

Economy Committee

10.00am, Tuesday, 15 September 2015

Investing in Jobs: Economic Development Service Key Performance Indicators – April to June 2015

Item number	7.9
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 April to June 2015. 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	SO1

Investing in Jobs: Economic Development Service Key Performance Indicators – April to June 2015

Recommendations

- 1.1 The Economy Committee is asked to note the progress being made against the three KPIs between April and June 2015.
- 1.2 The Economy Committee is also asked to approve the increased target for the Support of Physical Investment in Edinburgh from £380 million to £600 million in line with the discussion at Economy Committee on 23 June 2015.

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 Economy Committee approved revised KPIs for the service for the 2015-2017 period at its meeting on [23 June 2015](#).
- 2.3 The Committee also approved a methodology for measuring the performance of the EDS against the three KPIs set out in the operational plan.
- 2.4 Quarterly updates and an annual summary of performance have been presented to Economy Committee. The most recent updates were presented on [23 June 2015](#).

Main report

- 3.1 The EDS is currently ahead of target on two of the headline KPIs and behind on one – 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 4,100 jobs (net) in Edinburgh.

- 3.2 Between 1 April 2015 and 30 June 2015, the EDS supported the creation and safeguarding of **179** (net) jobs in Edinburgh. A summary is provided in the table below.

Jobs created and safeguarded by the EDS (1 April 2015 to 30 June 2015)		
Source	Gross	Net
Business Gateway	687	149
... <i>New starts</i>	363	36
... <i>Growth Advisory Service</i>	207	66
... <i>Growth Pipeline</i>	117	47
Inward investments	30	19
... <i>Cutlins Road, Sighthill, light industrial development</i>	30	19
Construction jobs ¹	0	0
...		
...		
Loan funds	16	10
... <i>East of Scotland Investment Fund</i>	16	10
... <i>Edinburgh Small Business Loan Fund</i>	0	0
... <i>INTERREG fund activities</i>	0	0
Total for period (1 April 2015 – 30 June 2015)	733	179
<i>Previous running total (1 Apr 2012 – 31 March 2015)</i>	9,942	2,208
New running total (1 Apr 2012 – 30 June 2015)	10,675	2,387

- 3.3 The EDS has supported the creation and safeguarding of **2,387** (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 2,263. It stands at 2,386 so the EDS has exceeded this target by 124 jobs.
- 3.5 Further information on the Business Gateway performance is provided in appendix 1.

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

Support £600 million (net) of physical investment in Edinburgh

- 3.6 At the Economy Committee in June 2015 it was agreed that the target in this area would be increased from £380 million (net) in line with the Economic Strategy 2012 – 2017 targets. To reach the gross target, a net target of £600 million is required. The data has now been updated to reflect this change.
- 3.7 Between 1 April 2015 and 30 June 2015 the EDS supported **£1.28 million**(net) of physical investment in Edinburgh. A summary of this is provided in the table below:

Physical investment supported by the EDS (1 April 2015 to 30 June 2015)		
Investment	Gross	Net
Physical investments	£2,000,000	£1,280,000
<i>... Cutlins Road, Sighthill, light industrial development</i>	<i>£2,000,000</i>	<i>£1,280,000</i>
...		
...		
Total for period (1 April 2015 – 30 June 2015)	£2,000,000	£1,280,000
<i>Previous running total (1 Apr 2012 – 31 March 2015)</i>	<i>£452,700,000</i>	<i>£228,284,800</i>
New running total (1 Apr 2012 – 30 June 2015)	£454,700,000	£229,564,800

- 3.8 The EDS has supported **£229.56 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 £250 million. It stands at £229.56 million so the EDS is currently below target by £21.43million.

Support the movement into work or learning of 18,000 people.

