



**CAMBRIDGESHIRE  
& PETERBOROUGH**  
COMBINED AUTHORITY

Agenda Item No: 7.2

## Performance Management of the Sustainable Growth Ambition Statement

To:	Cambridgeshire and Peterborough Combined Authority Board
Meeting Date:	30 <sup>th</sup> March 2022
Public report:	Yes
Lead Member:	Mayor Dr Nik Johnson
From:	Michael Soper, Analysis and Evaluation Manager
Key decision:	No
Forward Plan ref:	n/a
Recommendations:	<p>The Combined Authority Board is recommended to:</p> <ul style="list-style-type: none"><li>a) Adopt the approach to performance management summarised in section 4 of the report.</li><li>b) Adopt its initial set of strategic indicators as shown in table 1, Appendix 1.</li><li>c) Agree future reporting timescales set out in section 5 of this report, including the removal of the 'key projects' profile element of the Performance Dashboard.</li></ul>
Voting arrangements:	<p>A simple majority of all Members present and voting</p> <p>To be carried, the vote must include the vote of the Mayor, or the Deputy Mayor when acting in place of the Mayor.</p>

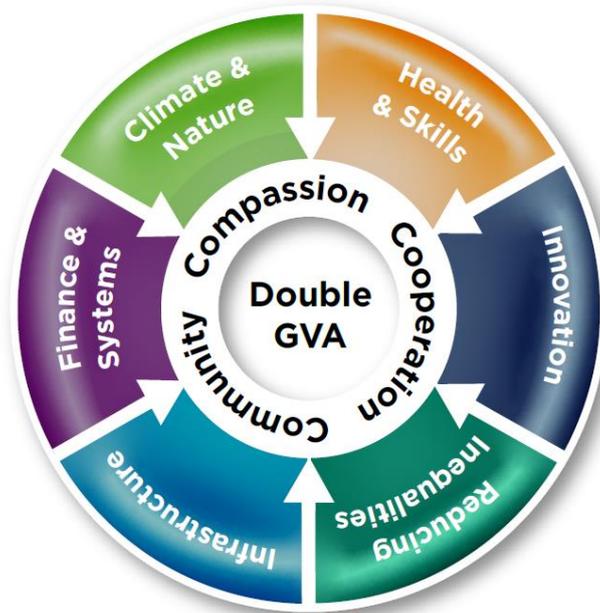
## 1. Purpose

- 1.1 This paper is to advise the Board on the best approach to performance management for the Combined Authority's strategies and plans. The paper proposes a structure for performance management to compliment the current RAG reporting on the delivery of projects and sets out an initial set of board level performance indicators to measure progress against the Board's Sustainable Growth Ambition statement.
- 1.2 The paper also sets out future reporting timescales together with a proposal to remove the key projects profile element of the Performance Dashboard.

## 2. Background

- 2.1 Currently the CPCA Board performance report includes an update on projects including a 'key project' profile, and three performance indicators focusing on the headlines of the growth deal, i) gross value added (GVA), ii) total jobs, and iii) houses built within the CPCA area. There is also disparate performance reporting at committee level.
- 2.2 Each element of performance reporting works to a degree but, at present, there is not a coherent structure within which performance is reported. Particularly the 'line of sight' between strategy and the measurement of success is not clear. Regular reporting on 'leading indicators' (mainly measures of outputs, activities, or immediate change) and 'lagging indicators' (mainly measures of strategic objectives, often reported in arrears due to data collection) is not maintained.
- 2.3 The Board will be invited to adopt a new Sustainable Growth Ambition Statement elsewhere on the agenda which focuses on continuing the Combined Authority's core aim of providing economic growth (doubling GVA) whilst at the same time balancing impact across six themes as shown in figure one (below). To demonstrate that progress is being made against these (as well as GVA) then additional indicators are needed.

