

Economy Committee

10.00am, Friday, 13 February 2015

Investing in Jobs: Economic Development Service Key Performance Indicators – October to December 2014

Item number	7.2
Report number	
Executive/routine	
Wards	All

Executive summary

The purpose of this report is to update Committee on the performance of the Economic Development Service (EDS) in delivering the key performance indicators (KPIs) for the period October to December 2014. The KPIs are set out in the Council's Economic Strategy with more detail in the EDS Operational Plan.

The EDS is currently ahead of target on all three KPIs as measured by a range of inputs on jobs, investment and helping people into work and learning

Links

Coalition pledges	P7; P15; P16; P17; P21; P22; P28; P29
Council outcomes	CO7; CO8; CO9
Single Outcome Agreement	SOA1

Investing in Jobs: Economic Development Service Key Performance Indicators October to December 2014

Recommendations

- 1.1 The Economy Committee is asked to note the progress being made against the three KPIs in the period October to December 2014.

Background

- 2.1 On 26 June 2012 the former Economic Development Committee approved an operational plan for the EDS. This plan covers the period 2012/13 to 2014/15 and sets out the role of the EDS in delivering the Council's Economic Strategy.
- 2.2 The Committee also approved a methodology for measuring the performance of the EDS against the three KPIs set out in the operational plan.
- 2.3 Quarterly updates and an annual summary of performance have been presented to Economy Committee. The most recent updates were presented on [18 December 2014](#).

Main report

- 3.1 The EDS is currently ahead of target on all three of the headline KPIs – assuming a straight line profile – as set out in the [technical appendix of the operational plan](#). The measurement on each KPI takes account of very conservative appraisal, deadweight, displacement and optimism bias in calculating the gross to net figures.

Support the creation and safeguarding of 2,000 (net) jobs in Edinburgh

- 3.2 Between 1 October 2014 and 31 December 2014, the EDS supported the creation and safeguarding of **115.8** (net) jobs in Edinburgh. A summary is provided in the table below:

Jobs created and safeguarded by the EDS (1 October 2014 to 31 December 2014)		
Source	Gross	Net
Business Gateway	653	115.76
...New starts	464	46.4
...Sub Pipeline	78	24.96
...Growth Pipeline	111	44.4
Inward investments	0	0
...	0	0
Construction jobs ¹	0	0
...	0	0
Loan funds	0	0
...East of Scotland Investment Fund	0	0
...Edinburgh Small Business Loan Fund	0	0
...INTERREG fund activities	0	0
Total for period (1 Oct 2014 – 31 Dec 2014)	653	115.76
<i>Previous running total (1 Apr 2012 – 30 Sept 2014)</i>	<i>7,443</i>	<i>1,921.7</i>
New running total (1 Apr 2012 – 31 Dec 2014)	8,096	2,037.5

- 3.3 The EDS has supported the creation and safeguarding of **2,037** (net) jobs in Edinburgh since 1 April 2012.
- 3.4 If straight line progress is assumed, the jobs figure could be expected to be standing at 1,833. It stands at 2,037 so the EDS is currently ahead of target by 204 jobs.
- 3.5 In this period the three year target has been achieved. Performance will continue to be monitored up to the end of the operational plan period (31 March 2015).
- 3.6 Further information on the Business Gateway performance is provided in appendix 1.

Support £200million (net) of physical investment in Edinburgh

- 3.7 Between 1 October 2014 and 31 December 2014 the EDS supported **no** physical investment in Edinburgh.
- 3.8 The EDS has supported **£213.2 million** (net) of physical investment in Edinburgh since 1 April 2012.
- 3.9 If straight line progress is assumed, the investment figure could be expected to be standing at £183.33 million. It stands at £213.2 million so the EDS is ahead of target by £29.87 million.

¹ Jobs created by construction projects (measured in person-years) are expressed as permanent job equivalents.

3.10 Although the target has now been achieved performance will continue to be monitored up to the end of the operational plan period (31 March 2015).

Support the movement into work and learning of 6,000 people

3.11 Between 1 October 2014 and 31 December 2014 the EDS supported **937 people** (net) into work or learning. A summary is provided in the table below:

Movement into work/learning supported by the EDS (1 October 2014 to 31 December 2014)		
Source	Gross	Net
Employability programmes	932	932
...Supported into work	457	457
...Supported into learning	475	475
Enterprise programmes	51	5
...Business Gateway start-ups by unemployed people	51	5
...Executive Skillsbank placements	0	0
Total for period (1 Oct 2014 – 31 Dec 2014)	983	937
<i>Previous running total (1 Apr 2012 – 30 Sept 2014)</i>	<i>9,234</i>	<i>8,632</i>
New running total (1 Apr 2012 – 31 Dec 2014)	10,217	9,569

3.12 The EDS has supported **9,569 people** (net) into work or learning since 1 April 2012. The means the 6,000 target has been achieved. We will continue to monitor performance to the end of this operational plan period and will take this performance into account when developing new KPIs for the next operational plan.

