Strategy for Growth Annual Report

March 2014

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1. Introduction

1.1. In May 2013 Devon County Council published its Strategy for Growth which highlights the role that enterprise can play in helping the county achieve economic growth. Covering the period from 2013 to 2020, the document draws on the statistical and analytical evidence base used to develop the Devon Local Economic Assessment (LEA), and presents seven critical issues for the Devon economy, as summarised below.

Critical Issue	Summary
1. Devon's economy is performing poorly in terms of productivity	Over the last two decades, Devon has become a less productive and therefore less competitive place in terms of GVA per job when compared to the national average
2. Devon has a relatively skilled workforce, however this masks significant differences at District level	Whilst skills and qualification levels across Devon are broadly similar to the national average, there are stark differences at a district level, limiting the ability of businesses to invest and compete
3. Earnings are lower than average in most of Devon and link to housing affordability and relative poverty	Average earnings across the county are much lower than the national average, reflecting the county's sectoral structure and dependency on low productivity, low skilled jobs
4. Devon has an opportunity to better exploit the assets it has for high value economic growth	Despite substantial knowledge-based assets, the county has a lower proportion of jobs in the knowledge economy when compared to England as a whole, highlighting an opportunity for the development of knowledge-based economic activity
5. Devon's towns and rural communities in more peripheral areas are falling behind	The more peripheral parts of the county are struggling in economic terms, creating areas of poverty and deprivation, with longer term concerns with regard to community sustainability and well-being
6. Devon's population is ageing rapidly	The population of Devon is growing and ageing, with the increasing proportion of elderly people – particularly in the more rural areas – presenting an economic challenge
7. Devon's resilience to face environmental changes is being challenged	With access to markets identified as a major factor in driving productivity growth, environmental challenges in the county, such as flooding, have the potential to act as a deterrent to businesses contemplating local investment
Source: Adapted from A Strategy for Growth, 2013 – 2020	

1.2. A set of socio-economic indicators were developed by Devon County Council to sit alongside the Strategy, drawn from national datasets, to monitor the progress of the Devon economy in relation to each critical issue. These were critically reviewed by the contractors for the purposes of this report and, where applicable, alternative indicators that could be used to monitor strategic outcomes have been identified (Appendix 1).

Report Coverage

1.3. This document represents the first annual monitoring report of the socio-economic indicators. Where data was available, the 2012 baseline position for each critical issue has been compared with figures for 2013[1] to provide an assessment of change. Conversely, where 2013 data was unavailable the report sets out the position in 2012 and timing of the next data release. Wherever possible, data has been gathered at a district level to support the analysis of both county wide trends and local circumstances.

[1] Baseline data from the Annual Population Survey covers the calendar year January to December 2012. At the time of writing, data for January to December 2013 was unavailable, so October 2012 to September 2013 was used as a proxy measure to provide an indication of change (referred to as 2012/13). The full extent of change will become clear in the next data release.

Report Overview and Structure

1.4. This statistical update initially reviews each critical issue in isolation to assess progress made since the baseline potion, and then considers the interplay between cross-cutting indicators. **Sections 2 to 8** of this report are each based on a separate critical issue and follow a uniform structure:

- **Review of indicators**: A review of indicators set out in the Strategy for Growth for each critical issue, and the identification of any alternative indicators that could be used to monitor strategic outcomes in future.

- **Indicator baseline**: A statistical review of the identified suite of indicators (original and alternative) to set out the baseline position and how this compares with the national average to provide an indication of the scale of the challenge. Where relevant, variations by district are also noted.

- **Indicator update**: Where data is available for 2013, this sub-section provides commentary of the key economic trends and the direction of travel since the 2012 baseline. This is supported by a data table to provide a visual assessment of change, denoted by a traffic light system.

- **Linkages to other growth indicators**: A commentary drawing on data and trends for related indicators to review the interplay.

- **Implications for strategic outcomes**: A narrative which sets out the implications of the baseline position and trends for the strategic outcomes and critical issues.

- **Recommendations for additional analysis**: Having reviewed the implications for strategic outcomes, this sub-section makes recommendations for additional qualitative analysis (where required) to support the assessment of key economic trends, and the direction of travel over an annual period.

1.5. **Section 9** of the report summarises the progress against each critical issue at a headline level, and of the Devon economy in meeting the identified strategic outputs. The report concludes with a table in **Appendix 1** setting out the suite of socio-economic indicators (both original and alternative) used to review each critical issue.

2 Critical Issue 1: Productivity

Overview: *'Devon's economy is performing poorly in terms of productivity'.* This critical issue has one associated strategic outcome: SO1: A more productive economy – narrowing the productivity gap.

Review of Indicators

2.1 A critical appraisal of the indicators developed alongside the Strategy for Growth to monitor Critical Issue 1, concluded that no additions were required. For clarity of analysis, the GVA indicators set out in the 'overarching economic performance' sub-section of the Strategy have also been discussed under Critical Issue 1.

Indicator Baseline

SO1: A more productive economy – narrowing the productivity gap

Gross Value Added (GVA)

2.2 Gross Value Added (GVA) is used to quantify the contribution made to the economy by each individual producer, industry or sector and is therefore an important indicator of economic performance. In essence, it is the value of output minus the value of intermediate inputs. Whilst GVA is commonly used as a comparator between economies, estimates are based on sample surveys with smaller areas naturally yielding smaller samples.

2.3 In 2012, Devon's total GVA contribution was estimated to be £12,394m, with a GVA per head of £16,456[2]. This equated to 75.0% of the national contribution of £21,937 per head – a gap of £5,481 or 25.0%. The SQW report on Devon's Productivity (2011) attributed the gap in GVA per head to the lower proportion of working age population in Devon compared to national levels (See Section 7); and an under-performance in productivity on account of the sectoral composition of the economy (See Section 5).

2.4 Whilst GVA per head provides a measure of the county's overall contribution to national GVA, it is not a measure of productivity as it includes those outside the workforce. As such, a more appropriate measure of productivity is GVA per full time equivalent employee (FTE) which measures the actual labour input involved in the production process. Devon's GVA per FTE was estimated to be £52,274 in 2012 – 86.6% of the national contribution of £60,360 - a gap of £8,086 or 13.4%.

NB: Value added can also be measured in real terms, which bases the value of output on the prices of a fixed year, eliminating the effects of inflation. Analysis of value added is available through the District Area Profiles produced for Devon County Council in February 2014.

GVA per FTE Calculation: GVA per FTE was calculated using data supplied from the ONS Regional Accounts and the Business Register and Employment Survey (BRES). This approach does not account for self-employment, which may inflate the figure given the high levels in some parts of the county. In addition, the estimates assume the mean hours worked for all part-time jobs is 0.5 FTE.

[2] Regional Gross Value Added (Income Approach) NUTS3 Tables, ONS Regional Accounts

Critical Issue 1 - Assessment of Key Indicators

Overview: The table presents 2012 Devon baseline data against the nominated socio-economic indicators for Critical Issue 1. GVA data for 2013 had not been released at the time of reporting, and therefore the baseline position remains unchanged. **NB**: National data is shown for comparison purposes only. The status relates to the progress of the Devon economy.

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
Critical issue 1: Devon's economy is performing poorly in terms of productively	**SO1**: A more productive economy – narrowing the productivity gaps	Total GVA (£m) – workplace based at current basic prices	Regional Accounts, ONS	2012	£12,394m	£1,173,512m	-	-	-	-
		GVA per head – workplace based at current prices	Regional Accounts, ONS	2012	£16,456	£21,937	-	-	-	-
		Gap in GVA per head (Index England = 100) – workplace based at current basic prices	Regional Accounts, ONS	2012	£5,481 (25%)	-	-	-	-	-
		GVA per FTE (productivity) – workplace based at current basic prices	Regional Accounts, ONS/ BRES	2012	£52,274	£60,360	-	-	-	-
		Productivity gap compared to the national average (pp gap) - workplace based at current basic prices	Regional Accounts, ONS/ BRES	2012	£8,086 (13%)	-	-	-	-	-

Indicator Update

2.5 At the time of reporting, 2013 GVA data was unavailable, and therefore the baseline position remains unchanged. GVA is informed by mid-year population estimates, which are produced on an annual basis – 2013 mid-year estimates are scheduled for release on the 16th April 2014.

Linkages to other Growth Indicators

2.6 As GVA data for 2013 is unavailable, it is not possible at this stage to comment on data trends with related indicators. Looking forward, it is suggested that data on GVA should be reviewed alongside the following growth indicators:

- **Qualifications profile**: Skills are a key driver of productivity, with higher level STEM skills in particular supporting advanced research and innovation, so contributing to economic growth. As such, the relationship between GVA contribution and working age population with Level 4+ qualifications (Critical Issue 2) will be important.

- **Employment/ Unemployment**: The GVA calculations used in this report are measured using the income approach. As such, the value of GVA contribution is directly affected by resident individual income, and therefore the interplay with rates of employment and unemployment will be important to monitor going forward (Critical Issue 2).

- **Occupational profile**: The relative productivity of an area can be affected by the characteristics of its workforce. For example, if an area has a higher share of graduate workers, this could help raise its relative productivity level. As such, it will be important to review change in GVA in relation to graduate retention data (Critical Issue 2), and occupational profile (Critical Issue 4).

- **Business demography**: Levels of business start-ups will also affect productivity and therefore influence GVA contribution. New enterprises can also bring innovative processes and technologies to market, forcing existing ones to improve their productivity to remain competitive. As such, the direction of travel in terms of GVA should be analysed in relation to business births, deaths, and survival rates (Critical Issue 4).

Implications for Strategic Outcome

SO1: A more productive economy

2.7 The baseline position indicates that in 2012 the gap in Devon's GVA contribution per head was 25% (£5,481) compared to national levels, and 13% (£8,086) per FTE. Clearly, therefore, there is an opportunity to narrow the productivity gap through actions to drive productivity growth. Using GVA data for 2013, the next annual report will enable an assessment of this strategic outcome to support further action planning.

Recommendations for Additional Analysis

1. Consult with District Economic Development Officers to inform planned or anticipated changes to sectoral structure and industrial specialisation

The assessment of productivity could be supported by consultation with Economic Development Officers from each of the county's districts to identify planned or anticipated changes to their sectoral structure or industrial specialisation. In particular, the Growth Point development programme will result in additional jobs and the diversification of the local employment base which may impact on productivity performance.

2. Consult with industry leaders to inform the enhancement of productivity levels within specific sectors

The SQW report on productivity, produced for Devon County Council's Local Economic Assessment, identified the sectoral composition of the Devon economy as one contributor to the productivity gap. However, the report also highlighted lower than average productivity levels and earnings within those sectors where Devon is well represented. Consultations with industry representatives, such as local Chambers of Commerce, could provide valuable contextual information regarding the nature of and reasons for these lower levels of productivity and therefore the nature of changes required to increase productivity levels.

3 Critical Issue 2: Skilled Workforce

Overview: *'Devon has a relatively skilled workforce, however, this masks significant differences at a District level'*. This critical issue has two associated strategic outcomes: SO2: A higher wage economy – narrowing our wage disparity with the rest of the UK; and SO3: Employment opportunities for all and a workforce with the right skills for the future – realising everyone's potential.

Review of Indicators

3.1 Critical appraisal of the indicators developed alongside the Strategy for Growth to monitor Critical Issue 2 has identified the following enhancements to support a more comprehensive analysis.

- **Earnings gap**: As stated in the Strategy, average earnings across Devon are much lower than England, although this figure is distorted by data from London. As such, the indicator list has been updated to also include the resident-based earnings gap compared to the regional average.

- **Working age population qualifications**: The analysis now incorporates a review of the qualifications profile of the working age population that are economically active to enable comparison with those of working age that are not economically active.

- **Unemployment rate**: Whilst the Strategy specified employment rate as an indicator, this analysis also includes unemployment rate to determine the proportion of people of working age that are not employed but are actively seeking employment and are available for work.

3.2 The Strategy also identified claimant count rate as an indicator to monitor Critical Issue 2. This has now been moved to Critical Issue 5 in order that it might be discussed alongside the analysis of Job Seekers Allowance claimant rate.

Indicator Baseline

SO2: A higher wage economy – narrowing our wage disparity with the rest of the UK

Resident and Workplace Weekly Earnings

3.3 The Annual Survey of Hours and Earnings provides information on the residential and weekly earnings of employees.

3.4 Median weekly *residential* earnings (per person) in Devon stood at £443.60 in 2012, compared with a national median of £513.20 (a gap of £69.60 or 13.6%); and a regional median of £477.40 (a gap of £33.80 or 7.1%). At £430.40, median *workplace* weekly earnings were also below both the national median of £512.60 (a gap of £82.20, or 16.0%), and regional median of £467.40 (a gap of £37.0 or 7.9%).

