

Capital City Partnership

Draft Terms of Reference – City Region Deal Integrated Employer Engagement

To: Paul Lawrence, Executive Director, Place
Rona Hunter, Chief Executive Officer, Capital City Partnership
Andy Nichol, Programme Manager (PMO) Edinburgh and South East Scotland City
Region Deal/Edinburgh 2050 City Vision

From: Laura Calder, Senior Audit Manager

Date: 25 October 2022

Cc: *See Key Contacts List*

This review is being undertaken as an addition to the 2022/23 internal audit plan approved by the Governance and Best Value committee in October 2022.

Background

A City Region Deal is a mechanism for accelerating productivity and growth while reducing inequalities and deprivation, by pulling in significant government investment. The six local authorities that make up the Edinburgh and South East Scotland City region, together with regional education and training providers and the private sector, signed a 15-year Deal with the UK and Scottish Governments in August 2018, with a value of £1.3 billion (now worth over £1.4 billion). The Deal aims to drive productivity and growth while reducing inequalities and deprivation.

The Integrated Employer Engagement (IEE) is part of the Integrated Regional Employability and Skills (IRES) programme. The IRES programme represents a £25m investment as part of the larger City Region Deal. The IEE project seeks to bring together training providers and local employers, including small to medium enterprises (SMEs), to develop ways to assist the population of the region (Fife, Scottish Borders, the Lothians, and City of Edinburgh) to receive the training and support they need to enter employment.

The IEE is run by the Capital City Partnership, an Arm's Length External Organisation (ALEO) of the City of Edinburgh Council. The City of Edinburgh Council is the official lead organisation for the project with Al Bryce as the responsible manager.

Scope

The objective of this review is to assess the adequacy of design and operating effectiveness of the key controls established to ensure that the Integrated Employer Engagement programme is achieving its objectives.

The review will also provide assurance in relation to the following IRES programme risks:

- 1) Inefficient Financial Management
- 2) Failure to achieve programme targets
- 3) Failure to provide effective programme management and governance.

Limitations of Scope

There are no areas specifically excluded from the scope of the review.

Approach

The following approach will be applied to support completion of the review:

- identify and evaluate the design and operating effectiveness of the key controls in place to address the key risks in relation to the City Region Deal – Integrated Employer Engagement through review of processes and completion of sample testing across the period March 2019 to December 2022.

The audit areas and related control objectives that will be tested in detail are as follows:

Audit Area	Control Objectives
IEE project planning	An IEE delivery plan, which includes clearly stated aims and objectives and has been approved by IRES Board, with delivery progress monitored against agreed milestones.
IEE project grants process	There are processes and procedures in place to implement the project plan, which include arrangements for awarding grants, drawing down funding, and monitoring expenditure on the project to ensure it complies with grant stipulations.
IEE project reporting and governance	Regular reports and information are presented to the IEE Delivery Advisory Group and Integrated Regional Employability and Skills Board, to ensure the programme delivers its objectives against the specific programme measures across the programme term. There is also regular reporting provided to the IRES Programme Management Office, and change requests are also made from the IEE project team to the IRES Programme Management Office.

Internal Audit Team

Name	Role	Contact Details
Colin McCurley	Acting Principal Audit Manager	colin.mccurley@edinburgh.gov.uk
Stuart Townley	Auditor	stuart.townley@edinburgh.gov.uk

Key Contacts

Name	Role	Contact Details
Rona Hunter	Chief Executive Officer, Capital City Partnership	rona.hunter@capitalcitypartnership.org
Ellen Munro	Integrated Employer Engagement Manager	ellen.munro@capitalcitypartnership.org
Nicola Raine	IRES Programme Connector	nicola.raine@capitalcitypartnership.org
Al Bryce	Business Growth and Inclusion Contract and Programme manager	Al.bryce@edinburgh.gov.uk

Controls Training

We have developed a short course about risk and controls for users who are about to undergo an Internal Audit. The course is available [here](#) and also on [myLearning hub](#).

Indicative Timetable



Appendix 1: Information Request

It would be helpful to have the following available prior to our audit or at the latest our first day of field work:

- most recent project risk registers
- monthly IEE reporting
- terms of Reference for the IEE project/IRES sign off
- meeting minutes for IEE quarterly progress meetings.

This list is not intended to be exhaustive; we may require additional information during the audit which we will bring to your attention at the earliest opportunity.