

Notice of meeting and agenda

Edinburgh and South East of Scotland City Region Deal Joint Committee

10 am, Friday 7 June 2019

Dean of Guild Room, City Chambers, High Street, Edinburgh

This is a public meeting and members of the public are welcome to attend.

Contact

E-mail: veronica.macmillan@edinburgh.gov.uk

Tel: 0131 529 4283

Membership

The City of Edinburgh Council
Councillor Adam McVey

East Lothian Council
Councillor Willie Innes

Fife Council
Councillor David Alexander
Councillor David Ross

Midlothian Council
Councillor Derek Milligan

Scottish Borders Council
Councillor Shona Haslam

West Lothian Council
Councillor Lawrence Fitzpatrick

Higher/Further Education Consortium
Professor Charlie Jeffery

Regional Enterprise Council
Leeann Dempster
Claire Pattullo

1. Order of business

- 1.1 Including any notices of motion and any other items of business submitted as urgent for consideration at the meeting.

2. Declaration of interests

- 2.1 Members should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

3. Previous Minutes

- 3.1 Minute of the Edinburgh and South East Scotland City Region Joint Committee meeting 1 March 2019 – submitted for approval as a correct record (circulated).

4. Forward Planning

- 4.1 Joint Committee Work Programme - report by Andy Nichol, Programme Manager, Edinburgh and South East Scotland City Region Deal (circulated)
- 4.2 Joint Committee Rolling Actions Log (circulated)

5. Items for Consideration

- 5.1 Presentation from Transport Scotland
- 5.2 City Region Deal progress report - report by Andy Nichol, Programme Manager, Edinburgh and South East Scotland City Region Deal (circulated)
- 5.3 Integrated knowledge systems project proposition – report by Angela Leitch, Chair of the Integrated Regional Employability and Skills Board (circulated)
- 5.4 Labour market analysis and evaluation project proposition - report by Angela Leitch, Chair of the Integrated Regional Employability and Skills Board (circulated)
- 5.5 Integrated employer engagement project proposition - report by Angela Leitch, Chair of the Integrated Regional Employability and Skills Board (circulated)
- 5.6 Workforce mobility project proposition - report by Angela Leitch, Chair of the Integrated Regional Employability and Skills Board (circulated)

Item 3.1 - Minutes

Edinburgh and South East of Scotland City Region Deal Joint Committee

Edinburgh, 10.00am, Friday 1 March 2019

Present:

City of Edinburgh Council:- Councillor Adam McVey (Chair)

East Lothian Council:- Councillor Norman Hampshire

Fife Council:- Councillors David Alexander and David Ross

Midlothian Council:- Councillor Derek Milligan

Scottish Borders Council:- Councillor Shona Haslam

West Lothian Council:- Councillor Dave King

Higher/Further Education Consortium: - Professor Charlie Jeffery

Regional Enterprise Council:- Leeann Dempster and Claire Pattullo

1. Minutes

Decision

To approve the minute of the Edinburgh and South-East Scotland City Region Deal Joint Committee of 17 December 2018 as a correct record.

2. Work Programme

Details were provided of the planned dates for City Region Deal business case approvals by Joint Committee.

Decision

To note the planned dates for City Region Deal business case approvals for the Joint Committee.

(Reference, report by the Chief Officer, Edinburgh and South East Scotland City Region Deal, submitted).

3. Rolling Actions Log

The Rolling Actions Log for March 2019 was submitted.

A verbal update was provided on the Sheriffhall Roundabout business case. In April 2017, Transport Scotland announced the preferred option for grade separation of the Sheriffhall roundabout to be taken forward for further detailed development and assessment. The preferred option separated local traffic from strategic traffic on the A720 and would allow the traffic to move freely, improving road safety and journey times for road users. Extensive consultation had taken place with Active travel stakeholders, including Sustrans and Spokes. Transport Scotland intended to publish draft orders later this year for formal comment. Progress thereafter on the delivery of the scheme was dependent on the level and nature of the representation received in response to the published draft orders.

Decision

- 1) To note the Rolling Actions Log.
- 2) To note the verbal update provided at the meeting on the Sheriffhall Roundabout business case.

(Reference – Rolling Actions Log, submitted).

4. City Region Deal Dashboard

The Edinburgh and South East City Region Deal dashboard gave an indication of progress across all aspects of the City Region Deal. The overall status was assigned as “Amber”.

Decision

To note the progress across the City Region Deal Programme.

(Reference, report by the Chief Officer, Edinburgh and South East Scotland City Region Deal, submitted).

5. Presentation: Equalities and Human Rights Commission

The Joint Committee received a presentation from Johanna Boyd and Chris Oswald of the Equalities and Human Rights Commission.

The presentation covered the protected characteristics under the Equality Act 2010, the socio-economic duty, the aim of the Equalities and Human Rights Commission Project, identified equality outcomes that could be achieved through investment decisions, and highlighted the importance of monitoring and evaluating frameworks.

Decision

- 1) To thank Johanna Boyd and Chris Oswald for their presentation.
- 2) To note the presentation.

6. Central Borders Innovation Park – Business Case

Approval was sought to secure funding for the Central Borders Innovation Park, Tweedbank. The preparation of the business case had been led by Scottish Borders Council on behalf of the City Region Deal consortium partners and had been prepared in accordance with the HM Treasury five-case model.

Decision

- 1) To approve the Business Case for the Central Borders Innovation Park, recognising that it had been approved by the Scottish Government.
- 2) To note the drawdown of £15 million Scottish Government funding by Scottish Borders Council on a variable basis over 15 years, based on the City Region Deal Financial Plan.

(Reference – Senior Responsible Officer, Scottish Borders Council, Edinburgh and South-East Scotland City Region Deal, submitted)

7. Fife Industrial Innovation Investment (Fife i³) Programme Business Case

Approval was sought to implement the Fife Industrial Innovation Investment (Fife i³) programme which had been developed by Fife Council with input and support from the regional partners, Scottish Government, Scottish Enterprise and the Scottish Futures Trust to deliver a sustained investment programme in modern business premises to support the delivery of Inclusive Growth and Innovation in Fife. The Joint Committee was also asked to devolve operational management of the programme to the Chair of the Fife i³ Programme Board

Decision

- 1) To approve the Fife i³ Programme, as set out in the Full Business Case attached in Appendix 3 of the report. This was a 10 year programme delivered by Fife Council as part of Edinburgh and South East Scotland City Region Deal.
- 2) To delegate operational responsibility to implement the Fife i³ Programme to the chair of the Fife i³ Board, currently Gordon Mole (Interim Chief Officer - Business & Employability, Fife Council).
- 3) To note that a paper for more detailed approval of Phase 2 would be provided in late 2020, accompanied by a further update on Phase 1 progress.

- 4) To note that a paper for more detailed approval of Phase 3 would be provided in 2023/24, accompanied by a further update on Phase 2 progress.

(Reference – report by the Executive Director – Enterprise and Environment, Fife Council, submitted)

8. Edinburgh Futures Institute

Approval was sought to secure funding for, and enact, the Edinburgh Futures Institute. The preparation of this business case had been led by the University of Edinburgh (UoE) on behalf of City Region Deal consortium partners and had been prepared in accordance with the HM Treasury five-case model.

Decision

- 1) To approve the Edinburgh Futures Institute final business case and implementation of its activities and organisational structure.
- 2) To note that the individual activities to be undertaken as part of Edinburgh Futures Institute would be approved separately by the Data Driven Innovation Delivery Board and reported to the Joint Committee.

(Reference – report by the Chair, Data Driven Innovation Delivery Board, Edinburgh and South-East Scotland City Region Deal, submitted)

9. Data Driven Innovation (DDI) Skills Gateway Project Proposition

Approval was sought to implement the Data Driven Innovation (DDI) Skills Gateway, which had been developed in collaboration with regional and national partners to drive progress toward a more inclusive labour market. It was also recommended that, subject to University Court approval, the University of Edinburgh undertake the lead partner role for the DDI Skills Gateway programme.

Decision

- 1) To approve the DDI Skills Gateway programme, as detailed in the business case set out at Appendix 1 of the report.
- 2) To agree that a £613,500 underspend in the Housing, Construction and Infrastructure Skills Gateway proposition be reallocated to the DDI Skills Gateway programme, in recognition of the synergies across the two propositions, and to note it would provide a total funding envelope of around £7.1m for Data-Driven Innovation.
- 3) To agree that the University of Edinburgh undertake the lead partner role for the DDI Skills Gateway project, subject to approval by the University of Edinburgh Court.

(Reference – report by the Chair, Integrated Employability and Skills Board, Edinburgh and South-East Scotland City Region Deal, submitted)

Edinburgh and South East of Scotland City Region Deal Joint Committee – 1 March 2019

10. Housing Construction and Infrastructure (HCI) Skills Gateway Project proposition

Approval was sought to implement the Housing, Construction and Infrastructure (HCI) Skills Gateway which had been developed in collaboration with regional and national partners to drive progress toward a more inclusive labour market. It was also recommended that, Edinburgh Napier University undertake the lead partner role for the HCI Skills Gateway Programme.

Decision

- 1) To approve the HCI Skills Gateway project, as detailed in the business case set out at Appendix 1 of the report.
- 2) To agree that the Edinburgh Napier University undertake the lead partner role for the HCI Skills Gateway project.

(Reference – report by the Chair, Integrated Employability and Skills Board, Edinburgh and South-East Scotland City Region Deal, submitted)

11. Intensive Family Support (IFS) Service Project Proposition

Approval was sought to implement the Intensive Family Support Service, which had been developed in collaboration with regional and national partners to drive progress toward a more inclusive labour market. It was also recommended that Fife Council undertake the lead partner role for the Intensive Family Support Service.

Decision

- 1) To approve the Intensive Family Support Service project, as detailed in the business case set out at Appendix 1 of the report.
- 2) To agree that Fife Council undertake the lead partner role for the Intensive Family Support Service project.
- 3) To agree operational management activity would be undertaken by a network of local delivery partners following a procurement/selection process, administered by the Capital City Partnership, on behalf of the Integrated Regional Employability and Skills Board.

(Reference – report by the Chair, Integrated Employability and Skills Board, Edinburgh and South-East Scotland City Region Deal, submitted)

12. City Region Deal Regional Transport Appraisal Board

The Joint Committee considered a report which summarised the agreed aims, objectives, and strategic actions to maximise transport connectivity across the region, as to most effectively support the agenda for securing inclusive growth. Details of the

agreed governance arrangements, with specific recommendations in respect of the establishment of the Transport Appraisal Board were also provided.

Decision

- 1) To approve the establishment of the Transport Appraisal Board on the terms set out in the report.
- 2) To appoint Dr Grace Vickers (Chief Executive, Midlothian Council) to act as Chair of the Transport Appraisal Board with delegated responsibility for its operation.
- 3) To note that individual proposals once prepared, would be presented to the Joint Committee for approval.

(Reference – report by the Chief Executive, Midlothian Council, submitted)

13. City Region Deal Regional Housing Board

Details were provided of the agreed governance arrangements for the regional housing programme and specific recommendations on the establishment of a Regional Housing Board were outlined.

Decision

- 1) To approve the establishment of the Regional Housing Board on the terms set out in the report.
- 2) To appoint Andrew Kerr (Chief Executive, The City of Edinburgh Council) to act as Chair of the Regional Housing Board with delegated responsibility for its operation.
- 3) To note that there would be updates provided across the regional housing programme to each Joint Committee meeting.

(Reference – report by the Chief Executive, City of Edinburgh Council, submitted)

Edinburgh and South East Scotland City Region Deal Joint Committee

10 am, Friday 7 June 2019

Work Programme for City Region Deal Joint Committee

Item number	4.1
-------------	-----

Executive Summary

This paper outlines the planned dates for City Region Deal business case approvals by Joint Committee.

Andrew Kerr

Chief Officer, Edinburgh and South East Scotland City Region Deal

Contact: Andy Nichol, Programme Manager, Edinburgh and South East Scotland City Region Deal

E-mail: andy.nichol@edinburgh.gov.uk | Tel: 0131 529 4461



Report

Work Programme for City Region Deal Joint Committee

1. Recommendations

- 1.1 To note the planned dates for City Region Deal business case approvals for the Joint Committee.

2. Background

- 2.1 The City Region Deal partners and Government are working towards business case approval timelines as set out in this report. This matches with the timeline for drawing down funds from Government over the 15 years of the City Region Deal as set out in the Financial Plan agreed in summer 2018, and grant offer letter agreed in March 2019.
- 2.2 The dates are subject to business cases being approved by: The Scottish Government; the UK Government; the relevant Boards within the City Region Deal structure; and the relevant Council committees and/or Higher and Further Education Courts, prior to Joint Committee approval.

3. Main report

- 3.1 The work programme for Joint Committee meetings that partners are currently working towards is shown in Table 1:

Table 1: Work Programme for Joint Committee

Joint Committee Date	Business Case(s) / Project propositions for Approval
7 June 2019	<ul style="list-style-type: none"> • Integrated Knowledge Systems project proposition (within IRES programme) • Labour Market Analysis and Evaluation (within IRES Programme) • Integrated Employability Engagement project proposition (within IRES Programme) • Workforce Mobility project proposition (within IRES programme)
3 September 2019	<ul style="list-style-type: none"> • Usher Institute Business Case
6 December 2019	<ul style="list-style-type: none"> • Easter Bush Business Case
5 June 2020	<ul style="list-style-type: none"> • Edinburgh Innovation Park (Queen Margaret University) Business Case
To be determined	<ul style="list-style-type: none"> • Housing projects • West Edinburgh transport

3.2 The A720 City Bypass grade separation of Sheriffhall Roundabout will be managed and delivered by Transport Scotland. Transport Scotland will provide updates on progress to the Transport Appraisal Board, as well as the Executive Board and Joint Committee as and when appropriate.

4. Financial impact

4.1 There is no financial impact relating to this report. Financial cases will be set out in detail in the respective business cases. Financial contributions that are required by partner organisations for projects will be requested in separate reports to councils or courts prior to being taken to Joint Committee for approval.

5. Equalities impact

5.1 Inclusion is a key driver for the City Region Deal, and scores have been included for each project. Business cases for projects included demonstrate how they will reduce inequalities and tackle the inclusion challenges specific to the city region.

5.2 A Monitoring and Evaluation Framework is being developed for the programme, which will incorporate clear indicators to align with the Scottish Government's Inclusive Growth Framework, also under development. The impact on equalities, human rights and sustainability are also being incorporated into the framework. The framework will form part of the annual reporting process from September 2019.

6. Background reading/external references

6.1 [City Region Deal Document](#): August 2018

7. Appendices

None.

Edinburgh and Scotland East Scotland City Region Deal Joint Committee

7 June 2019

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
1.	17 December 2018	Forward Plan for Business Case Approvals	To agree that the Sheriffhall Roundabout business case should be presented to the Joint Committee and to request a more defined timeline from Transport Scotland.	Programme Manager	7 June 2019		<p>Recommended for closure.</p> <p>A verbal update was provided at the previous meeting on 1 March. Transport Scotland are also attending the meeting on 7 June, and an update will be provided.</p>

Edinburgh and South East Scotland City Region Deal Joint Committee

10am, Friday 7 June 2019

City Region Deal Progress Report

Item number	5.2
-------------	-----

Executive Summary

The Edinburgh and South East Scotland City Region Deal progress report gives an indication of progress across the City Region Deal programme.

In this update, the overall status is assigned as “Amber”. There are no actions required from the Joint Committee.

Andrew Kerr

Chief Officer, Edinburgh and South East Scotland City Region Deal

Contact: Andy Nichol, Programme Manager, Edinburgh and South East Scotland City Region Deal

E-mail: andy.nichol@edinburgh.gov.uk | Tel: 0131 529 4461



Report

City Region Deal Progress report

1. Recommendations

- 1.1 To note the progress across the City Region Deal Programme.

2. Background

- 2.1 This progress report is being used across the City Region Deal's governance structure to monitor progress across all aspects of the City Region Deal. It is updated on a weekly basis and shared with Government. A RAG (Red, Amber, Green) scale is assigned to programmes and projects by the Programme Management Office (PMO), as well as scored for inclusive growth and partnership working.
- 2.2 Tables 1, 2 and 3 shows the guidelines that are used when determine RAG statuses and scores:

Table 1: RAG Status Guidelines

T: Status against **timeline** set out in business case/implementation plan;

B: Status against **budget** set out in financial plan

RAG Status	Definition - Timeline	Definition - Budget	Action Required
Green	In line with business case/implementation plan	In line with financial plan.	No management action required
Amber	Delay is considered acceptable by PMO.	Within acceptable range.	Management action is in place by senior management to address issues, and project is being closely monitored.
Red	Delay is significant.	Outwith acceptable range.	Immediate action is required by senior management and relevant Boards as appropriate to address issues. Issues must be highlighted to Government.

Table 2: Inclusive Growth Score Guidelines

Score	Definition
1.	Project's links with inclusive growth framework are being developed.
2.	Project's links with inclusive growth framework have been identified and are in the process of being implemented.
3.	Project's links with inclusive growth framework are being delivered and monitoring and evaluation is in place to assess impact.

Table 3: Partnership Working Score Guidelines

Score	Definition
1.	Links have been identified with projects in other themes/with regional partners outwith City Region Deal.
2.	Links are in the process of being established with projects in different themes/with regional partners outwith City Region Deal.
3.	Links are being exploited between this project and other themes/with regional partners outwith City Region Deal.

2. Main report

- 2.1 The performance report is shown in Appendix 1. The overall status of the City Region Deal is assigned as "Amber". There are no actions required from the Joint Committee.

3. Financial impact

- 3.1 There is no financial impact relating to this report. A draft grant offer letter for 2019/20 has recently been received from Government. Once approved, a financial summary overview will be included in this report, and will be updated quarterly, in line with the financial drawdown dates.

4. Equalities impact

- 4.1 Inclusion is a key driver for the City Region Deal, and scores have been included for each project. Business cases for projects included demonstrate how they will reduce inequalities and tackle the inclusion challenges specific to the city region.
- 4.2 A Monitoring and Evaluation Framework is being developed for the programme, which will incorporate clear indicators to align with the Scottish Government's Inclusive Growth Framework, also under development. The impact on equalities, human rights and sustainability are also being incorporated into the framework. The framework will form part of the annual reporting process from September 2019.

5. Background reading/external references

5.1 [City Region Deal Document](#): August 2018

6. Appendices

7.1 Appendix 1: City Region Deal Progress Report

Overall Status Last Period	Overall Status This Period
Amber	Amber

Achievements and Milestones (see [Implementation Plan](#) for further information)

Milestones Achieved in Previous Month	Date Completed
Finance/Project update workshop	25 Apr 19
Monitoring & Evaluation workshop with Govt	1 May 19

Upcoming Milestones	Target Date	RAG
Joint Committee meeting to consider 4 IRES project propositions	7 June 19	Green
Agree M&E framework with Govt	W/C 10 Jun 19	Green
Reporting for Annual Conversation to be complete	July 19	Amber
Annual Conversation	Sep 19	Amber

Financials Summary (see [Financial Summary](#) for further information)

Total CRD grant £000	CRD grant drawdown to date £000		19-20 CRD Grant allocation	19-20 Grant drawdown
600,000	41,300	6%	tbc	0

Top 3 Risks (see [Risk Register](#) for full list of risks)

Risk	Likelihood	Impact	Severity	Resolution Plan or Mitigating Action	Risk owner
Businesses, third sector and other stakeholders do not feel suitably engaged	4	3	12	<ul style="list-style-type: none"> Regular REC meetings to ensure they are suitably engaged, and can champion the region Regional chambers of commerce, FSB, and trade associations to be engaged with appropriately Stakeholder mapping exercise to ensure that key influencers are being engaged with Comms group to work closely with REC to equip with tools to spread positive messaging, e.g. website, booklets. CEC corporate comms engaged and leading on press activities on behalf of the region. Guest blogs from key influencers on website. 	PMO
Insufficient Resources from project leads	4	3	12	<ul style="list-style-type: none"> Regular contact between PMO and other partners on projects and information required. Other partners to assist in developing business cases and reporting where capacity is low. Workshops to ensure that reporting requirements are understood and that there is buy-in. 	Exec Board
Insufficient PMO Resources	5	2	10	<ul style="list-style-type: none"> Request for additional resources to be made to Executive Board when appropriate Dashboards, reporting and risk register to track progress and highlight potential delays to PMO before they arise. Use secondments and reallocate staff to City Region Deal activity when required. 	Exec Board

Overall Status Last Period	Overall Status This Period
Amber	Amber



Page 2: Guidance Notes for Project Updates

Project Stages

Stage no.	Definition
1. Define	Business case being developed, and not yet approved by Thematic Board and Joint Committee.
2. Implement	Business case has been approved by Thematic Board and Joint Committee, and is being implemented. In a capital project, this may be construction; for skills projects this may be establishing a course or system.
3. Deliver	Project is in place and monitoring and evaluation is in framework to assess if it is achieving its objectives.
4. Legacy	Project has resulted in mainstreaming or improvements to business as usual (impact) that is generated beyond the funded period

Red, Amber, Green

T: Status against **timeline** set out in business case/implementation plan; **B:** Status against **budget** set out in financial plan

RAG Status	Definition - Timeline	Definition - Budget	Action Required
Green	In line with business case/implementation plan	In line with financial plan.	No management action required
Amber	Delay is considered acceptable by PMO.	Within acceptable range.	Management action is in place by senior management to address issues, and project is being closely monitored.
Red	Delay is significant.	Outwith acceptable range.	Immediate action is required by senior management and relevant Boards as appropriate to address issues. Issues must be highlighted to Government.

Inclusive Growth Score

Partnership Working Score

	Definition
1.	Project's links with inclusive growth framework are being developed.
2.	Project's links with inclusive growth framework have been identified and are in the process of being implemented.
3.	Project's links with inclusive growth framework are being delivered and monitoring and evaluation is in place to assess impact.

	Definition
1.	Links have been identified with projects in other themes/with regional partners outwith City Region Deal.
2.	Links are being developed with projects in different themes/with regional partners outwith City Region Deal.
3.	Links are being exploited between this project and other themes/with regional partners outwith City Region Deal.



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Bayes Centre	Deliver	Opening	N/A	G	G	2	2	
National Robotarium	Implement	Drawdown of 2018/19 City Deal Funding	Agree concept and approve initial designs	G	G	1	1	
Edinburgh Futures Institute	Implement	Main contract awarded	Start on site	A	G	2	2	Slippage in 2019/20 spend due to complexity of enabling works package
Usher Institute	Define	Deal agreement	Approve FBC	G	G	1	2	
Easter Bush	Define	Deal agreement	Approve FBC	A	G	1	1	
World Class Data Infrastructure	Implement	Planning Approval	Start on site	G	G	2	2	

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Edinburgh Innovation Park (QMU Food and Drink Hub)	Define	Planning application approved in March 2019 that will trigger the land transfers once issued. Junction design finalised April 2019 and detailed planning application submitted May 2019. Steering group provided with status update 29 April 2019	Conclude Section 75 agreement to permit the release of the planning permission. Validate the detailed planning application for the junction to allow for determination of same/ initiate the tendering process.	G	G	1	1	UKG engagement on ongoing business case development being identified through Scotland Office. Close links with SG through SE. While overall project timelines remain intact, business case approval will need to be revised to be within 1 year of innovation commencement in Aug 21.
Fife Industrial Innovation Investment (Fi3P)	Implement	Approval FBC	Planning Consent for first site due Qr1 19/20	G	A	1	2	Mobilising resources into implementation phase. Discussions underway with University of Edinburgh to agree development opportunities based on the DDI programme impacts.
Central Borders Innovation Park	Implement	Joint Committee and Scottish Government approval of Full Business Case.	Design, procurement, and construction of Phase 1	G	G	1	1	Scottish Borders Council is engaging closely with Scottish Enterprise and also the potential occupiers of buildings being procured under Phase 1.

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
IRES Programme	Implement	All Project Propositions developed and proceeding through approvals process	Progress Monitoring & Evaluation Frameworks in place at programme and project level (June 19)	G	G	2	2	<ul style="list-style-type: none"> • Template grant agreement to formalise approvals being drafted by CEC legal. Focus for skills PMO will now switch back to programme cohesion and opportunities for alignment with “Business as Usual” across CRD themes. • Communication activity being developed including a tracker, key messages, and branding options. Plans to have communications group rep attend the IRES Board. • IRES Board Forward plan being developed to include items that inform discussions on wider change ideas that could develop in parallel with Project activity.
Integrated knowledge systems	Define	IRES Board agreed project proposal in principle (April 19)	Project approval by JC (7 June 19)	G	G	2	2	<ul style="list-style-type: none"> • Work underway with SDS to test the new Data Hub Portal's suitability for client tracking requirements along with discussions with Scottish Government on DYW Marketplace linkages. • Discussions ongoing with Napier University on a big data and visualisation pilot project. Strong link with the Integrated Employer Engagement strand. • Links with DDI and a discovery phase bid has been submitted to Ufi Charitable Trust on addressing the digital skills gap of 1400 frontline employability workers across the region.
Labour market analysis and evaluation	Define	IRES Board agreed project proposal in principle (April 19)	Project approval by JC (7 June 19)	G	G	2	2	<ul style="list-style-type: none"> • Partners canvased for representatives for the virtual team to plan, implement, and refine the labour market analysis and evaluation activities of the partnership. • Research on tourism sector skills needs now prepared and currently being validated with plans to present findings to IRES board in July.



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Integrated employer engagement	Define	IRES Board agreed project proposal in principle (April 19)	Project approval by JC (7 June 19)	G	G	2	2	<ul style="list-style-type: none"> Guidance pack on the regional approach to community benefits from procurement in the final stages of drafting for consideration and agreement by partners.
Intensive family support	Implement	Project approval by JC (Mar 19)	Project staff appointed and activities operational	A	A	2	2	<ul style="list-style-type: none"> ESF match funding discussions with Scottish Government progressing well. Bid well received and anticipate strong ministerial interest around collaboration. Preparation for co-production, specification development and commissioning process. Unforeseen procurement complexities impacting on intended July start date for Fife test phase.
Housing and Construction Infrastructure (HCI) Skills Gateway	Implement	Project approval by JC (Mar 19)	Project staff appointed and activities operational	G	G	2	2	<ul style="list-style-type: none"> Promotion of the HCI Advanced Skills MSc routes for female applicants started and aiming for first 30 places to commence in Sept 2019 Fife College to lead on first small HCI pilot set up project, ('bricklaying for housebuilding'). Three other projects identified and each will be led by a different college partner i.e. all four FE partners engaged equally from the start.
Data-Driven Innovation (DDI) Skills Gateway	Implement	Project approval by JC (Mar 19)	Project staff appointed and activities operational	G	G	2	2	<ul style="list-style-type: none"> Shared equalities and inclusion post for Skills Gateways (in partnership with EQUATE) soon to be advertised along with other delivery roles. MOU signed between UoE and SDS to deliver aims of the DDI Skills Gateway with further collaboration with Scottish Enterprise also being explored.
Workforce mobility (Concessionary travel)	Define	IRES Board agreed project proposal in principle (Apr 19)	Project approval by JC (7 June 19)	G	G	2	2	<ul style="list-style-type: none"> Positive engagement with Transport Appraisal Board on 13 April with good potential for thematic cross working.

