

Investment Plan - Quarterly Performance Monitoring Quarter 1 2020/2021 (April - June) - Output Summary

Strategic Economic Plan: Progress as of Q1 20/21

		SEP Baseline		Latest Updated Data*										
		Measure	2014	2014	2015	2016	2017	2018	2019	Cumulative Change	% Change	Direction of Travel		
SEP Target: JOB DENSITY 55% Growth (25,000 Net New Jobs)	Jobs	293,000	292,000	299,000	292,000	293,000	291,000	Jan 2021	-1,000	-0.3	↓	R	From the updated 2014 data the total number of jobs in Tees Valley was estimated to have fallen by 1,000. Data for 2019 is expected in January 2021. Source: ONS, NOMIS, Jobs density Definition: The total number of jobs is a workplace-based measure and comprises employees, self-employed, government-supported trainees and HM Forces. Please Note: The jobs number of 303,500 quoted in the SEP was calculated by TVCA as Job Density data did not exist. The job density data has since replaced this TVCA calculated measure.	
	Job Density	TV 0.70 UK 0.82	TV 0.70 UK 0.81	TV 0.72 UK 0.83	TV 0.70 UK 0.85	TV 0.71 UK 0.86	TV 0.70 UK 0.86	Jan 2021	N/A	N/A	▬	A		
	Job Density Gap	0.12	0.11	0.11	0.13	0.16	0.16	-	0.05	N/A	↓	R		
SEP Target: GVA PER HOUR WORKED 30% Growth Reducing gap to 94% of UK average	GVA Per hour worked (£)	28.3	29.2	30.2	30.6	31.3	31.8	Feb 2021	2.6	8.9%	↑	G	Definition: ONS's preferred measure of productivity is Gross Value Added (GVA) per hour worked. The measure removes employment rate, economic inactivity, demographic and commuting considerations with GVA per head and work pattern issues with GVA per job. SEP target - GVA per hour worked 30% Growth reducing gap to 94% of UK average. Source: ONS, Sub-regional Productivity, Labour Productivity (GVA per hour worked and GVA per filled job) indices by Local Enterprise Partnership.	
	% of the UK rate	91.3	91.6	92.1	92	91.4	90.9	-	-0.7	N/A	↓	R		
SEP Target: BUSINESS DENSITY 10% Growth (2,000 new businesses) 344 enterprises per 10,000 adults 72.2% of the UK rate	Businesses	16,500	-	16,500	17,100	17,500	17,230	17,765	1,265	7.7%	↑	G	The Tees Valley has experienced growth in the number of businesses in the region. This is based on micro, small, medium and large enterprises as recorded by ONS. The strongest growth has been in micro enterprises which would suggest start ups and entrepreneurs. The annual figures for 2020 will be released in October 2020. Source: ONS, NOMIS, UK Business Counts - Enterprises Definition: The number of businesses is recorded as the number of enterprises live at a reference date in March. An enterprise is the smallest combination of legal units which has a certain degree of autonomy within an Enterprise Group.	
	Enterprises per 10,000 adults	307	-	306	317	323	318	327	21	N/A	↑	G		
	% of the UK rate	65.6	-	65.5	65.6	65.4	63.7	64.8	-0.7	N/A	↓	R		
SEP Target: POPULATION 6% Growth (increasing population to 705,200)	Total Population	666,200	667,000	668,300	671,000	672,500	674,300	675,900	8,900	1.3%	↑	G	This is based on the most recent data available on the overall population. The annual figures for 2020 will be released in June 2021. Figures are showing an increase in overall population, however there is a decrease in the population of working age residents (16-64) and we have an ageing population with low levels of inward migration. Source: ONS, NOMIS, Population Estimates Definition: Mid-year population estimates are based on results from the latest Census of Population with allowance for under-enumeration.	
SEP Target: NVQ LEVEL 4+ 20% Growth 36% of working age residents with a NVQ level 4 qual	Number aged 16-64 qualified to NVQ4+	125,800	-	125,300	126,600	123,700	125,700	120,700	-4,600	-3.7%	↓	R	Definition: This is the percentage of Tees Valley residents of working age (16-64) that are qualified to NVQ Level 4 or above. The annual figures for 2020 will be released April 2021. Source: ONS, NOMS, APS	
	% of working age	30.3	-	30.4	30.8	30.1	30.6	29.6	-0.8	N/A	↓	R		
SEP Target: CO2 EMISSIONS 25% reduction to 12.5m tonnes	CO2 emissions (million tonnes)	16.7	17.7	12.1	7.4	7.5	7.0	Jun 2021	-10.7	N/A	↓	G	Definition: This is the amount of CO2 released in terms of million tonnes. The annual figure for 2019 will be released in June 2021. Source: HM Government, UK local authority and regional carbon dioxide emissions national statistics: 2005-2019	