3.5 The table below presents data on resident and workplace weekly earnings for Devon's districts in 2012. With specific regard to residential earnings, at £497.60 West Devon exhibited the highest weekly median, in contrast to Torridge which had the lowest level at £394.40 (a range of £103.20). Just two districts (South Hams and West Devon) had median weekly residential earnings exceeding the regional level, whilst the earnings from all districts were below the national level.

3.6 An analysis of median weekly workplace earnings revealed similar levels of disparity amongst Devon's districts in 2012, ranging from £482.60 in Exeter, to £347.70 in Torridge – a range of £134.90. Similarly to residential earnings, median weekly workplace earnings in all districts were below the level experienced nationally, whilst Exeter was the only district with weekly earnings exceeding the regional average.

Resident and Workplace Median Weekly Earnings, 2012

	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
Resident	£450.8	£443.4	£440.8	£404.5	£489.8	£454.0	£394.4	£497.6	£513.2
Workplace	£429.9	£482.6	£417.9	£402.4	£386.7	£403.5	£347.7	£408.6	£512.6

Source: Annual Survey of Hours and Earnings

3.7 As shown, Exeter was also the only district whereby median workplace earnings (£482.60) outstripped residential (£443.40). This suggests that highly paid jobs in the city tend to be taken by commuters who live outside of the area. This is supported by data from the 2011 Census which indicates a net flow of workers into the city of 33,593.

SO3: Employment opportunities for all and a workforce with the right skills for the future – realising everyone's potential

Qualifications Profile

3.8 A skilled and well qualified workforce is a fundamental requirement for a competitive and prosperous economy, and provides a proxy for the 'quality' of the available labour supply. Data from the Annual Population Survey has been reviewed for both the working age (16-64) population in 2012, and the working age population who were economically active.

3.9 In 2012, 34.9% of Devon's working age population were qualified to NVQ Level 4+, which is slightly above the national and regional levels of 34.2% and 34.1% respectively. At the other end of the scale, at 6.4% Devon has a low proportion of working age residents with no qualifications relative to the region (7.0%) and nationally (9.5%).

3.10 The qualifications profile for Devon's working age population who were economically active in 2012 shows a higher proportion qualified to NVQ Level 4+ (37.6%), when compared to all residents of working age. Whilst this compares favourably to the regional level (37.4%), it is below that experienced nationally (38.4%). As might be expected, at 3.4% the proportion of the economically active working age population with no qualifications was lower when compared with all residents of working age, and was also below regional (4.4%) and national (5.9%) levels.

3.11 As shown in the table below, qualification levels amongst the working age population and those of working age that are economically active (EA) vary significantly by district. Teignbridge and Torridge were under-represented among higher level skills, with just 26.6% and 24.3% of the working age population holding a Level 4+, compared with 46.1% in South Hams and 43.7% in West Devon.

Qualification Levels Amongst Working Age Population, and Economically Active Working Age Population, January to December 2012									
	East Devon	**Exeter**	**Mid Devon**	**North Devon**	**South Hams**	**Teign-bridge**	**Torridge**	**West Devon**	**England**
Level 4+	34.2%	38.8%	33.3%	35.8%	46.1%	26.6%	24.3%	43.7%	34.2%
Level 4+ - EA	33.8%	42.3%	37.4%	38.4%	48.9%	29.7%	25.7%	47.1%	38.4%
No quals	6.6%	3.1%	10.3%	6.4%	6.5%	7.1%	7.9%	4.9%	9.5%
No quals - EA	4.6%	-	7.3%	4.8%	3.4%	-	-	4.7%	5.9%
Source: Annual Population Survey									

Employment Rate

3.12 The employment rate is the proportion of the working age population currently in work, including the self-employed, and can be used as an indicator of economic resilience. Annual Population Survey data from 2012 indicates that Devon had a working age population employment rate of 75.4%, comparing favourably to regional (73.6%), and national (70.9%) levels. In terms of the overall employment structure, 80.2% of males were employed, compared to 70.8% of females, set against national levels of 76.3% and 65.5% respectively.

3.13 Analysis of employment rates across the districts revealed Torridge to have the lowest proportion of working age population in employment (67.9%) – the only district with a rate below the national average and, along with Mid Devon, one of just two districts with a rate below the regional average. Of Torridge residents who were economically inactive, the primary reasons were long-term sickness (33%), retirement (27%), and inactivity due to looking after the family or home (22%).

3.14 With specific regard to those aged 20 to 24, Devon had an employment rate of 56.3% in 2012, which is lower than the regional figure of 63.6% and national figure of 60.8%. Whilst Exeter is home to a large working age population, the employment rate amongst 20 to 24 years olds at 38.3% was the lowest amongst the seven districts for which information was available[3] – attributable to its large student population.

Employment Rate, January to December 2012									
	East Devon	**Exeter**	**Mid Devon**	**North Devon**	**South Hams**	**Teign-bridge**	**Torridge**	**West Devon**	**England**
Aged 16-64	75.7%	74.3%	73.4%	79.7%	79.4%	75.1%	67.9%	77.8%	70.9%
Males 16-64	80.7%	78.1%	77.4%	83.5%	85.2%	79.1%	74.2%	85.2%	76.3%
Females 16-64	70.8%	70.4%	69.3%	75.9%	73.6%	71.4%	61.9%	70.7%	65.5%
Aged 20-24	87.7%	38.3%	62.2%	70.4%	91.7%	47.6%	-	40.0%	60.8%
Source: Annual Population Survey									

Unemployment Rate

3.15 In 2012, Devon's unemployment rate was 4.2%, significantly lower than the national and regional figures of 8.0% and 6.1% respectively. Female unemployment stood at 4.6%, compared to 3.8% for males; again comparing favourably to the national figures of 7.6% and 8.4%. Amongst 20 to 24 year olds, unemployment in the county was 12.5%, below both the levels experienced at a regional (13.9%) and national (17.2%) level. The availability of unemployment data at a district level was inconsistent[4], and therefore has not been reported.

[3] Data for Torridge was supressed on account of the low sample size.
[4] Data for some areas was suppressed on account of the relatively low sample sizes for district authorities.

Critical Issue 2 - Assessment of Key Indicators

Overview: The table presents 2012 Devon baseline data against the nominated Socio-Economic Indicators for Critical Issue 2. Where available, data for 2013 is also presented to indicate the direction of travel. Where appropriate, this is denoted by a traffic light system with **Red** depicting a negative direction of travel; **Amber** denoting no change; and **Green** a positive direction of travel. **NB**: National data is shown for comparison purposes only. The status relates to the progress of the Devon economy.

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
Critical issue 2: Devon has a relatively skilled workforce however, this masks significant differences at a district level	**SO2**: A higher wage economy – narrowing our wage disparity with the rest of the UK	Resident-based earnings (gross weekly pay) – Median/ FT workers	ASHE	2012	£443.6	£513.2	2013	£455.3	£520.7	
		Resident-based earnings gap compared to the national average – Median/ FT workers	ASHE	2012	-£69.6 (13.6%)	-	2013	-£65.4 (12.6%)	-	
		Resident-based earnings gap compared to the regional average – Median/ FT workers	ASHE	2012	-£33.8 (7.1%)	-	2013	-£29.8 (6.1%)	-	
		Workplace earnings (gross weekly pay) – Median/ FT workers	ASHE	2012	£430.4	£512.6	2013	£443.7	£520.5	
		Workplace earnings gap compared to the national average – Median/ FT workers	ASHE	2012	-£82.2 (16%)	-	2013	-£76.8 (14.8%)	-	
		Workplace earnings gap compared to the regional average – Median/ FT workers	ASHE	2012	-£37.0 (7.9%)	-	2013	-£36.3 (7.6%)	-	
		Working age population qualified to degree level or above (NVQ4+)	APS	Jan-Dec 2012	34.9%	34.2%	-	-	-	-

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
	SO3: Employment opportunities for all and a workforce with the right skills for the future – realising everyone's potential	Working age population qualified to degree level or above (NVQ4+) – economically active	APS	Jan-Dec 2012	37.6%	38.4%	-	-	-	-
		Working age population with no qualifications	APS	Jan-Dec 2012	6.4%	9.5%	-	-	-	-
		Working age population with no qualifications – economically active	APS	Jan-Dec 2012	3.4%	5.9%	-	-	-	-
		Employment rate – working age population	APS	Jan-Dec 2012	75.4%	70.9%	Oct 2012-Sep 2013	75.9%	71.4%	
		Employment rate - aged 20-24	APS	Jan-Dec 2012	56.3%	60.8%	Oct 2012-Sep 2013	58.5%	61.2%	
		Employment rate females - working age population	APS	Jan-Dec 2012	70.8%	65.5%	Oct 2012-Sep 2013	73.2%	66.2%	
		Employment rate males - working age population	APS	Jan-Dec 2012	80.2%	76.3%	Oct 2012-Sep 2013	78.7%	76.7%	
		Unemployment rate – working age population	APS	Jan-Dec 2012	4.2%	8.0%	Oct 2012-Sep 2013	4.5%	7.9%	
		Unemployment rate - aged 20-24	APS	Jan-Dec 2012	12.5%	17.2%	Oct 2012-Sep 2013	15.7%	17.2%	
		Unemployment rate females - working age population	APS	Jan-Dec 2012	4.6%	7.6%	Oct 2012-Sep 2013	3.7%	7.5%	
		Unemployment rate males - working age population	APS	Jan-Dec 2012	3.8%	8.4%	Oct 2012-Sep 2013	5.3%	8.3%	

Indicator Update

SO2: A higher wage economy – narrowing our wage disparity with the rest of the UK

Resident and Workplace Weekly Earnings

3.16 The wage gap between county and national levels is narrowing. Median weekly *residential* earnings (per person) in Devon stood at £455.30 in 2013, an increase of £11.70 or 2.6% from 2012. Whilst earnings at a national level also increased (from £513.20 in 2012 to £520.70 in 2013), the overall gap between county and national residential earnings decreased from 13.6% (£69.60) in 2012 to 12.6% (£65.40) in 2013. Similarly, the gap between county and regional earnings decreased from 7.1% (£33.8) in 2012 to 6.1% (£29.80) in 2013.

3.17 This trend was also evident in terms of *workplace* earnings, with the gap between county and national earnings decreasing between 2012 and 2013. Median weekly workplace pay per person in Devon was £443.70 in 2013, an increase of £13.30 from 2012, or 3.1%, outstripping the increase of 1.5% at a national level. The gap between county and national workplace earnings decreased from 16.0% (£82.20) in 2012 to 14.8% (£76.80); whilst the gap between county and regional workplace earnings decreased from 7.9% (£37.00) in 2012, to 7.6% (£36.30) in 2013.

3.18 Reflecting county level trends, an increase in median weekly *residential* earnings between 2012 and 2013 was also seen across six of Devon's eight districts. The exceptions were Mid Devon, which remained at the same level (£440.80), and West Devon, which decreased by £19.80 (-4.0%) from £497.60 to £477.80. Similarly, median weekly *workplace* pay increased across all districts except North Devon which decreased by £7.40 (-1.8%) from £402.40 in 2012 to £395.00 in 2013.

Resident and Workplace Median Weekly Earnings, 2013									
	East Devon	**Exeter**	**Mid Devon**	**North Devon**	**South Hams**	**Teign-bridge**	**Torridge**	**West Devon**	**England**
Resident	£472.40	£453.10	£440.80	£412.10	£495.10	£466.10	£397.90	£477.80	£520.7
Workplace	£437.00	£505.80	£431.50	£395.00	£395.30	£421.00	£371.20	£433.10	£520.5
Source: Annual Survey of Hours and Earnings									

3.19 As in 2012, Exeter was the only district in 2013 where median weekly workplace earnings (£505.80) outstripped residential (£453.10), again reflecting the level of in commuting to the district for work.

SO3: Employment opportunities for all and a workforce with the right skills for the future – realising everyone's potential

Qualifications Profile

3.20 At the time of reporting, 2013 qualifications data was unavailable, and therefore the baseline position remains unchanged. Qualifications data from the Annual Population Survey is only available for the 12 month period January to December, with data for 2013 scheduled for release on the 16th April 2014.

Employment Rate

3.21 The employment rate amongst the working age population in Devon increased slightly between 2012 and 2012/13 – a rise of 0.5 percentage points from 75.4% to 75.9%, remaining above both national (71.4%) and regional (74.5%) levels for 2012/13. The proportion of working age females in employment increased by 2.4 percentage points from 70.8% to 73.2% between 2012 and 2012/13, again remaining above the national level of 66.2%. Conversely, male working age employment in the county fell by 1.5 percentage points from 80.2% in 2012 to 78.7% in 2012/13, at odds with both regional and national trends.

3.22 Of note is that the proportion of Devon residents aged 20 to 24 in employment increased by 2.2 percentage points from 56.3% in 2012 to 58.5% in 2012/13. However, the county still lags behind levels experienced both regionally (64.6%) and nationally (61.2%).