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
A720 (Sheriffhall)	Define	Preferred option identified is a grade separated junction arrangement	Transport Scotland is currently taking forward the development and assessment of the preferred option with the view to publishing draft Orders later this year (2019) for formal comment.	A	A	1	1	Transport Scotland will attend Joint Committee on 7 June and present a further update.
West Edinburgh	Define	The development of a high-level WETA Project Delivery Plan is underway, and will be reported to the TAB this summer	Within 2-3 meeting cycles (around 6-9 months) of the Transport Appraisal Board considering the Project Delivery Plan, greater clarity about the timeframe and process for further refining the long-list of proposals will emerge.	A	A	1	2	£37m of funding identified (£20m from Scottish Government and £17m from The City of Edinburgh Council), plus developer contributions (TBC). WETA amounts to £110m, so the interventions are being prioritised.

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Dunard Centre	Implement	CEC Planning Determination April 2019	Appointment of the Contractor, selected through the procurement process, to deliver the Pre Construction Services	G	G	2	2	

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Affordable housing programme	Deliver & Define	Partner SHIPs being delivered - maximising grant & certainty	Workshop in June to define work programme	A	A	1	2	<ul style="list-style-type: none"> • Work programme to develop 20 year regional affordable housing vision & programme
Strategic sites	Implement & Define	Winchburgh being implemented	Workshop in June to define work programme	A	A	1	1	<ul style="list-style-type: none"> • Business cases for sites are at different stages of development. • Partners providing peer support and shared learning to develop business cases
Innovation & skills	Define	Alignment with HCI Skills Gateway.	Workshop in June to define work programme	A	A	1	2	<ul style="list-style-type: none"> • Workstream will also consider - MMC & offsite manufacturing; future proofing of homes; labour market; and community benefits.
Infrastructure, funding and land assembly	Define	Edinburgh Asset Commission met with public sector partners in April	Workshop in June to define work programme	A	A	1	1	<ul style="list-style-type: none"> • Housing Infrastructure Fund – partners considering list of potential projects and determine applicability for regional sites • Work programme will also consider - financial Innovation & maximising public sector land
Housing company	Deliver	First homes completed in Clermiston.	Homes under construction across various sites.	G	G	1	2	<ul style="list-style-type: none"> • The City of Edinburgh Council and Scottish Futures Trust will continue to share learning and financial models with partners, to explore regional delivery models.

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)

Edinburgh and South East Scotland City Region Deal Joint Committee

10 am, Friday 7 June 2019.

Integrated Knowledge Systems (IKS) proposition

Theme project within **Integrated Regional Employability and Skills (IRES)** Programme

Item number 5.3

Executive Summary

This report seeks approval to implement the Integrated Knowledge Systems theme (as set out in the overarching IRES Programme Business Case), which has been developed in collaboration with regional and national partners to drive progress toward a more inclusive labour market.

This report also seeks to recommend that Capital City Partnership undertakes the lead partner role for the Integrated Knowledge Systems.

Angela Leitch

Chair, Integrated Employability and Skills Board, Edinburgh
and South-East Scotland City Region Deal

E-mail: aleitch@eastlothian.gov.uk | Tel: 0162 0827413

IKS Lead Contact: Rona Hunter, Capital City Partnership

E-mail: rona.hunter@capitalcitypartnership.org

Tel: 07566230608



City Region Deal Checklist

Criteria	Details/Link to Document
Contribution to City Region Deal commitments and Inclusive Growth Framework	<p>The IRES Programme's IFS Service is a cross cutting programme that is supporting the Inclusive growth ambitions of the partnership including;</p> <ul style="list-style-type: none"> • Accelerating inclusive growth through unlocking new talent pools for business, promoting fair work, and equipping disadvantaged citizens with the skills they need to succeed • Removing the barriers to growth by putting in place integrated knowledge systems to support targeted skills development to help disadvantaged individual access and progress in work • Community benefits through procurement by integrating our approach to employer engagement and procurement that increases the value achieved from our collective investments • Targeted skills interventions that captures and supports workforce capacity and capability in the "Data Driven Innovation" and "Housing, Construction and Infrastructure" sectors. • Social benefit through Innovation through close working between the IRES and DDI programmes to fully utilise the technological (data visualisation insights) and employment opportunities that will be generated by the sector.
Alignment, integration with, or dependence on, other City Region Deal activities	<p>The IKS is part of the IRES programme and fits within its series of thematic pillars;</p> <ul style="list-style-type: none"> • strengthening regional leadership and improvement capacity • better understanding need and opportunity, • building stronger relationships with employers, investors and citizens, • targeted skills development, and • improved matching to opportunities for disadvantaged individuals, <p>Interventions proposed within the programme will maximise the value realised from other City Region Deal investments and ambitions in the innovation space (e.g. Data Driven Innovation) and enabling infrastructure (e.g. Housing, Construction and Infrastructure) by supporting the creation of a diverse and well skilled population that can benefit from and help drive the future growth of the regional economy.</p>
Scale and regional distribution of expected outcomes, benefits, and leverage, from activity	<p>The IKS will register 60,000 currently engaged regional citizens from some of the most deprived parts of the ESES city region and attract in a further 30,000 new clients. It will also support 18,000 clients into an enhanced skills pipeline over the programme, with a focus on tracking upskilling. A 20% leverage target has been set for attracting additional funding by the lead partner.</p>
Compliance with financial requirements and agreed expenditure profile	<p>The IKS Service Business Case complies with financial requirements and profile</p>
Equalities Impact	<p>See cover report.</p>

Anticipated significant risks and mitigation measures	As detailed in Project Business Case a risk and mitigation matrix has been prepared and will be updated as the programme develops.
Alignment and fit with City Region Deal governance arrangement	The IKS Service as detailed in the project business case is fully integrated with current City Region Deal governance arrangements.
PMO check	All information provided.
Government approval	Scottish Government signed off on IRES Programme Business Case on 30 November 2018 of which the IFS Service project is a key component.
Partner sign-off	All partners involved in developing the shared business case proposal.
Advisory Board sign off	Approved by IRES Board at meeting on 5 March 2019.
Executive Board sign off	Approved by Executive Board at meeting on 21 May 2019.
PMO Recommendation	That Committee approves implementation of the IRES Programme's Integrated Knowledge Systems as set out in the business case.

Integrated Knowledge Systems (IKS) proposition

1. Recommendations

It is recommended that:

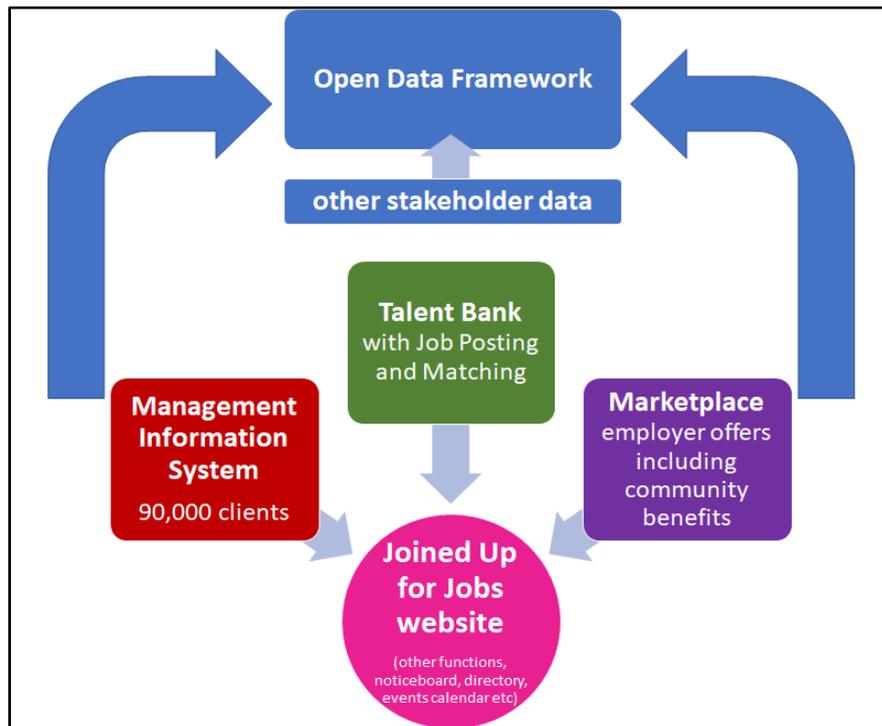
- 1.1 the Integrated Knowledge Systems project, as detailed in the accompanying business case, is approved.
- 1.2 the Capital City Partnership undertakes the lead partner role for the Integrated Knowledge Systems project.

2. Background

- 2.1 Edinburgh and South-East Scotland's regional labour market is a low unemployment, high inequality environment, with significant issues of entrenched and persistent poverty and disadvantage, while the mechanisms available at regional level to tackle these inequalities and fully exploit the potential of the economy are weak.
- 2.2 The ESES City Region Deal provides an opportunity to develop a collaborative approach that enhances our capacity and capability to tackle these inequalities and support the partner's ambition of inclusive growth.
- 2.3 The Integrated Knowledge Systems is one of seven change projects outlined in the IRES Programme Business Case. The Integrated Knowledge Systems (IKS) theme will bring together stakeholders to create new system pathways that support integration for a clear regional client journey to the best employment outcome.
- 2.4 The Integrated Knowledge Systems will create effective links with other IRES projects, particularly the Intensive Family Service, Integrated Employer Engagement, DDI and HCI (Data Driven Innovation and Housing, Construction and Infrastructure) Targeted Skills Gateways, to build career pipelines into higher skilled, higher paid industry sectors.

3. Main report

- 3.1 The Integrated Knowledge Systems theme will bring about a much-required alignment of a multitude of systems in the employability and skills sector.
- 3.2 Change funds will be used to support all relevant stakeholders with a common purpose to achieve inclusive growth through an improved employability pipeline systems integration to better support local individuals and employers.



- 3.3 A greater number of people will be better equipped to access the economic growth being generated, employers will be better able to source local talent, and a critical window of opportunity will be enhanced to tackle poverty and inequality.
- 3.4 Often more disadvantaged clients need support from several agencies to make the breakthrough into sustainable employment. A key feature will be a joined-up referral tracking process, where a client can be quickly linked to any service they need by a caseworker. This could be an employability project with tracked referrals to literacy training, housing support, childcare facilities and so on. An integrated system will provide a seamless cross regional solution.
- 3.5 A new Talent Bank feature will provide a 'live pool' of regional job ready candidates for job matching in response to economic growth stimulated across the IRES and wider City Region Deal.
- 3.6 Community Benefit software alignment will be developed and implemented further to capture, monitor and track all community benefit clauses at a regional level, bringing joined up alignment and consistency of service standards. This in turn will enhance future community benefit asks, making better use of an often untapped and underutilised resource.

- 3.7 Learning and aligning with the Developing Young Workforce approach, we will also develop a 'Marketplace Offer' where employers and community benefit clauses can offer up work experience, work shadowing, industry insight, modern apprenticeship offers to employability providers for clients to access as part of the customer journey to work readiness. These joined-up systems will present a new and flexible approach for accelerating work growth and upskilling into existing and new jobs.
- 3.8 The integration of knowledge systems will be transformational in capturing joined-up employment pathways for each individual client journey. An additional benefit will be empowering client's as 'data citizens' to have better ownership of their own data journey through school, further and higher education, third sector support and employment. Clients, alongside support staff across all stakeholders and agencies, will be able to spot opportunities and identify and overcome barriers to progression with access to the best support. A focus on active inclusion will provide service users with connection to developments, supporting active participation.
- 3.9 The creation of a shared data set will also bring a new level of digital intelligence. We will create a data framework to pull up data on the new systems, but also to import data from other sources to allow for visualisation of what interventions works best, what can happen when appropriate services are put in place, and what do we need to do more of and less of. It will make all future strategic approaches in employability intelligent and evidence based. The use of interrogation of data will also support inclusive equalities, adding a further level of accountability to make sure services are engaging with the most disadvantaged communities and offering services that reflect the principles of the Fair Agenda
- 3.10 The IKS service is one of the IRES programme's seven change projects that have been designed to strengthen our collective capacity and capability to drive inclusive growth.

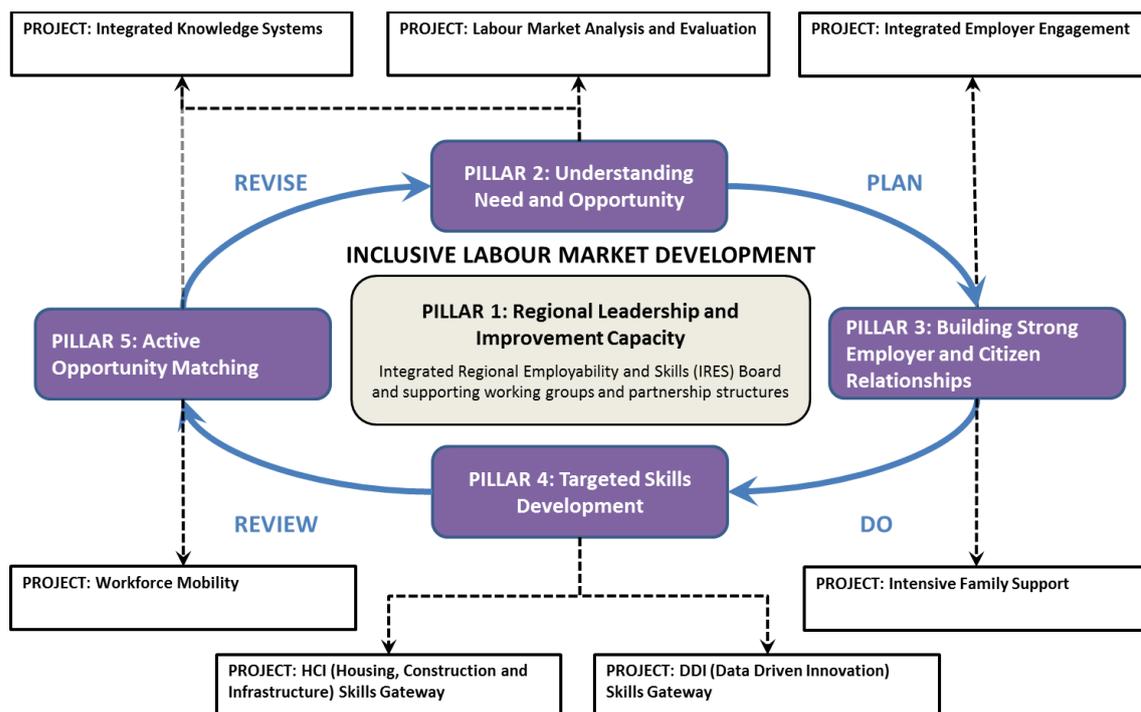


Figure 1: IRES Programme Model and Change Projects

4. Financial impact

- 4.1 The Scottish Government have allocated £25 million of grant funding which that will be made available over the next eight years to develop and deliver the aspirations set out in the IRES Programme Business Case, with a focus on not just delivering project activity, but informing how existing investments can be better targeted and aligned to help deliver enhance inclusive growth for the region.

It is proposed the Integrated Knowledge Systems be allocated £1.5 million over the period that will be split across two distinct phases:

- **Phase 1: 2019–2021:** £570,000 of this allocation will be used to design and develop an Integrated Management Systems for a fit for purpose use of technology that aligns the six local authority main employability services, with a focus on a better and enhanced client journey.

Approximately 90,000 people will have their customer journey recorded on this system within the first two years, which will be based on delivering to a new enhanced employability pipeline. As part of this phase, significant co-production will be undertaken with employers, stakeholders, service providers, and service users to ensure we have the best customer journey.

Linking to this system, will be a new Talent Bank. This is where jobs created from the Edinburgh and South East City Region Deal activity, and the corresponding re-shaped local employability partnerships, can be posted and will link to clients from disadvantaged backgrounds who are deemed work ready after receiving the right interventions and support. The Talent Bank will also provide support on tracking and upskilling, achieving the living wage, and evidencing how the region is helping to tackle in-work poverty.

- **Phase 2: 2021-24** £690,000 of this allocation will be used to develop a Market Place Type and Community Benefits system. This interlinked phase will further support the developed employability pipeline with the range of employer offers that are generated. This will predominately be through better Community Benefits capture and tracking alongside Integrated Employer Engagement themed activity and building on the Developing Young Workforce Marketplace model approach which has so far focused on offering employer offers (such as work experience, industry insights and so on) to schools and colleges. During this phase we will also ensure the full alignment and embedding of the phase one development with a full mainstreaming achieved.
- **Phase 3: 2024-2026** The final £240,000 of this allocation will be phased in and used to develop the final elements of big data visualisation and intelligence to inform future strategy and investments. An open data framework will be created to draw up data across all regional stakeholders and provisions to give the 'bigger picture' of impact and what is and isn't working effectively and what adjustments and interventions are required.

- 4.2 Additional leverage will be attracted to the Integrated Knowledge Systems programme through external applications to national programmes such as The Big Lottery Digital Fund and UFI Charitable Trust, using Capital City Partnership's charitable status.
- 4.3 A 30% saving on current local authority systems and staff support is anticipated through economies of scale.
- 4.4 Ongoing performance reviews and evaluation will be undertaken to qualify and quantify the impact made by the service.

5. Equalities impact

- 5.1 An Integrated Impact Assessment will be conducted and updated throughout this process presented and updated at Project Board meetings.
- 5.2 The IKS service is an integral part of this wider IRES Programme and it is anticipated that it will generate significant inclusive growth benefits, including:
- Increased number of disadvantaged participants engaged in job searching, education/training, gain a qualification, or are in employment (including self-employment) upon leaving
 - Increased number of disadvantaged participants in workless, lone parent or low-income households with improved skills

6. Background reading/external references

- 6.1 [Edinburgh and South-East Scotland City Region Deal Document, August 2018](#)
- 6.2 [Edinburgh and South East Scotland City Region Deal Integrated Regional Employability and Skills \(IRES\) Programme Business Case, December 2018](#)

7. Appendices

- 7.1 Integrated Knowledge Systems Project Proposition



Integrated Knowledge Systems

Project Proposition

**ACCELERATING
GROWTH**

EDINBURGH AND SOUTH EAST SCOTLAND
CITY REGION DEAL

Contents

1	Introduction	3
1.1	About this document	3
1.2	Project Vision	3
1.3	Overview of the Integrated Knowledge System (IKS)	4
1.4	Project Summary	5
1.4.1	Phase one: MIS Development with Talent Bank.....	5
1.4.2	Phase two: Marketplace Type and Community Benefits.....	8
1.4.3	Phase Three: Big Data Analysis and Visualisation.....	9
2	Strategic Case.....	10
2.1	PART A: The Strategic Context	10
2.1.1	National Context and Strategy Alignment	10
2.1.2	Alignment across the IRES Programme.....	11
2.2	PART B: The Case for Change	12
2.2.1	Existing Arrangements, Challenges and Opportunities	12
3	Economic Case	16
3.1	Current Labour Market Context.....	17
3.2	Change we want to effect	18
3.3	Identification of Options	19
3.4	Programme Option Analysis.....	21
3.5	Preferred Option	21
3.6	Impact of implementing the IKS project	21
3.7	Summary of Outcomes, Benefits and KPIs.....	22
3.8	How will we measure success?	23
4	Commercial Case and Financial Case.....	25
5	Financial Projections	27
6	Management Case	28
6.1	Project Management Structure	29
6.2	Phased Approach	30
6.3	Project Plan	30
7	Sustainability.....	33
8	Risk Mitigation Plan	34

Integrated Knowledge Systems

Project Proposition

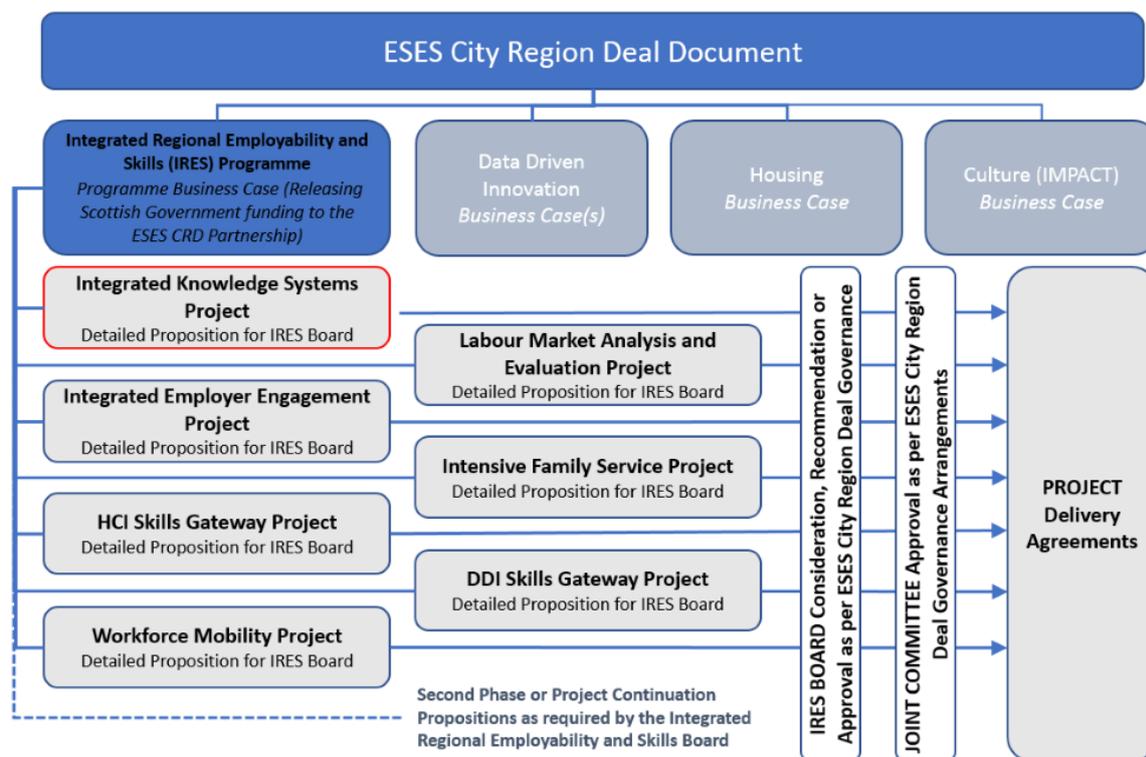
Version 3.0

11 February 2019

1 Introduction

1.1 About this document

This Project Proposition sets out a detailed case for IRES investment in a seven-year programme of activity to create a regional change around integrating information systems. This is to better understand who our workforce is and their skill level, what provision is in place to support them, and what service interventions are working effectively. It will also better support job recruitment and matching, support employer engagement, and maximise community benefit offers. Better use of data analysis and predictive data will underpin all elements. This change management proposition will also bring regional partner savings through economies of scale.



1.2 Project Vision

The Integrated Knowledge Systems (IKS) theme will bring together stakeholders to create new system pathways that support integration for a clear regional client journey to the best employment outcome. It will include capturing engagement, service intervention, job readiness,

job-matching, link to growth sectors, in-work support, upskilling and career progression. Further to this, it will streamline data gathering, processing and analysis; producing 'big data' trends that can inform future investment and better use of resources for increased economic impact. The vision is for integrated knowledge systems that are fit for purpose and future proofed for opportunities developing over the next 10 years.

The collaborative approach between industry sector, local authorities, universities, colleges, third sector, skills agencies and government will make a significant impact to address the challenges faced and leave a positive legacy for the future.

1.3 Overview of the Integrated Knowledge System (IKS)

The Integrated Knowledge Systems theme will bring about a much-required alignment of a multitude of systems in the employability and skills sector. Change funds will be used to support all relevant stakeholders with a common purpose to achieve inclusive growth through an improved employability pipeline systems integration to better support local individuals and employers. A greater number of people will be better equipped to access the economic growth being generated, employers will be better able to source local talent, and a critical window of opportunity will be enhanced to tackle poverty and inequality.

Often more disadvantaged clients need support from several agencies to make the breakthrough into sustainable employment. A key feature will be a joined-up referral tracking process, where a client can be quickly linked to any service they need by a caseworker. This could be an employability project with tracked referrals to literacy training, housing support, childcare facilities and so on. An integrated system will provide a seamless cross regional solution.

A new Talent Bank feature will provide a 'live pool' of regional job ready candidates for job matching in response to economic growth stimulated across the IRES and wider City Region Deal.

Community Benefit software will be developed and implemented further to capture, monitor, and track all community benefit clauses at a regional level, bringing joined up alignment and consistency of service standards. This in turn will enhance future community benefit asks, making better use of an often untapped and underutilised resource.

Learning and aligning with the Developing Young Workforce approach, we will also develop a 'Marketplace Offer' where employers and community benefit clauses can offer up work experience,

work shadowing, industry insight, modern apprenticeship offers to employability providers for clients to access as part of the customer journey to work readiness.

These joined-up systems will present a new and flexible approach for accelerating work growth and upskilling into existing and new jobs.

The integration of knowledge systems will be transformational in capturing joined-up employment pathways for each individual client journey. An additional benefit will be empowering client's as 'data citizens' to have better ownership of their own data journey through school, further and higher education, third sector support and employment. Clients, alongside support staff across all stakeholders and agencies, will be able to spot opportunities and identify and overcome barriers to progression with access to the best support. A focus on active inclusion will provide service users with connection to developments, supporting active participation.

The creation of a shared data set will also bring a new level of digital intelligence. We will create a data framework to pull up data on the new systems, but also to import data from other sources to allow for visualisation of what interventions works best, what can happen when appropriate services are put in place, and what do we need to do more of and less of. It will make all future strategic approaches in employability intelligent and evidence based.

The use of interrogation of data will also support inclusive equalities, adding a further level of accountability to make sure services are engaging with the most disadvantaged communities and offering services that reflect the principles of the Fair Agenda.