* Note that baseline figures are taken from data confirmed as correct at the time of writing the SEP. Latest updated data may include retrospective revisions to ONS datasets. The latest update provides an indication of the direction of travel, in relation to achieving SEP ambitions.

Commentary:

Jobs:
The number of jobs within Tees Valley fell in 2019 beneath 2014 levels for the first time, overall the cumulative jobs estimate is showing a 1,000 reduction in jobs numbers as of January 2021. As such we are now 26,000 jobs behind target. This is likely to be compounded by the effects of the Covid Pandemic. However, this should be viewed in the light of the UKs macro economic performance, and is broadly in line with comparative UK regional averages.

Productivity:
As of February 2021 the Tees Valley has seen an overall 8.9% increase in the GVA per hour worked target which acts as a measure of productivity. However, the Tees Valley is lagging behind the UK average. As of the latest data, the Tees Valley is at 90.9% of the UK average. The Tees Valley has a further 3.1% to travel in order to bring the GVA per hour worked up to the 94% of UK average target as set within the SEP.

Business Density:
The Tees Valley has seen, cumulatively, an increase in 1,265 businesses since 2015 a growth of 7.7% therefore just 2.3% behind the target outlined in the SEP. The Tees Valley is also just 17 enterprises behind the target of 344 enterprises per 10,000 adults with a growth of 21 additional enterprises per 10,000 adults in 2019. The Tees Valley continues to experience growth in the number of businesses in the region performing strongly particularly in terms of SME growth. However, the Tees Valley remains 7.4% behind the 72.2% of the UK rate.

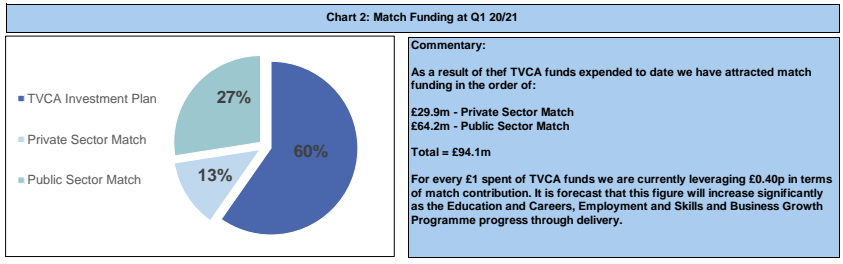
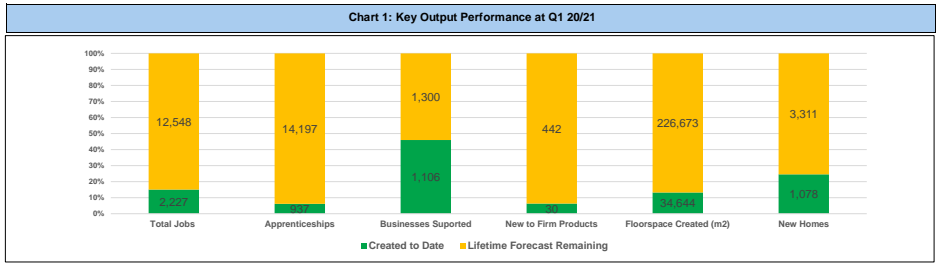
Population Growth:
With regards to population growth the Tees Valley has seen in total a cumulative change of +8,900 equivalent to 1.3% growth, the Tees Valley is, in total, 30,300 behind the SEP target of increasing population level to 706,200.