3.23 Analysis of the employment rate change between 2012 and 2012/13 at a district level revealed a mixed picture, with increases in four districts (East Devon, Mid Devon, Teignbridge, Torridge), and decreases in the remaining four (Exeter, North Devon, South Hams, West Devon).

3.24 The largest increase in the employment rate for 16-64 year olds was in Torridge which increased by 8.1 percentage points from 67.9% in 2012 to 76.0% in 2012/13, whilst the largest decrease was in the district of North Devon, where employment fell by 6 percentage points from 79.7% to 73.7% over the same period. Despite this, the employment rate in each district outstripped the national figure of 71.4% for 2012/13, with just two districts (Exeter and North Devon) exhibiting employment rates below the regional average of 74.5%.

Employment Rate, October 2012-September 2013

	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
Aged 16-64	78.1%	72.0%	76.8%	73.7%	78.0%	77.7%	76.0%	75.9%	71.4%
Males 16-64	80.4%	74.4%	78.4%	79.3%	81.3%	79.1%	80.3%	78.8%	76.7%
Females 16-64	76.0%	69.6%	75.1%	68.4%	74.7%	76.3%	71.8%	73.2%	66.2%
Aged 20-24	79.8%	50.1%	81.6%	-	91.5%	55.5%	75.5%	-	61.2%

Source: Annual Population Survey

Unemployment Rate

3.25 In 2013, Devon's working age unemployment rate was 4.5% - an increase of 0.3 percentage points from 2012, but still lower than the rates experienced both regionally (6.2%) and nationally (7.9%). This was attributed to a percentage point increase of 1.5 in male unemployment rates, rising from 3.8% in 2012 to 5.3% in 2013, in contrast to a decrease of 0.9 percentage points in female unemployment rates from 4.6% to 3.7% over the same period. Amongst 20-24 year olds, unemployment in the county increased by 3.2 percentage points from 12.5% in 2012 to 15.7% in 2012/13. Whilst this still remains below the national rate of 17.2% it now exceeds the regional rate of 15.1%.

3.26 Similarly to the 2012 position, the availability of unemployment data at a district level was inconsistent (some district authority data was suppressed on account of their relatively low sample sizes), and therefore has not been reported.

Linkages to other Growth Indicators

3.27 The analysis of socio-economic indicators used to monitor Critical Issue 2 revealed a number of linkages that could be further explored in subsequent annual reports:

- **Earnings and qualifications**: Earnings are linked to the skill level of the job that is performed, although low levels of educational attainment do not always act as a barrier to employment in highly skilled occupations.

  In 2012 Torridge experienced the lowest residential weekly earnings, and lowest proportion of working age population with Level 4+ qualifications. Conversely, the districts of South Hams and West Devon exhibited the highest residential earnings, and the highest proportion of working age population qualified to Level 4+ (Critical Issue 2). Whilst this suggests an emerging trend between earnings and qualifications, it will be important to monitor the interplay when 2013 qualifications data is released.

- **Qualifications and Knowledge Intensive Sectors**: The two most commonly employed measures of skills are the qualifications acquired and the occupational classifications of the jobs they do. 'Knowledge-based' service sectors are important to economic growth and are characterised by a demand for high level skills.

  Whilst the analysis of qualifications (Critical Issue 2) and employment in knowledge intensive sectors (Critical Issue 4) did not reveal any significant trends, this relationship represents an area for future investigation when both 2013 qualifications and occupational profile data is released.

Implications for Strategic Outcomes

SO2: A higher wage economy

3.28 Between 2012 and 2013 resident and workplace weekly earnings in Devon grew at a faster rate than the national average, supporting movement toward a higher waged economy. However, 2013 data still underlined a significant gap between earnings in the county and those at a regional (6.1%) and national (12.6%) earnings.

SO3: Employment opportunities

3.29 The baseline qualifications profile underlined the disparity in qualifications across Devon's districts, although the availability of data meant that trends between 2012 and 2013 could not be assessed. However, analysis revealed an improved rate of employment amongst Devon's working age population, with improvement particularly pronounced amongst those aged 20 to 24. Whilst the county's unemployment rate increased, this was below the level experienced both regionally and nationally.

Recommendations for Additional Analysis

3. Review the Workforce Skills Business Survey to inform an assessment of business skills and potential vulnerabilities
Whilst the socio-economic indicators for Critical Issue 2 provide an indication of the quality of the labour supply, these are poor proxies for the actual skills required by Devon's businesses. Devon County Council commissioned a 'Workforce Skills Research Programme' spanning a three year period from February 2013 to March 2016. The aim of the programme is to provide a skills evidence base, supporting the Council's Employment and Skills Action Plan. The central component of the programme is a Workforce Skills Survey conducted each year of the research with approximately 380 Devon-based businesses which covers issues around employee skills and qualifications, and training and development. As such, this could be used as a primary research evidence base to further inform an assessment of business skills and potential vulnerabilities.

4 Critical Issue 3: Low Earnings

Overview: *'Earnings are lower than average in most of Devon and link to housing affordability and relative poverty'.* This critical issue is linked to SO2: A higher wage economy – narrowing our wage disparity with the rest of the UK; and SO3: Employment opportunities for all and a workforce with the right skills for the future – realising everyone's potential.

Review of Indicators

4.1 The Socio-Economic indicators identified in the Strategy to monitor Critical Issue 3 were appraised and deemed to be fit for purpose. Just one enhancement was made to include average house prices, to provide further context to the ratio of affordability.

Indicator Baseline

Linked to both SO2: A higher wage economy; and SO3: Employment opportunities for all and a workforce with the right skills for the future

Resident and Workplace Weekly Earnings

4.2 Section 3 of this report sets out both the 2012 baseline indicator data for resident and workplace weekly earnings, and the 2013 indicator update, and as such has not been repeated here.

House Prices

4.3 The Land Registry House Price Index provides details of average house prices on a monthly basis, using a seasonally adjusted price index and available at a national[5], regional and county level. Data on the ratio of median earnings (sourced from ASHE) to median house price is also available from the Land Registry and provides an important indicator of affordability - the higher the ratio, the less affordable it is for households to get onto the property ladder.

4.4 In 2012, the average house price in Devon was £188,580. This was 10.1% higher than the regional average of £171,213 and 17.3% higher than the national average of £160,735.

4.5 With specific regard to affordability, the ratio of earnings to house prices at 6.74 nationally was noticeably lower than the 8.69 for Devon in 2012 indicating that housing in the county is less affordable for working people. Across all districts the ratio of affordability was higher than the national average, ranging from 7.29 in Exeter to 11.65 in South Hams.

Ratio of Median Earnings to Median House Price (Affordability), 2012

	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
Ratio	9.81	7.29	8.11	9.04	11.65	9.29	9.65	9.32	6.74

Source: Land Registry

[5] For this data set, 'national' is defined as England and Wales.

Critical Issue 3 - Assessment of Key Indicators

Overview: The table presents 2012 Devon baseline data against the nominated socio-economic indicators for Critical Issue 3. Where available, data for 2013 is also presented to indicate the direction of travel. Where appropriate, this is denoted by a traffic light system with **Red** depicting a negative direction of travel; **Amber** denoting no/limited change; and **Green** a positive direction of travel.

NB: i) Data on resident and workplace weekly earnings has been set out in the Assessment of Key Indicators Table in Section 3, and therefore has not been repeated here; ii) National data is shown for comparison purposes only. The status relates to the progress of the Devon economy.

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
Critical issue 3: Earnings are lower than average in most of Devon and link to housing affordability and relative poverty	Linked to **SO2** and **SO3**	Average house prices	Land Registry, Housing Price Index	2012	£188,580	£160,735	2013	£189,915	£163,417	
		Ratio of median earnings to median house prices	Land Registry	2012	8.69	6.74	-	-	-	-

Indicator Update

Linked to both SO2: A higher wage economy; and SO3: Employment opportunities for all and a workforce with the right skills for the future

Resident and Workplace Weekly Earnings

4.6 Section 3 of this report sets out both the 2012 baseline indicator data for resident and workplace weekly earnings, and the 2013 indicator update, and as such has not been repeated here.

House Prices

4.7 In 2013, the average house price in Devon was £189,915 – an increase of £1,335 or 0.7% from £188,580 in 2012. This compares to more pronounced increases of 1.2% regionally (from £171,213 to £173,327) and 1.7% nationally (from £160,735 to £163,417) over the same time period. In 2013, the average house price in Devon was 9.6% higher than the regional average and 16.2% higher than the national average, compared to 10.1% and 17.3% respectively in 2012, indicating a narrowing of the gap.

4.8 It was initially anticipated that HM Land Registry data for 2013 would be released in January 2014; however, at the time of reporting, this was still unavailable. Following contact it was revealed that HM Land Registry are in a process of renegotiation with their data providers and therefore a definitive release date could not be given.

Linkages to other Growth Indicators

4.9 The linkages between earnings and other growth indicators associated with qualifications have been discussed in Section 3. With specific regard to the house prices, the identification of linkages to other growth indicators was limited on account of the availability of 2013 data on housing affordability. However, the following theoretical linkage could be explored in subsequent reports:

- **House prices and population profile (20-29)**: The housing wealth gap between young and old has widened over the past decade, exacerbated by rising house prices and reduced availability of mortgages for first time buyers and those with small deposits.

  The analysis revealed some evidence of a link between housing affordability and population profile. For example, South Hams had the highest ratio of house prices to earnings amongst Devon's districts (Critical Issue 3), and the joint lowest proportion of those aged 20-29. The relationship between affordability and the drift of young people will be important to monitor given its implications for community sustainability and well-being.

Implications for Strategic Outcomes

SO2: A higher waged economy

4.10 As discussed in Section 3, the gap in earnings between county and regional and national level is narrowing. However, data also revealed an increase in average house prices in the county between 2012 and 2013. Looking forward, it will be important to assess the relationship between earnings and house price inflation as more data becomes available.

SO3: Employment Opportunities

4.11 Similarly, trends in employment opportunities were also discussed in Section 3. With specific regard to employment and house prices, there is a theoretical linkage between house price and the rate of unemployment with fluctuations moving in tandem – when unemployment is low, house prices tend to be high. However, the data trending period for this report rendered such analysis unfeasible. The next iteration of this report will also enable inferences to be made on the relationship between employment opportunities and affordability, when 2013 data from HM Land Registry is released.

Recommendations for Additional Analysis

4. Analyse the latest Indices of Multiple Deprivation (IMD) data, when released, to review levels of relative poverty
The last release of the Indices of Multiple Deprivation (IMD) was in 2010, although the Department for Communities and Local Government is currently tendering for an update so new data could be available as early as 2015. In the last IMD 'Access to Housing and Services' was the domain where Devon Lower Super Output Areas (LSOAs) tended to exhibit higher levels of deprivation. Detailed analysis of the new IMD data would provide a useful indicator of relative poverty levels.

5 Critical Issue 4: Exploit Assets

Overview: *'Devon has an opportunity to better exploit the assets it has for high value economic growth'.* This critical issue is linked to SO1: A more productive economy – narrowing the productivity gap, and SO5: A thriving business community – improving resilience and business performance.

Review of Indicators

5.1 The Strategy for Growth identified the proportion of jobs in the knowledge economy to be a key indicator for assessment. This has now been enhanced to include indicators on the profile of employment for all major occupational groups. For clarity of analysis, the business demography indicators that were set out under SO5 in the Strategy (but not under a Critical Issue) have now been aligned with Critical Issue 4.

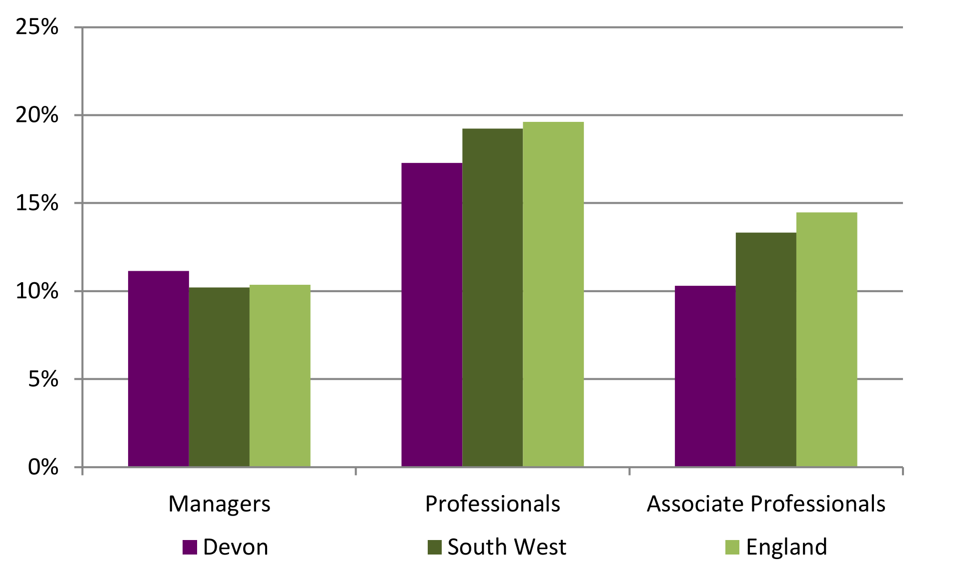
Indicator Baseline

SO1: A more productive economy – narrowing the productivity gap

Occupational Profile

5.2 Highly skilled occupations are commonly defined as the top three occupational groups – managers and senior officials; professional occupations; and associate professional and technical occupations. In 2012, highly skilled occupations accounted for 38.7% of all occupations in Devon, below the levels found regionally (42.8%) and nationally (44.5%). Associate professional and technical occupations were particularly underrepresented, accounting for just 10.3% of all occupations in Devon, compared to 13.3% regionally and 14.5% nationally.