1.4 Project Summary

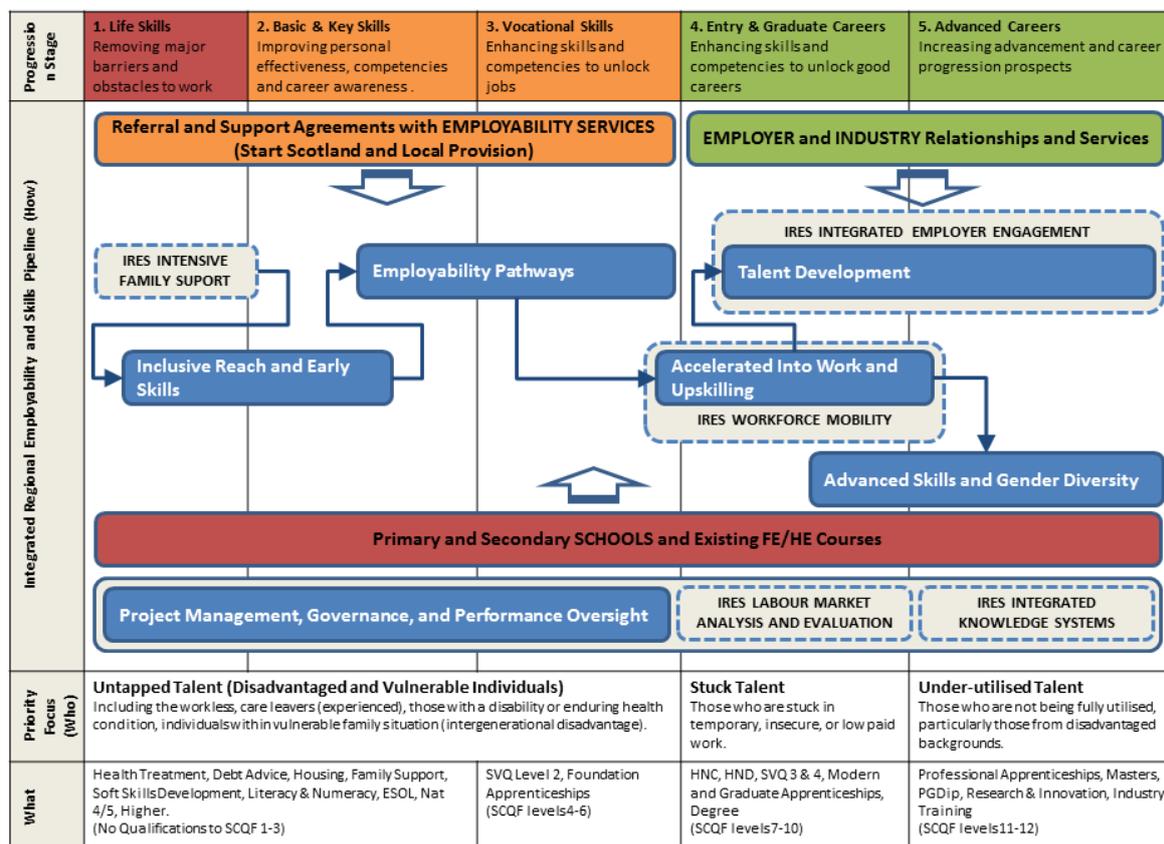
There are three phases to the Integrated Knowledge system theme. Each phase has elements and sub-themes within it, and these are outlined below. Further explanations are also given in the Management Case section and project plan.

1.4.1 *Phase one: MIS Development with Talent Bank*

The proposition is for a new fit for purpose use of technology to develop a management information system that aligns the six local authority main employability services, with a focus on a better and enhanced client journey. Approximately 90,000 people will have their customer journey recorded on

Integrated Knowledge Systems Project Proposition

this system within the first two years, which will be based on delivering to a new enhanced employability pipeline.



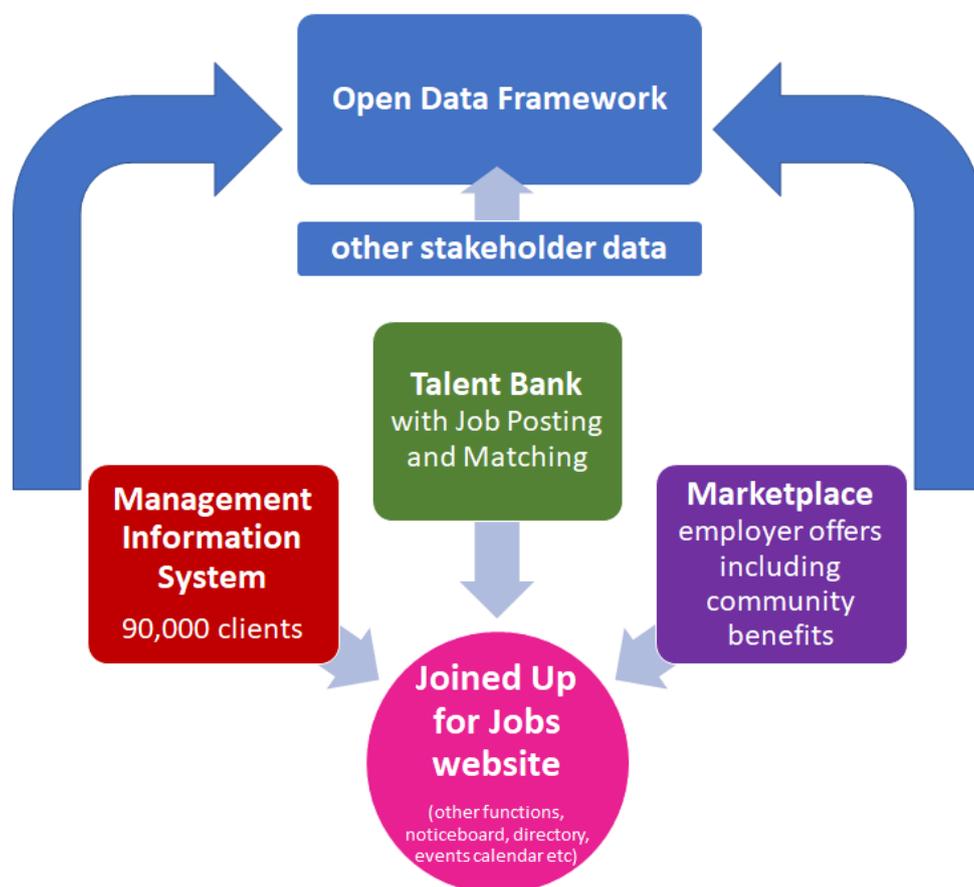
Linking to this system, will be a new Talent Bank. This is where jobs created from the Edinburgh and South East City Region Deal activity, and the corresponding re-shaped local employability partnerships, can be posted, and will link to clients from disadvantaged backgrounds who are deemed work ready after receiving the right interventions and support. The Talent Bank will also provide support on tracking and upskilling, achieving the living wage, and evidencing how the region is helping to tackle in-work poverty.

Under this theme, and with external leverage funding, we will also upskill frontline employability workers on data and digital literacy. As a result, clients will be better able to fully access new opportunities and better manage their own data.

The intention is that Phase 1 will involve significant co-production and co-design will also take place with stakeholders, service providers and service users to create a new way forward, bringing systems and partnership together that is useable and more efficient with investment and peoples time.

This first phase will also take sight of Brexit and the withdrawal from European Social Funding, a major funder of local authority and regional employability services. Given the often-onerous emphasis on data collection, this will afford an opportunity to cleanse systems and reduce data so it is used better, has clear ownership rights, and can be used for analysis under phase three. The focus throughout will be on reducing worklessness and poverty through providing and sharing the appropriate employability interventions, accessible for those living in the SES City Region's most deprived areas. Supporting them to progress into a key growth industry where current and future skills gaps have been identified, which can lead to greater opportunities in higher skilled and higher paid roles.

Awareness will be raised of the support pathways, job opportunities, available training, industry demands and future career profiles. We aim to offer a joined-up service that can be accessed through **one interface**. From one log-in, a service manager/caseworker can manage client's journeys, access job opportunities, match into employer support offers such as business insights and work experience and receive support from the wider network on a regional Joined up for Job model.



Underpinning this will be a review of GDPR to ensure there is consistency of data sharing and tracking, and industry training to achieve service standards and protections.

Key client groups we will focus on, support and track include;

- **Pupils from schools in 20% most deprived SIMD areas**
- **Young people and school leavers**
- **Young people with experience of mental health**
- **Unemployed and those experiencing in-work poverty**
- **Carers and care experienced**
- **People with a disability or long-term health conditions**
- **People with experience of substance abuse, homelessness, and/or trauma**
- **Supporting carers with childcare responsibilities**
- **Supporting women into higher paid jobs and planning to return to work**
- **Veterans**
- **Ex-offenders**
- **Vulnerable families**
- **Ethnic minority groups**

1.4.2 Phase two: Marketplace Type and Community Benefits

The next interlinked phase is the alignment and enhancement of MIS platforms to support the developed employability pipeline with the range of employer offers that are generated. This will predominately be through better Community Benefits capture and tracking and building on the Developing Young Workforce Marketplace model approach which has so far focused on offering employer offers (such as work experience, industry insights and so on) to schools and colleges.

Offers from these elements will enable better client journeys, accessing support and experience as and when they need it to move into sustainable employment and/or upskill. It will also facilitate employers having more influence and support over their future workforce, allowing them to promote their business and sectors.

Community Benefits is a readily acknowledged underutilised opportunity in relation to employability. Often there is a lack of support to employers on what offers are wanted, intermittent tracking, and little evaluation of impact. By linking directly with the Integrated Employer Engagement theme, we will align with new system software and work on having non-job employer offers fed into our systems pathway.

1.4.3 Phase Three: Big Data Analysis and Visualisation

Currently, many systems are requesting and collecting over 500 fields of data related to a client's journey into a job. However, even within this context there is very little analysis of this data. Often, we don't know what trends there are, how data sets influence each other, the clear evidence about what is and isn't making the difference to a successful journey. We're also not able to predict upcoming economic changes and make suitable adjustments.

We have also learnt that it is vital data analysts and developers are part of the **phase one** development and fully involved in **phase one** so that **phase three** is successful. Systems tested to date that may serve a good tracking and compliance function have not been designed to facilitate data analysis, with much of the learning lost and untraceable. It is not unusual for current systems to collect data in a way that contradicts itself at other parts. If people involved in big data had been part of the development process this could be avoided. We intend to rectify this and have the support of both The City of Edinburgh Council digital team and Edinburgh University with this.

We will also at phase three look at the impact of visualisation on data we collect to unpick what impact interventions make. Napier University can support this element and have tested out visualisation techniques as curriculum projects with undergraduates using visualisation models akin to the employability pipeline. For example, they were able to conclude due to visualisation tracking of students, that those entering year two of a degree from college were more likely to progress to a third degree unless support interventions were made. They could pinpoint what interventions made the difference best. Similarly, they were able to show over a four-year course how work experience impacts on the degree level obtained and job outcomes achieved after graduating. This helped to inform curriculum adjustments for a better client journey. It is similar insights into the labour market that we are aiming for.

Underpinning all of this is the need for a data framework to draw up data across all our stakeholders and service providers for the 'bigger picture'. The quality of this data just now and how it is collected and set out is variable, with numerous keying from different partners. We need to assess how data is being collected, what changes we can influence and how the data can then be cleaned and formatted to draw up to a master framework. We anticipate the Colleges and Universities playing a critical role at this phase and have built in pilot projects for this.

2 Strategic Case

The IKM project strategic case is set out in two parts;

Part A: The Strategic Case – outlining the alignment of the ILM project proposals with government policy and the partnerships existing assets and strengths and;

Part B: The Case for Change – this area summarises the existing arrangements and the benefits from the proposal and the added value from change management;

2.1 PART A: The Strategic Context

2.1.1 National Context and Strategy Alignment

Scotland's Economic Strategy (Scottish Government, 2015)¹ sets out the Scottish Government's purpose "to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth" and has two key goals- increasing competitiveness and tackling inequality.

Allied to this the Creating a Fairer Scotland (Employability)² policy seeks to promote greater fairness and equality in employment while also driving continuous service improvement through strong productive partnerships.

No One Left Behind, Next Steps for the Integration and Alignment of Employability Support in Scotland³ outlines the need to incrementally develop an integrated regional employability and skills system that is more

- flexible, tailored, and takes a 'whole person' approach
- straightforward for people to navigate;
- better integrated and aligned or interwoven with other supporting services;
- provides pathways into sustainable and fair work;
- is driven by evidence to supports people into the right job at the right time
- designed, delivered, and improved in partnership
- responsive to those with high needs (e.g. young care leavers, workless, and those in low paid or insecure jobs) who are at major risk of missing out on the benefits of economic growth; and
- minimises skills shortages and gaps or gender imbalances in our key growth sectors, while promoting greater workforce diversity

The Integrated Knowledge Systems proposition reflects these policy positions by creating systems that bring enhanced benefits to the most vulnerable and disadvantaged citizens, enabling access to quality and sustainable jobs that tackle inequality and uplift people out of poverty.

2.1.2 Alignment across the IRES Programme

The IKS will bring added value across the whole of the IRES programme, supporting job growth and addressing skills gaps and workforce shortages through more intelligent pathways and transitions within an enhanced employability pipeline.

An inclusive person-centred approach will guarantee that each client journey is unique and tailored to the individual, making the best use of resources and opportunities. Integrated knowledge systems support the 'No wrong door approach' to ensure that each client gets quick access to the services they need. Better tracking and monitoring with linked referrals and inter-agency approaches will enhance this. It will also provide an accurate bigger picture of a moveable workforce across six regions, capturing precise data sets on skills and availability.

Each theme in the IRES is supported and underpinned by the Integrated Knowledge Systems approach.

- **Labour Market Analysis and Evaluation:** We would be able to better support Labour Market Analysis with evidence based and verified client data including client profiles around gender and diversity as well as living wage uptake, uptake of jobs and employer sector data, gaps in skills and future sector growth.
- **HCI and DDI Gateways:** We would support the upskilling of digital and construction sector skills, capturing the supply through the talent bank and converting quicker Community Benefit Clauses to real opportunities for advancement. Skilled data citizens would be created by supporting clients to have ownership and understanding of their own data and how it is used.
- **Intensive Family Support:** The proposed Intensive Family Service will be an early adopter of a new system, showcasing how a more regional service joined up client journey can make a better impact and helping support an evaluation that will contribute to a wider role out and possible mainstreaming of this service area.
- **Integrated Employer Engagement:** A streamlined 'work readiness' assessment linked to direct job matching would support employer engagement with added value from the Talent Bank of skilled workers. Non-job employer offers would be supported through the 'Marketplace' type system.

- **Workforce mobility** Better tracking of travel expenditure and workforce mobility support costs would be fully captured to indicate the impact any travel barrier removal or subsidy makes.

In summary, the plan is for a more strategically aligned set of systems across the IRES structure that enhance both data capture and execution; enabling caseworkers to make more informed links, and for job matching to support employer engagement. A standalone talent bank offers an appropriately skilled workforce with emphasis on growing sectors such as digital, retail and construction. A refreshed Marketplace for the employability sector and new Community Benefits model will capture the proposed benefits of much of the wider ESESCRD, turning opportunity into real benefits. Big data analysis and visualisation will provide the longer-term understanding of success and need for further change to inform future investment and strategic drive.

2.2 PART B: The Case for Change

2.2.1 *Existing Arrangements, Challenges, and Opportunities*

The 2018 Regional Skills Assessment Summary Report for Edinburgh and South-East Scotland City Region⁴ concludes that although the outlook for the local economy is positive there are remaining key inclusive growth challenges.

Despite the current arrangements and ways of working, around only 40% of working age disabled adults are in employment, compared with more than 80% of adults with no disability⁵. Regional partners are committed to supporting disabled people of all ages to progress towards and into work.

Maximising economic opportunities for women to participate fully in the regional economy and recognising the wider social role they provide also remains a priority⁶. Regional partners are focused on promoting the Fair Work agenda and encouraging employers to mitigate the gendered barriers, such as occupational segregation, which prevents the development of a strong, innovative, and inclusive economy.

Almost one in four of Scotland's children are officially recognised as living in poverty⁷. Regional Partners have a clear duty to help and support all our children and young people to give them the best start we can.

To meet the needs of the client journey and ensure we support national and local strategy of a better workplace for all to tackle poverty and inequality, there is a clear need for client data systems linked to support. Most stakeholders have a current system partly fit for this purpose, to track interventions and outcomes. The major gap is around integration and strategic fit for the future.

The creation of integrated, aligned and more intelligent knowledge systems supports the person-centered client journey and strategic interventions to tackle inclusive growth challenges. It supports partners and stakeholders to prepare and plan and be responsive to opportunities with related benefits to accelerate and invest in key skills, enabling us to early identify talent and where upskilling is required. The result is a transformational step change and 'regional inclusive approach'.

Mapping of Existing Systems

A mapping of current information and knowledge systems was undertaken by Capital City Partnership in May 2018. The purpose of this exercise was to give a regional baseline to inform this Business Case.

Overall, six local authorities and nine other stakeholder organisations responded and completed the proforma used for the mapping exercise.

- In total there were 10 different systems being used
- One organisation highlighted they often record on up to six different internal and external systems for the same client, depending on what they were tracking
- Only three systems were being used by more than one organisation.
- One system was used primarily by three local authorities already
- Two further systems each had two partners using them

The survey asked for information on what the databases were used for. From what was returned, six were primarily for client/student journey tracking; recording interventions such as courses, training, and one to one support, what they have achieved and progress made, what their outcomes were, qualifications and so on.

The survey indicated that seven of the systems were primarily delivering an 'opportunities notice board' including jobs. Some of these went a little further to provide some form of job matching but most tended to focus on job opportunities being uploaded to a site where a client could log on and search for them.

Three of the systems provided a version of both a client/case management facility which can lead onto job matching.

From the response we were able to differentiate the database functions into three main categories.

- **Firstly**, we have a student record system used by the Universities and Colleges that responded. At the most dynamic end these collate student records from enrolment data through to qualifications achieved. In some instances, the colleges are using the SDS data hub where Foundation Apprenticeships are delivered. Whilst some of the data fields (contact details for example) will be similar to those recorded by employability projects it appeared is less likely that the types of barriers, issues and complex support that are important for employability pathways will be recorded. The SDS hub tracks only until age 25, but there appears scope and willingness to extend this if the platform was a suitable option.
- The **second** group would be those that are used by the Local Authorities and their third sector partners. There are major similarities across the systems as to the type of data collected and what the systems are aiming to monitor. Of the six local authorities, three systems are being used but the major one in place 'Caselink' and used by three local authorities hasn't been updated since 2012. All the systems could provide the 'job matching' type of requirement although this function isn't always fully utilised, or staff resource supported.
- **Thirdly**, the colleges are delivering job/placement opportunity matching systems. These tend to be available to all students and are separate from any records data base that the college/university will use themselves as outlined before. Similarly, the Developing Young Workforce and Guarantee respondents were running 'posting' systems, informing all those with access about suitable job positions. We could see that all bar one is adding the data manually (or the employer has the facility to do this). Whilst this can be time consuming it can ensure the job opportunities are presented consistently, checked prior to being published and that employer support can be given as a wraparound support where appropriate.

When asked if they had ever commissioned data analysis of the data, generally the response was negative. One organisation did say they generate reports from the data and two organisations said that external agencies had been asked to analyse the data collected but there wasn't comprehensive data analysis. Partly this may be due to the type of data collected. Job boards are less likely to be analysed and able to be interrogated than client record databases.

Working out the approximate cost of systems was challenging as some are based on annual licence fees, while others are part contribution with other arms of the wider organisation contributing. Overall from the data returned we can estimate that approximately £196,000 is being spent each year on client data management systems related to employability. When focused just on Local Authorities and their third sector providers (the main provider of funded employability services in local employability pipelines) there was a collective investment of £93,000 with 28,000 active clients (this figure is substantively larger for archive and inactive clients who may return, with a capacity more circa 90,000). The unit cost per client for these services varied widely due to scale. As expected, smaller local authorities were paying considerably more for their systems to record lower numbers of clients' details compared to larger authorities such as Fife and Edinburgh who operated more to scale.

For organisations such as the colleges and universities the data management system looks at much more than employability and has an obvious wider educational purpose. Overall there are over 160,000 client records on all the student systems for employability purposes that we are aware of. There are differences between the HE and FE sector and the other organisations who provided a return with the large HE institutions obviously recording tens of thousands of client records overall. There was no common data framework to appraise data across the employability sector, or a means to fully track a client journey across different interventions.

While the local authorities collected similar data for funding requirements (such as European Social Funding) there was again no consistency of data collection to reflect the client journey. Often different terms or terminology were used, or different groups. The client journey was regularly broken up between different systems, with little or no inter-connection. The number of agencies that intervened with each client was also not universally collected across different systems. We can reasonably conclude that the full picture isn't being seen.

INITIAL SUMMARY AND CONCLUSIONS

- There is significant investment across the region in tracking client data circa £196,000 that we know of
- Local authority investment in job seekers alone is £93,000 for nearly 28,000 active clients and considerably more for inactive archive client records
- There are three distinct groupings/areas we can initially identify the systems under
 - student, jobseeker, job matching service
- Many of the systems appear to be effective locally but are inconsistent in approach

Integrated Knowledge Systems Project Proposition

- Data cleansing and links to audit and compliance are inconsistent
- Systems are not joined up and don't speak to each other or offer linked client tracking
- Big data analysis is low to nil

INITIAL BENEFITS AND OPPORTUNITIES

- Integration of services would give a better and clearer client journey
- Economies of scale can be made with integration, sharing costs
- GDPR data sharing is resolved across integrated systems
- Data could be recorded to feed into a larger data framework to be more useful
- Clients can be supported to become better data citizens

This first stage mapping indicates the need for a rationalisation of services, better identifying shared vision and opportunities, and to ensure better outcomes for investment.

As part of this paper, we propose that this initial mapping exercise be revisited, escalated and conducted by a technical consultant with a deeper systems analysis and a focus on technical requirements and data sharing protocols. It will also take consideration of other client tracking systems for more vulnerable groups, including tracking through housing, homelessness, health and social care.

We also want to further assess the national proposition of using the SDS Data Hub, recognising there are opportunities for client journey from school to work and beyond, but also hurdles to do with data ownership and the commitment to design a system with significant co-production with service providers and users.

Underpinning this whole proposition is that this is about change management. What will be left at the end is a more efficient, streamlined, better resourced and fit for future system to meet the need of the six regions. It will also result in a better skilled workforce within the employability sector, and also increase in data citizens.

3 Economic Case

To support the creation of a better skilled and moveable workforce across the six-region partnerships, it is essential that we have a modern fit for purpose integrated knowledge system that allows for better client tracking and monitoring of outputs and outcomes.

A cohesive system(s) approach that better captures and shares data, offers linked up employer support through community benefits and other offers, and directly places new jobs for job matching into the system will result in an increase in clients reaching sustainable jobs, better use of resources to aid this success, and have an economic growth impact from better data and intelligence to inform future provision.

3.1 Current Labour Market Context

The IRES programme has been conceived as a whole system (whole person) approach to deliver culture and practice changes that will have significant qualitative benefits for an additional 14,700 people with improved skills and 5,300 moving into employment over the course of the (£25 million) 8-year investment period.

The proposed integrated knowledge system approach will generate significant synergies, cost efficiencies, improved inclusion outcomes, and enhance responsiveness to changing need and opportunity in our regional labour market that will have a lasting benefit for the region and the Scottish Economy.

The 2018 Regional Skills Assessment Summary Report for Edinburgh and South-East Scotland City Region concludes that although the outlook for the local economy is positive there are some key inclusive growth challenges that remain. Despite expected jobs growth across most sectors and occupations providing opportunities for people at all skills levels, a key challenge facing employers in the region will be sourcing people to fill these vacancies, particularly in the context of Brexit and the resultant constraints on the future supply of labour from Europe.

A further challenge is the forecast ageing of the population and associated contraction of the working age population which, although not as pronounced as in other areas, could put further pressure on labour supply in the region.

Although less acute than the Scottish Average, similar trends of disparity remain across the region particularly in measures of job density, skills inequality, gender and age inequalities, low income and low pay.

It is therefore essential that there is a new approach to knowledge systems and how we work with clients to create a better skilled workforce and a deeper understanding of their requirements. Recognising that clients often need multiple agency interaction is part of this, and a more joined up,

robust tracking and referral system across the region will facilitate this and better reflect what is happening in the labour market which doesn't recognise local administrative boundaries. Aligned with the integrated employer theme for new offers and job matching, we are better able to see how we are addressing the skills agenda, what is working, what is not, and what gaps remain.

3.2 Change we want to effect

The change we want to effect is to have a streamlined and more efficient service offer that reaches across multiple stakeholders and brings genuine alignment of an enhanced employability pipeline.

We wish to increase person centred client journey progressions through the pipeline, ensuring the correct services are in place to meet skills gap, and that the employability and skills sector is better informed and intelligent.

We want to have systems that are technically future proofed, making better use of digital technology, and how providers and clients use this technology, to make sure all sections of our society are supported to sustainable jobs.

Linking to employer offers is critical. Creating a region wide 'one stop' service that employers can trust will bring much needed opportunities to the most disadvantaged. We also want to bring added value through capturing and tracking community benefits and adopting and learning from the Developing Young Workforce 'Marketplace' employer support matching service. Through this offer, and links to the Integrated Employer Engagement service, we can influence recruitment practices, showing how a talent pool is more effective than relying on self-defeating on-line applications with 'killer questions' to exclude a perfectly capable group of potential employees.

Supporting stakeholders to better respond to the region becoming a larger workforce and more dynamic is also something we aim for. Creating systems and open data frameworks in partnership using co-production principles will allow stakeholders to reflect and modernise and identify areas of cross over and mutual benefit.

In addition, listening to frontline workers and how they interact with clients and record information is essential. Too often systems are created without the end user involved, so ownership and quality inputting of data can be lower than required. Some of the current systems have entry options of over 500 individual fields. We intend to challenge and change this, through extensive engagement for service shaping and design.

Intelligence from a data framework will also enhance our understanding of what works best. Capitalising on the Data and Digital Innovation strand, we also want to support clients to become better data citizens. Enabling clients to understand how their data is captured and used makes them at the centre of their data citizenship, having better access and control but also understanding the bigger contribution to more successful services.

3.3 Identification of Options

As part of this process we have formed a Project Board to support the development of this proposition. The initial group formed 18 months ago have looked at all the major systems, with demonstrations on what a future redesign might offer.

There have been demonstrations client tracking systems from Iconi, PDMS, FORT and PICS. They have also had a demonstration from the national Skills Development Scotland Data-Hub system, recognising there may be added value in how this system could be adapted to incorporate required features. There was also a data visualisation demonstration from Napier University and visit to Edinburgh College to look at their varied system approaches.

The Project Board has grown and extended as new stakeholders materialised, or became better engaged, resulting in a significant understanding of what we are trying to achieve. They have helped to inform and support the way forward and the option analysis. Partners agreed to focus the limited resource investment on a phased approach to achieve a longer-term impact. There was an understanding that more detailed work had to be undertaken on all the system options, including whether it is an actual system or a relationship with a supplier that can be used in the long term that is required.

