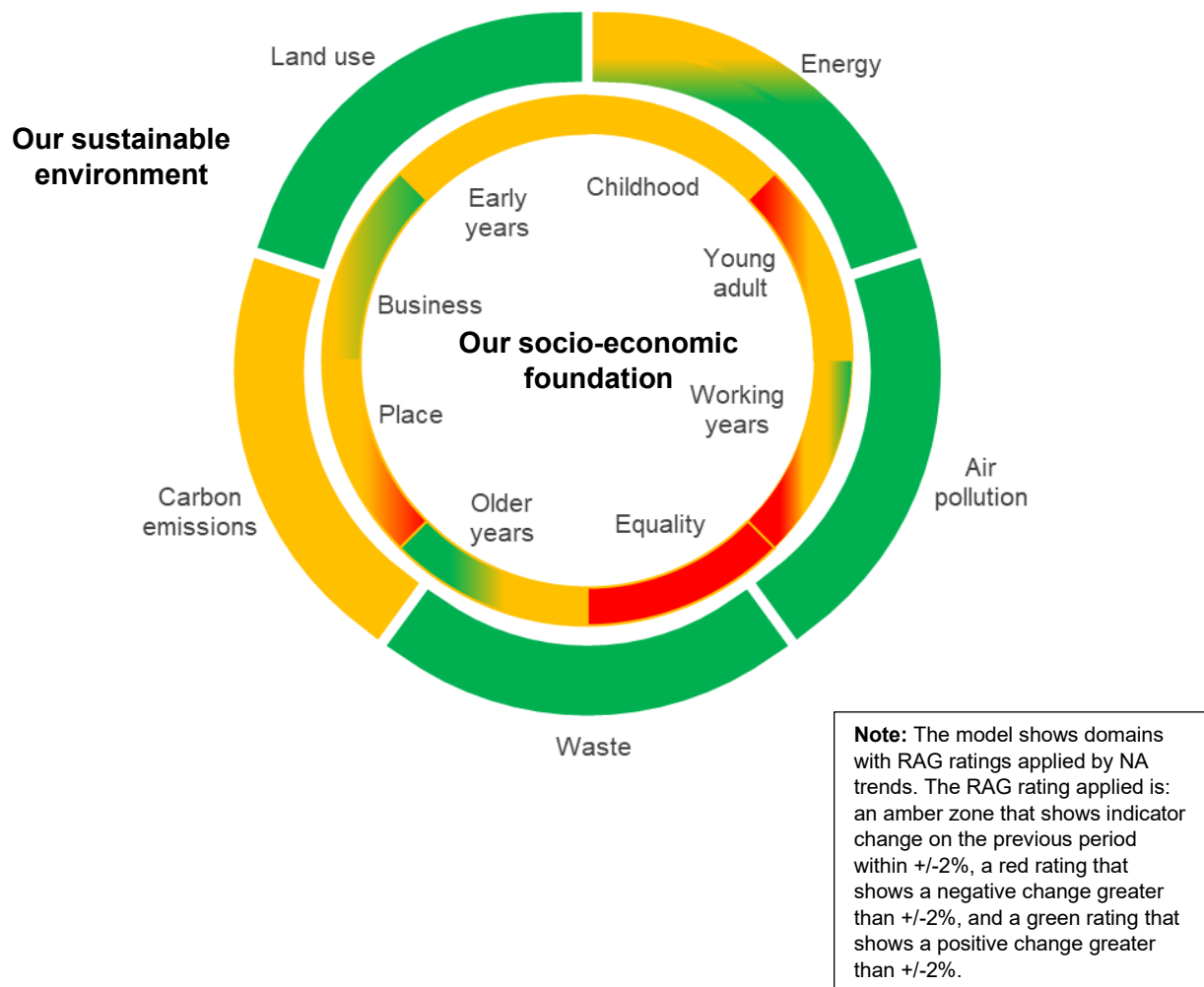
Appendix 2 – Inclusive Economy Dashboard Technical Note

Appendix 1

North Ayrshire Inclusive Economy Dashboard

This Inclusive Economy Dashboard has been developed to measure social, economic and environmental wellbeing in North Ayrshire. It uses publicly available statistics to track progress on the things that we care about as a place in relation to an inclusive and green economic recovery and renewal

The Dashboard uses the learning from the Doughnut Economics tool which proposes an economy with a social foundation we cannot fall below and environmental limits that should not be exceeded.