% of Highly Skilled Occupations, 2012 (as a proportion of all occupations)



Source: Annual Population Survey

5.3 When considering other occupational categories, Devon has a larger than average proportion of employment in skilled trades (14.8%, compared to 12.4% regionally and 10.4% nationally); and elementary occupations (12.6%, compared to 11.3% regionally and 10.9% nationally). The overrepresentation of these occupational groups reflects high levels of employment in distribution, hotels and restaurants across the county.

Employment in Knowledge Intensive Sectors

5.4 This report uses the January 2014 definition of knowledge intensive sectors from Eurostat, the statistical office of the EU, and covers high- and medium-high-tech industry and knowledge-intensive services.

5.5 In 2012, 138,088 individuals were employed in knowledge intensive sectors in Devon, accounting for 46.9% of total employment. This was below the levels found both regionally (50.4%) and nationally (52.6%). The data also revealed a mixed profile of employment in knowledge intensive sectors across Devon's districts – ranging from 40.0% in Teignbridge to 57.7% in Exeter (the only district where the proportion is higher than the national average).

Employment in Knowledge Intensive Sectors, as a Proportion of Total Employment, 2012

	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
	42.1%	57.7%	42.9%	46.6%	41.7%	40.0%	45.7%	41.2%	52.6%

Source: Business Register and Employment Survey

SO5: A thriving business community – improving resilience and business performance

Scale of the Business Base

5.6 In 2012, Devon had 30,455 active enterprises, resulting in a business density of 67 businesses for every 1,000 working age residents – comparing favourably to regional (62) and national (60) averages. South Hams was the top performing district in Devon with a business density of 87, attributed to the district's high business survival rates. Conversely, with a business density of just 50, Exeter had the lowest business density of all the districts; however, this reflects the number of large employers in the district such as the County Council and EDF.

Business Density – Number of Business per 1,000 Working Age Residents, 2012

	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
Active Enterprises	5,395	4,060	3,255	3,795	4,290	5,040	2,385	2,225	2,070,400
Business density	72	50	69	68	87	68	62	70	60

Source: ONS Business Demography/ Mid-year Population Estimates

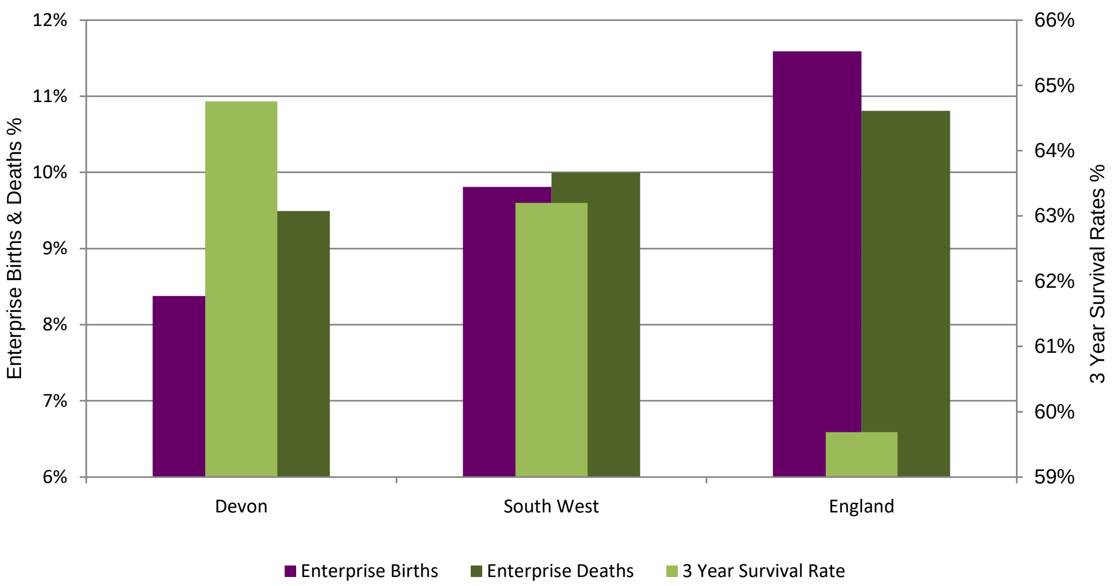
Business Demography

5.7 Business demography statistics provide an indication of registered business trends with respect to births, deaths and survival – in other words, the churn of the economy. Enterprises that are PAYE registered are tracked until they de-register. Survival rates are calculated as the proportion of PAYE registrations in a given year that have not deregistered within a certain period of time.

5.8 In 2012, there were 2,550 business births (new registrations) in Devon – a birth rate of 8.4%, which was lower than both the national and regional rates of 11.6% and 9.8%. The rate of business births was also outstripped by the rate of business deaths (de-registrations).

There were 2,890 business deaths in the county in 2012 – a rate of 9.5%, compared to 10.0% regionally and 10.8% nationally. This indicates a decrease in the number of active businesses.

Business Start Up Rate, Death Rate and 3 Year Survival Rate (born in 2009) – as a proportion of active enterprises, 2012



Source: ONS Business Demography

5.9 Within the county, the highest rate of business births in 2012 was in Exeter (10.0%) – the only district to outperform the regional birth rate. Exeter was also the only district where the rate of business births outstripped deaths (9.7%) indicating an increase in the total number of registered businesses at the end of the year.

5.10 Whilst business births and deaths are an indicator of business growth, business survival rates demonstrate the relative decline in economic growth. Although higher survival rates are preferred by potential businesses as they indicate a higher return on the initial investment, high levels of business churn (business entry and exit) have been shown to lead to improvements in productivity and economic growth as highly productive or innovative businesses displace less efficient ones[6].

5.11 Three year survival rates provide a clearer picture of what is happening in the business base, as many businesses will rely on savings to survive a difficult first year. In Devon, the three-year survival rate for businesses born in 2009 and still active in 2012 was 64.8%. This compares favourably to the regional and national rates of 63.2% and 59.7% respectively. Across the districts, Torridge had the lowest three year business survival rate at just 59.5% - the only district to fall behind the national average. Conversely, the highest three year survival rates were reported in West Devon (68.6%), South Hams (67.7%), and Mid Devon (66.7%).

[6] The DTI Small Business Service

Qualifications Profile

5.12 Section 3 of this report sets out both the 2012 baseline indicator data for the qualifications profile of Devon's working age population and the 2013 update. As such, it has not been repeated here.

Graduate Retention

5.13 One of the Devon's most important economic assets are the graduates who study at its universities. Data from the Higher Education Statistics Agency (HESA) indicated that a total of 50,155 students were registered with one of Devon's three HEIs[7] during the academic year 2012/13. Consequently the ability of the county to retain its graduate population is an important factor in determining the quality of its labour force. However, there is risk of a 'talent drain' out of the local economy, in part due to a lack of suitable employment and affordable housing.

5.14 The Destination of Leavers from Higher Education (DLHE) survey from HESA asks leavers from higher education what they are doing six months after graduation in relation to both employment and study. The 2011/12 DLHE survey engaged with 6,320 leavers from the county's three HEIs. Respondents to the survey that classified themselves as being employed were asked to state the location of their employment. This provides a proxy measure for the level of graduate retention.

5.15 As shown in the table overleaf, 30% of leavers (1,375) from Devon's HEIs that provided details regarding their employment status were employed in the county six months after graduating (14% in Plymouth, 13% in Devon County, and 3% in Torbay). A further 17% were retained in Cornwall and the wider South West. This suggests that 70% of graduates were 'lost' outside of the county, whilst 53% were lost from the region as a whole. The most common employment location for Devon's graduates outside of the county was Greater London, providing employment for 15% of leavers, followed by the South East with 13%.

5.16 In terms of the differences in retention across institutions, 67% (916) of new graduate employees in the county were from Plymouth University, 17% (238) from the University of Exeter; and 16% (221) from the University of St Mark and St John.

5.17 Despite the aforementioned levels of graduate retention, the proportion of Devon's population aged between 20 and 29 is relatively low (10.8%) when compared with regional (12.1%) and national levels (13.6%). As discussed in Section 6.2, Exeter is the only district where the proportion of the population aged between 20 and 29 exceeds national levels.

NB: The DLHE survey, in its current form, has provided the key source of graduate statistics since 2002/03. However, despite its inherent value, the data is drawn from survey returns and its breadth is consequently limited to those that respond. As such, whilst the reported proportions provide a good indicator of graduate retention, the reported frequencies are likely to understate actual levels.

[7] University of Exeter, Plymouth University, and University of St Mark and St John

Most Frequently Cited Employment Locations for First Degree Leavers from Devon's HEIs (2011/12)												
	University of Exeter			**Plymouth University**			**University of St Mark and St John**			**Devon HEIs (Combined)**		
	Location	**Freq.**	**%**	**Location**	**Freq.**	**%**	**Location**	**Freq.**	**%**	**Location**	**Freq.**	**%**
1	London	474	30%	Devon	916	35%	Devon	221	53%	Devon	1,375	30%
2	South East	242	15%	South East	321	12%	Cornwall	64	15%	London	680	15%
3	Devon	238	15%	Cornwall	306	12%	Other South West	32	8%	South East	584	13%
4	Non-UK	139	9%	Other South West	225	9%	London	28	7%	Cornwall	436	9%
5	South West	122	8%	Somerset	178	7%	South East	21	5%	South West	379	8%
6	East of England	75	5%	London	178	7%	Somerset	16	4%	Non-UK	259	6%
	Other	313	19.5%	Other	457	18%	Other	33	8%	Other	886	19%
	Total	**1,603**	**100%**	**Total**	**2,581**	**100%**	**Total**	**415**	**100%**	**Total**	**4,599**	**100%**
Source: HESA DLHE 2011/12 Base: 4,599 (Exeter=1,603; Plymouth=2,581; University of St Mark and St John=415)												

Critical Issue 4 - Assessment of Key Indicators

Overview: The table presents 2012 Devon baseline data against the nominated Socio-Economic Indicators for Critical Issue 4. Where available, data for 2013 is also presented to indicate the direction of travel. Where appropriate, this is denoted by a traffic light system with **Red** depicting a negative direction of travel; **Amber** denoting no/limited change; and **Green** a positive direction of travel.

NB: i) As discussed in Section 2, the relative productivity of an area can be affected by the characteristics of its workforce, and therefore the review of occupational profile is important. However, whilst the table below includes a colour to denote the direction of travel for 'highly skilled occupations' (the top three occupational groups), it was deemed inappropriate to assess the status of each major occupational group; ii) National data is shown for comparison purposes only. The status relates to the progress of the Devon economy.