Options Appraisal Table

Option	Benefits	Cons	Outcome
1	Status Quo – keep systems as they are No change required; Less resource required in short term; Focus more on data framework only;	Lost opportunity of joined up tracked workforce; Disconnected client journey; Keeps regional investment unnecessarily high; No links to job matching	1 – Not recommended
2	Adjustment to Current systems Minimum change required; More likely to get consistent data quickly; More focus on data framework;	Lost opportunity of joined up tracked workforce; Disconnected client journey; Keeps investment unnecessarily high; No links to job matching	1 – Not recommended
3	Nominated System Commission Quickest solution for change; New system in place within a year; Builds on systems we have showcased and in existence;	Missed opportunity of understanding of client journey; Not enough technical testing been completed; Cuts out significant service provider and user engagement; Impacts quality of data for a data framework	1 – Not recommended
4	Data framework only Minimum disruption to current systems; Quicker intelligence; Focus on strategic information;	Impacts on data quality; Current systems not designed to draw out data; Lack of quality client journey;	1 – Not recommended
5	IKS - Change Management Programme - Three Phases Co-design with service users and stakeholders Better client journey Increased data citizenship Job matching and employer offers, Fit for purpose data set Future proofing Economies of scale achieved	Longer time to implement Initial change costs expenditure higher More significant change expected and could be disruptive in short term	4 - Recommended

3.4 Programme Option Analysis

Impact Criteria 0-none, 1-Low, 2-Medium, 3-High	Status Quo	Current System adjustment	Nominated System	Data Framework Only	Change Management Programme
Positive impact for clients/services	1	1	2	0	3
Enhanced client journey	1	1	2	1	3
Better job matching	1	1	3	0	3
Ease of Transition	3	2	3	2	1
Economies of scale	1	1	2	0	3
Improved data sets	1	1	1	2	3
Strategic intelligence gathered	1	1	1	3	3
Sustainable over longer period	0	1	1	1	3
Drives service efficiencies	0	1	2	0	3
Contributes to wider ESESCRD	0	1	1	1	3
TOTAL	9	11	18	10	28

3.5 Preferred Option

The Integrated Knowledge Systems recommendation of option 5 ‘Change Management Programme - Three Phases’ best fits with the aims and objectives of the Edinburgh and South East Scotland City Region Deal Integrated Regional Employability Skills plan.

As outlined in the Programme Option Analysis table, it offers the best outcomes for stakeholders, service providers, and service users. The analysis highlighted that although the preferred option will take longer to implement, it will give a fuller range of integration across all themes, facilitate better engagement with all stakeholders on managing change, and help to make a system that is future proofed with economies of scale.

The Integrated Knowledge System model proposed will be underpinned by a regional partnership consisting of key public, private and third sector stakeholders who will form part of a Project Board who will support and oversee the implementation plan. They will ensure that the principles of the Fair Work agenda underpin the development, creating a new way of working that will support a flow of clients from disadvantaged groups into quality jobs, reduce skill shortages, and increase long term work progressions.

3.6 Impact of implementing the IKS project

The IRES programme has been allocated £25 million over an eight-year period to help facilitate a step change in inclusive growth by stimulating a change in culture and regional approach.

The implementation of the proposed IKS model will reflect this core change management principle, facilitating a change through engagement and co-production, upskilling frontline workers, supporting better data citizens, and giving employers job-matching to an appropriately skilled workforce.

It is proposed that all change is managed and supported through the IKS Project Board, with a checks and balances on each step change and critical testing of ideas.

It is imperative that all stakeholders feel involved in this change process and are consulted and part of the co-production to facilitate change. The frontline workers using the system, and the clients should also be at the forefront of shaping how change manifests.

3.7 Summary of Outcomes, Benefits and KPIs

The Integrated Knowledge Systems is an integral part of the IRES Programme, and it is anticipated that significant inclusive benefits will be generated including;

- Increasing the visibility and unlocking access to good opportunities for those facing disadvantages in the labour market or are under-represented within key industries identified under labour market analysis
- Opening up new talent pools to business and stimulating increased recruitment from under-represented groups into the good jobs and careers to help address skills shortages
- Evolving, streamlining and integrating career pathways to support and track progression
- Upskilling and improving workforce diversity across the region while also increasing capacity to equip citizens with the skills they need to succeed throughout their working life, including data management
- Increasing regional workforce mobility to align supply and demand better
- Supporting business to make better use of community benefits, and create relationships directly with disadvantage groups to engage in the world of work

Table below summarises the range of outcomes and benefit measures with timelines based on the funding available.

Scrutiny of overall performance management outcomes will also be a strict requirement included in the quarterly dashboard and annual reporting cycle of the IKS Project Group to the IRES Board.

3.8 How will we measure success?

Output	Measurement	Phase 1-3 and Year
Management Information System and Talent Bank shape and design	6 Stakeholder workshops 16 service providers regional co-production workshops 400 frontline workers consulted 12 client co-production data workshops 600 clients consulted on data citizenship 12 Employer workshops 60 employers consulted 20 client journey profiles mapped out and tested, including coterminous barriers 4 Data Analyst MIS workshops MIS and talent bank external mapping and evaluation completed with recommendations	Phase 1 Year 2
Procure new MIS and Talent Bank service	Procurement framework created Specification issued on Public Contract Scotland Contract agreement for new service development 180 organisations in regional employability pipelines register on new system with 600 projects details 30% Saving achieved on regional operation systems Legal framework created for stakeholders Stage 1 Evaluation completed including service provider 80% satisfaction survey	Phase 1 Year 2 & 3
Improved client journey and client experience	60,000 client's details transferred 30,000 new clients registered 20% move into enhanced pipeline journey Yearly client survey – 80% client satisfaction	Phase 1 Year 2 & 3
Increased job matching and sector focus	4000 live Talent Bank registrations 1200 new jobs posted per year 80% pipeline match through to sector focused jobs 60% Living Wage take up by 2022	Phase 1 Year 2 & 3
Data Citizenship and Digital Skills upskilling frontline workers Leverage	20% funding leverage achieved for upskilling programme 800 frontline workers complete Edinburgh College upskilling programme 2400 client's complete data citizenship certificate	Phase 1 Year 2 & 3
Marketplace and Community Benefit offers shape and design	Marketplace type redesign for employability services.	Phase 2 Year 3 & 4

Integrated Knowledge Systems Project Proposition

	<p>200 employers engaged with for shape and design. 400 frontline workers consulted with. 1000 Non-job employer offers made for match through 600 clients take up offers <i>Community Benefit linked to the Integrated Employer Engagement approach as follow on element</i> CB: Pilot project 1 – launch with 200 Community Benefits offers tracked onto Marketplace 180 client uptake CB: Pilot project 2 – launch with 200 Community Benefits offers tracked onto Marketplace 180 client uptake Stage 2 Evaluation completed including employer 80% satisfaction survey</p>	
Data Framework and Analysis plus Visualisation projects	<p>28 Stakeholders consulted on data framework 4 Data building workshops Open Data Framework established Data framework commissioned and created with 65,000 data sets uploaded from stakeholders GDPR legal framework signed by 28 stakeholders Intelligent data report protocols established 4 Curriculum projects established Visualisation Project 1: University <ul style="list-style-type: none"> • Client journeys Visualisation Project 2: University <ul style="list-style-type: none"> • Outcomes Visualisation Project 3: University <ul style="list-style-type: none"> • Job matching/uptake Visualisation Project 4: University <ul style="list-style-type: none"> • Impact/Interventions </p>	Phase 3 Year 4, 5 & 6
Evaluation	Final evaluation of stakeholders, service providers and service users	
<p>Note: KPIs and outputs will be continually reviewed and appropriately revised as the project develops</p>		

4 Commercial Case and Financial Case

From our previous mapping, we know that there is a significant amount of public service funding already invested in the employability sector across the six regions. Initial mapping has identified at least £160,000 across the college, university and associated employability sector, with £96,000 invested in local authority employability models alone. It is anticipated that this is only part of the picture and client journeys are being captured and partially tracked across other related systems in areas such as housing, criminal justice, health and social care.

Behind the systems there is also the management and maintenance costs of the range of systems, including staff time on operational running of a system, compliance and auditing and duplication of caseworkers keying the same data across different platforms. There is an over-supply of staff support with an underuse of the skills.

There is also little strategic analysis of all the data being collected, and how this could be used to inform future activity around better use of commissioning and service interventions. We have the support of Edinburgh Informatics and Edinburgh University as a critical friend to support the development of any new system to ensure that it can collect data in a way that can produce big data analysis. We also have Napier University for visualisation of data to understand the client journey impact.

The Integration Knowledge Systems will bring about economies of scale through investment in fit for purpose technology on a 'spend to save' model. It will also reduce overheads in staff maintenance and operational costs and make better use of frontline case-workers time.

Streamlining of systems and resources will produce better client journeys, a skilled workforce and through a data framework will help direct future investment intelligently into areas that produce proven results.

Developing an integrated community benefits system to run alongside the Integrated Employer Engagement theme will also increase better commercial use of this often-under-utilised commercialised opportunity.

A new successful model can also be commercially 'sold' to other investment areas as a client tracking and case management solution, establishing this as the 'go to' model. There is a clear commercial opportunity to develop a system to respond to the new Scottish Government and Local authority framework for the double devolution of future employability funding across all 32 local authorities on

Integrated Knowledge Systems Project Proposition

a regional lots model. Initial meetings have taken place with Employability in the Scottish Government to start these conversations.

The intention is also to use the ESES IRES funding as a starting point to attract in other leverage, including developing funding applications to the new National Lottery Digital programme and UFI Charitable Voch-Tech programme. This can support regional staff upskilling and additional software technology as opportunities arise. We are proposing a minimum 20% leverage target.

All procurement will be completed to the local authority standard, using an open and transparent process and utilising the Public Contract Scotland portal.

5 Financial Projections

Table below shows the planned activities, spend plans and time lines for the full projected seven-year period. Spend profile relates specifically to the three-phase approach around

- Phase one: Management Information System and Talent Bank
- Phase Two: Marketplace and Community Benefits
- Phase Three: Big Data Analysis and Visualisation

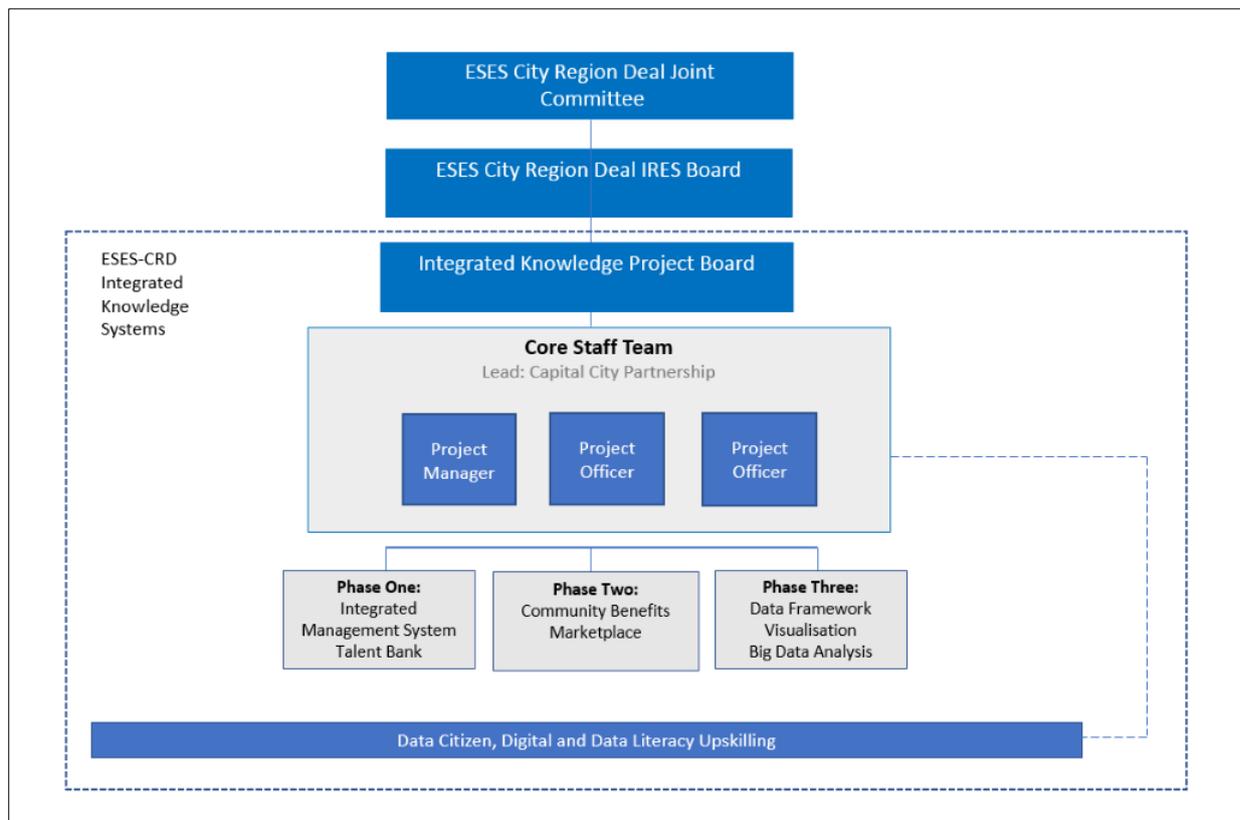
This proposal will result in long term savings and better use of data to inform strategic interventions and capturing of best practice.

Table below should be read in conjunction with Tables in the Management Case timeline activity.

Integrated Knowledge System	PHASE 1 - 2019 to 2021		PHASE 2 - 2021 to 2024			PHASE 3 - 2024 to 2026		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Total
Activity vs CRD Spend Timeline								
PROJECT MANAGEMENT AND DEVELOPMENT	PROJECT MANAGEMENT		PROJECT MANAGEMENT			PROJECT MANAGEMENT		
Project Manager full costs Grade 8	54,000.0	55,000.0	58,000.0	61,000.0	63,000.0	65,000.0		356,000.0
Project Officer full costs Grade 7	45,000.0	47,000.0	47,000.0	49,000.0	51,000.0	55,000.0		294,000.0
Project Officer f/t then p/t costs Grade 7	43,000.0	45,000.0	27,000.0	29,000.0	31,000.0			175,000.0
Operational delivery overheads	30,000.0	25,000.0	25,000.0	25,000.0	25,000.0	20,000.0	10,000.0	160,000.0
MIS DEVELOPMENT WITH TALENT BANK	MIS DEVELOPMENT		MIS DEVELOPMENT			MIS DEVELOPMENT		
Consultant mapping and system analysis	40,000.0							40,000.0
Specification with product tools	8,000.0							8,000.0
Development of Management Information System and Talent Bank system	50,000.0	80,000.0						130,000.0
Legal data sharing protocols agreements start	5,000.0							5,000.0
Test of system with user group and adjustments		3,000.0						3,000.0
Staff Engagement and third sector upskilling	4,000.0							4,000.0
Phase One pilot - Edinburgh, East Lothian and MidLothian transition underwrite + archive	8,000.0	10,000.0						18,000.0
Phase Two pilot - Fife, West Lothian, Borders transition underwrite + archive	8,000.0	10,000.0						18,000.0
Full Review and evaluation - embedding phase with support and training to secure change			80,000.0					80,000.0
Mainstream contract put in place, legal sign off			5,000.0					5,000.0
MARKETPLACE + COMMUNITY BENEFITS			MARKETPLACE + COMMUNITY BEN			MARKETPLACE + COMMUNITY BEN		
Consultant mapping and system analysis, including benchmarking of all elements			5,000.0		5,000.0			10,000.0
Marketplace commission and roll out			38,000.0					38,000.0
Community Benefit system pilot				9,000.0				9,000.0
Community Benefit system roll out				20,000.0	10,000.0			30,000.0
Embed phase and mainstream								0.0
BIG DATA ANALYSIS AND VISUALISATION			BIG DATA ANALYSIS & VISUALISATION			BIG DATA ANALYSIS & VISUALISATION		
Data framework creation				10,000.0	10,000.0	30,000.0		50,000.0
Data sharing legal protocol agreements				2,000.0	5,000.0			7,000.0
University Project final visualisation project						15,000.0		15,000.0
University Project final visualisation project						15,000.0		15,000.0
Final evaluation and mainstream							30,000.0	30,000.0
Sub-total	295,000.0	275,000.0	285,000.0	205,000.0	200,000.0	200,000.0	40,000.0	1,500,000.0
ESES-CRD BUDGET	295,000.0	275,000.0	285,000.0	205,000.0	200,000.0	200,000.0	40,000.0	1,500,000.0
Integrated Knowledge System	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	

6 Management Case

The Integrated Knowledge Systems proposition will be overseen by an IKS Project Board. Sub-groups for specific focus work will be drawn up as expertise areas arise and additional intensive work identified.



Membership of this board is extensive across the regions but given the range of this work and the long development lead, every member has asked to still be involved to play an active part. To accommodate this, and make best use of members expertise and time, we anticipate the full board will meet only two times in the year, with sub-groups clustered around milestones and taking on more specific support and development.

The board is comprised from Edinburgh, Fife, West Lothian, Midlothian, East Lothian and Borders Local Authorities; Skills Development Scotland; Edinburgh, Fife and Borders Colleges; Developing Young Workforce Fife and West Lothian, Borders, and Edinburgh, Mid and East; Edinburgh University representing all four universities; Napier University for additional visualisation support.

The City of Edinburgh Council Digital Team and Edinburgh Informatics with Edinburgh University are also members for technical support.

Role	Organisation or Group	No.
Chair/Vice-Chair	Capital City Partnership	1
Local Authority Representatives	Representatives from each Local Authority Area, with the capacity to link to own education, social work and employability providers	6
Public Skills Bodies & Innovation	Skills Development Scotland, Department of Work and Pensions, Developing Young Workforce (Fife, West Lothian, Edinburgh, Mid and East, Borders)	6
Education bodies	Edinburgh University (representing all universities), Borders College, Fife College, Edinburgh College, Napier University	5
Support and Advisory Positions	City of Edinburgh Council Digital Team Edinburgh Informatics CCP Business Intelligence Manager	3
PMO	IKS Manager	1
<i>Note: lead members from other IRES themes would attend the delivery group as and when necessary to ensure compatibility across IRES objectives and engage with specific aspects and sub-themes</i>		

6.1 Project Management Structure

The Project Management Structure reflects the levels of accountability and support we will work within to ensure the success of the project. It is a simple structure to ensure ease of accountability and that progress can be made quickly and efficiently. Regular reports will be produced and submitted to the IRES board as defined in their terms of reference.

The proposed staff are in place only to support system change, and the staff will stand down from this project once the aims and objectives are achieved.

Staff functions are as follows:

Project Manager: The PMO will be responsible for the overall day to day delivery of the Integrated Knowledge System proposal as set out in this paper. They will lead a small staff of two project officers in the execution of the timeline and milestones. This includes the delivery of all three phases as already outlined and working with the Chief Executive of Capital City Partnership and the IKS Board on other funding leverage opportunities to add value to all aspects of this proposal. An emphasis on co-production and co-design will be at the centre of this work, bringing genuine partnership to facilitate change. A focus on active inclusion will provide service users with connection to developments, supporting active participation. The Project Manager will also be responsible for supporting the Chief

Executive of Capital City Partnership in developing funding applications to attract external leverage and manage these projects elements as well.

Project Officer x 2: Two Project Officers will support the PMO in the first two years with the practical delivery and successful execution of the Integrated Knowledge System proposition. This will include all milestones within the three-phase approach. As this is a regional approach, significant travel and work across the six regions is fundamental and anticipated. Both Project Officers will be full-time for the first phase, reducing to one part-time post for phases two and three – although it is anticipated the additional leverage funding will supplement this.

In-Kind Support Senior Supervisory Management support and Administration support will be drawn from Capital City Partnership as in-kind when required at no additional cost to the project proposal. Support from the experienced CCP Business Intelligence Manager will also be made available as an in-kind contribution.

We expect to add additional posts to the structure dependent on leverage funding for additional activity around frontline worker upskilling and creating better data citizens.

6.2 Phased Approach

As outlined, this will be a phased approach to allow each section to develop to a stage where other phases can then commence through to full development and complement what has gone before. There will be critical blending points between phases and exit milestones with regional contractual arrangements to ensure there is sustainability. There will be an overarching Gantt chart which will be used to track the activity through a timeline with milestones and to ensure all progress is on track. As each phase is developed, proposition papers giving updates will be developed and submitted to the IKS Project Board for consideration. Given the need for technical understanding of any system development, a risk register will run underneath to ensure those making decisions have full confidence in what is being proposed.

6.3 Project Plan

Phase 1 - Management Information System and Talent Bank

The plan for this stage is to concentrate on how we make a new and improved client journey around an enhanced skills pipeline and then shape a system that can best serve this need. This work will take place in the first two years, with a new system in place for 2021.

Phase 2 & 3 – Community Benefits and Marketplace and Big Data Analysis and Visualisation

It is anticipated system adaptations and support will continue through phases two and three for the new integrated management information system to ensure systems are fully embedded. The focus on Phase 2 is around employer engagement offers, linking to the Integrated Employer Engagement theme to get best value from Community Benefits and creation of a marketplace offer to support better employability interventions.

Project Plan

Phase 1 - Management Information System and Talent Bank

The plan for this stage is to concentrate on how we make a new and improved client journey around an enhanced skills pipeline and then shape a system that can best serve this need. This work will take place in the first two years, with a new system in place for 2021.

Integrated Knowledge Systems Project Proposition

Integrated Knowledge Systems	PHASE 1 - 2019 to 2021							
	2019/20				2020/21			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Activity vs CRD Spend Timeline								
PROJECT MANAGEMENT AND DEVELOPMENT	PROJECT MANAGEMENT AND DEVELOPMENT							
Project Manager appointed	PMO			Review				Review
Project Officer appointed	PO			Review				Review
Project Officer appointed	PO			Review				Review
Steering Group formed	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg
MIS DEVELOPMENT WITH TALENT BANK	MIS DEVELOPMENT WITH TALENT BANK							
Consultant mapping and system analysis								
Recommendations with specificaiton relationship development for PCS								
Development of Service Protocols and client profile testing with Intensive Family Service								
Management Information System and Talent Bank system design								
Data sharing protocols agreements start								
Test of system with user group and adjustments								
Staff Training and third sector upskilling								
Phase One pilot - Edinburgh, East Lothian and MidLothian and adjustments								
Phase Two pilot - Fife, West Lothian, Borders								
Full Review and evaluation - embedding phase with support and training to secure change								
Final evaluation. Mainstream contract and exit								
MARKETPLACE + COMMUNITY BENEFITS	MARKETPLACE + COMMUNITY BENEFITS							
Consultant mapping and system analysis, including benchmarking of all elements								
Marketplace commission and roll out								
Community Benefit system pilot 1								
Community Benefit system pilot 2								
Embed phase and mainstream								
BIG DATA ANALYSIS AND VISUALISATION	BIG DATA ANALYSIS AND VISUALISATION							
Mapping and analysis								
Data framework creation								
Data sharing protocol agreements								
University Project visualisation pilot 1								
University Project visualisation pilot 2								
Embed phase and mainstream								
Integrated Knowledge Systems	2019/20				2020/21			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

Phase 2 & 3 – Community Benefits and Marketplace and Big Data Analysis and Visualisation

It is anticipated system adaptations and support will continue through phases two and three for the new integrated management information system to ensure systems are fully embedded. The focus on Phase 2 is around employer engagement offers, linking to the Integrated Employer Engagement theme to get best value from Community Benefits and creation of a marketplace offer to support better employability interventions.

7 Sustainability

The Integrated Knowledge Systems programme is to bring about change in how we work regionally by integrating systems and resources, making a better client journey where access to support and jobs is seamless and evidenced based. The economies of scale that can be made through this will leave a fit for purpose way of working at the end that increases job outcomes while costing less. This is a standalone project with staff team who are there solely to facilitate change. The project itself will not continue after change has been achieved. Legal contract milestones have been built into the timeline to agree contractual relationships going forward for each exit phase, allowing each stakeholder to plan and make best use of this opportunity. Evaluation points are placed along the timeline to capture learning and facilitate next steps. As mentioned before, we will also explore the commercial opportunity to use the new system as an income generator with other areas in Scotland and for other stakeholders and partners.

Integrated Knowledge Systems	PHASE 2 - 2021 to 2024						PHASE 3 - 2024 to 2026			
	2021/22		2022/23		2023/24		2024/25		2025/26	
	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4
Activity vs CRD Spend Timeline	PROJECT MANAGEMENT AND DEVELOPMENT						PROJECT MANAGEMENT AND DEVELOPMENT			
Project Manager appointed		Review					Review			
Project Officer appointed		Review					Review			End
Project Officer appointed		Review					Review			End
Steering Group formed	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg	1/4 mtg		End
MIS DEVELOPMENT WITH TALENT BANK	MIS DEVELOPMENT WITH TALENT BANK						MIS DEVELOPMENT WITH TALENT BANK			
Consultant mapping and system analysis										
Recommendations with specificaiton relationship development for PCS										
Development of Service Protocols and client profile testing with Intensive Family Service										
Management Information System and Talent Bank system design										
Data sharing protocols agreements start										
Test of system with user group and adjustments										
Staff Training and third sector upskilling										
Phase One pilot - Edinburgh, East Lothian and MidLothian and adjustments										
Phase Two pilot - Fife, West Lothian, Borders										
Full Review and evaluation - embedding phase with support and training to secure change										
Final evaluation. Mainstream contract and exit						End	Mainstream			
MARKETPLACE + COMMUNITY BENEFITS	MARKETPLACE + COMMUNITY BENEFITS						MARKETPLACE + COMMUNITY BENEFITS			
Consultant mapping and system analysis, including benchmarking of all elements										
Marketplace commission and roll out										
Community Benefit system pilot 1										
Community Benefit system pilot 2										
Embed phase and mainstream										End
BIG DATA ANALYSIS AND VISUALISATION	BIG DATA ANALYSIS AND VISUALISATION						BIG DATA ANALYSIS AND VISUALISATION			
Mapping and analysis										
Data framework creation										
Data sharing protocol agreements										
University Project visualisation pilot 1										
University Project visualisation pilot 2										
Embed phase and mainstream									End	Mainstream
Integrated Knowledge Systems	2021/22		2022/23		2023/24		2024/25		2025/26	
	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4

8 Risk Mitigation Plan

Risk management is an integral feature of the Integrated Knowledge Systems and the project risk register below will be regularly updated. All risks at project level will be identified and mitigation measures put in place and monitored as part of the quarterly progress monitoring and annual review processes required by the IRES Programme Board. The Integrated Knowledge Systems Board and ultimately the IRES board will regularly review project progress with decisions made on continuation, adjustment or withdrawal of funding.

IKS Risk Matrix

Risk	Mitigation Measures
Technical requirements underestimated and/or misunderstood, and system and data framework procured aren't fit for purpose	Have technical expertise advisor(s) on the IKS Board as critical friends. Conduct technical mapping using industry expertise on recommendations and costs
GDPR sharing protocols not adequately considered and factored in for data sharing	Ensure we have access to GDPR expertise at local authority and national level with SDS. Cost in legal expertise
Service Users not 'buying in' to the system	Co-production with service users to ensure they shape and design the system they will be using
National system (or equivalent) introduced	Keep conversation with Scottish Government flowing throughout the process with regular meetings and updates
Lack of regional agreement with recommendations or process; unable to make an agreed decision. Links to Project Board too big to agree on specific areas.	IKS Project Board with wide-spread representation to ensure collaboration with sub-groups would mitigate; recourse to IRES Board for advice if unable to progress
New systems end up costing more than the current offer	There are milestones and check-points built into the project plan to provide safeguards before next step developments take place
Brexit and impact of European Funding remaining, and system needs to reflect this for audit and compliance purposes	The project plan has taken account of this with the timeline and milestones so adaptations can be made
Need for further and continuous development after mainstream and exit reached	Development fund to be written into legal agreements going forward to future proof
All risks not identified as this is a completely new proposition with complex technical requirements	Phased approach gives opportunity to pause and reflect and consult for next steps. Flexibility to change direction if required.
Staff resource to maintain a new approach and range of systems	Staff costs will be factored into exit and mainstream stages for IKS Project Board approval
Unable to secure leverage to upskill frontline workers and disadvantaged client groups	Looking to DDI theme to support this plus possible National Lottery Digital application

Edinburgh and South East Scotland City Region Deal

10am, Friday 7 June 2019

Labour Market Analysis and Evaluation project

Theme project within **Integrated Regional Employability and Skills (IRES)** Programme

Item number	5.4
--------------------	-----

Executive Summary

This report seeks approval to implement the Labour Market Analysis and Evaluation programme, (as set out in the overarching IRES Programme and accompanying Business Cases), which has been developed in collaboration with regional and national partners to drive progress toward a more inclusive labour market.

