

Town Economic Vitality Index

FAQs

1. Why do we need an Index?

On 12 February 2020, Cabinet approved the development of a Place Policy for Cornwall Council and the establishment of a £4m Town Centre Revitalisation Fund Reserve to support the development of investment proposals for towns in Cornwall that are not in receipt of the Government's Future High Street and Town Deal.

The Fund Reserve was formed in response to the [Vitality of High Street inquiry](#) that was led by the Economy and Growth Overview and Scrutiny Committee. The inquiry concluded in September 2019 with a set of forward-looking recommendations that addressed the need for towns to consider their future vitality and opportunities for investment and intervention that ensure future vibrancy in response to the sharp decline in the high street retail sector.

The [Place Shaping Framework](#) set out a policy position for Cornwall Council which included an ambition to develop a place shaping index. The work to date has been in line with that guiding principle. We have assessed availability of relevant economic data available at a town level to establish clear metrics for measurement of success and benchmarks for the delivery of desired outcomes that both deliver on the need for high street revitalisation and productivity increases for businesses as well as good growth outcomes linked to increased skills levels, better paid employment and improved health outcomes for residents.

In order to manage the resource available within Cornwall Council to support place shaping, prioritisation of places on the basis of need, opportunity and readiness is necessary. This first iteration of a Town Economic Vitality Index sets out analysis that identifies towns with demonstrable need for intervention according to a number of key indicators.

2. What are we using the Index for?

The index will enable members and officers to review a towns performance across various strands of economic activity as well as labour market conditions. It shows which areas of a town's vitality are performing well and where there is room for improvement. This can help the Council consider targeted support and intervention and will help various services consider which towns might be best suited to any future project or service delivery with the aim to boost any areas of poor performance.

3. How were towns selected for inclusion in this index?

The towns selected for inclusion in the Index correlates with the 25 towns which have been eligible for Town Vitality Funding. However, only 22 of these 25 towns could be used in the index due to availability of data at a town level. Data is more easily available at towns above a population size of 3,500. LSOA and MSOA (these are explained in point 5 below) data thresholds and geographical boundaries come into play, so smaller towns and rural areas (populations of 3,500 and lower) can

be difficult to include given availability of like-for-like data. A de minimis population threshold has therefore been applied as one of the qualifying criteria/measures for a town's inclusion in the index. Towns with populations of 3,500 or lower at LSOA level have therefore not been included in the index. A town was required to fit all three of the town inclusion criteria in order to be included.

These indicators provide data at a town level and which is available across all 22 towns and enable comparator information to be extrapolated to show levels of performance. The application of a weighting then enables a score to be calculated against which the 22 towns can be ranked into a performance table.

The index is not a panacea. It does however give a reference point and guide to the economic performance of 22 towns and shows where intervention or support could be targeted. However, this index should be moderated with officer and member knowledge about place and any pipeline investment or support which might influence any judgements or decisions about which towns should be selected for help. This can ensure that work aligns with boosting any areas of weakness or poor performance as a catalyst for improvement to town vitality.

As an example, Town Deal towns have currently received on average £20m+ investment which could influence any decision to target further funding or support to these towns. Town Deal towns are currently working at capacity to deliver their aspirations, funding outputs and ambitions which in time should ameliorate some aspects of their performance as reported in the radar visualisations. The wider knowledge might therefore influence any response to acknowledge the Town Deal investment and to let these places work through their town investment plans with a view to support other towns in the index, matching any new funding and associated interventions with identified need.

It is also possible that this tool, once agreed, can feed into wider strategic discussions such as Prosperous Cornwall 2050 and any judgements/recommendations around which towns could be targeted for various development led proposals.

4. Will the Index change/evolve in the future?

This is a live index and subject to sourcing relevant indicators that are able to be updated annually or as regularly as possible (note – some data correlates with census so cannot be updated on an annual basis).

It is proposed to use this index in its current form and to embed this where relevant. As the index is turned from concept into a working and live mechanism, any learning will be used to influence subsequent and future versions. Additional indicators should only be considered where they add value around the principles of economic prosperity of place and where data exists at town level.