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
Critical issue 4: Devon has an opportunity to better exploit the assets it has for high value economic growth	Linked to **SO1**	Occupational profile of employment - Managers, Directors and Senior Officials	APS – Workplace analysis	Jan–Dec 2012	39,500 (11.1%)	2,533,800 (10.4%)	Oct 2012-Sep 2013	35,400 (10.0%)	2,562,900 (10.4%)	-
		Occupational profile of employment - Professional Occupations	APS – Workplace analysis	Jan–Dec 2012	61,300 (17.3%)	4,792,700 (19.6%)	Oct 2012-Sep 2013	59,200 (16.7%)	4,925,200 (19.9%)	-
		Occupational profile of employment - Associate Professional and Technical Occupations	APS – Workplace analysis	Jan–Dec 2012	36,500 (10.3%)	3,538,800 (14.5%)	Oct 2012-Sep 2013	41,800 (11.8%)	3,519,200 (14.3%)	-
		Occupational profile of employment - Administrative and Secretarial Occupations	APS – Workplace analysis	Jan–Dec 2012	39,100 (11.0%)	2,692,800 (11.0%)	Oct 2012-Sep 2013	38,200 (10.8%)	2,706,500 (11.0%)	-

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
		Occupational profile of employment - Skilled Trades Occupations	APS – Workplace analysis	Jan–Dec 2012	52,500 (14.8%)	2,536,700 (10.4%)	Oct 2012-Sep 2013	50,800 (14.3%)	2,572,700 (10.4%)	-
		Occupational profile of employment - Caring, Leisure and Other Service Occupations	APS – Workplace analysis	Jan–Dec 2012	34,300 (9.7%)	2,178,300 (8.9%)	Oct 2012-Sep 2013	30,600 (8.6%)	2,228,000 (9.0%)	-
		Occupational profile of employment - Sales and Customer Service Occupations	APS – Workplace analysis	Jan–Dec 2012	25,900 (7.3%)	1,979,000 (8.1%)	Oct 2012-Sep 2013	27,700 (7.8%)	1,942,300 (7.9%)	-
		Occupational profile of employment - Process, Plant and Machine Operatives	APS – Workplace analysis	Jan–Dec 2012	20,600 (5.8%)	1,529,800 (6.3%)	Oct 2012-Sep 2013	21,000 (5.9%)	1,568,100 (6.4%)	-
		Occupational profile of employment - Elementary occupations	APS – Workplace analysis	Jan–Dec 2012	44,800 (12.6%)	2,652,600 (10.9%)	Oct 2012-Sep 2013	50,200 (14.1%)	2,668,700 (10.8%)	-
		Employment share in highly skilled occupations	APS – Workplace analysis	Jan–Dec 2012	38.7%	44.5%	Oct 2012-Sep 2013	38.4%	44.6%	
		Employment share in knowledge intensive sectors	BRES	2012	46.9%	52.6%	-	-	-	-
	SO5: A thriving business	Count of active enterprises	ONS Business Demography	2012	30,445	2,070,400	-	-	-	-

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
	community – improving resilience and business performance	Business density	ONS Business Demography / Mid-year Population Estimates	2012	67 per 1,000 working age residents	60 per 1,000 working age residents	-	-	-	-
		Count of births of new enterprise/ rate	ONS Business Demography	2012	2,550 (8.4%)	239,975 (11.6%)	-	-	-	-
		Count of deaths of enterprises/ rate	ONS Business Demography	2012	2,890 (9.5%)	223,800 (10.8%)	-	-	-	-
		Business 3 year survival rate	ONS Business Demography	2012	64.8%	59.7%	-	-	-	-
		Qualifications profile (as covered in Critical Issue 2)								
		Graduate retention – the proportion of 2011/12 graduates from Devon's three HEIs finding employment in the county 6 months after graduating[8]	HESA DLHE Survey	2011/12	30%	-	-	-	-	-

[8] **NB**: Refer to explanatory notes in Sections 5.13 to 5.16.

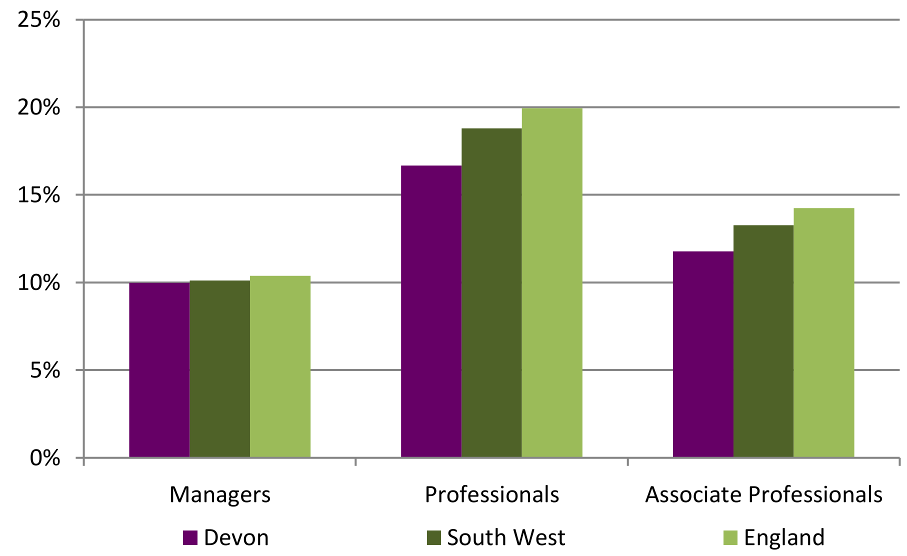
Indicator Update

SO1: A more productive economy – narrowing the productivity gap

Occupational Profile

5.18 In 2012/2013, highly skilled occupations[9] accounted for 38.4% of all occupations in Devon, a slight decrease when compared to 38.7% in 2012. This mirrors the trend at a regional level where the proportion reduced from 42.8% in 2012, to 42.2% in 2012/2013. Whilst the proportion of professional and technical occupations in Devon increased by 1.5 percentage points from 2012 levels to 11.8% of all occupations, the proportion in professional occupations remained the same (16.7%), whilst the proportion in managerial, director and senior official roles reduced by 1.1 percentage points to 10.0%.

% of Highly Skilled Occupations, 2013 (as a proportion of all occupations)



Source: Annual Population Survey

5.19 As in 2012, Devon remains characterised by skilled trade occupations (14.3%, compared to 14.8% in 2012) and elementary occupations (14.1% compared to 12.6% in 2012). In 2012/2013, these represented the joint second highest concentration behind professional occupations, and exceeded the levels experienced both regionally and nationally.

5.20 In terms of Devon's districts, the most notable change from 2012 was the increase in the proportion of elementary occupations in South Hams, increasing from 6.1% in 2012 to 17.9% in 2012/2013 – an increase of 4,400. In contrast, the number of highly skilled occupations in South Hams was estimated at 10,200 in 2012/13 (26.5% of all occupations) – a decrease of 5,200 from 2012. This is exceptionally low, placing South Hams as the lowest ranked district in Devon, with some areas such as East Devon having 48% of occupations in the highly skilled category.

[9] Managers and senior officials; professional occupations; and associate professional and technical occupations.

Employment in Knowledge Intensive Sectors

5.21 At the time of reporting, 2013 data on the proportion of employment in knowledge intensive sectors was unavailable and, as such, the baseline position remains unchanged. This data is sourced from the Business Register and Employment Survey which is updated on an annual basis. Data for 2013 is scheduled for release on the 17th September 2014.

SO5: A thriving business community – improving resilience and business performance

Scale of the Business Base/ Business Demography

5.22 Business demography indicators are updated on an annual basis, with data typically released by ONS 11 months after the reference period. As such, data for 2013 was not available at the time of reporting and therefore the baseline position remains unchanged. The ONS have issued a provisional release date of October 2014 for 2013 data.

Qualifications Profile

5.23 Section 3 of this report sets out both the 2012 baseline indicator data for the qualifications profile of Devon's working age population and the 2013 update. As such, it has not been repeated here.

Graduate Retention

5.24 The DLHE survey is published on an annual basis and relates to graduate data from the previous academic year. HESA anticipate that the 2012/13 leavers survey will be released on the 26th June 2014. As such, baseline graduate retention data for 2011/12 remains unchanged.

Linkages to other Growth Indicators

5.25 Linkages between occupational profile and GVA and employment in knowledge intensive sectors and qualifications have already been set out in Sections 2 and 3 respectively. With specific regard to business demography, whilst data for 2013 was unavailable at the time of reporting, the following theoretical link could be reviewed in subsequent annual reports:

- **Business start-ups and earnings**: It may be argued that a stronger economy leads to a greater demand for products and services, providing opportunities for new business start-ups to provide them. As such, the relationship between residential earnings (Critical Issue 2) and business churn (Critical Issue 4) represents an area for investigation in subsequent reports.

Implications for Strategic Outcomes

SO1: A more productive economy

5.26 The data revealed a slight decrease in the proportion of highly skilled occupations in Devon between 2012 and 2012/2013, however, this mirrored trends regionally. The county remains characterised by skilled trade and elementary occupations – jobs that typically generate lower levels of GVA. The data also indicated that Devon had a lower proportion of employment in knowledge intensive sectors, which are typically more productive, and lower levels of business start-ups when compared to regional and national rates. However, as acknowledged in the Strategy, this is a long-term ambition for Devon and will require a shift in its industrial structure.

SO5: A thriving business community

5.27 Business demography data for 2012 indicated that Devon had a lower rate of business births than experienced at regional and national levels. Further, business deaths outstripped births leading to a decrease in the number of active businesses. Data for 2013, when released, will indicate the level of new business activity, compared to 2012 and the extent to which the resilience of existing businesses has changed. Whilst levels of graduate retention from 2011/12 could not be compared to 2012/13, the current rate of 30% underlines an opportunity to increase the proportion of newly qualified graduates staying in the local economy.

Recommendations for Additional Analysis

5. Consult with business representatives to identify the factors inhibiting start-ups and to establish the nature of support available
Business lobbying organisations, such as the FSB and the Chambers of Commerce, could be consulted with to better understand the factors that might be inhibiting business start-ups or growth. This could include perceptions of the levels of financial support available, the availability of start-up or follow-on employment space and associated priority support needs that could help to raise business start-up rates and survival.

6. Consult with FE and HE stakeholders to establish the level and nature of support available for graduates and young entrepreneurs
Increased levels of entrepreneurial support could support graduate retention and the creation of additional higher paid jobs across the county. Linked to recommendation 5, consultation could take place with representatives from the county's Universities and FE colleges to establish the extent to which entrepreneurship is being supported. For example, what business support is available for start-ups and existing businesses; how is knowledge exchange between HEIs and industry encouraged; and how are growth prospects enhanced?

6 Critical Issue 5: Connectivity

Overview: *'Devon's towns and rural communities in more peripheral areas are falling behind'.* This critical issue has one associated strategic outcome: SO4: A well connected county – locally, nationally, globally.

Review of Indicators

6.1 Following a critical appraisal of the indicators developed alongside the Strategy for Growth to monitor Critical Issue 5, enhancements are suggested for the collection of broadband data:

- **Broadband take-up and sync speed**: The broadband indicators nominated in the Strategy specifically related to the availability of superfast broadband. New indicators have therefore been included to also provide data on general broadband take-up (including superfast), the average modem sync speed of this, and the proportion of premises with sync speeds below 2 megabits per second (Mbit/s).

Indicator Baseline

SO4: A well connected county – locally, nationally and globally

Population Profile (20-29)

6.2 In 2012, there were 81,600 young people aged 20 to 29 living in Devon – 10.8% of the county's population. This compares to 12.1% of the population aged 20 to 29 at a regional level, and 13.6% nationally. In terms of the profile of Devon's districts, accounting for 20.6% of the total resident population, Exeter had the highest proportion of 20 to 29 year olds in 2012 reflecting its large student body[10]. Conversely, with just 8.4% East Devon and South Hams had the joint lowest proportion of its estimated resident population falling into this age band.

Proportion of the Population Aged 20-29, 2012

	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
	8.4%	20.6%	9.6%	10.1%	8.4%	9.0%	9.0%	8.7%	13.6%

Source: Mid-year Population Estimates

Employment Rate

6.3 Employment rate data for both the 2012 baseline and 2013 update has been set out in Section 3 of this report and, as such, has not been repeated here.

Claimant Count

6.4 Claimant Count data records the number of people claiming Job Seekers Allowance (JSA) and National Insurance Credits at Jobcentre Plus local offices, providing an indicative measure of unemployment. Data is provided on a monthly basis - this analysis is therefore based upon the mean across the January to December twelve month period. In 2012, the

[10] For the purpose of the Mid-year Population estimates, students are taken to be resident at their term time address

number of working age residents in Devon, claiming for over one year was 1,823 – a rate[11] of 0.4%. This is below both the national (0.9%) and regional rate (0.5%).

Broadband Infrastructure

6.5 In January 2013, Connecting Devon and Somerset[12] signed a contract with BT to: secure a £94 million investment to transform broadband speeds for businesses and residents; ensure 90% of premises have access to fibre optic broadband by the end of 2016; and to deliver a minimum of 2 megabits per second (Mbits/s) for all premises by the end of 2016.

6.6 Data on broadband take-up speeds and availability has been sourced from Ofcom and is available at national (UK) and county level. Whilst both 2012 and 2013 data is available, this is based upon a fixed point in each year – for 2012, data relates to the position in May of that year, and for 2013, data relates to the position in June.

6.7 In 2012, 65% of premises in Devon had taken up broadband, including superfast (see below), slightly lower than the UK wide figure of 71%. The county's average modem sync speed[13] was 9.2 Mbit/s – below the UK wide average of 12.7 Mbit/s, whilst 13.7% of premises in Devon had speeds below 2 Mbits/s (enabling basic broadband), compared to 10% across the UK.

6.8 In terms of superfast fibre broadband, a fifth of premises in Devon (20.3%) had superfast availability (greater than 24 Mbit/s) significantly below the UK level of 65%. Of particular note, just 2.1% of premises in the county had taken up superfast connectivity, below the UK figure of 7%.