- 3.10 Between 1 April 2015 and 30 June 2015 the EDS supported **831 people** (net) into work or learning. A summary is provided in the table below:

Movement into work/learning supported by the EDS (1 April 2015 to 30 June 2015)		
Source	Gross	Net
Employability programmes	831	831
<i>...Supported into work</i>	<i>413</i>	<i>413</i>
<i>...Supported into learning</i>	<i>418</i>	<i>418</i>
Enterprise programmes	0	0

<i>...Business Gateway start-ups by unemployed people</i>	0	0
<i>...Executive Skillsbank placements</i>	0	0
Total for period (1 April 2015 – 30 June 2015)	831	831
<i>Previous running total (1 Apr 2012 – 31 Dec 2014)</i>	<i>11,090</i>	<i>10,442</i>
New running total (1 Apr 2012 – 31 Mar 2014)	11,921	11,273

- 3.11 The EDS has supported **11,273 people** (net) into work or learning since 1 April 2012.
- 3.12 If straight line progress is assumed, the figure for movement into work or learning could be expected to be standing at 11,000. It currently stands at 11,273 so the EDS is currently 523 ahead of target.
- 3.13 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 2015/16.

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. 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	<p>P7 - Further develop the Edinburgh Guarantee to improve work prospects for school leavers</p> <p>P15 - Work with public organisations, the private sector and social enterprise to promote Edinburgh to investors</p> <p>P16 - Examine ways to source new funding to support small businesses</p> <p>P17 - Continue efforts to develop the city's gap sites and encourage regeneration</p> <p>P21 - Consult further on the viability and legality of a transient visitor levy</p> <p>P22 - Set up an independent forum to promote locally-owned retail businesses</p> <p>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</p> <p>P29 - Ensure the Council continues to take on apprentices and steps up efforts to prepare young people for work</p>
Council outcomes	<p>CO7 - Edinburgh draws new investment in development and regeneration</p> <p>CO8 - Edinburgh's economy creates and sustains job</p>

Single Outcome Agreement Appendices	opportunities CO9 - Edinburgh residents are able to access job opportunities SO1 - Edinburgh's Economy Delivers increased investment, jobs and opportunities for all 1 - Business Gateway performance summary 2 - Employability and Skills performance summary
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Appendix 1 - Business Gateway Edinburgh & Lothian performance:

	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	YTD Total	Annual Target	% of annual target achieved
New business start ups	193	169	318	134	135	151	420	2,000	21%
Potential High Value Start Ups	29	29	78	27	36	54	117	340	34%
Confirmed Higher Value Start Ups	16	13	43	19	24	31	74	140	53%
Growth businesses (£200-£400k)	8	9	25	10	10	18	38	200	19%
Growth businesses (£400k+)	8	9	25	2	7	10	19	120	16%
Account Managed	3	1	6	0	0	1	1	16	6%
Local Advisory Service	70	94	116	120	103	116	339	936	36%
Local Expert Help Service	9	12	48	15	16	20	51	200	26%
Workshops	26	25	27	30	21	29	80	300	27%
Workshop attendance	284	230	217	316	162	259	1,468	N/A	N/A

Appendix 2 – Employability and Skills Performance Summary

Indicator	April to June 2015	Apr 2015 to Mar 2016	Running total from April 2012
Number of clients supported	1,448	1,448	15,417
Number of engagements performed	1,544	1,544	19,429
Number of engagements performed by City of Edinburgh Council programmes	54	54	1,258
Number of engagements performed by external Employability Fund programmes	29	29	412
Number of engagements performed by external programmes	1,461	1,461	17,759
Number of outcomes relating to clients achieving full-time employment, part-time employment and self-employed outcomes	392	392	4,530
Number of outcomes relating to clients achieving education, job-focussed training and general progression outcomes	509	509	7,159
Number of outcomes relating to clients sustaining employment, education, job-focussed training and general progression outcome achievements	533	533	6,213
Total number of outcomes achieved in period (employment, education, job-focussed training, general progression and sustained outcomes)	1,434	1,434	17,902

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.

Number of clients supported – Running total from April 2012

Previous to the May 2015 return, this figure recorded the aggregated total of unique individuals in each year as a running total. As a result, clients who engaged would be counted in each year they engaged with the employability services. (For example, a client who engaged in three separate years would count three times.)

From May 2015, this figure will record the unique individuals from April 2012 onwards to provide an accurate picture of how many individuals have engaged with the employability services to date.