Figure 1: Sustainable Growth Ambition Statement Themes



### 3. Engagement and Consultation on the Performance Indicators

3.1 An initial paper was shared with Board members in January at which time the view was expressed that further consultation on the indicator set was needed. Since then, all constituent authorities have been offered the opportunity to comment on and shape the indicators. A summary of the comments received is as follows:

- The broad point was made that the depth of reporting should be such that more than just a single figure for the whole CPCA area be available. There is a need to understand the variation of indicators between constituent districts and within each of them as well as comparators with similar areas nationally.
- The draft economic measures were acceptable with the addition of a measure of productivity (GVA per Job, per hour). As well as total jobs and business formation reporting having granularity on the types of businesses and jobs being created (by sector) given that some jobs are relatively unproductive.
- The draft climate and nature measures were acceptable (noting that the CPCA has recently invested in a project to improve the available metrics on nature). On carbon dioxide emissions it was suggested that other major sources of emission be reported on as well as transport.
- For infrastructure a measure should be sought to better reflect the density of bus services rather than the one proposed. Some of the draft measures were more suited to be in the climate change section. Measures were also needed that reflected the mode share difference between active travel (separating out cycling and walking) and other

forms of travel.

- The draft innovation measures were acceptable with the addition of a measure for patents per head of population and providing that there was a clear definition of innovative industries (e.g., inclusion of biotech).
- There were a significant number of comments on the health and skills indicators. The point about understanding the variation of indicators between constituent districts and within each of them as well as comparators with similar areas nationally was particularly pertinent when looking at health inequality. Additional advice on indicators for this area was sort from the Office of National Statistics so it was clear what would be available on into the future.

On skills, the draft indicator on level of skill should focus on proportion of the working age population with a level 3 qualification. There was also some overlap in the draft skills indicators.

- The reducing inequalities measures were acceptable with the introduction of the index of multiple deprivation and with the removal of similarities with indicators for other sections. The point about understanding the difference within districts was made.

3.2 Additional advice was sought from the Office of National Statistics and from the Public Health team. The points arising from these discussions were as follows:

- Suggested indicators focusing on claimants of Employment and Support Allowance (ESA) or universal credit 'conditionality regime (focusing on those in the workforce with long term health conditions.
- ONS produce a data set on health state life expectancies, and this is the recommended headline dataset (by both ONS and Public Health) to measure the general health of the population.
- In addition, ONS recommend using the 'Health Index' when it is available. This is a new tool being developed to measure the health of the nation, the next release will be at a LTLA level (as opposed to UTLA which is used in the beta).
- ONS confirmed that a rough estimate for the next release of the Small Area Income Estimates (SAIEs) is between June and October 2022, for reference period 2019/2020. These are currently available at an MSOA but there is a feasibility project underway to produce this at a lower LSOA geography.
- ONS also kindly investigated for us a query relating to the validity of the business birth rate for Peterborough and if there was any influence on

the number reported due to there being an undue number of companies that only exist on paper, being created for administrative purposes. This was not found to be the case.

- 3.3 In addition, the Government has now published its long-awaited policy paper 'Levelling Up the United Kingdom'. This includes details of a new devolution framework, the establishment of a new independent data body and a new Levelling Up Advisory Council. The White Paper also provides details of 12 new missions which set the direction for government policy and broadly outline the type of indicator that will be needed to measure success.
- 3.4 On review, the draft indicator set (considering the changes proposed above) fits well with the skills and productivity, health, and place missions. On infrastructure there is a need to identify additional indicators that properly reflect the depth and usefulness of public transport connectivity, it is proposed that a measure be developed to assess the share of people, relative to the total number of residents (by district), who can reach a city / town centre under a specific set of criteria (time threshold and mode of transport). This variable can be seen as a measure of how good transport connectivity is, because of both infrastructure (network size) and form (density) of population distribution. The DfT used to produce a dataset that enabled this analysis to be done and is intending to reproduce this again, there is also a GIS methodology that could be followed locally that has been developed by the Centre for Cities<sup>1</sup>.
- 3.5 There is a specific mission for the UK to have nationwide gigabit-capable broadband and 4G coverage (with many areas having 5G coverage). A measure will be developed to reflect this, again a specific GIS methodology may need to be developed to ensure the depth of information on percentage of population covered by district.