[11] Rate refers to the proportion of resident population of age group
[12] Funded by Central Government, Devon and Somerset Councils, and BT and encompassing the six local authority areas of Devon, Torbay, Plymouth, Somerset, North Somerset, and Bath and North East Somerset
[13] The maximum download speed that a line is capable of supporting according to the way the line is configured by a customer's Internet Service Provider (ISP)

Critical Issue 5 - Assessment of Key Indicators

Overview: The table presents 2012 Devon baseline data against the nominated Socio-Economic Indicators for Critical Issue 5. Where available, data for 2013 is also presented to indicate the direction of travel. Where appropriate, this is denoted by a traffic light system with **Red** depicting a negative direction of travel; **Amber** denoting no change; and **Green** a positive direction of travel. **NB**: National data is shown for comparison purposes only. The status relates to the progress of the Devon economy.

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
Critical issue 5: Devon's towns and rural communities in more peripheral areas are falling behind	**SO4**: A well connected county – locally, nationally and globally	Population estimates – aged 20-29	Mid-year Population Estimates	2012	81,600 (10.8%)	7,281,200 (13.6%)	-	-	-	-
		Employment rate (as covered in Critical Issue 2)								
		Claimant count rate (claiming for 12 months+) – working age resident population	Claimant Count, ONS	Jan-Dec 2012	0.4%	0.9%	Jan-Dec 2013	0.4%	1.0%	
		Broadband take-up (including superfast)	Ofcom	2012	65.0%	71% (UK)	2013	73.9%	72% (UK)	
		Average modem sync speed (Mbit/s)	Ofcom	2012	9.2 Mbit/s	12.7 Mbit/s (UK)	2013	11.0 Mbit/s	9.2 Mbits/s (UK)	
		Proportion of premises with sync speeds below 2 Mbit/s	Ofcom	2012	13.7%	10% (UK)	2013	13.4%	8% (UK)	
		Proportion of premises with superfast availability	Ofcom	2012	20.3%	65% (UK)	2013	37.2%	73% (UK)	
		Take-up of superfast connectivity	Ofcom	2012	2.1%	7% (UK)	2013	6.9%	19% (UK)	
		Count of active enterprises	ONS Business Demography	2012	30,445	2,070,400	-	-	-	-

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
		Business density	ONS Business Demography / Mid-year Population Estimates	2012	67 per 1,000 working age residents	60 per 1,000 working age residents	-	-	-	-

Indicator Update

SO4: A well connected county – locally, nationally and globally

Population Profile (20-29)

6.9 At the time of reporting, data on the number of young people aged 20 to 29 was unavailable, and therefore the baseline position remains unchanged. This data is drawn from the mid-year population estimates, with data for 2013 scheduled for release on the 16th April 2014.

Employment Rate

6.10 Employment rate data for both the 2012 baseline position and 2013 update has been set out in Section 3 of this report and, as such, has not been repeated here.

Claimant Count

6.11 In 2013, the number of working age residents in Devon, claiming Job Seekers Allowance (JSA) and National Insurance Credits at Jobcentre Plus local offices for over one year was 1,796 – a slight decrease of 27 claimants from 2012. This is in contrast to increased claimant count levels both regionally and nationally. At 0.4%, the overall rate for Devon remains unchanged from 2012, and falls below the figures both regionally (0.6%) and nationally (1.0%).

Broadband Infrastructure

6.12 Devon has seen a positive trend in broadband speeds and take-up since 2012. In 2013, 73.9% of premises in Devon had taken up broadband, including superfast, compared to 65.0% in 2012 - slightly higher than the UK figure of 72%. The county's average modem sync speed was 11 Mbits/s in 2013 (compared to 9.2 Mbits in 2012), set against a UK average of 17.7 Mbits/s. Further, the proportion of premises receiving broadband speeds below 2 Mbits/s (enabling basic broadband) also reduced from 13.7% in 2012 to 13.4% in 2013 – however, this is still significantly above the UK figure of 8%.

6.13 Of particular note, there has been a significant shift in the availability and take-up of superfast fibre broadband. In 2013, 37.2% of premises in Devon had superfast availability (greater than 24 Mbit/s), compared to 20.3% in 2012. However, this still falls below the UK level of 73%. The take-up of superfast connectivity amongst premises in the county had also increased from 2.1% in 2012, to 6.9% in 2013. Again, this remains below the UK figure of 19%.

Linkages to other Growth Indicators

6.14 The link between employment rate and GVA and population profile and house prices has been set out in Section 2 and Section 4 respectively. With specific regard to broadband infrastructure, data is not available at a district level, therefore limiting the value of linkages with other growth indicators, such as business start-ups. Notwithstanding these constraints, there are still some linkages between indicators that could be made:

- **Claimant count and unemployment rate**: Claimant count (Critical Issue 5) and unemployment rate (Critical Issue 2) are both measures of spare labour capacity in the economy. Whilst it is not feasible to draw robust inferences from the data after a lapse of just 12 months from the baseline, the relationship could be monitored in subsequent annual reports.

  It should be noted, however, that despite the overlap, the indicators can sometimes move in different directions. For example, a change in benefit rules might result in the movement of claimants to JSA from another benefit, which would increase the claimant count without a corresponding increase in unemployment. Further, some labour market trends, such as the number of those over state pension age looking for work will affect the unemployment rate, but not the claimant count.

Implications for Strategic Outcome

SO4: A well connected county

6.15 Superfast broadband is an essential requirement to ensure sustained growth in productivity. Evidence from this report suggests that the level of broadband take-up and, in particular, the availability and take-up of superfast broadband is improving. However, the data relates to take-up across all premises in Devon, as opposed to just the business adoption of new technologies and, as such, should be interpreted alongside additional analysis (see below).

6.16 With specific regard to population profile, Devon had a lower proportion of young people living in the county when compared to regional and national levels, which might indicate a drift from the county. However, this trend will only become clear following the release of 2013 data.

Recommendations for Additional Analysis

7. Consider the use of a business survey to establish access to, and use of superfast broadband
As cited above, whilst the Ofcom data on broadband connectivity is useful, it relates to take-up across all premises, as opposed to just levels of business adoption, and cannot be disaggregated to a district level. Further, such data does not provide any indication of why businesses that are able to connect might not have done so, or how businesses that are connected are using superfast. Consequently, it would be useful to undertake a survey of businesses within the county to monitor take-up rates in more granular detail, and explore business attitudes and use of superfast broadband. The survey could be supplemented by consultations with Connecting Devon and Somerset, as well as business representatives, business support providers and providers of employment space, such as the Exeter Innovation Centre.

7 Critical Issue 6: Ageing Population

Overview: *'Devon's population is ageing rapidly'.* This critical issue is not linked to any strategic outcomes.

Review of Indicators

7.1 Following a critical appraisal of the indicators developed alongside the Strategy for Growth to monitor Critical Issue 6, it was deemed that no additions were required.

Indicator Baseline

Population Profile

7.2 In 2012, there were 453,000 residents of working age (16-64) in Devon, representing 60.1% of the total population – this compares to 62.1% regionally and 64.1% nationally. Similarly, the county also had a higher number of older residents aged 65-79 years (124,600/ 16.5%) than both regional (14.4%) and national (12.2%) levels; and a higher proportion of the total population aged 80+ (51,800/ 6.9%), in contrast to regional and national levels (5.9% and 4.7% respectively).

7.3 As shown below, Exeter had the highest proportion of working age residents – more than two-thirds of residents are aged 16-64 years (68.2%); a significantly higher proportion than regional (62.1%) and national (64.1%) averages. This is largely attributable to the district's large student population. Amongst the districts, East Devon had the highest proportion of older residents, with 19.6% of its resident population aged between 65 and 79, and 9.3% aged over 80.

Population Profile of Devon's Districts, 2012

	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
Total Pop.	134,400	119,400	78,300	93,800	83,600	125,000	64,700	53,900	53,493,700
Aged 16-64	74,900 (55.8%)	81,400 (68.3%)	47,100 (60.2%)	55,900 (59.6%)	49,400 (59.2%)	74,100 (59.3%)	38,300 (59.1%)	31,900 (59.2%)	34,307,000 (64.1%)
Aged 65-79	26,300 (19.6%)	12,800 (10.7%)	12,100 (15.5%)	15,600 (16.6%)	15,200 18.2%)	21,400 (17.1%)	11,700 (18.1%)	9,600 (17.8%)	6,548,600 (12.2%)
Aged 80+	12,500 (9.3%)	6,200 (5.2%)	4,600 (5.9%)	6,200 (6.6%)	5,600 (6.7%)	9,100 (7.3%)	4,100 (6.3%)	3,600 (6.7%)	2,507,900 (4.7%

Source: Mid-year Population Estimates

Employment Rate (65+)

7.4 The employment rate of those aged 65 and over in Devon was 12.2% in 2012, compared with 10.2% regionally and 9% nationally. Analysis at a district level revealed significant disparity in 65+ employment rates, ranging from 6.1% in Exeter to 22% in South Hams.

Employment Rate 65+, 2012

	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
Rate	9.6%	6.1%	18.7%	6.7%	22%	15.2%	12.1%	7.3%	9.0%

Source: Annual Population Survey

Critical Issue 6 - Assessment of Key Indicators

Overview: The table presents 2012 Devon baseline data against the nominated socio-economic indicators for Critical Issue 6. Where available, data for 2013 is also presented to indicate the direction of travel. Where appropriate, this is denoted by a traffic light system with **Red** depicting a negative direction of travel; **Amber** denoting no change; and **Green** a positive direction of travel. **NB**: National data is shown for comparison purposes only. The status relates to the progress of the Devon economy.

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Data	England	Year	Data	England	
Critical issue 6: Devon's population is ageing rapidly	-	Number of residents – working age	Mid-year Population Estimates	2012	453,000	34,307,000	-	-	-	-
		Proportion of residents – working age	Mid-year Population Estimates	2012	60.1%	64.1%	-	-	-	-
		Number of residents – aged 65-79	Mid-year Population Estimates	2012	124,600	6,548,600	-	-	-	-
		Proportion of residents – aged 65-79	Mid-year Population Estimates	2012	16.5%	12.2%	-	-	-	-
		Number of residents – aged 80+	Mid-year Population Estimates	2012	51,800	2,507,900	-	-	-	-
		Proportion of residents – aged 80+	Mid-year Population Estimates	2012	6.9%	4.7%	-	-	-	-
		Employment rate of residents - aged 65+	APS	2012	12.2	9.0%	Oct 2012-Sep 2013	10.9	9.7%	-

Indicator Update

Population Profile

7.5 At the time of reporting, data on the proportion of the population aged 16-64, 65-79, and 80+ years was unavailable, and therefore the baseline position remains unchanged. This data is drawn from the mid-year population estimates, with data for 2013 scheduled for release on the 16th April 2014.

Employment Rate (65+)

7.6 In 2012/13, the employment rate of those aged 65+ was 10.9%, compared with 12.2% in 2012. This reduction is in contrast to trends at both regional and national level which increased from 10.2% to 10.5% and 9.0% to 9.7% respectively over the same time period.

7.7 Five of Devon's districts had seen a decrease in their employment rate amongst 65+ year olds from 2012 to 2012/13 (East Devon, Torridge, Teignbridge, Mid Devon and South Hams), with the most pronounced decline in East Devon – decreasing from 9.6% in 2012 to 4.8% in 2013. Conversely, the 65+ employment rate in the districts of Exeter and North Devon increased mirroring regional and national trends. Of these, the most notable increase was in Exeter where the rate of employment grew from 6.1% in 2012 to 11.8% in 2012/13.

Employment Rate 65+, 2012/13									
	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
Rate	4.8%	11.8%	18.5%	9.0%	21.6%	11.6%	10.6%	-	9.7%
Source: Annual Population Survey									

Linkages to other Growth Indicators

7.8 The analysis of socio-economic indicators used to monitor Critical Issue 6 revealed the following link that could be further explored in subsequent annual reports:

- **Population profile and occupational profile**: An ageing population (Critical Issue 6) could have implications for the occupational profile of Devon (Critical Issue 4), with an increase in the number of retirees likely to create a bigger market for goods and services linked to older people, such as retirement homes and social care. It will therefore be important to monitor trends in the caring, leisure and other service occupational group to establish whether measures to support recruitment are required.

Implications for Strategic Outcome

7.9 Critical Issue 6 is not linked to any strategic outcomes, although the data supports the broader Critical Issue that Devon has a high proportion of older residents relative to regional and national comparators. When population profile data for 2013 is released, analysis will reveal the distribution of working age residents across the county, and the relative increase or decline in each district.

7.10 With specific regard to employment, the labour force participation rate for those aged 65 years and older decreased between 2012 and 2013, in contrast to trends both regionally and nationally. The contraction of employment in this group indicates a loss of knowledge and experience from the labour market, and therefore analysis of this trend will be important going forward, including consideration of resulting skills gaps and implications for particular sectors.