It is proposed that Skills Development Scotland takes the lead for the Labour Market Analysis and Evaluation project.

Angela Leitch

Chair, Integrated Employability and Skills Board,

Edinburgh and South East Scotland City Region Deal

E-mail: aleitch@eastlothian.gov.uk | Tel: 0162 0827413

LMA&E Lead Contact: Phil Ford, Skills Development Scotland

E-mail: Phil.Ford@sds.co.uk | Tel: 0300 013 5201



City Region Deal Checklist

Criteria	Details/Link to Document
<p>Contribution to City Region Deal commitments and Inclusive Growth Framework</p>	<p>The Labour Market Analysis and Evaluation programme aligns to the IRES Programme supporting the Inclusive Growth ambitions of the partnership including by;</p> <ul style="list-style-type: none"> • Accelerating inclusive growth through identifying and addressing skills shortages, identifying best practice use of LMI from other areas, and equipping disadvantaged citizens with information on the skills they need to succeed in a changing world of work. • Removing the barriers to growth by ensuring the education and skills system is able to make the step change needed to tackle skills shortages and to help disadvantaged individuals access and progress in work. • Community benefits through procurement by integrating with the IRES employer engagement and city region partners' procurement activities to increase the value achieved from our collective investments. • Targeted skills interventions in key sectors and occupations based on an analysis of labour market supply, demand and anticipated skills needs of employers across the region to build workforce capacity and capability. • Social benefit through Innovation through close working with the HCI and DDI Skills Gateway programmes to fully utilise the technological and employment opportunities that will be generated. Furthermore, there is an opportunity to use the evolving DDI capabilities within the city region to develop more responsive Labour Market information to help profile and predict labour market demand.
<p>Alignment, integration with, or dependence on, other City Region Deal activities</p>	<p>The Labour Market Analysis and Evaluation programme will provide a robust evidence base which outlines labour market demand, supply, skills gaps and primary research evidence on employers' skills requirements in key sectors across the City Region. As such it will provide an invaluable source of information to support the ongoing development of all other IRES projects, as follows:</p> <ul style="list-style-type: none"> • <i>Integrated Knowledge Systems</i>- the programme will develop regionally tailored labour market guidance materials for those preparing people for jobs and careers. It will provide a common narrative on the types of opportunities available across the region, based on an identification of employers' skills needs; • <i>Integrated Employer Engagement</i> – this programme will provide detail around employers' skills requirements in key sectors and occupations across the City Region; • <i>HCI Skills Gateway</i>- the programme will collaborate with the HCI programme to further identify how cross-cutting or meta skills could be built into construction training programmes/curricula; • <i>Workforce Mobility</i> – the programme will provide a better understanding of travel to work data and workforce mobility barriers;

	<ul style="list-style-type: none"> • <i>Intensive Family Support</i> The programme will provide a better understanding of defined routes along the skills pipeline, focusing on widening access pathways and raising awareness of the sector opportunities, linked to the City Region Deal Integrated Employer Engagement activities that will provide opportunities to engage directly with key client groups. It will also ensure that timely and inclusive information about labour market opportunities can be provided to careers advisers; and • <i>DDI Skills Gateway</i> – the programme will collaborate with the DDI programme to identify opportunities to develop innovative approaches to labour market analysis and evaluation
Scale and regional distribution of expected outcomes, benefits, and leverage, from activity	<p>The Labour Market Analysis and Evaluation programme is a regional programme aimed at ensuring opportunities for all regardless of background, gender or location. The research will consider all parts of the City Region, building on existing Regional Skills Assessment analysis by Local Authority areas, Regional Outcome Agreement areas and City Region area. Throughout the primary research stakeholders will be identified from across the region.</p> <p>Details of expected outcomes are included in the Labour Market Analysis and Evaluation Business Case and will be subject to review throughout the programme lifecycle to ensure that an Inclusive Growth focus is maintained.</p> <p>SDS will provide a £90,000 in kind contribution over the six years of the project in addition to the £300,000 funding through the City Region Deal contribution. It is anticipated that this investment will enable the region to better understand and respond to changes in the labour market and increase labour market access and participation for individuals across the City Region.</p>
Compliance with financial requirements and agreed expenditure profile	The Labour Market Analysis and Evaluation Business Case complies with financial requirements and profile.
Equalities Impact	The research will improve access to quality labour market information for under-represented and disadvantaged groups and focus on access and progression routes into and through employment.
Anticipated significant risks and mitigation measures	As detailed in Labour Market Analysis and Evaluation Business Case a risk and mitigation matrix has been prepared and will be updated as the programme develops.
Alignment and fit with City Region Deal governance arrangement	As detailed in the Business Case the programme is fully integrated with current City Region Deal governance arrangements.
PMO check	All information provided
Government approval	Scottish Government signed off on the overarching IRES Programme Business Case on 30 November 2018 of which the Labour Market Analysis and Evaluation programme is a key component.
Partner sign-off	Partners have been consulted on the detail and this is now being submitted to the IRES Board for approval.

Advisory Board sign off	Approved by IRES Board at meeting on 5 March 2019
Executive Board sign off	Approved by Executive Board at meeting on 21 May 2019
PMO Recommendation	That Committee approves implementation of the IRES Programme's Labour Market Analysis and Evaluation project proposition as set out in the business case.

Labour Market Analysis and Evaluation Project Proposition

1. Recommendations

It is recommended that:

- 1.1 the Labour Market Analysis and Evaluation programme, as detailed in the accompanying business case, is approved;
- 1.2 Skills Development Scotland undertakes the lead partner role for the Labour Market Analysis and Evaluation project.

2. Background

- 2.1 The Labour Market Analysis and Evaluation programme tightly aligns with the aims of the Scottish Government's Economic Strategy, employability and inclusive growth policies.
- 2.2 In 2016-17 SDS worked closely with City Region Deal partners to develop a Regional Skills Investment Plan (RSIP). This process has assisted in the development of the various components of the IRES programme. The first theme of the RSIP is to build the capacity and evidence to underpin a regional approach to skills investment, planning and provision. There is a need therefore to establish a common regional approach to address skills supply and demand issues and harness the expertise of partners across the wider City Region to support this. There is need to develop a clear and consistent understanding of the skills needs of employers in key sectors, and to ensure that these opportunities are communicated to those offering careers advice to young people and disadvantaged individuals across the city region.
- 2.3 This proposal will also support the third theme within the RSIP, which seeks to establish clear, well-articulated pathways into and through key sectors and occupations. There is a need to distil the high-level labour market messages into a format that can be easily used by careers advisors to support individuals into and through sectors and occupations where there are opportunities for progression. This includes supporting individuals with a disability, care experienced young people, individuals from BME backgrounds and the need to address gender imbalances in sectors such as care and construction.

- 2.4 A recent report by SDS entitled '[Jobs and Skills in Scotland](#)' highlights the major changes taking place across the Scottish labour market. This references the changing pace of automation and the impact this will have on current and future jobs; the polarised hour glass labour market with opportunities at higher and lower skilled ends of the spectrum but with limited opportunity for upward progression; the rise of 'non standard' work (part time, contract, zero hours, 'gig' economy); the challenges of an ageing population; the importance of 'meta' or cross-cutting skills and the challenge of skills under-utilisation. There is a need for further research across the Edinburgh and South East Scotland City Region to understand how the labour market is changing in key sectors/occupations, and how the education and skills system can best respond (e.g. by embedding cross-cutting skills such as digital and data in curricula).
- 2.5 It is important to have a greater understanding of best practice in terms of how labour market intelligence is used to address alignment between skills supply and demand in other parts of Scotland, and also from further afield in Europe or world-wide. This information is not readily available at present and would be useful to City Region Deal partners in helping to support delivery of other projects.

3. Main report

- 3.1 This Project proposition sets out a detailed business case around Labour Market Analysis and Evaluation as part of the Integrated Regional Employability and Skills (IRES) programme and should be considered in conjunction with the IRES Programme Business Case.
- 3.2 This purpose of this project is to develop the regional labour market intelligence capacity around patterns of demand and supply, to ensure that the education and skills system within the region can respond to both the needs of individuals wishing to enter and progress through the labour market, and employers who seek to address skills shortages and gaps.
- 3.3 The programme has been developed around a number of core themes, namely:
- **Cross-cutting skills:** Additional research and analysis of cross cutting skills issues within the region's key sectors to inform the curriculum and training
 - **Employer skills demand:** Gathering additional primary data on the needs of regional employers to give a more nuanced view of sector skills demand
 - **Innovation:** Collaborating with the Data Driven Innovation programme to identify opportunities to develop innovative approaches to labour market analysis and evaluation
 - **Analysis of best practice:** Horizon scanning exercise to identify best practice approaches to labour market intelligence gathering and utilisation to be applied in the region
 - **Labour Market Toolkit Guidance materials:** Developing accessible regionally tailored labour market guidance materials (building on existing) for individuals and those who help prepare people for jobs and careers

3.4 The key sectors to be included in the research will be Financial Services; Health and Social Care; Creative Industries; Construction; Tourism and Life Sciences. The project links closely to and will inform the other IRES projects and will contribute to the targets of an **additional 14,700 people with improved skills and 5,300 moving into employment** over the course of the (£25 million) 8-year investment period.

A clear and consistent overview of the labour market will generate significant synergies, cost efficiencies, improved inclusion outcomes, and enhance responsiveness to changing need and opportunity in our regional labour market that will have a lasting benefit for the region and the Scottish Economy.

3.5 The key outcomes from the project are as follows:

- Clear understanding of cross-cutting skills issues across key sectors and occupations
- Clear understanding of the step change needed in the education and training system to better reflect cross-cutting skills
- Clearer understanding of medium and longer-term skills needs of employers in key sectors
- Clearer understanding of skills gaps and shortages in education/training provision
- Recommendations to help close the skills gaps and reduce skills shortages in key sectors
- Shared DDI Skills Gateway research findings and resources between SDS and the University of Edinburgh
- Greater understanding of how to address equalities and diversity issues in the 'tech' sector
- Enhancements to careers activities to promote data and tech jobs as careers to young people
- Increased number of flexible approaches to re-skilling/up-skilling in data skills
- Identification of changes to current and proposed apprenticeship programmes to reflect the demand for data related skills, including flexible delivery models
- Better understanding of current available research and future potential regional research across the region
- Better understanding of national and international best practice in addressing skills challenges and promoting inclusive growth
- A robust evidence-based overview of upcoming job and career opportunities across the City Region
- Improved access to opportunities across the City Region by providing timely careers advice to young people, individuals and disadvantaged groups
- Increased progression into and through employment, with a focus on addressing under-representation in key industry sectors

3.6 Progress will be evaluated quarterly by the Labour Market Analysis and Evaluation theme group.

Management arrangements

3.7 The activities of the Labour Market Analysis and Evaluation programme will be overseen by a **Labour Market Analysis and Evaluation theme group**. This group will work with the IRES Board to support the delivery of wider programme goals. It

will also look for opportunities to align with activities being developed as part of the wider IRES Programme, and to help facilitate the sharing of expertise, content and experience across the delivery partners. Proposed membership of this group will be as follows, supported by at least one member with a background in inclusion.

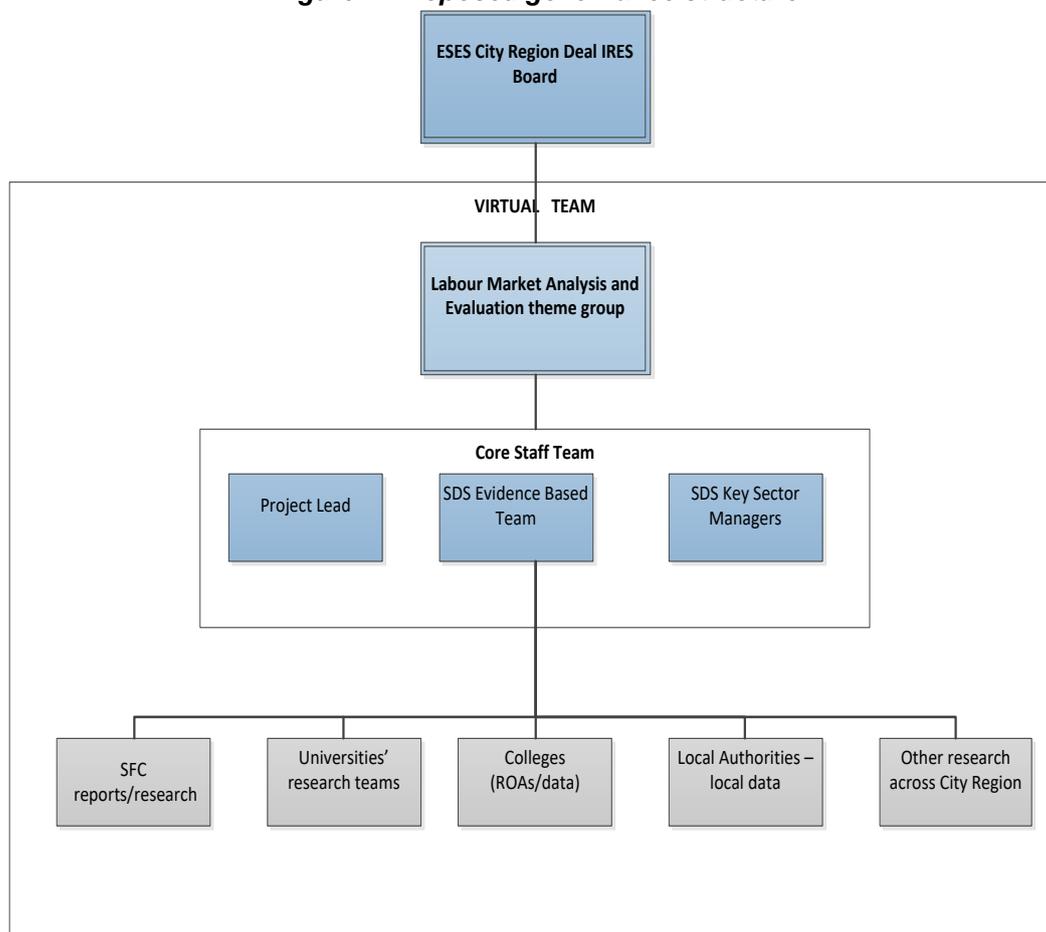
Table 1: Proposed Labour Market Analysis and Evaluation theme group membership

Role	Organisation or Group
Chair/Vice-Chair	SDS/TBC
HEI/FE representation	X2 HEIs and x2 FE colleges
Local Authority Economic Dev reps	Up to six partner Local Authorities
Public Bodies Skills & Innovation	Scottish Funding Council x 1, SDS Project Lead (x1)

Note: lead members from other IRES themes would attend the theme group as and when necessary to ensure compatibility across IRES objectives and engage with specific aspects and sub-themes.

3.8 It is proposed that the programme lead for delivery of the Labour Market Analysis and Evaluation Programme will be Skills Development Scotland. The programme will be overseen by a Project Lead from SDS and the group chaired by SDS’ Regional Skills Planning Lead for Edinburgh and South East Scotland. The theme group will be part of a wider virtual team and will provide direction and with responsibility to monitor progress and track **impact**.

Figure 1: Proposed governance structure



4. Financial impact

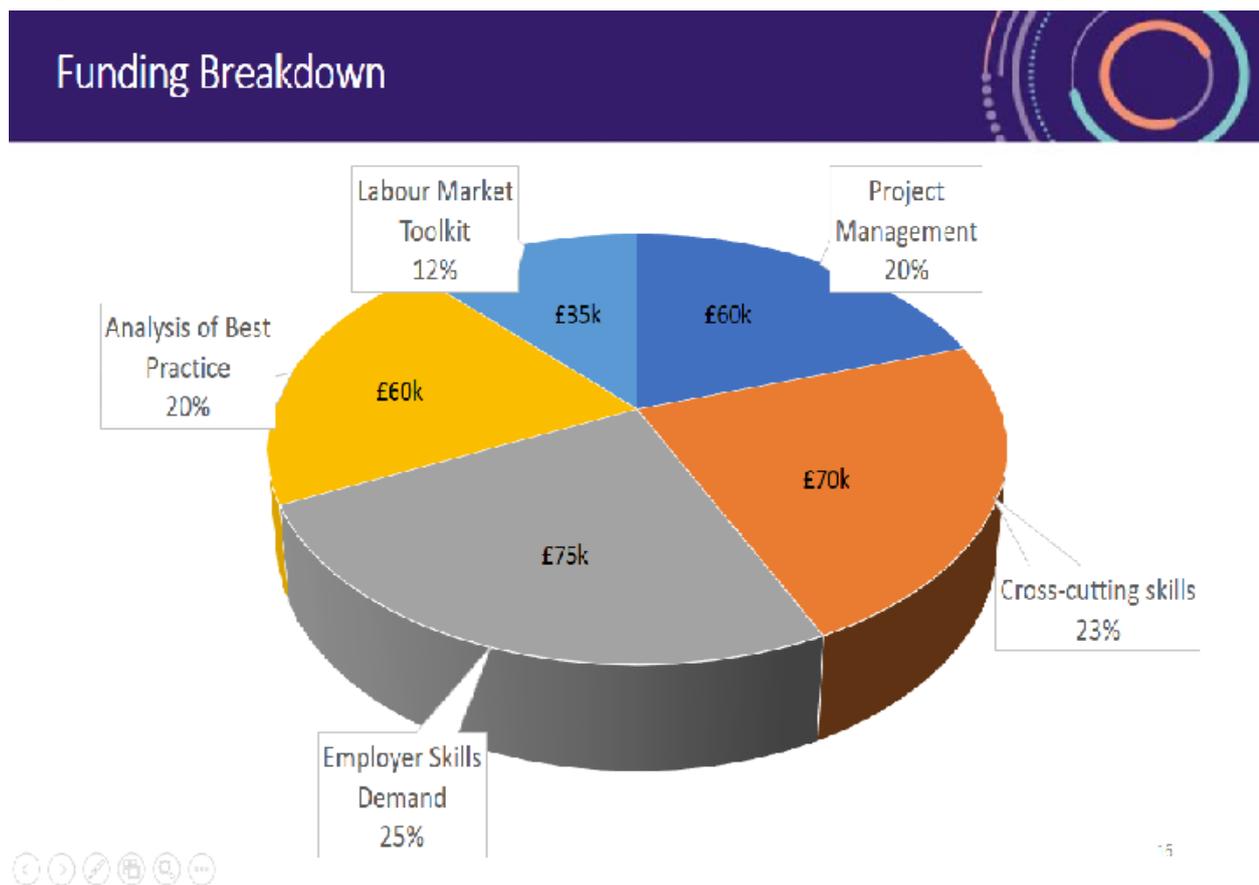
4.1 The DDI Skills Gateway proposes to invest around £390,000 over six years, as shown in the Table 2 and the breakdown is shown in Figure 3. SDS would provide £90,000 in in-kind match funding to support the project, covering the Scottish best practice research and allocation of support from SDS' evidence based team.

Table 2: Proposed spend profile for Labour Market Analysis and Evaluation (2019-25)

	2019/20 (£)	2020/21 (£)	2021/22 (£)	2022/23 (£)	2023/24 (£)	2024/25 (£)	Total
Project Management	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Cross Cutting Skills	0	35,000	0	35,000	0	0	70,000
Primary Research/ supply mapping	20,000	0	15,000	5,000	30,000	5,000	75,000
Analysis best practice	30,000	0	20,000	0	10,000	30,000	90,000
Guidance materials	10,000	5,000	5,000	0	0	15,000	35,000
TOTAL	80,000	60,000	60,000	60,000	60,000	70,000	390,000
TOTAL SDS IN-KIND CONTRIBUTION	30,000	10,000	10,000	10,000	10,000	20,000	90,000
TOTAL ESES CR CONTRIBUTION	50,000	50,000	50,000	50,000	50,000	50,000	300,000

4.2 Funding has been distributed on a flat line basis across the six years. It is anticipated that activities would become mainstreamed by the end of 2024/25.

Figure 3: Proposed spend profile for Labour Market Analysis and Evaluation programme (2019-25)



5. Equalities impact

5.1 The Labour Market Analysis and Evaluation Programme is actively seeking to improve the flow of disadvantaged individuals into good employment and careers. The ambitions of the programme are that:

- i. Economic opportunities are addressed: there will be a closer match between supply and demand for skills (including 'meta' skills);
- ii. More individuals in every part of the City Region will have the opportunity to move up through the 'hour glass' labour market and into higher paid and higher value jobs;
- iii. Learners leave education with more of the skills that are sought and valued by employers in key sectors across the City Region; and
- iv. There will be increased participation of care experienced young people, those with disabilities, BME groups in key occupations and sectors across the City Region.
- v. Sectors which have a gender bias (e.g. Care and construction) will see significant progress in closing the gender gap, as more young people are provided with enhanced careers information through the labour market toolkit.

5.2 The programme aims to provide accessible information on career pathways to support entry to key training and jobs in the city region; influence the development and delivery of new courses, training, partnerships and skills aligned to industry needs; attract new entrants to key growth sectors and support equality across all

levels; support and grow local talent, as well as encouraging talent to stay in the region.

- 5.3 This programme will link to the HCI and DDI Skills Gateway which are seeking funding for a shared Diversity and Inclusion Lead to increase outreach to inclusion groups, encourage uptake of opportunity, and to work with the target sector employers to widen access and encourage a more diverse workforce.
- 5.4 Funding will be focused on those living in the Edinburgh and South East Scotland City region to maximise the regional benefit of the ESESCRD. It is also proposed to link the project to ongoing work on equalities through SDS.

6. Background reading/external references

- 6.1 [Edinburgh and South-East Scotland City Region Deal Document, August 2018](#)
- 6.2 [An Integrated Regional Employability and Skills Pipeline for the Edinburgh City Region, Programme Business Case for Investment, December 2018.](#)

7. Appendices

- 7.1 Labour Market Analysis and Evaluation Project Proposition.



Labour Market Analysis and Evaluation

Project Proposition

**ACCELERATING
GROWTH**

EDINBURGH AND SOUTH EAST SCOTLAND
CITY REGION DEAL

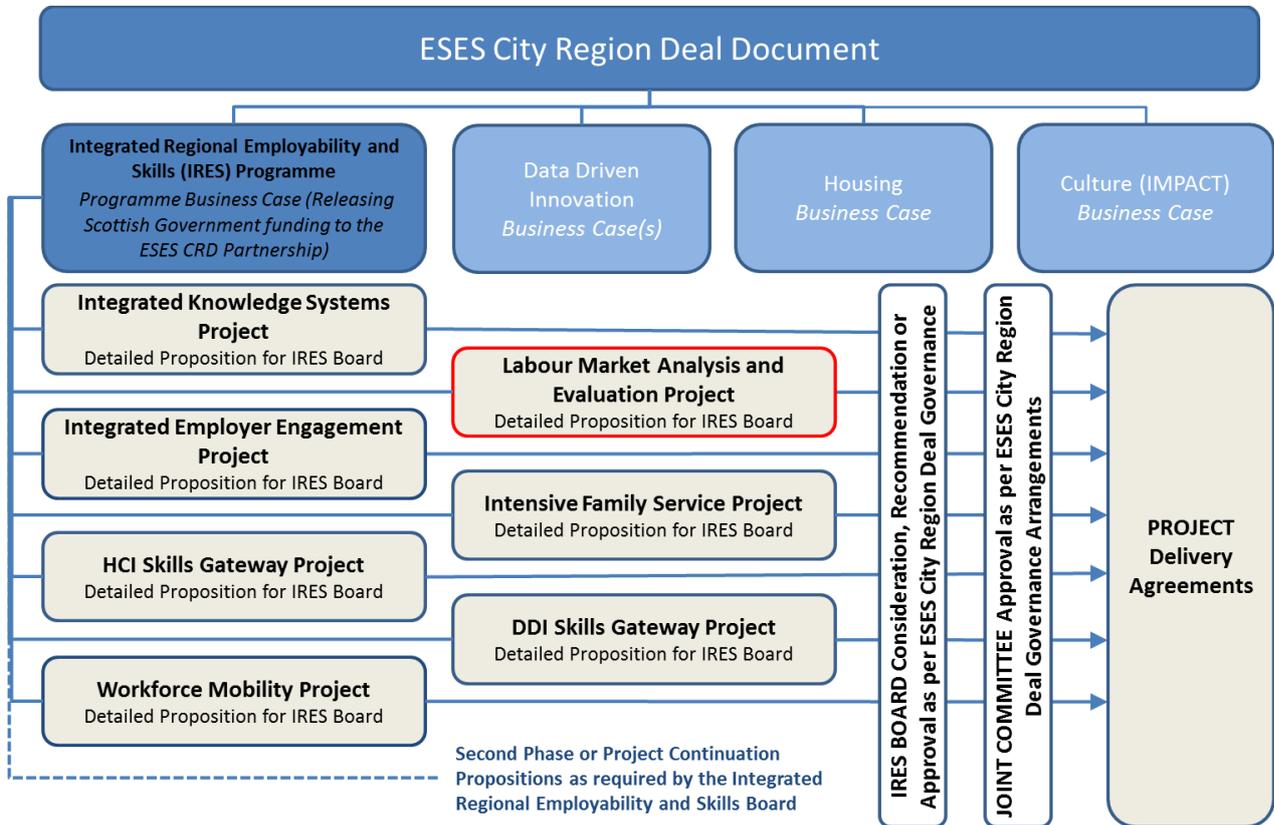
Contents

1. Executive Summary	3
2. Strategic Case	5
2.1 Part B: Strategic Context	5
2.2 Part B: Case for Change	7
3. Economic Case	9
3.1 Identification of Options	9
3.2 Appraisals Approach	9
3.3 Preferred Option	10
4. Commercial Case	11
5. Detailed Project Overview	11
5.1 Cross Cutting Skills	11
5.2 Employer Skills Demand	12
5.3 Innovation	13
5.4 Analysis of Best Practice	14
5.5 Labour Market Toolkit Guidance Materials	14
6. Financial Case	15
7. Management Case	18
7.1 Project Management and Theme group support	18
7.2 Timeline for Activities	20
7.3 Risk Mitigation	21

1 Executive Summary

This Project proposition sets out a detailed business case around Labour Market Analysis and Evaluation as part of the Integrated Regional Employability and Skills (IRES) programme and should be considered in conjunction with the IRES Programme Business Case. The family of Business Cases, Propositions, and agreements and how they interlink is given below.

