

Economy Committee

10.00am, Tuesday, 20 September 2016

Investing in Jobs: Economy Service Performance Update

Item number	7.5
Report number	
Executive/routine	
Wards	All

Executive Summary

The purpose of this report is to update Committee on the performance of the Economy Service in delivering the key performance indicators (KPIs) for the period April to June 2016. The service 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 Priorities	CP1 , CP5 , CP7 CP8
Single Outcome Agreement	SO1

Investing in Jobs: Economy Service Performance Update

1. Recommendations

- 1.1 The Economy Committee is asked to note the progress being made against the three KPIs between April to June 2016.

2. Background

- 2.1 On 26 June 2012 the former Economic Development Committee approved an operational plan for the former Economic Development Service (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 2015-17 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 28 June 2016.

3. Main report

- 3.1 The Economy Service 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 4,100 jobs (net) in Edinburgh

- 3.2 Between 1 April 2016 and 30 June 2016, the Economy Service supported the creation and safeguarding of **236** (net) jobs in Edinburgh. A summary is provided in the table below:

Jobs created and safeguarded by the Economy Service (1 April 2016 to 30 June 2016)		
Source	Gross	Net
Business Gateway	952	233.6
...New starts	401	40.1
...Growth Advisory Service	336	107.5
...Growth Pipeline	215	86.0
Inward investments	4	1.9
...EnviroCentre	4	1.9
Construction jobs ¹	0	0
...		
Loan funds	0	0
...0		
Total for period (1 April 2016 to 30 June 2016)	956	236
<i>Previous running total (1 Apr 2012 – 31 Mar 2016)</i>	<i>14,198</i>	<i>3,408</i>
New running total (1 Apr 2012 – 30 June 2016)	15,154	3,643

- 3.3 The Economy Service has supported the creation and safeguarding of **3,643** (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 3,313. It stands at 3,643 so the Economy Service has exceeded this target by 331 jobs.
- 3.5 Further information on Business Gateway performance is provided in appendix 1.

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

- 3.6 Between 1 April 2016 and 30 June 2016 the Economy Service supported **£3.36 million** (net) of physical investment in Edinburgh. A summary of this is provided in the table below:

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

Physical investment supported by the Economy Service (1 April 2016 to 30 June 2016)		
Investment	Gross	Net
Physical investments	£7,000,000	£3,360,000
<i>... Development of Retail Unit at Axis Park, Newbridge (Gillies of Broughty Ferry Limited and Prem Rooster II)</i>	<i>£7,000,000</i>	<i>£3,360,000</i>
Total for period (1 April 2016 to 30 June 2016)	£7,000,000	£3,360,000
<i>Previous running total (1 Apr 2012 – 31 Mar 2016)</i>	<i>£1,280,500,000</i>	<i>£565,804,800</i>
New running total (1 Apr 2012 – 30 June 2016)	£1,287,500,000	£569,164,800

- 3.7 The Economy Service has supported **£569.1 million** (net) of physical investment in Edinburgh since 1 April 2012.
- 3.8 If straight line progress is assumed, the investment figure could be expected to be standing at £450 million. It stands at £569.1 million so the Economy Service is currently above target by £119.1 million.

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

- 3.9 Between 1 April 2016 and 30 June 2016 the Economy Service supported **650 people** (net) into work or learning. A summary is provided in the table below:

Movement into work/learning supported by the Economy Service (1 April 2016 to 30 June 2016)		
Source	Gross	Net
Employability programmes	650	650
<i>...Supported into work</i>	<i>235</i>	<i>235</i>
<i>...Supported into learning</i>	<i>415</i>	<i>415</i>
Enterprise programmes	0	0
<i>...Business Gateway start-ups by unemployed people</i>	<i>0</i>	<i>0</i>
<i>...Executive Skillsbank placements</i>	<i>0</i>	<i>0</i>
Total for period (1 April 2016 to 30 June 2016)	650	650
<i>Previous running total (1 Apr 2012 – 31 Mar 2016)</i>	<i>14,777</i>	<i>14,129</i>
New running total (1 Apr 2012 – 30 June 2016)	15,427	14,779

- 3.10 The Economy Service has supported **14,779 people** (net) into work or learning since 1 April 2012.
- 3.11 If straight line progress is assumed, the figure for movement into work or learning could be expected to be standing at 14,375. It stands at 14,779 so the Economy Service is currently 404 ahead of target.
- 3.12 Further information on performance for this indicator is provided in appendix 2.

4. Measures of success

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

5. Financial impact

- 5.1 The actions and outputs described in this report have been met from within the Economy Service revenue budget.

6. 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.

7. 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

8. Sustainability impact

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

9. Consultation and engagement

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

10. Background reading/external references

10.1 n/a

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11. 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 Priorities	<p>CP1 - Children and young people fulfil their potential</p> <p>CP5 - Business growth and investment</p> <p>CP7 - Access to work and learning</p> <p>CP8 - A vibrant, sustainable local economy</p>
Single Outcome Agreement	<p>SO1 - Edinburgh's economy delivers increased investment, jobs and opportunities for all</p>
Appendices	<p>1 - Business Gateway Performance Summary</p> <p>2 - Employability and Skills Performance Summary</p>

Appendix 1 - Business Gateway Edinburgh & Lothian Performance Summary

	Apr-16	May-16	Jun-16	YTD Total	Annual Target	% of annual target achieved
New business start ups	123	159	165	447	2,000	22%
Potential High Value Start Ups	23	42	32	97	340	29%
Confirmed Higher Value Start Ups	6	25	11	42	140	30%
Growth businesses (£200-£400k)	10	18	13	41	200	21%
Growth businesses (£400k+)	4	10	8	22	120	18%
Account Managed	2	3	2	7	16	44%
Local Advisory Service	41	127	60	228	936	24%
Local Expert Help Service	10	11	15	36	200	18%
Workshops	21	23	30	74	293	25%
Workshop attendance	227	217	272	716	N/A	N/A

Appendix 2 – Employability and Skills Performance Summary

Indicator	April to June 2016	Apr 2016 to Mar 2017	Running total from April 2012
Number of clients supported	1,161	1,161	18,805
Number of engagements performed	1,244	1,244	26,396
Number of engagements performed by City of Edinburgh Council programmes	79	79	1,595
Number of engagements performed by Employability Hubs programmes	585	585	11,467
Number of engagements performed by All in Edinburgh programmes	105	105	870
Number of engagements performed by Challenge Fund programmes	475	475	12,464
Number of outcomes relating to clients achieving full-time employment, part-time employment and self-employed outcomes	235	235	6,471
Number of outcomes relating to clients achieving education, job-focussed training and general progression outcomes	415	415	10,012
Number of outcomes relating to clients sustaining employment, education, job-focussed training and general progression outcome achievements	362	362	8,808
Total number of outcomes achieved in period (employment, education, job-focussed training, general progression and sustained outcomes)	1,012	1,012	25,291

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.