Recommendations for Additional Analysis

8. Consult with nominated stakeholders to gain perceptions on business attitudes toward the employment of older workers, and the associated requirements for support
Evidence suggests that people are working longer, spurred by increased life expectancy and shortfalls in pension provision. However, the business benefits of a diverse workforce are not always fully understood by employers. Increased levels of support for older people to remain in the labour market (such as flexible working hours) could help prevent a decline in the working population and ensure that their knowledge and experience is not lost. Consultations could therefore be conducted with organisations such as Age UK and the South West TUC to determine perceptions on the barriers faced by older workers, business attitudes on the employment of older workers, and any requirements for support.

8 Critical Issue 7: Environmental Challenges

Overview: *'Devon's resilience to face environmental changes is being challenged'.* This critical issue is not linked to any strategic outcomes.

Review of Indicators

8.1 Whilst the review of indicators for the measurement of Critical Issue 7 deemed they were largely fit for purpose, these have been enhanced through inclusion of data on energy consumption and miles travelled to provide a more comprehensive analysis:

- **Energy consumption**: The analysis now incorporates data on the consumption of gas and electric for both the domestic and non-domestic sectors.

- **Miles travelled**: Indicators on the miles travelled by motor vehicle and car have now been included to provide insight into the county's dependence on road transportation relative to regional and national comparators.

Indicator Baseline

Energy Consumption

8.2 Data on energy consumption is published by the Department of Energy and Climate Change, and is available at a district authority level – this has been aggregated to produce data at county level. Data at NUTS 1 and 3 is unavailable for this dataset meaning that comparisons with regional and national levels of consumption cannot be made.

8.3 In 2012, Devon's total consumption of gas was estimated to be 2,783.8 gigawatt hours (GWh) within the domestic sector, and 1,477.5 GWh in the non-domestic sector. With specific regard to electricity, total consumption in the county in 2012 was estimated to be 1,535.4 GWh within the domestic sector and 1,810.6 GWh in the non-domestic sector.

8.4 Across the districts, Exeter accounted for the highest proportion of the county's non-domestic gas (22.5%) and electricity (22.3%) consumption in 2012, whilst East Devon accounted for the highest proportion of both domestic gas and electricity consumption (20.8% and 18.0% respectively).

Fuel Poverty

8.5 The Department of Energy and Climate Change also publish data on fuel poverty with the latest release relating to data from 2011. Figures for 2012 are scheduled to be released in June 2014, so 2011 data has been used as a proxy baseline measure.

8.6 The government has recently set out an alternative fuel poverty measure based on Low Income High Costs (LIHC)[14]. Under this new definition a household is considered to be fuel poor where they have required fuel costs that are above average (the national median level); and, were they to spend that amount, they would be left with a residual income below the official poverty line.

[14] Department of Energy and Climate Change (2013) Annual Report on Fuel Poverty Statistics 2013.

8.7 In 2011, 49,073 of households (10.0%) in Devon county were classified as being in fuel poverty. This is above the regional level of 9.4%, but slightly below that experienced nationally (10.9%). Across the districts, Exeter had the highest proportion of households considered to be in fuel poverty (10.9%), whilst Mid Devon had the lowest (8.9%).

Households Classed as Fuel Poor, 2011									
	East Devon	Exeter	Mid Devon	North Devon	South Hams	Teign-bridge	Torridge	West Devon	England
Fuel poor households	5,410	5,494	2,832	3,946	3,357	5,218	2,712	2,201	2,390,000
Percent fuel poor	9.3%	10.9%	8.9%	10.1%	9.3%	9.6%	9.7%	9.9%	10.9%
Source: Department of Energy and Climate Change									

CO2 Emissions

8.8 The latest data on CO2 emissions from the Department of Energy and Climate Change also relate to 2011. This provides estimates of CO2 emissions from industry and commercial, domestic and road transport sectors to provide a total emissions figure per capita.

8.9 In 2011, total CO2 emissions in Devon were 7.05 tonnes per person (per capita), exceeding both the regional and national levels of 6.46 and 6.67 respectively. Road transport emissions in Devon (33.9%) accounted for a larger proportion of end user emissions when compared to the national figure (29.2%), highlighting a higher dependence on road-based transportation.

8.10 In terms of the districts, Exeter had the lowest CO2 emissions in 2011, accounting for 4.88 tonnes per person, in contrast to West Devon which, at 9.21 tonnes, had the highest. Of West Devon's total emissions, 37.7% was accounted for by road transport reflecting its predominantly rural nature - significantly above the national and regional proportions of 29.2% and 33.5% respectively.

Vehicle Miles (Traffic Volume)

8.11 The Department for Transport provide estimates of the number of vehicle miles travelled each year, which is updated on an annual basis. These estimates are predominantly based on manual counts, combined with data from the network of Automatic Traffic Counters and road length statistics to produce data on miles travelled by vehicle type, road category and region.

8.12 In 2012, overall motor vehicle traffic[15] volume was 4,773 million vehicle miles, accounting for 1.8% of the national volume and 15.8% of the overall regional volume. Of this, 3,769 million vehicle miles were made by car – 79.0% of overall motor vehicle traffic miles.

[15] Motor vehicle traffic refers to cars and taxis, light vans, goods vehicles, motorcycles, and buses and coaches.

Critical Issue 7 - Assessment of Key Indicators

Overview: The table presents 2012 Devon baseline data against the nominated Socio-Economic Indicators for Critical Issue 7. Where available, data for 2013 is also presented to indicate the direction of travel. Where appropriate, this is denoted by a traffic light system with **Red** depicting a negative direction of travel; **Amber** denoting no change; and **Green** a positive direction of travel. **NB**: National data is shown for comparison purposes only. The status relates to the progress of the Devon economy.

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
Critical issue 7: Environmental challenges	-	Energy consumption – domestic sector gas	Department of Energy and Climate Change	2012	2,783.8 GWh	-	-	-	-	-
		Energy consumption – non-domestic sector gas	Department of Energy and Climate Change	2012	1,477.5 GWh	-	-	-	-	-
		Energy consumption – domestic sector electricity	Department of Energy and Climate Change	2012	1,535.4 GWh	-	-	-	-	-
		Energy consumption – non-domestic sector electricity	Department of Energy and Climate Change	2012	1,810.6 GWh	-	-	-	-	-
		Number of households classified as being in fuel poverty	Department of Energy and Climate Change	2011	49,073 (10%)	2,390,000 (10.9%)	-	-	-	-
		CO2 emissions per capita (tonnes per person)	Department of Energy and Climate Change	2011	7.05 tonnes per person	6.67 tonnes per person	-	-	-	-

Critical Issue	Strategic Outcomes	Indicator	Source	Baseline Strategy for Growth Position			Updated Strategy for Growth Position			Status
				Year	Devon	England	Year	Devon	England	
		Miles travelled by motor vehicle (million vehicle miles)	Department for Transport	2012	4,773 million vehicle miles	259,144 million vehicle miles	-	-	-	-
		Miles travelled by car (million vehicle miles)	Department for Transport	2012	3,769 million vehicle miles	240,271 million vehicle miles	-	-	-	-

Indicator Update

Energy Consumption, Fuel Poverty, and CO2 Emissions

8.13 At the time of reporting, there were no updates to the 2011 data relating to energy consumption, fuel poverty, and CO2 emissions, and therefore the baseline position remains unchanged. The Department of Energy and Climate Change publish fuel poverty and CO2 emissions data annually with a two-year lag. It is anticipated that fuel poverty and CO2 emissions data for 2012 will be available in June/July 2014, whilst energy consumption data for 2013 will be available in December 2014.

Vehicle Miles (Traffic Volume)

8.14 Similarly, there were no updates to data on traffic volume for 2013. The Department for Transport updates traffic volume data on an annual basis, with the 2013 release scheduled for June 2014.

Linkages to other Growth Indicators

8.15 Whilst there are a number of theoretical linkages that could be made such as the economic opportunities associated with the development of renewable energy infrastructure, these are not covered by the growth indicators in this report, and therefore will be subject to additional analysis. However, there is an opportunity to explore the link between CO2 emissions, vehicle miles and broadband infrastructure:

- **CO2 emissions, vehicle miles, and broadband infrastructure**: Whilst the positive environmental impact of broadband infrastructure is uncertain (due to increased power consumption associated with fibre optic connections), research has suggested that faster broadband could lead to increased teleworking and a consequent reduction in employee travel. More substantial reductions in carbon emissions may also arise from the increased use of cloud computing[16].

  Due to the availability of 2013 data from the Department of Energy and Climate Change, and the fact that just 12 months have elapsed since the 2012 baseline position, it is not possible at this stage to comment on data trends between CO2 emissions and vehicle miles (Critical Issue 7), with broadband infrastructure (Critical Issue 5). However, the analysis of the interplay between these indicators would be useful to revisit in subsequent annual reports.

[16] SQW (2013), UK Broadband Impact Study: Literature review.

Implications for Strategic Outcome

8.16 Whilst Critical Issue 7 is not linked to any strategic outcomes, the data in terms of vehicle miles underlines potential implications for SO4: A well connected county – locally, nationally, globally.

8.17 Arguably however, a more immediate environmental concern to the county's connectivity is the vulnerability of its railway connections to flooding. Further, whilst data on the economic impact of the 2013-14 winter storms was emerging at the time of writing, this is not likely to be collected in a systematic fashion or repeated in future years. Therefore, in consideration of these points, we make the following recommendation for further research.

Recommendations for Additional Analysis

9. Secondary analysis of the HotSW LEP economic impact report on the 2013-14 winter storms, when released, to support assessment of resilience to environmental change
The winter storms of 2013-14 and the collapse of the Dawlish sea wall have underlined the vulnerability of the county's infrastructure and, by extension, its economy to flooding. An earlier study by SQW on flooding in Devon and Somerset, commissioned in response to the 2012 floods, estimated that they cost businesses in the sub-region £5.2 million with acute levels of damage to agriculture. At the time of writing, the Heart of the South West LEP was in discussion around commissioning another assessment of the economic impact of the floods in the wider sub-region. The findings of this assessment relating to Devon will be important in informing an assessment of Devon's resilience to environmental changes and should also be seen as an important component to the revised LEA.

9 Summary of Progress and Assessment of Change

Progress Against Strategic Outcomes

9.1 Sections 2 to 8 of this report provide a summary of the implications for each strategic outcome, based on the available data. The key messages are drawn out below in addition to an assessment of progress from 2012 to 2013, and a colour code denoting the overall status of progress made.

9.2 In line with the assessment of key indicators used throughout this report **Red** depicts a negative direction of travel; **Amber** denotes either no change, or a mixed picture of change; and **Green** a positive direction of travel. A box with **no colour** indicates that an overall assessment of change could not be made due to insufficient data or it was not considered appropriate to do so.

SO1: A more productive economy

9.3 Strategic Objective 1 represents a long-term ambition for Devon County Council, requiring a shift in its industrial structure and the encouragement of growth in sectors that achieve higher levels of productivity. At the time of writing, data on Gross Value Added was only available for the baseline year and therefore an assessment of progress could not be made. However, it is clear from the data available that a growth in productivity is required to narrow the gap between Devon and the regional and national average.

Overall status:

SO2: A higher wage economy

9.4 Analysis of Strategic Objective 2 revealed that between 2012 and 2013 both residential and workplace weekly earnings in Devon grew at a faster rate than the regional and national average. This has resulted in a narrowing of the earnings gap and movement toward a higher-waged economy.

Overall status:

SO3: Employment opportunities for all and a workforce with the right skills for the future

9.5 Through the creation of better paid jobs, Strategic Objective 3 sought to support Devon's young people and the long-term unemployed into work. Data shows that employment amongst young people aged 20 to 24 increased between 2012 and 2013, although the level of employment in this group still lagged behind regional and national levels. Progress was also offset by an increase in the unemployment rate amongst this age group over the same period.

9.6 A second ambition of Strategic Objective 2 was to ensure that Devon had a workforce with the right skills to meet the future needs of businesses. Whilst qualifications data for 2013 was unavailable, data for 2012 indicated that although the proportion of those with NVQ Level4+ was broadly in line with national trends, there was significant variation in attainment across districts. As outlined in Recommendation 3, a full appraisal of progress made in this area would be supported by an assessment of the Workforce Skills Business Survey to gauge the extent to which the skills of the workforce align with business requirements.

Overall status:

SO4: A well connected county

9.7 Strategic Objective 4 sought to ensure that the county builds and maintains connections to secure easy access to key economic centres through improvements in road, rail, air and broadband connectivity. Consequently, this objective is broad with a limited level of progress that could be quantified by the identified indicators for growth.

9.8 The report did reveal, however, that Devon has seen a positive trend in broadband speeds and take-up since 2012, particularly with regard to the availability and take-up of superfast broadband. However, the broadband data relates to take-up across all premises in Devon, as opposed to just businesses, and therefore our assessment of change is more cautious. As detailed in Recommendation 7, Devon County Council could consider the use of a business survey to establish access to, and use of superfast broadband.

Overall status:

SO5: A thriving business community

9.9 This strategic outcome is based on ensuring a vibrant business community that is both ambitious and resilient and as such represents a more medium term focus. The assessment of progress was limited by the availability of business demography growth indicators for 2013. However, it was clear from the data available for 2012 that Devon had a lower rate of business births when compared to regional and national rates, and that business deaths outstripped births leading to a decrease in the number of active businesses.