Figure 1: IRES Structure



This purpose of this project is to develop the regional labour market intelligence capacity around patterns of demand and supply, to ensure that the region can respond to both the needs of individuals wishing to enter and progress through the labour market, and employers who seek to address skills shortages and gaps.

This proposition will bring together the knowledge, expertise and resources of the partners into a virtual team that will increase our collective understanding of labour market needs and opportunity that can be inform the strategy and tactics of the partnership. Areas that will be explored include;

- **Cross-cutting skills:** Additional research and analysis of cross cutting skills issues within the region’s key sectors to inform the curriculum and training
- **Employer skills demand:** Gathering additional primary data on the needs of regional employers to give a more nuanced view of sector skills demand
- **Innovation:** Collaborating with the Data Driven Innovation programme to identify opportunities to develop innovative approaches to labour market analysis and evaluation
- **Analysis of best practice:** Horizon scanning exercise to identify best practice approaches to labour market intelligence gathering and utilisation to be applied in the region

- **Labour Market Toolkit Guidance materials:** Developing accessible regionally tailored labour market guidance materials (building on existing) for individuals and those who help prepare people for jobs and careers

The key sectors to be included in the research will be Financial Services; Health and Social Care; Creative Industries; Construction; Tourism and Life Sciences. The project links closely to and will inform the other IRES projects and will contribute to the targets of an **additional 14,700 people with improved skills and 5,300 moving into employment** over the course of the (£25 million) 8-year investment period.

A clear and consistent overview of the labour market will generate significant, synergies, cost efficiencies, improved inclusion outcomes, and enhance responsiveness to changing need and opportunity in our regional labour market that will have a lasting benefit for the region and the Scottish Economy.

2 Strategic Case

The Programme strategic case is set out in two parts:

Part A: The Strategic Context – indicating the alignment of the Labour Market Analysis and Evaluation project, IRES programme with government policy and the Partnerships existing assets and strengths; and,

Part B: The Case for Change – which summarises the objectives to be addressed by the Programme, existing arrangements and identified investment needs and operational risks, constraints and dependencies.

2.1 PART A: The Strategic Context

2.1.1 National Context and Strategy Alignment

Scotland's Economic Strategy (Scottish Government, 2015)¹ sets out the Scottish Government's purpose "to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth" and has two key goals- increasing competitiveness and tackling inequality.

Allied to this the Creating a Fairer Scotland (Employability)² policy seeks to promote greater fairness and equality in employment while also driving continuous service improvement through strong productive partnerships.

No One Left Behind, Next Steps for the Integration and Alignment of Employability Support in Scotland³ urges the need to incrementally develop an integrated regional employability and skills system that is more

- flexible, tailored, and takes a 'whole person' approach
- straightforward for people to navigate;
- better integrated and aligned or interwoven with other supporting services;
- provides pathways into sustainable and fair work;
- is driven by evidence to supports people into the right job at the right time
- designed, delivered, and improved in partnership
- responsive to those with high needs (e.g. young care leavers, workless, and those in low paid or insecure jobs) who are at major risk of missing out on the benefits of economic growth; and
- minimises skills shortages and gaps or gender imbalances in our key growth sectors, while promoting greater workforce diversity

The Labour Market Analysis and Evaluation programme tightly aligns with these policy aims by developing a clear understanding of the skills needs of employers in key sectors, and to ensure that these opportunities are communicated to those offering careers advice to young people and disadvantaged individuals across the city region.

¹ Scotland's Economic Strategy, Scottish Government, 2015, <https://beta.gov.scot/publications/scotlands-economic-strategy/>

² Creating a Fairer Scotland: A New Future for Employability Support in Scotland, Scottish Government, <https://beta.gov.scot/publications/creating-fairer-scotland-new-future-employability-support-scotland/>

³ No One Left Behind - Next Steps for the Integration and Alignment of Employability Support in Scotland, Scottish Government, <https://www.gov.scot/Publications/2018/03/5358/downloads>

2.1.2 Local Strategy Alignment

The Community Empowerment (Scotland) Act 2015⁴ changed arrangements for Community Planning Partnerships (CPP). Local authorities are now equally responsible with a wider group of partners and as such CPP structures across the City Region are becoming more dynamic and participative, more enabling participants to showcase what they are doing in the context of Partnership and their respective Local Outcome Improvement Plans (LOIP).

CPP structures are already closely aligned with City Region Deal and IRES, informing, engaging and sharing parity of esteem between community representatives and public authority partners to shape and inform developments.

Local economic strategies across each of the partner authority areas are currently being reviewed to address the key inclusive growth challenges and support the delivery of National Policy and City Region Deal ambitions for the region and all Regional Employability partners have collaborated to agree a comprehensive Regional Skills Investment Plan (RSIP)⁵ with a clear Mission, Strategic Outcomes and Areas of Action.

The IRES programme labour market analysis and evaluation proposition has already produced a very detailed Regional Skills Investment Plan (RSIP) to help inform such direction and alignment. This project would seek to build on this existing work.

2.1.3 Alignment with other City Region Deal Streams

The IRES Programme is built around a series of thematic pillars; better understanding need and opportunity, building stronger relationships with employers, investors and citizens, targeted skills development, and improved matching to opportunities for disadvantaged individuals, which is closely aligned with the wider ESES City Region Deal ambition to drive “Inclusive” growth through regional collaboration.

The Labour Market Analysis and Evaluation programme links to the other IRES projects by providing a consistent baseline narrative of the skills shortages and gaps facing the region, alongside the regional capacity to address these. It provides an ongoing evidence base to help inform the delivery of other IRES projects and seeks to build on existing research expertise across the City Region partnerships. The primary research element with employers will help to anticipate short, medium and longer-term challenges and better prepare the region to respond to these, in terms of a skills pipeline and skills provision planning.

⁴ Community Empowerment (Scotland) Act, Scottish Government, <https://beta.gov.scot/publications/community-empowerment-scotland-act-summary/>

⁵ Skills Investment Plan for Edinburgh and South East Scotland 2017, Skills Development Scotland, https://www.skillsdevelopmentscotland.co.uk/media/43648/edinburgh-sip-2017_digital-version.pdf

2.2 PART B: Case for Change

2.2.1 Case for Government Intervention (Market failure)

The 2018 Regional Skills Assessment Summary Report for Edinburgh and South-East Scotland City Region⁶ concludes that although the outlook for the local economy is positive there are some key inclusive growth challenges that still remain. Despite expected jobs growth across most sectors and occupations providing opportunities for people at all skills levels, a key challenge facing employers in the region will be sourcing people to fill these vacancies, particularly in the context of Brexit and the resultant constraints on the future supply of labour from Europe. A further challenge is the forecast ageing of the population and associated contraction of the working age population which, although not as pronounced as in other areas, could put further pressure on labour supply in the region.

Although less acute than the Scottish Average, similar trends of disparity remain across the region particularly in measures of job density, skills inequality, gender and age inequalities, low income and low pay. These are highlighted in the below figure.

Figure 2: Regional Economic Comparators

Measure	Indicator	Position Relative to Scotland						Region	Scot
		EL	ED	FI	ML	SB	WL		
Employment in high skilled occupations	% of workers in managerial roles (SOC 1, 2 & 3), Jun 2018	44.6	56.8	41.9	38.3	39.1	40.9	43.6	42.4
Unemployment	Unemployment rate (%), Sept 2017	4.2	2.9	3.0	1.8	4.0	3.7	3.3	4.1
Earnings	Median FT weekly earnings (£), 2017	595.0	583.8	530.5	540.6	513.8	519.0	578.5	547.7
Male Earnings	Weekly median gross pay male full time (£), 2017	607.8	622.8	554.8	557.7	572.9	554.7	578.5	580.2
Female Earnings	Weekly median gross pay female full time (£), 2017	554.1	550.4	496.5	518.3	403	479.1	500.2	498.3
Difference between Male and Female Earnings	Male Earnings as a % of female earnings, 2017	110%	113%	112%	108%	142%	116%	116%	116%
Economic participation	Economic activity rate (%) aged 16-64, 2017	82.3	78.9	78.1	82	77.2	79.1	79.6	77.8
Male Economic participation	Economic activity rate (%) aged 16-64, 2017	85.6	83.6	82.8	83	83.3	85	83.9	82.4
Female Economic participation	Economic activity rate (%) aged 16-64, 2017	79.4	74.4	73.7	81.1	71.4	73.5	75.6	73.3

⁶ Regional Skills Assessment Edinburgh & South East Scotland City Region: Summary Report, Skills Development Scotland, <https://www.skillsdevelopmentscotland.co.uk/media/44990/rsa-edinburgh-and-south-east-scotland-city-deal-region.pdf>

Measure	Indicator	Position Relative to Scotland						Region	Scot
		EL	ED	FI	ML	SB	WL		
Male to Female Economic participation GAP	percentage point gap between male and female, 2017	6.2	9.2	9.1	1.9	11.9	11.5	8.3	9.1
Low skills	% with no qualifications (NVQ) aged 16-64, 2017	6.3	3.2	7.3	7.3	7.9	8.8	6.8	8.7
Male Low skills	% with no qualifications (NVQ) - males aged 16-64, 2017	4.8	2.3	8.5	8.3	9.6	8.6	7.0	8.8
Female Low skills	% with no qualifications (NVQ) - females aged 16-64, 2017	7.7	4.0	6.2	6.4	6.4	9.0	6.6	8.6
Difference between Male and Female Low skills	percentage point gap between male and female, 2017	-2.9	-1.7	2.3	1.9	3.2	-0.4	0.4	0.2
Low pay occupations	% of workers in elementary occupations (SOC 9), 2017	8.2	9.0	13.8	10.2	14.9	10.1	11.0	11.0

The Labour Market Analysis and Evaluation project will identify key sectoral areas in which there are opportunities for young people, individuals and disadvantaged groups to enable progression into and through employment. It will also identify examples of best practice from out with the region to enable best use of labour market data. Cross cutting skills will be identified in areas such as digital and automation.

2.2.2 Objectives & Benefits

The overarching objective for the Labour Market Analysis and Evaluation programme is develop regional capacity to anticipate and adequately respond to changing patterns of skills demand and supply in the labour market in a timely manner. By harnessing existing Labour Market research capacity and agreeing a consistent narrative and baseline there will be opportunities to use existing resources to achieve better economies of scale and a stronger impact on supporting career progression routes for those who face significant labour market disadvantage.

3 Economic Case

The 2018 Regional Skills Assessment for the ESES City Region shows that the total regional GVA is £37.37m or 28% of Scotland's total output. Over the next ten years GVA growth will be greatest in real estate activities; professional, scientific and technical activities; wholesale and retail trade and financial and insurance. Growth is forecast at 1.9% which is ahead of the Scotland average of 1.6%. Regional productivity is also above the Scottish average at £50,000 GVA per jobs compared to £47,300.

This growth will have an impact on employment demand, with a 6% increase (or 45,400) increase in jobs over the next ten years. The top employing sectors by 2028 will be wholesale and retail (10,700 jobs); human health and social work (104,100 jobs) and professional scientific and technical (66,300 jobs). There will be large employment growth in admin & support services; arts, entertainment and recreation; and professional, scientific and technical roles. Of note **51%** of job opportunities by 2028 will be at a higher level, with 28% at a lower level and a squeeze in the middle from 28% in 2018 to 21% by 2028. There will be a total requirement for **290,200** people in the labour market by 2028 (246,300 replacement demand and 44,000 from expansion demand).

The City Region will also see a 7% increase in population from 2016-28 but the working age population (16-64) is set to decrease by 2%. This means that there will be a greater pressure on public services and that attraction into the region will be important to address potential future skills shortages.

It is crucial therefore that the wider City Region partners work together to better understand precisely which skills be required in key sectors of growth, and to develop guidance materials to enable young people and individuals of all ages to understand the career pathways into and through these occupations. It is also important to identify and explore how cross cutting skills ('meta' skills and digital skills) can enable individuals to progress in and through these key sectors. The development of a partnership approach building on the Regional Skills Assessment data and Regional Skills Investment Plan will create cost efficiencies and enable greater impact in terms of meeting the broader IRES objectives.

3.1 Identification of Options

There are two potential options around labour market analysis, namely:

- **Status Quo (Business as Usual)** – Continued use of Regional Skills Assessments, national Skills Investment Plans and existing LMI for economic planning, but no common agreed regional skills narrative or regional analysis of national sectoral plans
- **Virtual team and primary research-** to increase our collective understanding of labour market needs and opportunity that can be inform the strategy and tactics of the regional partnership

3.2 Appraisals Approach

Pros and cons of each option are outlined below.

Status Quo (Business as Usual)

Continued use of Regional Skills Assessments, national Skills Investment Plans and existing LMI for economic planning, but no common agreed regional skills narrative or regional analysis of national sectoral plans

Pros	Cons
Minimal disruption to existing activities	<p>No common narrative on skills shortages, gaps and opportunities in key sectors</p> <p>No granular detail on skills needs of employers in key sectors</p> <p>Limited option to shared capacity across partners.</p> <p>Limited opportunity to achieve economy of scale.</p> <p>Limited understanding of best practice around LMI utilisation out with the City Region</p> <p>Continuing the status quo this trend is likely to continue, resulting in a widening of the skills and productivity gap.</p>

Virtual team and primary research - to increase our collective understanding of labour market needs and opportunity that can inform the strategy and tactics of the regional partnership

Pros	Cons
<p>Common narrative on skills shortages, gaps and opportunities by sector</p> <p>Economies of scale in terms harnessing resources to tackle skills issues</p> <p>Greater granular understanding of skills needs in key sectors through primary research</p> <p>Greater understanding of how LMI is used from analysing best practice in other areas/countries</p>	<p>Additional financial resource required to carry out primary research, best practice analysis, analysis of cross cutting skills issues and development of careers guidance materials</p> <p>Time to establish project due to gaining better understanding of collective research capacity across the region</p>

3.3 Preferred Option

The preferred option would be to create the regional research capacity for a virtual team to better articulate and respond to the key skills issues across the ESES City Region.

The preferred option will help mitigate the significant supply, demand and system threats previously outlined, while minimising the negative transitional impacts of change on the primary beneficiaries of employability and skills services.

This option also complements the other IRES pillars of a properly functioning labour market system as follows;

- **Regional Leadership and Improvement Capacity:** Improving collaboration and co-ordinated action to address skills challenges and promote inclusive growth in key sectors.
- **Building Strong Employer and Citizen Relationships:** Ensuring partnership activity is rooted in the identified employability and skills needs of our citizens and businesses, while enhancing our capacity for co-production, co-delivery, and co-financing with our stakeholders.

- **Targeted Skills Development:** Supporting all sections of society to acquire the knowledge and skills they need (throughout their working lives) to succeed in the regional economy.
- **Active Opportunity Matching:** Improving our ability to remove practical barriers to progression for disadvantaged individuals and communities.

This project will over time, generate cost efficiencies, improved inclusion outcomes, and enhance responsiveness to changing need and opportunity in our regional labour market.

4 Commercial Case

Not applicable.

5 Detailed Project Overview

5.1 Cross-cutting skills

This element of the project will seek to build on the existing Regional Skills Assessment data and work undertaken through the Centre for Work Based Learning to identify cross cutting skills issues across the key sectors in the region to inform curriculum and training offers.

In February 2018, the Centre for Work Based Learning produced a report called 'Skills 4.0: A skills model to drive Scotland's future.' This report recognised that the pace of technological change is faster than ever before and that the future is increasingly unpredictable.

The report notes that:

- Digital technology will permeate all places and forms of work
- The volume of information generated online will continue to increase exponentially, leading to a more complex information landscape
- Technology will continue to provide new ways of connecting and collaborating globally, thus increasing market and employment opportunities
- Technology will change the ways in which humans develop relationships in the world of work
- The rise of non-standard work will continue (i.e. self-employment, zero hours contracts etc)
- The boundaries between jobs and industries will continue to blur with jobs continuing to emerge and evolve
- An ageing population will change the face of the workforce with fewer people of working age

Therefore, a focus on the acquisition of core or 'meta' skills will become increasingly important as these skills will enable individuals to thrive no matter which occupations or industry sectors they wish to enter or progress through. These are outlined below and apply across all industry sectors.

Figure 3 – Meta skills

Self management	Social intelligence	Innovation
Focussing	Communicating	Curiosity
Integrity	Feeling	Creativity
Adapting	Collaborating	Sense making
Initiative	Leading	Critical thinking

This element of the project will seek to explore what these ‘meta skills’ mean for both the key sectors and occupations with the regional economy and individuals either seeking to enter or progress through specific career pathways. The main sectors of focus would be Financial Services, Health, Creative Industries, Construction, Tourism and Life Sciences. As digital skills cut across several sectors, it is not proposed that it is not treated as a separate sector, but rather as an enabler to other sectors. The intention would be to appoint consultants to build on existing labour market information and sectoral Skills Investment Plans to develop two research reports which considers:

- A regional overview of the key cross-cutting skills required across the ESES City Region in Financial Services, Health and Social Care, Creative Industries, Construction, Tourism and Life Sciences
- The extent to which these cross-cutting skills are covered in existing sectoral training/curriculum provision and the size of the ‘gap’ between current and required provision
- Detail on the cross-cutting up-skilling requirements across the existing workforce
- Recommendations as to how these cross-cutting skills could be better embedded within training, education and up-skilling programmes in key sectors across the City Region

The main outcomes from the project are as follows:

- Clear understanding of cross-cutting skills issues across key sectors and occupations
- Clear understanding of the step change needed in the education and training system to better reflect cross cutting skills

5.2 Employer Skills Demand

The secondary data sources are useful identifying skills demand and supply issues, but it is also important to gather primary data around the specific needs of employers in the City Region. SDS has already piloted a project led by Rocket Science to identify skills shortages and gaps in the Tourism sector. This element of the Labour Market Analysis and Evaluation project would seek to expand this approach into other sectors including Financial Services, Life Sciences, Health, and Creative Industries. Construction, ICT/Digital and Tourism are not specifically covered here as the skills needs in these sectors are already being addressed through the Targeted Skills Gateway work.

The intention would be to appoint a consultant to carry out research focusing on the following key areas:

- Primary research with key sector employers in the City Region to obtain a clear view of their medium and longer-term skills needs
- Identify existing evidence and actions driven through the national key sector skills structures which impact on the region and support research recommendations
- Updated mapping of current skills provision within Further and Higher Education and Work Based Learning pathways (Foundation, Graduate and Modern Apprenticeships etc) in the Edinburgh and SE Scotland City Region
- Research report highlighting and quantifying skills gaps and shortages in key sectors in the South East of Scotland and potential impact of Brexit
- Identification of opportunities to support disadvantaged groups into training, education and employment to meet skills shortages
- Key recommendations to be taken forward to address the skills gaps and shortages

The main outcomes of the project are as follows:

- Clearer understanding of medium and longer-term skills needs of employers in key sectors
- Clearer understanding of the skills gaps and shortages in provision in the HE/FE and Work Based Learning Environment
- Recommendations which, if taken forward, will help to close skills gaps and reduce skills shortages in key sectors

5.3 Innovation

This element of the project would seek to align with the Data Driven Innovation project in order to identify innovative approaches to labour market analysis and evaluation. There has already been close working between SDS and the University of Edinburgh and it is proposed to sign a Memorandum of Understanding to capture areas for collaboration. These include the following activities:

- A range of activities to develop data skills across the skills pipeline
- Interventions to address the under-representation of target groups within data-related roles, including women and people with disabilities
- A joined-up approach to promotion and communication activities relating to data skills interventions

It is not anticipated that this element of the project will require additional funding, but rather a targeted use of existing resources and funding from the Data Driven Innovation project.

Key outputs from this project are as follows:

- Shared DDI research findings and resources between the University of Edinburgh and SDS
- Identification of changes needed to current and proposed apprenticeship programmes to reflect the growing demand for data related skills, including innovative delivery models to attract a wider cohort of learners and employers
- Enhancements to careers activity across the City Region to promote technology jobs as careers of choice to young people, teachers, parents and other influencers
- Increased number of flexible approaches to re-skilling/up-skilling in data skills, working with strategic partners such as CodeClan to embed data in existing programmes and develop new course provision/delivery models
- Greater understanding of how to address diversity issues in relation to gender imbalances in the tech sector

5.4 Analysis of best practice

It is proposed to run a half day conference in the autumn of 2019 to bring together a range of City Deal partners to identify the scale of research capacity within the region and the type of research which has been or will be undertaken. This could include Local Authority labour market indicators or bespoke research undertaken by universities or colleges across the region. This would lead to a greater understanding of the current available research, best practice and future capacity across the regional partnership to identify and help respond to labour market challenges. This would be repeated in 2023-4 and 2024-5.

This element of the project would also build on the outputs of the conference to carry out a horizon scanning exercise to identify best practice approaches to labour market intelligence gathering and utilisation to be applied in the region. The intention would be to look at how Labour Market is used elsewhere in Scotland and to look further afield to examples of best practice in Europe or world-wide. SDS will be able to review how LMI is used to inform skills planning in other parts of Scotland, but it is proposed that a consultant is appointed to review international comparators with a focus on the top five OECD countries.

The main outputs would be:

- Three one day conferences with ESES City Region partners (Years 1, 5 and 6) to identify current available LMI research and understand future research capacity in order to shape further research into best practice use of Labour Market data
- Analysis as to how Labour Market Information is used to address skills gaps and shortages in other City Regions or Growth Deal areas across Scotland
- Analysis of how use of LMI can help support disadvantaged individuals into and through work
- Analysis of skills in student and adult populations amongst the top five OECD countries, and how LMI is used to address skill shortages and gaps and improve productivity
- Recommendations as to how LMI could be better used in the ESES City Region to address skills challenges and promote inclusive growth for disadvantaged individuals

The main outcomes would be:

- A greater understanding of current available research and future potential regional research capacity across the ESES City Region
- A greater understanding of best practice nationally and internationally in terms of addressing skills shortages and gaps and improving productivity
- A report outlining recommendations for how LMI could be used more effectively to address skills challenges and promote inclusive growth across the City Region

5.5 Labour Market Toolkit Guidance Materials

Although the regional labour market information is useful to partners, it tends to provide an overview of the key skills issues, in a format that is more useful at a strategic level. It is therefore important to develop regionally accessible, tailored labour market guidance materials (building on existing) for individuals and those who help prepare people for jobs and careers.

SDS has started to develop a Labour Market Toolkit for use by SDS careers advisors, but further work is required to develop this as a stand-alone tool for use by anyone offering careers advice to young people and individuals across the City Region. This would also build on the existing careers and apprenticeship information available on www.mykidscareer.com, www.myworldofwork.co.uk and www.apprenticeships.scot.

The purpose of this project is to build on the Regional Skills Assessments by developing a more regionally focused Labour Market toolkit for the City Region following discussions with key partners such as careers advisors, client support advisors across partner agencies etc. It is proposed that SDS works with regional partners to identify the detail and format for the toolkit and then commission the design work to develop this.

The main outputs from this project is as follows:

- SDS facilitated workshop with those offering careers advice to individuals (e.g. Careers advisors, client advisors across agencies etc) and use feedback to scope out shape and content of regionally focused Labour Market toolkit
- Development of draft content for toolkit and second session with partners to test approach
- Development of final content for toolkit, and work with design agency to refine ‘look and feel’
- Launch of ESES toolkit across the City Region

The main outcomes would be:

- Better awareness of opportunities across the ESES City Region by providing careers advice to young people, individuals and disadvantaged groups
- A robust evidence-based overview of upcoming job and career opportunities across the City Region
- Increased progression into and through employment, with a focus on addressing under-representation in key industry sectors

The Labour Market Analysis and Evaluation theme group would evaluate the outcomes and outputs of the sub-theme work strands. This project is an enabler to the other IRES projects and the measure of success will be to what extent the information gathered here enables a step change in regional productivity, inclusive growth against the current baseline figures which will be identified in the research.

6 Financial Case

This project requests £300,000 from the IRES Change Fund over a six-year period from 01.04.19 until 31.03.25. As LMI supports other IRES projects it is important that this starts as early as possible.

Figure 4: IRES Indicative Funding Profile

IRES Change Fund (Indicative Funding Profile)	Year 1-3 (£,000)	Year 4-6 (£,000)	Year 7-8 (£,000)	8 Year Total (£,000)
Integrated Knowledge Systems	570	690	240	1,500
Labour Market Analysis and Evaluation	150	150	0	300
Integrated Employer Engagement	1,000	1,500	1,000	3,500
Intensive Family Support	1,000	2,100	1,600	4,700

IRES Change Fund (Indicative Funding Profile)	Year 1-3 (£,000)	Year 4-6 (£,000)	Year 7-8 (£,000)	8 Year Total (£,000)
Targeted Skills Gateways (DDI and HCI Gateways)	8,010	3,752	1,237	13,000
Workforce Mobility	571	857	571	2,000
TOTAL:	11,252	9,050	4,698	25,000

The Table below highlights the costs associated with the project. It is proposed that a Project Lead is identified to co-ordinate this work for around 1 day per week. This could be a secondment opportunity and SDS could provide office space for this individual in their offices at 79 Shandwick Place Edinburgh, as part of the overall contribution to costs. SDS could also carry out the analysis of best practice across Scotland as part of an in-kind contribution, as well as providing input from the Regional Skills Planning Lead for the South East of Scotland and support from the wider skills planning team. SDS' Key Sector Managers would also be able to support the primary research by providing industry knowledge and contacts to the appointed consultants.

Figure 5: Labour Market Analysis and Evaluation Financial projections

	2019/20 (£000)	2020 /21 (£00 0)	2021/ 22 (£000)	2022/23 (£000)	2023/24 (£000)	2024/25 (£000)	Total (£000)
Project Management							
Project Lead (1 day per week)	10	10	10	10	10	10	60
SDS evidence-based team support (in-kind)	10	10	10	10	10	10	60
Sub-Total	20	20	20	20	20	20	120
ESES CR Contribution	10	10	10	10	10	10	60
Cross Cutting Skills							
Financial Services	0	35	0	0	0	0	35
Health and Social Care							
Construction							
Creative Industries	0	0	0	35	0	0	35
Tourism							
Life Sciences							
Sub-Total	0	35	0	35	0	0	70
ESES CR Contribution	0	35	0	35	0	0	70
Primary Research/ supply mapping							
Financial Services	0	0	15	0	0	0	15
Life Sciences	20	0	0	0	0	0	20
Health and Social Care	0	0	0	5	15	0	20
Creative Industries	0	0	0	0	15	5	20

	2019/20 (£000)	2020 /21 (£000)	2021/ 22 (£000)	2022/23 (£000)	2023/24 (£000)	2024/25 (£000)	Total (£000)
Sub-Total	20	0	15	5	30	5	75
ESES CR Contribution	20	0	15	5	30	5	75
Analysis best practice							
Half day conference	10	0	0	0	10	10	30
Scotland analysis	20	0	0	0	0	10	30
OECD/wider analysis	0	0	20	0	0	10	30
Sub-Total	30	0	20	0	10	30	90
ESES CR Contribution	10	0	20	0	10	20	60
Guidance materials							
Workshops (x2)	0.5	0	0	0	0	0.5	1
Development of toolkit	9.5	0	0	0	0	4.5	14
Design and launch	0	5	5	0	0	10	20
Sub-Total	10	5	5	0	0	15	35
ESES CR Contribution	10	5	5	0	0	15	35
TOTAL	70	50	50	50	50	60	390
TOTAL ESES CR CONTRIBUTION	50	50	50	50	50	50	300

In addition, local partners could support this project through local/regional research expertise and it would link to existing IRES projects such as the HCI initiative and Data Driven Innovation project.