Our sustainable environment

Domain	Indicator	North Ayrshire (rated against Scotland average)	Scotland average	North Ayrshire change from previous period
Carbon emissions	Overall carbon emissions (tonnes) per capita	6.2 tonnes/capita (2018)	5.3 tonnes/capita (2018)	0%
	Domestic carbon emissions (tonnes) per capita	1.58 tonnes/capita (2018)	1.6 tonnes/capita (2018)	-0.6%
Land use	Hectares of vacant and derelict land in North Ayrshire (per capita)	0.0088 ha/capita (2019)	0.002 ha/capita (2019)	-7.4%
Energy	Renewable electricity: Installed Capacity at Local Authority Level	0.0012 MW/capita (2019)	0.0022 MW/capita (2019)	0%
	Total final energy consumption in North Ayrshire	35.5 MWh/capita (2017)	27.6 MWh/capita (2017)	-6.8%
	Total final energy consumption in North Ayrshire (excluding bioenergy and wastes)	24.7 MWh/capita (2017)	26.6 MWh/capita (2017)	-8.5%
Air pollution	North Ayrshire Air Quality (declared Air Quality Management Areas (AQMA))	0 breaches	N/A	0 breaches
Waste	Percentage of total household waste that is recycled	56.3% (2019)	44.9% (2019)	+3.1%

Our socioeconomic foundation

Domain	Indicator	North Ayrshire	Scotland	North Ayrshire change from previous period
Early years	Percentage of children achieving their developmental milestones at the time the child starts primary school	74.3% (2017/18)	73.6% (2017/18)	+1.2%
Childhood	Literacy and numeracy attainment gap between most and least deprived at P1, P4, P7 combined	19.56% (2018/19)	18.74% (2018/19)	N/A
	Percentage of children living in poverty (after housing costs)	28.3% (2018/19)	24% (2018/19)	+0.7%
Young adult	Youth claimant count rate (claimants aged 16-24 as a proportion of population of area aged 16-24)	10.3%	6.90%	+66%
	16-19 participation rate	90.6% (2020)	92.1% (2020)	+0.1%
	Percentage of school leavers entering positive destinations	94% (2018-19)	95% (2018-19)	-1.7%
Working years	Percentage of households in fuel poverty	28% (2016-18)	25% (2016-18)	+7.7%
	No or low qualifications (up to NVQ2)	45.3% (2019)	39.2% (2019)	+1.3%
	Percentage of working age population in employment (Employment Rate)	69% (Oct 2019-Sep 2020)	73.8% (Oct 2019-Sep 2020)	-1.7%
	Percentage of working age population not in employment (Unemployment Rate)	6% (Oct 2019-Sep 2020)	3.5% (Oct 2019-Sep 2020)	0%
	Economically inactive	27.3% (Oct 2019-Sep 2020)	23.5% (Oct 2019-Sep 2020)	+10%
	Claimant count rate (claimants as a proportion of population of area aged 16-64)	8.2% (Dec 2020)	5.9% (Dec 2020)	+55%
	Percentage of those earning less than the Living Wage	16% (2019)	16.9% (2020)	-34%
	Average earnings	£596.3 pw (2020)	£592.7 pw (2020)	+8.5%
Equality	Female Employment Rate	64.2% (Oct 2019-Sep 2020)	71.3% (Oct 2019-Sep 2020)	-2%
	Equality Act Core or Work-Limiting Disabled	47% (2019)	49% (2020)	-4%
Older years	Healthy life expectancy: Female (at birth)	56.0 (2016-18)	62.2 (2016-18)	-1.9%
	Healthy life expectancy: Male (at birth)	57.3 (2016-18)	61.9 (2016-18)	+2.3%