9.10 Recommendation 5 suggests consultations with business representatives to identify the factors inhibiting start-ups; whilst Recommendation 6 suggests consultation with FE and HE stakeholders to establish the nature and level of support available. These measures will further support Devon County Council to target actions to foster the next generation of entrepreneurs, and to ensure that existing businesses have the right support to grow, innovate and be competitive.

Overall status:

Assessment of Change

9.11 As outlined in Section 1, this report represents the first of seven annual monitoring reports of socio-economic indicators, and covers the period 2012 to 2013. As such, the assessment of change is limited as the actions around a number of strategic outcomes will take more time to impact on Devon's economy. The assessment of change was further hampered by the limited availability of 2013 data, meaning that a full statistical update of progress will not be made until the second annual monitoring report.

9.12 Based on the data available, the greatest progress has been made in relation to Critical Issue 2, attributed to the positive direction of travel with respect to earnings (SO2), and Critical Issue 5, with specific regard to the positive trend in broadband speeds and take-up (SO4). However, these preliminary findings, as with the summary of progress made against strategic outcomes, should be treated with some caution given the limitations in data at the time of reporting.

9.13 In order to support the assessment of key economic trends and the direction of travel over a yearly period, a number of recommendations for additional analysis have been made. These are summarised overleaf.

Critical Issue	Recommendation for Additional Analysis
1. Productivity	Recommendation 1. Consult with District Economic Development Officers to inform planned or anticipated changes to sectoral structure and industrial specialisation
	Recommendation 2. Consult with industry leaders to inform the enhancement of productivity levels within specific sectors
2. Skilled Workforce	Recommendation 3. Review the Workforce Skills Business Survey to inform an assessment of business skills and potential vulnerabilities
3. Low Earnings	Recommendation 4. Analyse the latest Indices of Multiple Deprivation (IMD) data, when released, to review levels of relative poverty
4. Exploit Assets	Recommendation 5. Consult with business representatives to identify the factors inhibiting start-ups and to establish the nature of support available
	Recommendation 6. Consult with FE and HE stakeholders to establish the level and nature of support available for graduates and young entrepreneurs
5. Connectivity	Recommendation 7. Consider the use of a business survey to establish access to and use of superfast broadband
6. Ageing Population	Recommendation 8. Consult nominated stakeholders to gain perceptions on business attitudes toward the employment of older workers, and the associated requirements for support
7. Environmental Challenges	Recommendation 9. Secondary analysis of the HotSW LEP economic impact report on the 2013-14 winter storms, when released, to support assessment of resilience to environmental change

Appendix 1: Overview of Indicators

Critical Issue	Strategic Outcomes	Strategy for Growth Original Indicators		Data Used in Strategy for Growth Annual Monitoring Report (where different)		Data Used in Annual Report	
		Indicator	Source	Indicator	Source	Trending Period	Release Date where 2013 Data is Unavailable
Overarching economic performance		Total GVA (£m) – workplace based at current basic prices	Regional Accounts, ONS	-	-	2012	2013 Data: 16/4/14
		GVA per head – workplace based at current prices	Regional Accounts, ONS	-	-	2012	2013 Data: 16/4/14
		Gap in GVA per head (Index England = 100) – workplace based at current basic prices	Regional Accounts, ONS	-	-	2012	2013 Data: 16/4/14
Critical issue 1: Devon's economy is performing poorly in terms of productivity	**SO1:** A more productive economy – narrowing the productivity gap	GVA per FTE (productivity) – workplace based at current basic prices	Regional Accounts, ONS/ BRES	-	-	2012	2013 Data: 16/4/14
		Productivity gap compared to the national average (pp gap) – workplace based at current basic prices	Regional Accounts, ONS/ BRES	-	-	2012	2013 Data: 16/4/14
Critical issue 2: Devon has a relatively skilled workforce however this masks significant differences at District level	**SO2:** A higher wage economy – narrowing our wage disparity with the rest of the UK	Resident-based earnings (gross weekly pay) - Median/ FT workers	ASHE	-	-	2012-2013	-
		Resident-based earnings gap compared to the national average – Median/ FT workers	ASHE	-	-	2012-2013	-
				Resident-based earnings gap compared to the regional average – Median/ FT workers	ASHE	2012-2013	-

Critical Issue	Strategic Outcomes	Strategy for Growth Original Indicators		Data Used in Strategy for Growth Annual Monitoring Report (where different)		Data Used in Annual Report	
		Indicator	Source	Indicator	Source	Trending Period	Release Date where 2013 Data is Unavailable
		Workplace earnings (gross weekly pay) – Median/ FT workers	ASHE	-	-	2012-2013	-
		Workplace earnings gap compared to the national average – Median/ FT workers	ASHE	-	-	2012-2013	-
		-	-	Workplace earnings gap compared to the regional average – Median/ FT workers	ASHE	2012-2013	-
Critical issue 2: Devon has a relatively skilled workforce however this masks significant differences at District level	**SO3:** Employment opportunities for all and a workforce with the right skills for the future – realising everyone's potential	Working age population qualified to degree level or above (NVQ4+)	APS	-	-	Jan-Dec 2012	Jan-Dec 2013 Data: 16/4/14
		-	-	Working age population qualified to degree level or above (NVQ4+) – economically active	APS	Jan-Dec 2012	Jan-Dec 2013 Data: 16/4/14
		Working age population with no qualifications	APS	-	-	Jan-Dec 2012	Jan-Dec 2013 Data: 16/4/14
		-	-	Working age population with no qualifications - economically active	APS	Jan-Dec 2012	Jan-Dec 2013 Data: 16/4/14
		Employment rate – working age population	APS	-	-	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		Employment rate – aged 20-24	APS	-	-	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		Employment rate females – working age population	APS	-	-	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14

Critical Issue	Strategic Outcomes	Strategy for Growth Original Indicators		Data Used in Strategy for Growth Annual Monitoring Report (where different)		Data Used in Annual Report	
		Indicator	Source	Indicator	Source	Trending Period	Release Date where 2013 Data is Unavailable
		Employment rate males – working age population	APS	-	-	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Unemployment rate – working age population	APS	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Unemployment rate – aged 20-24	APS	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Unemployment rate females – working age population	APS	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
				Unemployment rate males – working age population	APS	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		Claimant count rate (claiming for over 12 months), as a proportion of resident population age 16-64	NOMIS	**NB**: Now covered in Critical Issue 5	-	-	-
Critical issue 3: Earnings are lower than average in most of Devon and link to housing affordability and relative poverty	Linked to **SO2** and **SO3**	Resident and workplace earnings (as covered in Critical Issue 2)					
		-	-	Average House Prices	Land Registry, Housing Price Index	2012-2013	-
		Ratio of median earnings to median house prices	Land Registry	-	-	2012	2013 Data: Release data Tbc

Critical Issue	Strategic Outcomes	Strategy for Growth Original Indicators		Data Used in Strategy for Growth Annual Monitoring Report (where different)		Data Used in Annual Report	
		Indicator	Source	Indicator	Source	Trending Period	Release Date where 2013 Data is Unavailable
Critical issue 4: Devon has an opportunity to better exploit the assets it has for high value economic growth	Linked to **SO1**	-	-	Occupational profile of employment - Managers, Directors and Senior Officials	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Occupational profile of employment - Professional Occupations	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Occupational profile of employment - Associate Professional and Technical Occupations	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Occupational profile of employment - Administrative and Secretarial Occupations	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Occupational profile of employment - Skilled Trades Occupations	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Occupational profile of employment - Caring, Leisure and Other Service Occupations	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Occupational profile of employment - Sales and Customer Service Occupations	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		-	-	Occupational profile of employment - Process, Plant and Machine Operatives	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14

Critical Issue	Strategic Outcomes	Strategy for Growth Original Indicators		Data Used in Strategy for Growth Annual Monitoring Report (where different)		Data Used in Annual Report	
		Indicator	**Source**	**Indicator**	**Source**	**Trending Period**	**Release Date where 2013 Data is Unavailable**
		-	-	Occupational profile of employment - Elementary occupations	APS – Workplace analysis	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
		Employment share in knowledge intensive sectors	BRES	-	-	2012	2013 Data: 17/9/14
	SO5: A thriving business community – improving resilience and business performance	Count of active enterprises	ONS Business Demography	-	-	2012	2013 Data: Provisional Release Oct 2014
		Business density	ONS Business Demography/ Mid-year Population Estimates	-	-	2012	2013 Data: Provisional Release Oct 2014
		Count of births of new enterprise/ rate	ONS Business Demography	-	-	2012	2013 Data: Provisional Release Oct 2014
		Count of deaths of enterprises/ rates	ONS Business Demography	-	-	2012	2013 Data: Provisional Release Oct 2014
		Business 3 year survival rate	ONS Business Demography	-	-	2012	2013 Data: Provisional Release Oct 2014
		Qualifications profile (as covered in Critical Issue 2)					

Critical Issue	Strategic Outcomes	Strategy for Growth Original Indicators: Indicator	Strategy for Growth Original Indicators: Source	Data Used in Strategy for Growth Annual Monitoring Report (where different): Indicator	Data Used in Strategy for Growth Annual Monitoring Report (where different): Source	Data Used in Annual Report: Trending Period	Data Used in Annual Report: Release Date where 2013 Data is Unavailable
		Graduate retention – the proportion of 2011/12 graduates from Devon's three HEIs finding employment in the county 6 months after graduating	HESA DLHE Survey	-	-	2011/12	2012/13 Data: 26/6/2014
Critical issue 5: Devon's towns and rural communities in more peripheral areas are falling behind	**SO4:** A well connected county – locally, nationally, globally	Population estimates – aged 20-29	NOMIS Mid-year Population Estimates	-	-	2012	2013 Data: 16/4/14
		Employment rate (as covered in Critical Issue 2)					
		Claimant count rate (claiming for 12 months+) – working age resident population	DWP, NOMIS	-	-	Jan-Dec 2012/ Jan-Dec 2013	-
		-	-	Broadband take-up (including superfast)	Ofcom	2012-2013	-
		-	-	Average modem sync speed (Mbit/s)	Ofcom	2012-2013	-
		-	-	Proportion of premises with sync speeds below 2 Mbit/s	Ofcom	2012-2013	-
		Proportion of premises with superfast availability	Ofcom	-	-	2012-2013	-
		Take-up of superfast connectivity	Ofcom	-	-	2012-2013	-
Critical issue 6: Devon's population is ageing rapidly		Number of residents – working age	Mid-year Population Estimates	-	-	2012	2013 Data: 16/4/14

Critical Issue	Strategic Outcomes	Strategy for Growth Original Indicators		Data Used in Strategy for Growth Annual Monitoring Report (where different)		Data Used in Annual Report	
		Indicator	Source	Indicator	Source	Trending Period	Release Date where 2013 Data is Unavailable
		Proportion of residents – working age	Mid-year Population Estimates	-	-	2012	2013 Data: 16/4/14
		Number of residents – aged 65-79	Mid-year Population Estimates	-	-	2012	2013 Data: 16/4/14
		Proportion of residents – aged 65-79	Mid-year Population Estimates	-	-	2012	2013 Data: 16/4/14
		Number of residents – aged 80+	Mid-year Population Estimates	-	-	2012	2013 Data: 16/4/14
		Proportion of residents – aged 80+	Mid-year Population Estimates	-	-	2012	2013 Data: 16/4/14
		Employment rate of residents - aged 65+	APS	-	-	Jan-Dec 2012/ Oct 2012-Sept 2013	Jan-Dec 2013 Data: 16/4/14
Critical issue 7: Devon is facing environmental challenges and vulnerabilities		-	-	Energy consumption – domestic sector gas	DECC	2012	2013 Data: 18/12/14
		-	-	Energy consumption – non-domestic sector gas	DECC	2012	2013 Data: 18/12/14
		-	-	Energy consumption – domestic sector electricity	DECC	2012	2013 Data: 18/12/14
		-	-	Energy consumption – non-domestic sector electricity	DECC	2012	2013 Data: 18/12/14

Critical Issue	Strategic Outcomes	Strategy for Growth Original Indicators		Data Used in Strategy for Growth Annual Monitoring Report (where different)		Data Used in Annual Report	
		Indicator	Source	Indicator	Source	Trending Period	Release Date where 2013 Data is Unavailable
		Number of households classified as being in fuel poverty	DECC	-	-	2011	2012 Data: 12/06/14
		CO_2 emissions	DECC	-	-	2011	2012 Data: 24/07/14
		-	-	Miles travelled by motor vehicle (million vehicle miles)	Department for Transport	2012	2013 Data: Anticipated Jun 2014
		-	-	Miles travelled by car (million vehicle miles)	Department for Transport	2012	2013 Data: Anticipated Jun 2014