3.13 If straight line progress is assumed, the figure for movement into work or learning could be expected to be standing at 5,000. It currently stands at 8,632 so the EDS is currently 3,632 ahead of target.

3.14 Further information on performance for this indicator is provided in appendix 2.

Measures of success

4.1 The performance of the EDS is measured using three KPIs. The performance against these KPIs is monitored and reported on a quarterly basis to Economy Committee.

Financial impact

5.1 The actions and outputs described in this report have been met from within the EDS revenue budget for 2014/15.

Risk, policy, compliance and governance impact

- 6.1 The actions and outputs described in this report adhere to the risk compliance policy and governance arrangements. In addition the recommendations in the report do not impact on any existing Council policies.

Equalities impact

- 7.1 A full Equalities Impact Assessment was carried out on the Economic Strategy in February 2012 (a copy of this can be provided by the service). In line with the Equality Act 2010, the Council has a duty to develop equalities outcomes. This performance information will be fed into that process.

Sustainability impact

- 8.1 There are no sustainability impacts arising from the recommendation in this report.

Consultation and engagement

- 9.1 There was no consultation or engagement activity required in preparing the recommendation for this report.

Background reading/external references

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Links

Coalition pledges

- P7** - Further develop the Edinburgh Guarantee to improve work prospects for school leavers
- P15** - Work with public organisations, the private sector and social enterprise to promote Edinburgh to investors
- P16** - Examine ways to source new funding to support small businesses

P17 - Continue efforts to develop the city's gap sites and encourage regeneration

P21 - Consult further on the viability and legality of a transient visitor levy

P22 - Set up an independent forum to promote locally-owned retail businesses

P28 - Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic well being of the city

P29 - Ensure the Council continues to take on apprentices and steps up efforts to prepare young people for work

Council outcomes

CO7 - Edinburgh draws new investment in development and regeneration

CO8 - Edinburgh's economy creates and sustains job opportunities

CO9 - Edinburgh residents are able to access job opportunities

Single Outcome Agreement

SO1 - Edinburgh's Economy Delivers increased investment, jobs and opportunities for all

Appendices

1 - Business Gateway performance summary

2 - Employability and Skills performance summary

Appendix 1 – Business Gateway Performance Summary

Business Gateway Edinburgh & Lothian performance:

	Jul -14	Aug -14	Sep -14	Oct- 14	Nov -14	Dec -14	YTD Total	Annual Target	% of annual target achieved
New business start ups	147	130	163	164	189	177	1,388	2,000	69%
Potential High Value Start Ups	33	32	31	35	34	32	283	340	83%
Confirmed Higher Value Start Ups	15	16	24	19	25	18	167	140	119%
Growth businesses (£200-£400k)	29	20	21	13	13	14	162	200	81%
Growth businesses (£400k+)	9	11	11	7	4	10	86	120	72%
Account Managed	2	1	0	0	0	1	9	16	56%
Local Advisory Service	99	70	91	86	91	70	814	936	87%
Local Expert Help Service	15	12	11	15	12	9	119	200	60%
Workshops	17	29	25	31	26	9	210	300	70%
Workshop attendance	173	276	229	354	203	49	1,943	N/A	N/A

Appendix 2 – Employability and Skills Performance Summary

Indicator	December 2014	Apr 2014 to Mar 2015	Running total from April 2012
Number of clients supported	1,139	3,642	14,701
Number of engagements performed	1,303	4,010	16,512
Number of engagements performed by City of Edinburgh Council programmes	68	166	1,138
Number of engagements performed by external Employability Fund programmes	54	135	357
Number of engagements performed by external programmes	1,181	3,709	15,017
Number of outcomes relating to clients achieving full-time employment, part-time employment and self-employed outcomes	457	1,204	3,655
Number of outcomes relating to clients achieving education, job-focussed training and general progression outcomes	475	1,630	5,780
Number of outcomes relating to clients sustaining employment, education, job-focussed training and general progression outcome achievements	567	1,569	4,908
Total number of outcomes achieved in period (employment, education, job-focussed training, general progression and sustained outcomes)	1,499	4,403	14,343

Definitions:

Engagement

A face to face meeting between the client and the provider to ascertain the client's employability needs.

General Progression Outcome

A general progression outcome is a measurable outcome which enhances the client's employability.