It is recognised that the collaborative structures that have and will be developed under the City Region Deal Partnership provide an opportunity to more regionally tailor, better align, and integrate the collective activity of partners to improve our capacity to exploit emerging growth or innovation opportunities, while making in-roads on the labour market inequalities within the region.

In addition to the funds outlined here partners are already contributing to the wider IRES programme as follows:

Figure 6: IRES Key Funder Estimated Investment Profile

Regional Employability and Skills Investment Profile ⁷	Year 1-3 (£,000)	Year 4-6 (£,000)	Year 7-8 (£,000)	8 Year Total (£,000)
Scottish Government (Fair Start, DYW Regional Boards) ⁸	60,000	60,000	40,000	160,000
Local Authority (Employability, but exc. schools) ⁹	63,000	63,000	42,000	168,000

Regional Employability and Skills Investment Profile ⁷	Year 1-3 (£,000)	Year 4-6 (£,000)	Year 7-8 (£,000)	8 Year Total (£,000)
University and Colleges (additional to SFC funding) ¹⁰	60,000	60,000	40,000	160,000
Skills Development Scotland ¹¹	114,000	114,000	76,000	342,000
Scottish Funding Council ¹²	879,000	879,000	586,000	2,300,000
TOTAL EXISTING PUBLIC INVESTMENT (est.)	1,176,000	1,176,000	764,000	3,116,000

7 Management Case

The Labour Market Analysis and Evaluation theme group will oversee this project.

7.1 Project Management and Theme group support

There will be a Labour Market Analysis and Evaluation theme group who will oversee progress towards the project aims and objectives and will work with the IRES Board and other project leads, to support the delivery of the wider IRES programme goals.

A part time **Project Lead** will be allocated to support the project. This could be a secondment opportunity or an addition to an individual's substantive role, and SDS could host this individual at 79 Shandwick Place, Edinburgh. This individual will be responsible for commissioning consultants, in conjunction with the theme group, and running the day to day aspects of the work strands. As the work load is dispersed over a period of 6 years, it is anticipated that this resource alongside support from SDS/partner organisations and the theme group, will be sufficient to deliver the relevant project outputs and outcomes.

A **Labour Market Analysis and Evaluation theme group** will be established to direct, plan, implement, review and refine the project activity to ensure that aims and objectives are met, both in terms of the project and also in terms of the wider objectives and Inclusive Growth aims of the IRES Programme. The following table outlines the proposed membership of the group, and it is proposed that Regional Skills Planning Lead for SDS, Chair the theme group supported by a Vice Chair.

Role	Organisation or Group	No.
Chair/Vice-Chair	SDS/TBC	1
HEI/FE representation	X2 Higher Education Institutions X2 Further Education Institutions	4
Local Authority Economic Dev Representatives	Up to six partner Local Authorities	Up to 6
Public Skills Bodies & Innovation	Scottish Funding Council (x1), SDS Project Lead (x1)	2
<i>Note: lead members from other IRES themes would attend the delivery group as and when necessary to ensure compatibility across IRES objectives and engage with specific aspects and sub-themes</i>		

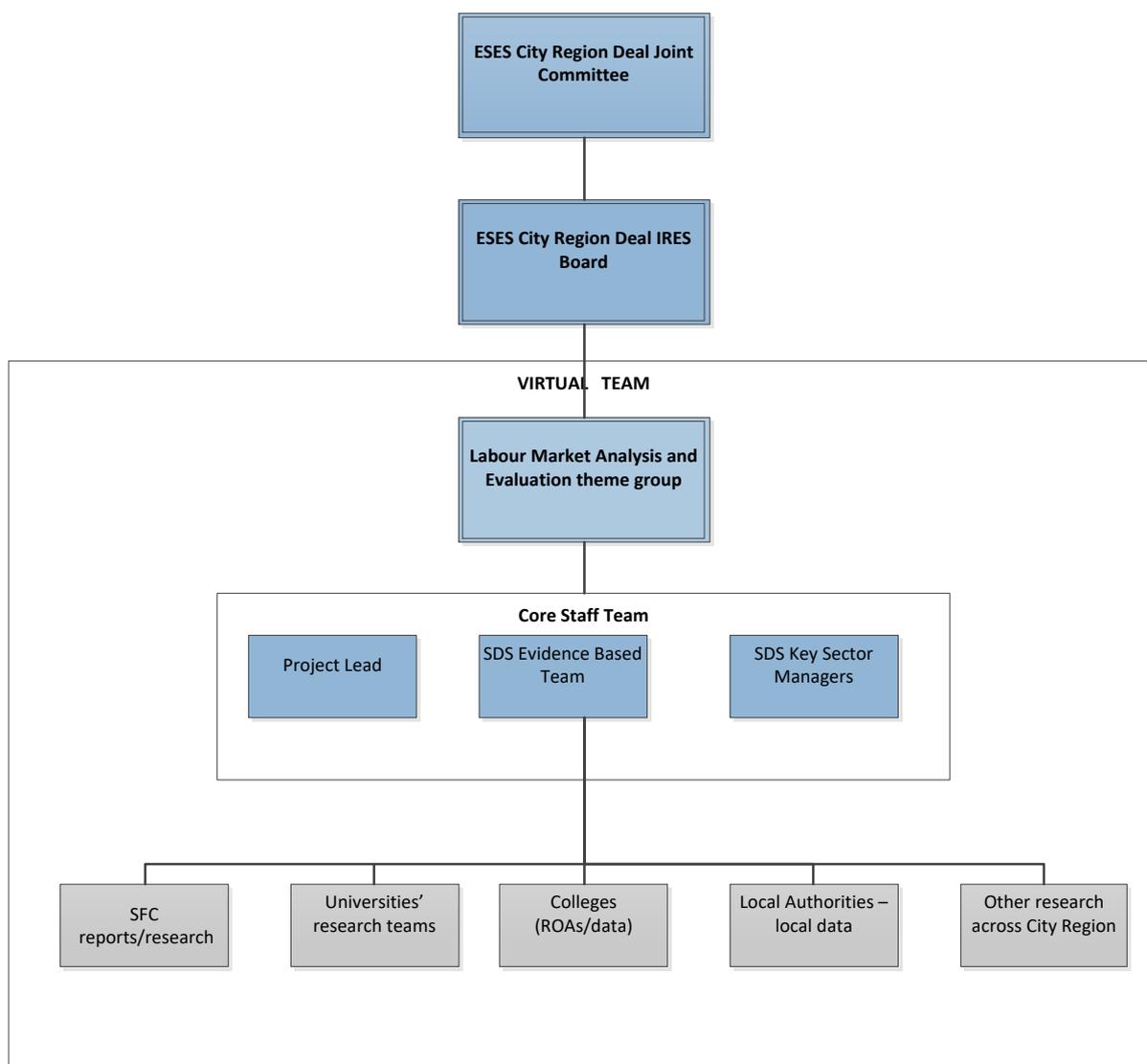
The Vice Chair would be selected from the other members of the theme group. Each of the sub-themes would be led by a member of the theme group with support from the Project Lead.

The theme group would also seek to engage with other stakeholders across the IRES programme such as:

- DWP
- DYW Groups (x3)
- EQUATE
- Capital City Partnership

The theme group will also be responsible for establishing a **Labour Market Analysis and Evaluation Virtual Team**. The purpose of the virtual team, which includes but extends beyond the theme group, is to tap into existing research expertise across the City Region and support the delivery of the project sub-themes. It is proposed that a ‘hub and spoke’ model is adopted whereby the theme group oversee the project but tap into resource and expertise where it exists across the City Region.

Figure 7: Proposed Governance Structure



As the project moves forward it is anticipated that it will become self-sustaining by the end of Year 6 with the Virtual Team providing ongoing labour market analysis, interpretation and evaluation.

7.2 Timeline for Activities

A timeline for activities is summarised below. Support for DDI will continue on an ongoing basis.

Year 1 (2019-20)

- Q1 - Establish theme group, identify Project Lead and core staff team
- Q2 - Run half day conference to identify research capacity across City Region and begin to pull together virtual team
- Q2-4 - Commission and complete primary research into skills requirements of Life Sciences sector
- Q3 - Provide best practice analysis of how labour market information is used to best effect in other Scottish regions
- Q2/3 - Run 2 workshops to inform development of Labour Market Toolkit guidance materials with a focus on data skills
- Q4 - Complete design of regional guidance materials and prepare for launch in Year 2
- Ongoing – Identify changes needed to current and proposed apprenticeship programmes to reflect demand for data related skills

Year 2 (2020-21)

- Commission and deliver cross cutting skills report for Financial Services, Health and Social Care and Construction
- Launch Labour Market Toolkit guidance materials and monitor impact
- Ongoing – identification of diversity issues in relation to gender imbalances in the tech sector
- Ongoing – identification of flexible approaches to re-skilling/up-skilling in data skills working with partners to embed data in existing programmes and new course provision

Year 3 (2021-22)

- Q1- Commission and deliver primary research into skills requirements of Life Sciences sector
- Q2/3 - Commission and deliver best practice analysis of how Labour Market Information is used in OEC countries and wider afield
- Ongoing - Refine Labour Market Toolkit guidance materials and monitor impact with a focus on data skills

Year 4 (2022-23)

- Q1-3 - Commission and deliver cross cutting skills report for Creative Industries, Tourism and Life Sciences

- Q4 - Commission and begin work on primary research into skills requirements for Health and Social Care sector
- Ongoing – identification of diversity issues in relation to gender imbalances in the tech sector
- Ongoing – identification of flexible approaches to re-skilling/up-skilling in data skills working with partners to embed data in existing programmes and new course provision

Year 5 (2023-24)

- Q1-2 -Complete work on primary research into skills requirements for Health and Social Care sector
- Q3-4 -Commission and initiate primary research into skills requirements of Creative Industries sector
- Q3 – Run half day conference to review research capacity across City Region and evaluate success of project and virtual team. Identify areas for improvement.

Year 6 (2024-25)

- Q1 – Complete primary research into skills requirements of Creative Industries sector
- Q4 – Final half day conference to reflect on outcomes and outputs of work programme and identify next steps
- Ongoing – Run 2 workshops to review and refine Labour Market Toolkit guidance materials with a focus on data skills
- Ongoing – identification of diversity issues in relation to gender imbalances in the tech sector
- Ongoing – identification of flexible approaches to re-skilling/up-skilling in data skills working with partners to embed data in existing programmes and new course provision
- Q4 – Final evaluation report

The theme group will monitor and evaluate progress on a quarterly basis and provide updates to the IRES Board on progress at each meeting. The group will also evaluate the extent to which the outputs, outcomes and data from the project will help the other IRES projects to achieve the required step change around skills development, economic productivity and improving inclusion of under-represented groups in key sectors.

7.3 Risk Mitigation

Risk	Mitigation Measures
<p>Project fit and impact</p> <p>Developments in the economy, operational environment, performance factors, or good practice developments mean that the sub-projects may need to flex and change</p>	<p>Outputs, outcomes and impact measures will be regularly reviewed by cores team and theme group and reported to the IRES Board to ensure target objectives are being met.</p>

Risk	Mitigation Measures
<p>Project management capacity</p> <p>Inadequate project/programme management results in failure to deliver agreed outcomes</p>	<p>Ongoing review of resource and capacity levels – virtual team should be able to flex to meet need. However as much of the research is to be commissioned this should not be a significant issue.</p>
<p>Research findings may have an impact on other IRES projects</p> <p>There is a risk that as further research is undertaken that the outputs or outcomes of some IRES projects may not be as appropriate going forward</p>	<p>Regular updates and reporting of findings to the IRES Board to help shape the direction of other IRES projects as required. However, as the IRES projects have been developed using an evidence-based approach it is not anticipated that major changes will be required.</p>
<p>Mainstreaming of Activity</p> <p>There is a danger that the successful activities initiated by the Labour Market Analysis and Evaluation project are not mainstreamed reducing the impact of ESES City Region Deal funding</p>	<p>Key intention of the project is to bring about systemic change to enable other activities to address inclusion, address skills shortages and gaps, maximize productivity and support career progression into and through sustained employment. Progress regularly reviewed by theme group and IRES Board.</p>

Edinburgh and South East Scotland City Region Deal Joint Committee

10am, Friday 7 June 2019

Integrated Employer Engagement (IEE) Proposition

Theme project within **Integrated Regional Employability and Skills (IRES)** Programme

Item number	5.5
--------------------	-----

Executive Summary

The IEE Project will clarify, co-ordinate and improve the employability and skills service offer to employers and clients. The project will deliver improved community benefit outcomes and has been developed in collaboration with regional and national partners to drive progress toward a more inclusive labour market.

This report seeks approval to implement the Integrated Employer Engagement theme as detailed in the accompanying IEE business case proposal.

Angela Leitch

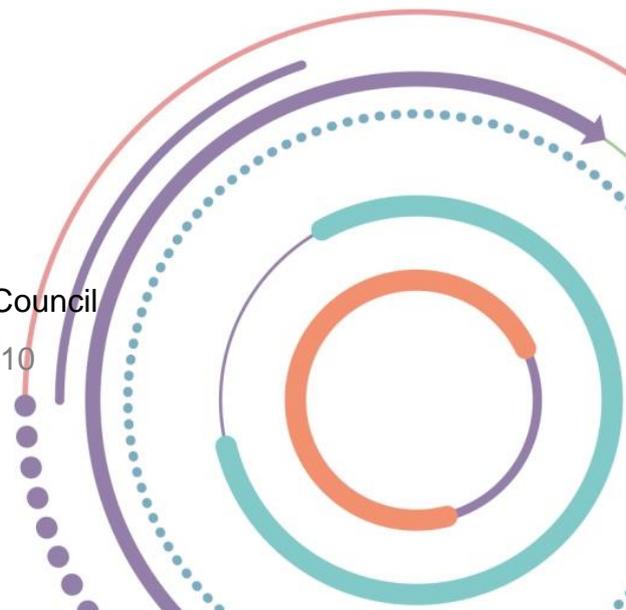
Chair, Integrated Employability and Skills Board,

Edinburgh and South-East Scotland City Region Deal

E-mail: aleitch@eastlothian.gov.uk | Tel: 0162 0827413

IEE Lead Contact: Julie Barnsley, The City of Edinburgh Council

E-mail: julie.barnsley@edinburgh.gov.uk Tel: 0131 529 2410



City Region Deal Checklist

Criteria	Details/Link to Document
<p>Contribution to City Region Deal commitments and Inclusive Growth Framework</p>	<p>The IRES Programme's IEE Project is a cross cutting programme that is supporting the inclusive growth ambitions of the partnership, including:</p> <ul style="list-style-type: none"> • Accelerating inclusive growth through unlocking new talent pools for business, promoting fair work, and equipping disadvantaged citizens with the skills they need to succeed • Removing the barriers to growth by putting in place integrated knowledge systems to support targeted skills development to help disadvantaged individual access and progress in work • Community benefits through procurement by integrating our approach to employer engagement and procurement that increases the value achieved from our collective investments • Targeted skills interventions that captures and supports workforce capacity and capability in the “Data Driven Innovation” and “Housing, Construction and Infrastructure” sectors. • Social benefit through innovation through close working between the IRES and DDI programmes to fully utilise the technological (data visualisation insights) and employment opportunities that will be generated by the sector.
<p>Alignment, integration with, or dependence on, other City Region Deal activities</p>	<p>The IEE is part of the IRES programme and fits within its series of thematic pillars:</p> <ul style="list-style-type: none"> • strengthening regional leadership and improvement capacity; • better understanding need and opportunity; • building stronger relationships with employers, investors and citizens; • targeted skills development; and • improved matching to opportunities for disadvantaged individuals. <p>Interventions proposed within the programme will maximise the value realised from other City Region Deal investments and ambitions in the innovation space (e.g. Data Driven Innovation) and enabling infrastructure (e.g. Housing, Construction and Infrastructure) by supporting the creation of a diverse and well skilled population that can benefit from and help drive the future growth of the regional economy.</p>
<p>Scale and regional distribution of expected outcomes, benefits, and leverage, from activity</p>	<p>IEE Project will deliver a more integrated and focused system approach built around the existing labour market system that will facilitate and enable improved:</p> <ul style="list-style-type: none"> • Regional Leadership and Improvement Capacity • Better understanding of Labour Market Need and Opportunity • Stronger Employer and Citizen Relationships • More targeted Skills Development and • More effective Opportunity Matching <p>The IEE project will contribute to achieve the wider IRES programme objectives of an additional 14,700 people with improved skills and 5,300 moving into employment over the course of the investment period.</p>

Compliance with financial requirements and agreed expenditure profile	The IEE Project Business Case complies with financial requirements and profile.
Equalities Impact	See cover report.
Anticipated significant risks and mitigation measures	As detailed in the IEE Project Business Case, a risk and mitigation matrix has been prepared and will be updated as the programme develops.
Alignment and fit with City Region Deal governance arrangement	The IEE Project, as detailed in the Project Business Case, is fully integrated with current City Region Deal governance arrangements.
PMO check	All information provided.
Government approval	Scottish Government signed off on IRES Programme Business Case on 30 November 2018, of which the IEE Project is a key component.
Partner sign-off	All partners involved in developing the shared Business Case proposal.
Advisory Board sign-off	Report was approved by IRES Board at meeting on 29 April 2019
Executive Board sign-off	Report was approved by Executive Board at meeting on 21 May 2019
PMO Recommendation	That Committee approves implementation of the IRES Programme's Integrated Employer Engagement Project as set out in the project proposition.

Integrated Employer Engagement (IEE) Proposition

1. Recommendations

It is recommended that:

- 1.1 The Integrated Employer Engagement Project, as detailed in the accompanying Business Case, is approved, and that
- 1.2 The accountable body for delivery of the IEE Project will be Capital City Partnership through a delivery agreement with the ESES City Region Deal Lead Accountable Body (City of Edinburgh Council), with strict monitoring of IEE Project progress within an approved agreement framework.

2. Background

- 2.1 Edinburgh and South-East Scotland's regional labour market is a low unemployment, high inequality environment, with significant issues of entrenched and persistent poverty and disadvantage, while the mechanisms available at regional level to tackle these inequalities and fully exploit the potential of the economy are weak.
- 2.2 The ESES City Region Deal provides an opportunity to develop a collaborative approach that enhances our capacity and capability to tackle these inequalities and support the partners' ambition of inclusive growth.
- 2.3 The Integrated Employer Engagement project is one of seven change projects outlined in the IRES Programme Business Case. The IEE Project aims to enhance our trusted relationships with the region's employers and investors to increase the flow of disadvantaged groups into good employment; promote Fair Work and the Scottish Living Wage¹; minimise skills shortages and gaps that could impact on inclusive growth ambitions; and increase the cohesion and efficiency across partners to fully exploit the inclusive growth potential of our economy.

¹ What is the Living Wage?, Living Wage Scotland https://scottishlivingwage.org/what_is_the_living_wage

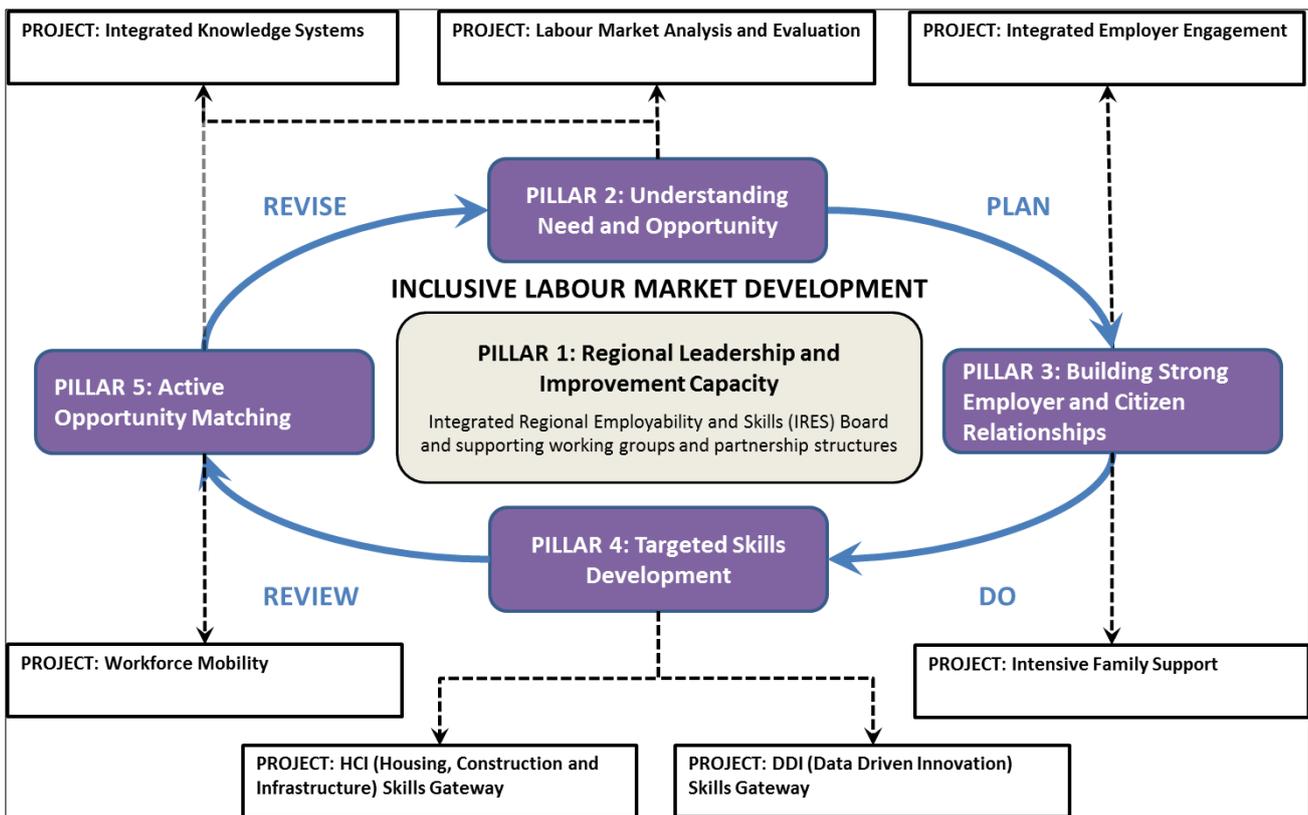


Figure 1: IRES Programme Model and Change Projects

3. Main report

- 3.1 The approach to employer engagement related activity across the region is fragmented, inconsistent and often duplicated, and there is scope to improve.
- 3.2 The IEE project is a change programme with the intention that any new activity introduced will, throughout the project lifecycle, become the norm.
- 3.3 The IEE Project will clarify, co-ordinate and improve the employability and skills service offer to employers and clients.

Main areas of focus include:

- **Integrating Employer Engagement:** Establishing a set of values and operating principles to ensure wider access to employers, promote a ‘no wrong door’ approach, and avoid the confusion of duplicated offers from multiple partners.
- **Pooling Employer Engagement Capacity:** To organise engagement and co-ordinate activity with employers to widen our collective reach into the region’s business base, while improving our capacity to respond to emerging opportunities, recruitment, refocusing declining industries, and redundancy.
- **Generating and Aligning Community Benefits:** Using procurement process to ensure the expenditure of the partners fully utilises any opportunity to drive inclusive growth (e.g. Community Benefit, Fair Work, and Scottish Living Wage requirements).

The community benefit work is part of the implementation of the partnership 'inclusive growth framework (theme 3) that will work with employers, developers, and contractors to maximise and realise community benefits, while ensuring that people we are targeting for support are the primary beneficiaries.

- **Recruitment and Skills Centres Network:** Using our experience of Recruitment Centre public/private partnerships (e.g. Fort Kinnaird RSC) to expand our physical footprint that can improve employer relationship building and enhance service delivery.

3.4 All will be co-ordinated from an integrated regional perspective with a greater number of people better equipped to access the economic growth opportunities generated. Employers will be able to source more local talent resulting in a more focussed and streamlined employability support network that will:

- improve workforce diversity
- decrease numbers claiming benefits
- encourage higher value employment
- simplify and streamline employer offers
- increase and improve employer and client partnerships
- ensure less employer fatigue

3.5 The IEE Project will drive a more proactive, regional, and sectoral-specific approach to early skills and new skills development appropriate to local labour market conditions. It will provide the platform for all relevant stakeholders, including the diverse SME sector, to come together and engage with their key industry sector partners to provide training and support for local people to allow them to progress in and onto employment with the key skills that the various sectors need. More people will be able to access and gain employment as a result.

3.6 IEE will encourage responsible business to create a fair and inclusive jobs market that is resilient, innovative, and sustainable over time. IEE will also ensure that employability and skills support is accessible to all our people, regardless of background. IEE will provide the platform to better develop the skills required to enable more people to participate successfully in the labour market and bring benefits to the whole economy.

3.7 The IEE Project will develop a regional approach to Community Benefits, and use procurement processes to ensure the expenditure of the partners fully utilises any opportunity to drive inclusive growth (e.g. Fair Work and Scottish Living Wage requirements).

3.8 Working closely with the Integrated Knowledge Systems (IKS) Project, Community Benefit software alignment will be developed and implemented further to capture, monitor and track all community benefit clauses at a regional level, bringing joined up alignment and consistency of service standards. This in turn will enhance future

community benefit asks, making better use of an often untapped and underutilised resource.

- 3.9 The IEE Project will also develop our network of Recruitment and Skills Centres to act as a tangible interface between the partners and business, particularly in geographic or sectoral high demand areas. Using the partners' experience of Recruitment Centre public/private partnerships (e.g. Fort Kinnaird RSC), the IEE Project will expand our physical footprint so that we can improve employer relationship building, and enhance service delivery.
- 3.10 At the core of the project will be the Integrated Employer Engagement (IEE) Project Delivery Group that will deliver progress towards project objectives and work with the IRES Board and other project leads to support the delivery of the wider IRES programme goals. This group is already well established and has been meeting regularly to develop the proposal.
- 3.11 Key also to success will be Capital City Partnership (CCP), the established Arm's Length External Organisation (ALEO) and main delivery body for the city's employability strategy and programme. It is recommended to build on this approach in terms of operational management as outlined in the IEE business case proposal and bring more key agencies and employers together to help move more people into employment.
- 3.12 It is proposed to undertake changes on a phased basis to ensure the services provided to businesses and clients remain seamless, whilst driving steady improvement in the outcomes delivered

3.13 Phase 1 (2019 to 2021): Stakeholder engagement

This will involve significant co-production and co-design with stakeholders, service providers and service users to create a new way forward, bringing together systems and partnerships which are useable and more efficient in terms of investment and people's time.