5. What is the difference between a Lower-layer Super Output Area (LSOA) and a Middle-layer Super Output Area (MSOA)

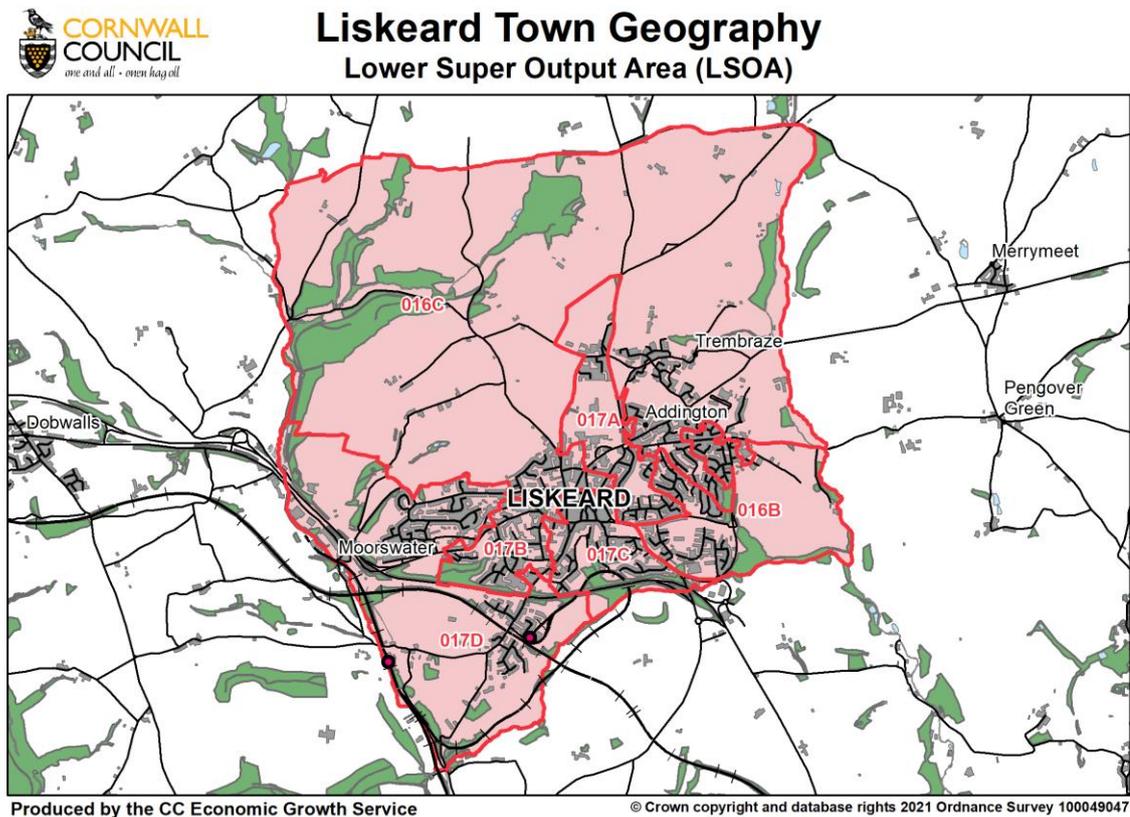
Output areas (OA) were created by the ONS for Census data, specifically for the output of census estimates. The OA is the lowest geographical level at which census estimates are provided. These boundaries are adjusted during each Census. Cornwall's were not adjusted during the last Census (2011).

Middle Layer Super Output Areas (MSOA) are a geographic hierarchy designed to improve the reporting of small area statistics in England and Wales. Middle Layer Super Output Areas are built from groups of adjoining Lower Layer Super Output Areas. The minimum population is 5000 and the mean is 7200.

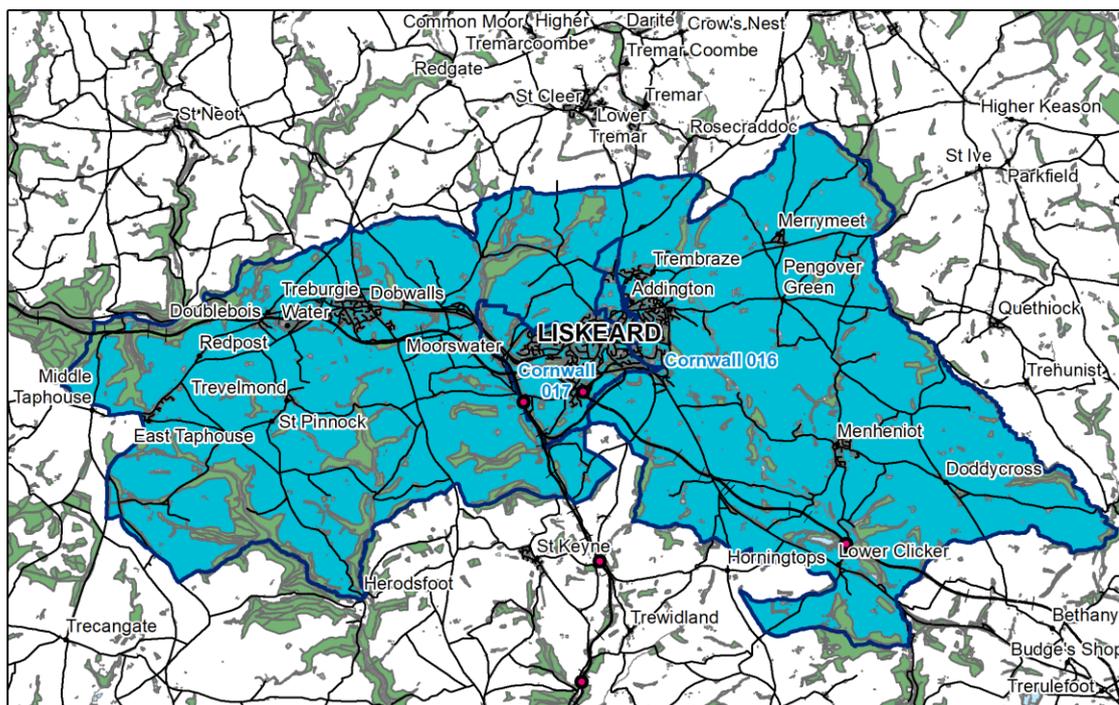
LSOAs (Lower-layer Super Output Areas) are small areas designed to be of a similar population size, with an average of approximately 1,500 residents or 650 households. There are 32,844 Lower-layer Super Output Areas (LSOAs) in England.