Domain	Indicator	North Ayrshire	Scotland	North Ayrshire change from previous period
Place	Population change from the previous year	-0.4% (2019)	+0.5% (2019)	0%
	Working age population (aged 16-64)	60.7% (2019)	64.0% (2019)	-0.3%
	Town Centre Vacancy Rate	12.5% (2019/20)	11.7% (2019/20)	+25%
	Proportion of properties receiving superfast broadband	94.1% (2019)	93.3% (2019)	-0.2%
	ONS Personal well-being: Average Happiness Score (out of 10)	7.22 (2019/20)	7.43 (2019/20)	-1.9%
Business	GVA per head	£14,840 (current prices, 2018)	£26,013 (current prices, 2018)	+2.6%
	Business 5-year survival rate	42.4% (2014-18)	42.3% (2014-18)	+3.4%
	Jobs density	0.57 (2019)	0.82 (2019)	0%

Appendix 2

Inclusive Economy Dashboard Technical Note

Indicators selected for the model

- When selecting metrics to include in the model, we ensured that they:
 - Align with North Ayrshire's strategies, building in metrics from CWB and others
 - Are regularly and publicly updated and easy to access
 - Are considered to be accurate and robust measures
 - Allow for comparisons with Scotland averages and over time
 - Provide insight on North Ayrshire's people and economy
 - Indicate socioeconomic and environmental outcomes
- The confidence intervals and reliability of indicators were examined before determining whether an indicator was suitable for inclusion. For example, we mapped key indicators in line graphs to 'sense-check' their recent performance as the dashboard is only providing a snapshot of this and last period's data and not the whole picture. Following this methodology meant that some desirable metrics had to be omitted from the dashboard as they were not deemed reliable enough to include.
- As the model is used in future, there will be opportunities to review the indicators included and consider revisions in response to data availability and changing priorities. However, we should maintain a basket of key indicators that are included regardless (i.e. employment rate, unemployment rate, etc).

RAG rating method

- The finalised version of the dashboard uses the following banding for the RAG ratings:
 - Underperforming by 2% or more against the Scotland level/last period's North Ayrshire data = Red
 - Within a range of +/-2% compared to the Scotland level/last period's North Ayrshire data = Amber
 - Outperforming by 2% or more against the Scotland level/last period's North Ayrshire data = Green
- Selecting the cut-off points for RAG ratings is a subjective process which can be influenced unintentionally by pre-existing biases. Considering this, we feel that the selected level of +/-2% for the RAG ratings seems reasonable, we arrived at this through sensitivity testing the data against other levels (i.e. +/-5% and +/-10%). The chosen range produced the best spectrum of results with respect to highlighting key trends in the North Ayrshire data.
- The North Ayrshire change from the previous period column compares the current figure for North Ayrshire (for a specified indicator) against its figure for the same indicator for the same time in the previous year – basically capturing the indicator's 12 month change in performance. Where the data was not available for the previous year the data for two years prior was used in its place, this could potentially misrepresent the actual trend; however, as no data exists for the previous year, it is better to use what data there is to best capture indicator trend performance.
- The choice to use the trend data RAG ratings on the doughnut model was the preferred approach over using the Scottish RAG indicators, as we understand the structural deficiencies against the Scottish average for some indicators; however, we want to promote/highlight areas where North Ayrshire is showing improvement and where the performance is worsening (i.e. economically inactive). The Scottish benchmarking in

the dashboard panels are included to monitor North Ayrshire's performance against the national average.

- It should be noted that care must be taken regarding current and potential future indicators' confidence intervals with respect to RAG ratings, this is especially true for indicators where they are close to the cut off points (i.e. 1.9%) on the RAG ratings.

Impact of Covid-19 on data

- It should be caveated that Covid-19 is having a significant effect upon the labour market indicators now and likely in future periods – especially as the Government Jobs Retention Scheme is still in place at the time of data collation (February 2021). The dashboard could experience a 'green-shift' where indicators look more favourable in a year after Covid-19 recedes – in the labour market data especially. Changes in the following year could appear red/amber in comparison.
- Therefore, it is recommended that in future additional 3-year average performance figures are considered for inclusion to account for statistical anomalies and outliers. Additionally, this may allow us to expand the possible pool of indicators from which to draw from as the employment of 3-year averages allows us to mitigate period to period volatility and smooth indicator performance.