NVQ Level 4+:
The percentage of Tees Valley residents of working age (16-64) that are qualified to NVQ Level 4 or above as of 2019, has fallen by 3.7% a cumulative reduction of 4,600 residents since 2015. The Tees Valley has in total 29.6% of working age residents educated to NVQ level 4 and above, which is now 6.4% behind the target outlined in the SEP.

CO2 Emissions Reduction:
As of 2018 the Tees Valley has seen an overall reduction in 10.7m tonnes of CO2 Emissions we have now exceeded the targeted 25% reduction in CO2 Emissions set out within the SEP.

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Combined Authority: Investment Plan Outputs as of Q1 20/21



Commentary:
Jobs: In terms of the total jobs delivered to date 2,227 total jobs inclusive of facilitated and indirect jobs have been created as of Q1 20/21 this represents 15% of the total number of jobs created over the lifetime of the Investment Plan.
Apprenticeships: To date 937 apprenticeships have been created as a result of our interventions as of Q1 20/21 this represents 6% of the total forecast, this number is expected to increase significantly as a result of the new apprenticeships grant over the course of the financial year.
Businesses Supported: Businesses supported to date total 1,106 out of the 2,406 currently forecast which is equivalent to 45% of the overall forecast. In order to reach our forecast target over the lifetime of the Investment Plan only a further 1,300 businesses are to be supported.
New to Firm Products: As of Q1 20/21 30 new to firm products have been created as a result of our interventions this represents 6% of our total lifetime target, however, this is expected to increase significantly over the course of the next financial year as the Collaborative Networks Programme begins to deliver.
Floorspace Created: In total, to date 34,644 square meters of additional floorspace has been created by interventions supported from Investment Plan funds this represents 13% of our overall forecast. It is anticipated that this output may be subject to lag due to the Covid pandemic curtailing construction.
New Homes: 1,078 new homes have been delivered as a result of support from Investment Plan funds this represents 25% of the forecast, the overall forecast is expected to increase over the lifetime of the plan as a significant number of new homes will be supported, in particular, by Transport interventions yet to come forward for approval.

Key Outputs Forecast from all Interventions supported to date at Q1 20/21	Direction of Travel
Direct and Indirect Jobs	14,775 For use in Future Quarters
Apprenticeships	15,134 For use in Future Quarters
Businesses Supported	2,406 For use in Future Quarters
New to Firm and New to Market Products / Processes	472 For use in Future Quarters
New Homes	4,389 For use in Future Quarters
Commercial Floorspace Created (Sqm)	261,317 For use in Future Quarters
New Homes	4,389 For use in Future Quarters

Table 1: Efficiency - Cost per Job

	Job Numbers	Forecast Expenditure (£m)	Efficiency (Cost per Job)	Commentary:
Total number of jobs delivered by approved projects within Investment plan as of Q1 20/21	2,227	£214m	£96,093	A large proportion of Combined Authority investment is delivered on the basis of investing in the right infrastructure to accelerate private sector growth through growing Tees Valley as an attractive place to do business. The number of jobs delivered by the Investment Plan generally comes from investment to support business growth which may not be fully captured as the private sector benefits from the totality of our investments. It is, however, anticipated that over the lifetime of the Investment Plan our efficiency will increase. As has been forecast in Table 1.
Total number of jobs forecast to be delivered by approved Investment Plan projects over lifetime of plan	14,775	£588.2m	£39,800	