It should be noted that, for smaller towns, the MSOA data becomes less relevant to the place, as the data covers too wide an area, LSOAs cover a smaller area and therefore provide more relevant data.

The LSOA and MSOA boundaries for each town can be seen their [Town Profile](#), an example (Liskeard) is provided below to show the way LSOAs tend to fit into an MSOA and why LSOA data is more relevant to certain towns:



Liskeard Town Geography Mid Super Output Area (MSOA)



6. What criteria were used in the Index?

Criteria 1: The population of the settlement's LSOA built up area must exceed 3,500 people. This was identified as the lower population limit of a small town (as outlined under question 2 above).

Criteria 2: The settlements MSOA population size must be no more than twice the areas LSOA population. For each indicator, and as explained above, data is either available at MSOA or LSOA geographies and in some cases both. In this case the LSOA populations are the more appropriate geography for the index as the boundaries more closely fit the extent of a settlement's built up area. Some data is however only available at the larger geographical level (MSOA) this creates problems as some MSOAs cover vast areas much less relevant to settlement of focus.

Criteria 3: The settlement must provide significant facilities for the local and surrounding population. Significant in this sense includes a town centre, educational and health facilities. It should be included in the list of towns defined as such by the ONS. The only additional town in the list is Penryn which ONS include under Falmouth but has been included due to its fulfilment of the criteria in its own right.

Place based knowledge was utilised in assessing the eligibility of towns under these criteria, but this was also based on the list of towns as defined by the Office of National Statistics. The ONS definition of a town for the purposes of their identification of UK towns was settlements with a population of between 5,000 and 225,000. In the case of Cornish towns, analysis by the Economic Growth team established a consistency with what would be deemed a town using local criteria/knowledge.

It should also be noted that, for consistency, the same criteria applied to this Index were also applied to the creation of the Town Profiles.

7. How is the final 'Total Score' of 100 calculated?

The unweighted scores, as displayed on the radar diagrams within the index, had the weightings applied to them scores were totalled and divided to reach the final score.

It should be noted that the unweighted scores are used for the radar visualisations in order to compare each indicator like-for-like using the raw data. Once weightings have been applied this is informative for the overall score per town and as a comparison across the towns included. This also allows is to rank the towns from 1 – 22.

8. What does each selected indicator measure?

A more detailed definition of each indicator with notes regarding use of selected datasets, where relevant:

Indicator	Definition
Business Growth	% increase/decrease in local units occupied for business use over five years. This is a more accurate representation of business in towns than using enterprise figures, which would not take account of national businesses whose corporate addresses would not be based locally and therefore not indicate a presence in the town.
Unemployment	Those within the working population (ages 16-64) claiming unemployment
Benefit Claimants	Those within the working population (ages 16-64) claiming Universal Credit
Deprivation	Index of Multiple Deprivation Score
Household Income	Estimated Net Household Income in GBP
Fuel Poverty	% of households classed as fuel poor, determined by Government as households that: live in a property with an energy efficiency rating of band D, E, F or G as determined by the most up-to-date Fuel Poverty Energy Efficiency Rating (FPEER) Methodology; and have disposable income (income after housing costs (AHC) and energy needs) that would be below the poverty line.
Gigabit Broadband	% of Premises Gigabit Broadband Capable – total, including business and domestic properties.
High Skill Levels	% with a NVQ4+ or Equivalent Qualification. It should be noted that the source of this data varies from that used in the Town Profiles. Due to the mandatory nature of the Census

	(compared to an option survey), it was felt that using the Census data would provide a more accurate picture of skills/qualifications. This data will be updated on publication of the latest Census.
Life Expectancy	Average Life Expectancy from Birth in years.
Occupations	% of employment in Higher and Lower Managerial, Admin and Prof Occupations
Violent Crime	The number of violent crimes, per 1000 of the population, resulting in injury to the victim.
Vacancies	<p>Number of vacancies compared to the number of jobs in the area. This tells us there are vacancies in the area compared to levels of employment. This dataset is created by web crawlers identifying job adverts online.</p> <p>It should be noted that this dataset is used, rather than total number of jobs/vacancies as this would always produce a list with the largest population towns at the top, whereas the % of vacancies vs number of jobs provides a more meaningful comparison as it allows for differences in size of town/population.</p>