

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 5 November 2020

Economic Wellbeing Measures

Executive/routine
Wards
Council Commitments

1. Recommendations

It is recommended that the Housing, Homelessness and Fair Work Committee

- 1.1 Note the work underway to review best practice in measuring economic wellbeing, and that a report on plans for renewal of the Edinburgh Economy Strategy and related monitoring framework will be considered by the Policy and Sustainability Committee in December 2020.
- 1.2 Note that work currently underway has included engagement with members of the Wellbeing Economy Alliance, and review of approaches underway and in place in other local authorities.
- 1.3 Agree that process for renewal of the strategy and monitoring framework will be carried out following further engagement with members of the Housing, Homelessness and Fair Work Committee.

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Economic Wellbeing Measures

2. Executive Summary

- 2.1 This paper reports on actions underway to identify ways in which wellbeing measures can be incorporated into the Edinburgh Economy Strategy and strengthen the economic aims of the Council.
- 2.2 The report notes that a further report on current progress on Council actions to ensure sustainable economic recovery, and renewal of the Edinburgh Economy Strategy in response to the current Covid-19 outbreak and related economic recession will be considered by the Policy and Sustainability Committee in December 2020.

3. Background

- 3.1 In [June 2018](#) the City of Edinburgh Council approved the Edinburgh Economy Strategy and a programme of work to enable good growth for Edinburgh's economy. The strategy set out a focus on work to promote inclusion and innovation in Edinburgh's economy, and an approach to delivery built around collaboration between anchor institutions in the city.
- 3.2 As a part of the strategy programme, the Council committed to publishing an annual review of progress towards delivery of the strategy, including analysis of data and trends against each of the 13 progress indicators included in the Good Growth Monitoring Framework developed as a part of the strategy. The first such annual report on progress was discussed by committee in June 2019.
- 3.3 Following the 2019 annual progress report committee agreed a Green Party motion called on officers to identify ways in which wellbeing measures can be incorporated into the strategy and strengthen the economic aims of this Council, and to make recommendations to the relevant executive committees.
- 3.4 A report on actions made in response to this motion were planned to be included in the annual review of progress towards delivery of the Council Economy Strategy for 2019/20. As a result of changes to political management arrangements made during the Covid-19 outbreak production of this report has been delayed from June 2020 to December 2020.

4. Main report

Edinburgh Economy Strategy – Good Growth Monitoring Framework

- 4.1 The Edinburgh Economy Strategy agreed by Council in June 2018 incorporated a Good Growth Monitoring Framework structured around 13 measures tracking progress against varying dimensions of Good Growth, including changes in:
 - 4.1.1 Child poverty rates
 - 4.1.2 Employment and unemployment
 - 4.1.3 Earnings from employment, including the gender related earnings gap
 - 4.1.4 Economic participation, including gender gaps in participation
 - 4.1.5 The proportion of workers in high skilled jobs, and labour market skills polarisation
 - 4.1.6 Labour productivity, as measured by GVA per capita
 - 4.1.7 Perceptions of job and financial security of Edinburgh residents, and
 - 4.1.8 Carbon emissions per capita.
- 4.2 In doing so, the framework aimed to build on available good practice at the time of publication in development of measurement frameworks to monitor good growth objectives, drawing on examples such as the Scottish Government Inclusive Growth Toolkit, the Joseph Rowntree Inclusive Growth Monitoring toolkit, and the PWC Good Growth for Cities Index.
- 4.3 In September 2020 the framework was itself recognised as an example of good practice in an Improvement Service [elected member's briefing](#) on Community Wealth Building and people-centred approaches to economic development.

Economic Wellbeing

- 4.4 Since development of the strategy and the Good Growth Monitoring Framework, the wider context within which the strategy is being implemented has evolved considerably.
- 4.5 In October 2019 the Finance and Resources Committee approved the adoption of policies to address poverty, sustainability, and wellbeing as the core priorities which will provide a focus for development of the Council's budget for 2020-23. More recently, the onset of the Covid-19 outbreak and resulting economic recession have resulted in widespread debate around economic policies to promote wellbeing, sustainability and resilience in individuals and communities across cities like Edinburgh.
- 4.6 Both these factors suggest a need to review the monitoring framework used to track the city's progress towards its economic objectives, and to renew the focus of the economy strategy in line with policy developments and changes in the wider city economic context.
- 4.7 To date, early analysis has been carried out by officers to establish current best practice in monitoring economic wellbeing, including analysis of the Scottish

National Performance Framework, the UN Sustainable Development Goals, and other approaches such as those proposed by the Doughnut Economics Action Lab. In doing so, early officer engagement has included discussion with Dr Katherine Trebeck, of the Wellbeing Economy Alliance, and review of approaches currently being taken by officers in other Local Authorities, including the Community Wealth Building approaches taken by colleagues in North Ayrshire.

5. Next Steps

- 5.1 In line with the development of the Council Adaptation and Renewal Programme, a report on progress in delivery of Council actions to ensure a sustainable economic recovery, and plans for renewal of the Council Economy Strategy in response to the Covid-19 outbreak and resulting recession will be considered by the Policy and Sustainability Committee in December 2020.
- 5.2 This report will incorporate actions and recommendations to review the Good Growth Monitoring Framework and, in line with the motion noted above, incorporate further measures of wellbeing to support the economic aims of the Council.
- 5.3 In order to ensure alignment of the renewed strategy and monitoring framework with policy objectives under the remit of the Housing, Homelessness and Fair Work Committee, it is proposed that development of the renewed framework will include engagement with elected members of this Committee.

6. Financial impact

- 6.1 Actions in this report can be taken forward within existing agreed budgets. Any additional impacts arising will be considered as part of future reports to Policy and Sustainability Committee.

7. Stakeholder/Community Impact

- 7.1 Details of stakeholder and community engagement in delivery of a renewed economy strategy will be considered as part of future reports to Policy and Sustainability Committee.

8. Background reading/external references

- 8.1 [Housing and Economy Committee, June 2018](#)
- 8.2 [Housing and Economy Committee, June 2019](#)

9. Appendices

None