## 4. Proposed Performance Management Structure

- 4.1 What is proposed is the creation of a Line-of-Sight model. Simply stated, Line-of-Sight performance management focuses on establishing a clear link between the strategic goals and objectives that the organisation is aiming to achieve, the investment decisions being made, and the activities being undertaken and has set of measures and metrics that help guide the organisation toward the right outcomes.
- 4.2 Performance management is mature, in terms of practice, so the idea of a line-of-sight model is not unusual, typical requirements for implementing this includes:
1. Defining and clarifying priorities and/or objectives of the organisation.
  2. Aligning the organization around specific and measurable outcomes.

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<sup>1</sup> [How the transport systems of big British cities measure up to their European counterparts | Centre for Cities](#)

3. Identifying and measuring the suite of cascaded metrics that show outcomes.
4. Implementing the right tools to monitor compliance with targets.
5. Creating the awareness and measuring gaps, trends, and deviations.
6. Enabling the ability to apply course correction over time.
7. Providing the skills and systems to manage delivery
8. Structuring a feedback system that enables timely information for everyone in the Line-of-Sight progression

4.3 The starting point for establishing this approach, agreeing the strategic narrative has been achieved through the agreement of the Sustainable Growth Ambition Statement and the drafting of the 2022/23 business plan. Beyond this point two complimentary routes through the organisation, the public accountability route as outlined above and the internal organisational development route. The emphasis within the line-of-sight approach being as much on *employee engagement and motivation* as it is on the dry reporting of numbers and statistics.

4.4 The proposed structure for parts 2 and 3 (see above) are as follows:

<b>LEVEL</b>	<b>METRICS</b>	<b>THEME</b>
Strategic Level Reporting to Board	20 – 35 Strategic Level Indicators	All themes at a strategic level
Committee Level	50+ Strategic Indicators with related activity indicators	Selected themes of relevance to the committee’s activities (cross-cutting themes highlighted) which are selected through the development of plans e.g. the LTCP

4.5 Once the strategic indicator dataset has been developed then work needs to be put in place to establish the leading indicators, the things that measure the positive action that the combined authority is taking to have an impact on our strategic goals.

## 5. Reporting timescales

5.1 The recommendation is, in line with previous timescales, that a Performance Report is brought to the Board quarterly for discussion, and as part of this paper we will continue to provide an Exception Report (that includes projects that are Amber or Red) to CPCA Board members as a confidential item, in advance of the Performance Report being published.

- 5.2 We also propose that within this Performance Report that we remove the 'key projects' profile element. The identification of key projects as a subset of all projects was agreed during the previous mayoralty. A move away from this approach within performance reporting will maintain consistency with the proposed 2022 business plan.
- 5.3 The presentation of indicators to board on a quarterly basis (with update subject to data availability from information sources) will be via a dashboard. The dashboard will be designed to impart information on relative position compared to nationally, local variations between and within constituent authorities (if available) and direction of travel.
- 5.4 We will continue to take a Finance and Performance Report to Transport and Skills committees, which will include an update on project RAG status along with selected indicators.

## 6. Target Setting

- 6.1 At present that Combined Authority has few targets, or policy ambitions expressed as targets set against strategy level performance indicators. Those that do exist are:

- Double Gross Value Added (GVA) by 2040 (against a 2015 baseline).
- Reduce road-vehicle traffic by 15% (against a 2019 baseline)
- Double the land area devoted to nature (against a 2019 baseline)

Whilst these will be included in the performance dashboard, no new targets are proposed in this paper and it is not proposed to create targets for the sake of it, for all the strategic indicators, but rather use the board's discretion to add a target if the board feels that this would be useful to drive performance or to articulate a specific policy ambition. Rather, good performance can be summarised as economic growth being on target with at least 75% of strategic indicators showing a positive direction of travel.

## 7 Significant Implications

### Financial Implications

- 7.1 None

### Legal Implications

- 7.2 None

### Public Health Implications

- 7.3 Neutral

## Environmental and Climate Change Implications

7.4 Neutral

### Other Significant Implications

7.5 None

## 8. Appendices

8.1 Appendix 1 – Proposed Performance Indicators

8.2 Appendix 2 – Draft Layout of Performance Dashboard

Accessible versions of this information available on request from  
[democratic.services@cambridgeshirepeterborough-ca.gov.uk](mailto:democratic.services@cambridgeshirepeterborough-ca.gov.uk)

## 9. Background Papers

9.1 None

## Appendix One: Proposed Performance Indicators

Table 1: Summary of CPCA Board Strategic Indicators

Number	Main Theme	CPCA Headline Measure	Sub Measure
1	Economic Growth	Gross Value Added (GVA) (balanced)	GVA by district (subject to ONS release)
2	Economic Growth	Job Density (Total Jobs)	Total jobs by district
3	Economic Growth	Employee Jobs	Employee jobs by district and by industrial code
4	Economic Growth	All Businesses	Business birth and death rate by district
5	Economic Growth	Productivity (GVA per Job)	GVA by industry sector
6	Climate and Nature	Total Carbon Dioxide Emissions	Total Carbon Dioxide Emissions by district
7	Climate and Nature	Carbon Dioxide Emissions from Transport	Carbon Dioxide Emissions from Transport by district
8	Climate and Nature	Land Area Providing Nature Rich Habitat (PNRH)	Area (PNRH) by district (upon completion of study)
9	Climate and Nature	Publicly Available Open and Recreational Space	Area by district (expressed a rate per head)
10	Climate and Nature	Percentage of Bus Fleet Running at near Zero Emissions	n/a
11	Climate and Nature	Mode share for Public Transport / Cycling / Walking	Mode share by district
12	Infrastructure	Housing Completions	Housing completions by district
13	Infrastructure	Affordable Housing Completions	Housing completions by district
14	Infrastructure	Public Transport Connectivity - share of people, relative to the total number of residents, who can reach a city / town centre by public transport (see paragraph 3.4)	Public Transport Connectivity by district
15	Infrastructure	Cycling Connectivity - share of people, relative to the total number of residents, who can reach a city / town centre by cycle using a recognised cycle path (see paragraph 3.4)	Cycling Connectivity by district
16	Infrastructure	Percentage of population covered by 4G and / or gigabit-capable broadband	4G and gigabit-capable broadband coverage by district
17	Innovation	Total Employment in Knowledge Intensive Industries	Employment in sector by district
18	Innovation	Total Employment in Green Technology Industries	Employment in sector by district

Number	Main Theme	CPCA Headline Measure	Sub Measure
19	Innovation	Workforce with a Level 4 Qualification or above	Workforce with a Level 4 Qualification by district
20	Innovation	Patents per 10,000 population	Patents per 10,000 population by district
21	Health and Skills	Health Index for England <sup>2</sup>	Health Index for England by district
22*	Health and Skills	Health State Life Expectancy at Birth (number of expected years lived in full health)	Health State Life Expectancy by district
23	Health and Skills	Number of people Killed or Seriously Injured (KSI) due to Road Traffic Collisions	KSI by district
24	Health and Skills	% Working population with a level three qualification	Level three qualifications by district
25	Health and Skills	Number of adults obtaining new qualifications via funded by AEB	AEB learning rates by district
26*	Reducing Inequality	Number of small areas (LSOA) in the CPCA within the top 10% most deprived nationally according to the IMD	Number areas within the top 10% most deprived nationally according to the IMD by district
27	Reducing Inequality	Percentage of households living in fuel poverty <sup>3</sup>	Percentage of households living in fuel poverty by district
28	Reducing Inequality	Percentage of population claiming Employment Support Allowance and / or Universal Credit	Percentage of population claiming Employment Support Allowance and / or Universal Credit by District
29*	Reducing Inequality	Difference in household income between most deprived and least deprived areas using ONS small area income estimates (SAIEs)	n/a

\* Indicator will be accompanied by a gap analysis showing the distance between the highest and lowest areas, by and between district.

<sup>2</sup> [Developing the Health Index for England - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

<sup>3</sup> [Sub-regional fuel poverty data 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## Appendix Two: Draft Layout of Performance Dashboard

### Element One: Data

Indicator Name	Year	Trend ↓ □ ↑	Performance Data		Performance Against Comparator	
			Count	Rate	Regional	National
Example	2019	↓ □ ↑	Numeric value	% Or per 1000	Similar /	Significantly worse or better

### Element Two: District Comparison

District	Performance Data	Rank in CPCA

### Element Three: Small Area Comparison Chart