3.14 Phase 2 (2021 to 2024): Consolidating the Changes

Throughout this phase, all aspects of the Project will be progressed, and further plans will be developed as improved 'business as usual'.

3.15 Phase 3 (2024 to 2026): Fully Integrated Employer Engagement Service

As the Project moves through Phase 3, an integrated employer engagement approach across the region will become embedded as 'business as usual'. This approach will do more to provide the right help for people of all ages, and particularly for those further from the labour market, whilst aligning with both local and national approaches.

4. Financial impact

- 4.1 The Scottish Government have allocated £25million of grant funding which that will be made available over the next eight years to develop and deliver the aspirations set out in the IRES Programme Business Case, with a focus on not just delivering

project activity, but informing how existing investments can be better targeted and aligned to help deliver enhance inclusive growth for the region.

It is proposed the Integrated Employer Engagement Project be allocated £3.5 million over the period that will be split across three distinct phases:

- **Phase 1: 2019– 2021:** £1,503,000
- **Phase 2: 2022 - 2024:** £1,445,000
- **Phase 3: 2024 – 2026:** £552,000

4.2 Ongoing performance reviews and evaluation will be undertaken to qualify and quantify the impact made by the service.

5. Equalities impact

5.1 An Integrated Impact Assessment will be conducted and updated throughout this process with progress regularly reported at Project Board meetings.

5.2 The IEE project proposal is an integral part of this wider IRES Programme and it is anticipated that it will generate significant inclusive growth benefits, including:

- Increased number of disadvantaged participants engaged in job searching, education/training, gain a qualification, or are in employment (including self-employment) upon leaving
- Increased number of disadvantaged participants in workless, lone parent or low-income households with improved skills

6. Background reading/external references

6.1 [Edinburgh and South-East Scotland City Region Deal Document, August 2018](#)

6.2 [Edinburgh and South East Scotland City Region Deal Integrated Regional Employability and Skills \(IRES\) Programme Business Case, December 2018](#)

7. Appendices

7.1 Integrated Employer Engagement project proposition



ESES City Region Deal IRES Programme

Integrated Employer Engagement Project Proposition

ACCELERATING GROWTH

EDINBURGH AND SOUTH EAST SCOTLAND
CITY REGION DEAL

Contents

1	Introduction	3
1.1	About this Document	3
2	Project Vision	3
2.1	Overview of the IEE Project.....	4
2.1.1	Outcomes and Benefits.....	5
3	Strategic Case.....	6
3.1	PART A: The Strategic Context	6
3.1.1	National Context and Strategy Alignment	6
3.1.2	Strategic Alignment across the IRES Programme	7
3.2	PART B: The Case for Change	8
3.2.1	Existing Arrangements, Challenges & Business	8
3.2.2	Objectives and Benefits	9
3.2.3	Scope of Investment Requirements.....	10
3.2.4	Risk Management	10
3.2.5	Constraints	10
3.2.6	Dependencies.....	10
4	Economic Case	11
4.1	Labour Market Context and Gap Analysis.....	11
4.1.1	The change we want to effect	12
4.2	Identification of Options	12
4.3	Appraisals Approach	13
4.3.1	Programme Option Analysis	14
4.3.2	Preferred Option.....	15
4.3.3	Impact of implementing the Integrated Employer Engagement Project	15
5	Commercial Case.....	16
6	Financial Case.....	18
7	Management Case	19
7.1	IEE Operational Management.....	20
7.2	Stage and Gate Approach to Management.....	20
7.3	Project Plan	22
7.4	Summary	24
7.5	Risk Mitigation Plan.....	24
	ANNEX A: IEE PROJECT ELEMENTS	25
	ANNEX B: IEE RISK MATRIX (Updated 2 April 2019).....	27

1 Introduction

1.1 About this Document

This Project Proposition sets out a detailed case for investment in an Integrated Employer Engagement (IEE) Project as part of the Integrated Regional Employability and Skills (IRES) Programme and should be considered in conjunction with the IRES Programme Business Case.

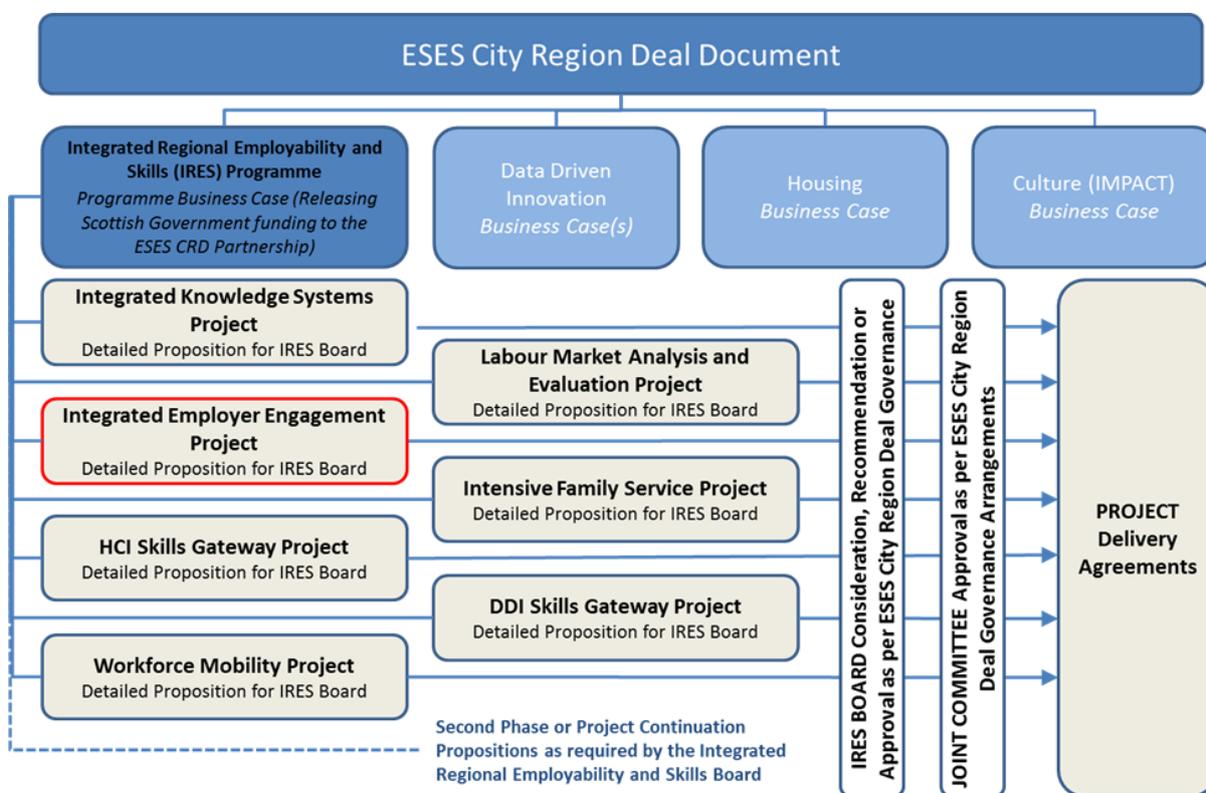


Figure 1 IEE Project Proposal in the context of the ESES CRD IRES Programme

2 Project Vision

This Project work will clarify, co-ordinate and improve the employability and skills service offer to employers and clients. The partners will establish a ‘no wrong door’ approach that will create designated points of contact to manage individual employer relationships that will allow us to: tailor and route our combined service offer; pool and match the opportunities that are generated; and reduce double handling, and so strengthen individual relationships. To complement this, the partners will develop a regional approach to “Community Benefits from Procurement” to ensure that the significant expenditure of the partners fully exploits any opportunity to drive inclusive growth. This project-stream will also work on developing our network of Recruitment and Skills Centres to act as a tangible interface between the partners and business, particularly in geographic or sectoral high demand areas.

2.1 Overview of the IEE Project

This Project aims to enhance our trusted relationships with the region's employers and investors to: increase the flow of disadvantaged groups into good employment; promote Fair Work and the Scottish Living Wage¹; minimise skills shortages and gaps that could impact on inclusive growth ambitions; and increase the cohesion and efficiency across partners to fully exploit the inclusive growth potential of our economy.

Main areas of focus include:

- **Integrating Employer Engagement:** Establishing a set of values and operating principles to ensure wider access to employers, promote a 'no wrong door' approach, and avoid the confusion of duplicated offers from multiple partners
- **Pooling Employer Engagement Capacity:** To organise engagement and co-ordinate activity with employers to widen our collective reach into the region's business base, while improving our capacity to respond to emerging opportunities, recruitment, refocusing declining industries, and redundancy
- **Generating and Aligning Community Benefits:** Using procurement process to ensure the expenditure of the partners fully utilises any opportunity to drive inclusive growth (e.g. Community Benefit, Fair Work, and Scottish Living Wage requirements).

The community benefit work is part of the implementation of the partnership 'inclusive growth framework (theme 3)²' that will work with employers, developers, and contractors to maximise and realise community benefit, while ensuring that people we are targeting for support are the primary beneficiaries.

- **Recruitment and Skills Centres Network:** Using our experience of Recruitment Centre public/private partnerships (e.g. Fort Kinnaird RSC) to expand our physical footprint that can improve employer relationship building and enhance service delivery.

Project themes are outlined further in [ANNEX A](#) and all will be co-ordinated from an Integrated Regional perspective resulting in a more focussed and streamlined employability support network that will:

- improve workforce diversity
- decrease numbers claiming benefits
- encourage higher value employment
- simplify and streamline employer offers
- increase and improve employer and client partnerships
- ensure less employer fatigue

¹ What is the Living Wage?, Living Wage Scotland https://scottishlivingwage.org/what_is_the_living_wage

² P8, Edinburgh and South-East Scotland City Region Deal, August 2018

2.1.1 Outcomes and Benefits

The IEE Project will bring about much needed alignment of supply and demand across key business industry and SME sectors. Change funds will be used to corral all relevant stakeholders with a common purpose to achieve inclusive growth through an improved employability pipeline specifically tailored to better support local individuals. Greater numbers of local people will be more able and better equipped to access the wealth of employment and training opportunities available.

There will be more focus on reducing worklessness and poverty through better alignment of existing resources to target disadvantage, and it is intended that more local people will be engaged in the opportunities available.

An improved business as usual approach will allow partners to work together to coordinate engagement with SMEs, social enterprise and key opportunity sectors, including DDI and HCI, to encourage and support them to recruit and develop a more diverse pool that benefits business and promotes Fair Work for people in the region. Those most likely to benefit are:

- People living in poverty
- The 20% most deprived SIMD areas
- Young people and school leavers
- Young people with experience of mental health
- Unemployed and those experiencing in-work poverty
- Carers and care experienced
- People with a physical or learning disability
- People with long-term health conditions
- People with experience of substance abuse, homelessness, and /or trauma
- Supporting carers with childcare responsibilities
- Supporting women into higher paid jobs and planning to return to work
- Veterans
- Ex-offenders
- Vulnerable families
- Minority ethnic groups

The IEE Project will drive a more proactive, regional, and sectoral-specific approach to early skills and new skills development appropriate to local labour market conditions. The IEE Project will provide the platform for all relevant stakeholders, including the diverse SME sector, to come together and engage with their key industry sector partners to provide training and support for local people to allow them to progress in and onto employment with the key skills that the various sectors need. More people will be able to access and gain employment as a result.

3 Strategic Case

The Project strategic case is set out in two parts:

Part A: The Strategic Context – establishes the IEE Project Proposals from a Scottish Government and ESES City Region perspective.

Part B: The Case for Change – describes the existing arrangements and summarises the objectives to be addressed by the Project, including investment needs, operational risks, constraints and dependencies.

3.1 PART A: The Strategic Context

3.1.1 National Context and Strategy Alignment

Scotland's Economic Strategy (Scottish Government, 2015)³ sets out the Scottish Government's purpose "to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth" and has two key goals: increasing competitiveness, and tackling inequality.

Allied to this, the Creating a Fairer Scotland (Employability)⁴ policy seeks to promote greater fairness and equality in employment while also driving continuous service improvement through strong, productive partnerships.

No One Left Behind, Next Steps for the Integration and Alignment of Employability Support in Scotland⁵ urges the need to incrementally develop an integrated regional employability and skills system that:

- Is more flexible, tailored, and takes a 'whole person' approach
- Is more straightforward for people to navigate
- Is better integrated and aligned or interwoven with other supporting services
- Provides pathways into sustainable and fair work
- Is driven by evidence to support people into the right job at the right time
- Is designed, delivered, and improved in partnership
- Is responsive to those with high needs (e.g. young care leavers, workless, and those in low paid or insecure jobs) who are at major risk of missing out on the benefits of economic growth
- minimises skills shortages and gaps or gender imbalances in our key growth sectors, while promoting greater workforce diversity.

³ Scotland's Economic Strategy, Scottish Government, 2015, <https://beta.gov.scot/publications/scotlands-economic-strategy/>

⁴ Creating a Fairer Scotland: A New Future for Employability Support in Scotland, Scottish Government, <https://beta.gov.scot/publications/creating-fairer-scotland-new-future-employability-support-scotland/>

⁵ No One Left Behind - Next Steps for the Integration and Alignment of Employability Support in Scotland, Scottish Government, <https://www.gov.scot/Publications/2018/03/5358/downloads>

Fair Work is central to the delivery of economic growth and social justice, including the collective ambition to eradicate child poverty⁶, and is pivotal within the IEE proposal. The IEE change proposal (and the wider City Region Deal) offers an opportunity to significantly support the realisation of Fair Work ambitions by:

- providing support for businesses to offer quality jobs and fair work for everyone
- assisting the development of a globally competitive, entrepreneurial, inclusive, and sustainable economy
- respecting, protecting and fulfilling human rights and tackling discrimination
- tackling poverty by sharing opportunities, wealth, and power more equally
- supporting local people to gain the skills they need to fully contribute to society

3.1.2 Strategic Alignment across the IRES Programme⁷

The IEE Project will enable better understanding of labour market need and opportunity by building stronger relationships with employers, investors, and citizens. Targeted skills development, joint working and supporting activity linked with DDI, HCI Skills Gateways and Intensive Family Support proposals will ensure that maximum value is generated from wider City Region Deal investments by supporting the creation of a diverse and well-skilled population that can benefit from, and help drive, the future growth of the regional economy.

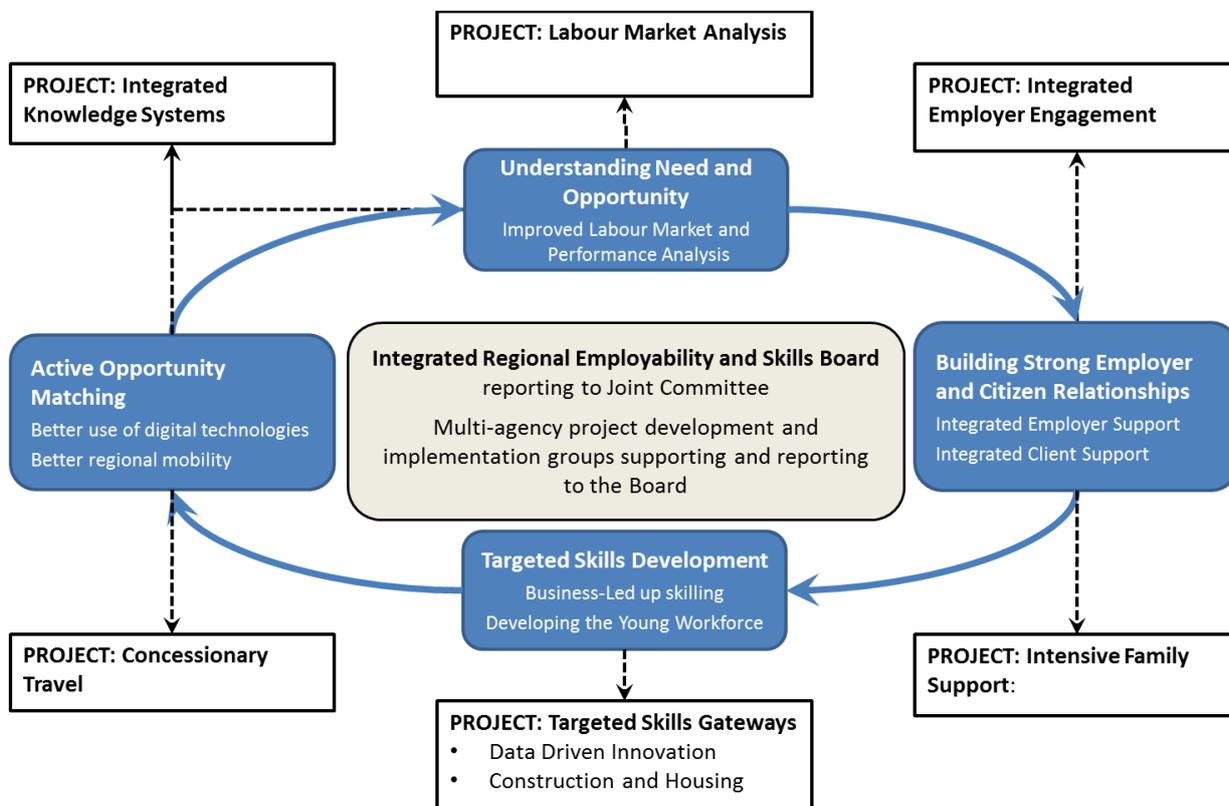


Figure 2. IEE Proposal is an integral component of an inclusive labour market improvement cycle

⁶ Child Poverty Act (Scotland) 2017, Scottish Government

⁷ <http://www.acceleratinggrowth.org.uk/ires>

3.2 PART B: The Case for Change

The 2018 Regional Skills Assessment Summary Report for Edinburgh and South-East Scotland City Region⁸ concludes that although the outlook for the local economy is positive there are some key inclusive growth challenges that remain. Despite expected jobs growth across most sectors and occupations providing opportunities for people at all skills levels, a key challenge facing employers in the region will be sourcing people to fill these vacancies, particularly in the context of Brexit and the resultant constraints on the future supply of labour from Europe. A further challenge is the forecast ageing of the population and associated contraction of the working age population which, although not as pronounced as in other areas, could put further pressure on labour supply in the region.

The IEE Project is designed to redress these disparities through a strong focus on providing disadvantaged groups with tailored support not just to access fair work, but to help them progress into higher responsibility and earnings. The Project will help address specific economic growth pressures across the region in relation to wider deal developments e.g. at Winchburgh, Borders and Midlothian.

3.2.1 Existing Arrangements, Challenges & Business

The current Employability and Skills landscape is complex. The knowledge base and focus of investment across the regional partners is fragmented, patchy, and misaligned. Public interventions are sub-optimal in meeting the labour market needs and opportunities in the region. Factors that reinforce the need for change include:

- **Skills Demand:** growing shortages and gaps in key sectors such as electronics, engineering, software, and care.
- **Productivity:** persistent productivity gap with benchmark cities such as London, Copenhagen, and Munich
- **Poverty and Inequality:** four of the six authority areas have below median earnings and 22% of children born into poverty⁹
- **Clarity:** lack of unified approach across the current economic area, creating confusion and dissatisfaction for citizens, employers, and other stakeholders
- **Knowledge and Key Relationships:** are fragmented, impacting on the effectiveness of investment over the long term and ability to fully unlock opportunities
- **Service Efficiency:** The pipeline of employability, skills and learning services operate in silos, and face budget pressure with often duplication, misalignment, and instability

IEE will provide support to existing and emerging sectors to help employers to develop inclusivity e.g. support for SMEs in developing Modern Apprenticeship opportunities for young people; and support in redesigning roles which will support, and attract, a diversity of candidates.

IEE will help create a more joined-up employability system across the region – an employability system that does more to provide the right help for people of all ages, and particularly for those further from

⁸ Regional Skills Assessment Edinburgh & South East Scotland City Region: Summary Report, Skills Development Scotland, <https://www.skillsdevelopmentscotland.co.uk/media/44990/ras-edinburgh-and-south-east-scotland-city-deal-region.pdf>

⁹ End Child Poverty Local Poverty Estimates: November 2016

the labour market. An employability system that is defined by values of dignity, respect, fairness, equality, and continuous improvement.

The region requires a system that provides flexible and person-centred support that is more straightforward for people to navigate; is better integrated and aligned with other services; provides pathways into sustainable and fair work; is driven by evidence, including data and the experience of users; and that supports more people – particularly those facing multiple barriers – to move into the right job, at the right time.

3.2.2 Objectives and Benefits

The IEE Project Proposal lays the foundations for ongoing investment in an eight-year programme of activity to bring about such change. A regional approach to integrated employer engagement that will better understand our workforce and ensure that service interventions are working more effectively.

Some citizens for example are stuck in low paid jobs and have to claim benefits to survive. Others are low skilled with limited prospects and can't get the support they need to get a good job. Some people travel over 70 hours per week to study and struggle to meet travel costs.

Businesses often claim they are struggling to grow and retain staff and can only afford to pay the minimum wage. Others cannot get or retain the people they need to grow their business. Some find it difficult to access the right support and are bombarded with requests from the public sector.

Employability and Skills providers are good at what they do but sometimes they can't get the information they need to help their clients get the best jobs. They often work with only a few local businesses and have limited opportunities for their clients.

This IEE Project sets out the partnership's commitment to start the journey of change in employability and skills services that will make a tangible and positive difference to citizens, businesses, and other stakeholders as illustrated:

Citizens	Businesses	Service Professionals	Value for Money
We all work and earn over the living wage, have careers, and don't have to claim benefits	We are a thriving business with high productivity and can afford to pay over the living wage	We can easily access good information to plan and get a better outcome for our clients	We have a clearer understanding on need and opportunity that help set direction
We are clear on the route to good jobs and can easily access the learning we need to progress	We have skilled people who want to join and stay in our business and in whom we can invest	We have good relationships with business and access opportunities from across the region	We have a clearer understanding of the collective impact of our services to inform ongoing improvement
We use flexible working, digital learning, and other supports to help us succeed	We have a strong productive relationship with public services who are helping us to grow	We are part of a strong service network who can meet the full support and development needs of our clients	We maximise the leverage potential from our relationships in the public, private and third sectors to help achieve our goals

Figure 3. Integrated Employer Engagement – Outcome Ambition Statements

Operating very much in parallel with, and informing the IRES Integrated Knowledge Systems Project, the IEE Project will better support job recruitment and matching, support employer engagement, and maximise community benefit across the region. The proposition will deliver greater regional coherence and empowered decision making across a collective economic area, and assist regional partner savings through economies of scale to help strengthen career progression routes for those who face significant labour market disadvantage.

3.2.3 Scope of Investment Requirements

The IRES Programme Business Case proposed an allocation of £3.5 million over an eight-year period to help facilitate a step change in inclusive growth that ensure our economy continues to generate good opportunities and that these are open and attainable by all sections of society. The Financial Case to follow, details planned expenditure further.

3.2.4 Risk Management

Risk Management is an integral feature of the IEE Project, and the project risk register [ANNEX](#) includes all aspects of the Business Case, Strategic, Commercial, Financial and Management. The IRES Board is ultimately responsible for managing all aspects of programme and project risk, and plans will be reviewed on an ongoing basis by a sub group of the IRES Board to ensure they satisfactorily capture the up to date risk profile and ensure there are appropriate mitigation procedures in place. New risks will be highlighted to the Board, and where escalation is required mitigating actions will be agreed and implemented along with agreed timescales for review.

3.2.5 Constraints

In developing the proposed IEE Project investment and activities, consideration has been given to various constraints, particularly that each element of the project must become self-financing (sustaining) in the longer term. This is to satisfy respective partners' governance and charitable obligations to maintain a surplus, and also the technical, ethical and legal constraints of collecting and accessing appropriate data sets.

Another significant constraint will be the level and local flexibility of resources available through public, private and third sector partners (including potential loss of access to European Structural Funds – ESF, ERDF etc) to deliver the ambition, as this will limit the development and delivery capacity of the employability and skills system and its ability to adapt to changing need and opportunity.

3.2.6 Dependencies

The future success of the IEE Project will depend on close alignment with other IRES work streams particularly DDI and HCI. Also integration with existing services and interventions is crucial to ensure a viable and sustainable pipeline of people with the foundation skills required to exploit the range of tailored training, learning and employment opportunities being made available. This approach will require an ongoing review and the active support of local and national stakeholders to:

- engage all employability and skills partners and Community Planning Partnerships in the process of change
- review, align, and integrate key policies impacting on skills and employment in the region
- build on our Regional Skills Investment Plan that sets out the vision, ambitions, and aspirations for the City Region in terms of skills and employment

4 Economic Case

This section provides an overview of the:

- Regional Employability and Skills context informing the Business Case for investment
- Success factors that have informed the development of the IEE Project
- Selection process involved to identify those (short-listed) delivery options which are most likely to realise Project benefits against the “fixed budget constraint” implied by the current Heads of Terms
- Assessment of the anticipated types and levels of economic costs and benefits that might be generated by the programme overall
- How the preferred delivery model links into the skills pipeline and provides access to opportunities through other aspects of the City Region Deal

4.1 Labour Market Context and Gap Analysis

The IRES Programme Business Case points to the need for change to bring about the necessary improvements in the way that employability and skills are delivered across our public services. The IEE Strategic Case highlights the need for closer alignment and integration across local, regional, and national levels for employability and skills interventions.

The ESES City Region is forecast to experience significant and sustained growth in population, households, commercial and infrastructure developments. The current supply of labour and skills in the region, whilst increased over recent years, is still not sufficient to meet future needs in terms of volume or key current and future skills.

Key growth sectors across the region include construction, care, data driven innovation, retail, hospitality and tourism, and other science and technology. The most recent Regional Skills Assessment¹⁰ predicts the future demand for skills across the ESES CRD area to increase at an annual rate of 0.6% in comparison with 0.3% for Scotland and 0.4% for United Kingdom. Between 2018 and 2028 the largest employment growth forecast will be Admin & Support Services (18%), Arts, Entertainment & Recreation (17%) and Professional, scientific & technical (17%). The largest employment decreases are forecast in Mining & Quarrying (-26%), Manufacturing (14%) and Electricity, gas, steam and air conditioning (-9%).

Youth unemployment across the region continues to be a concern and demographic changes are also changing the way older people engage in the labour market. Many groups continue to face real challenges in the labour market e.g. disabled people, people recovering from substance misuse, people experiencing homelessness, and people with convictions.

IEE will encourage responsible business to create a fair and inclusive jobs market that is resilient, innovative, and sustainable over time. IEE will also ensure that employability and skills support is accessible to all our people, regardless of background. IEE will provide the platform to better develop

¹⁰ Regional Skills Assessment Edinburgh & South East Scotland City Region: Summary Report, Skills Development Scotland, <https://www.skillsdevelopmentscotland.co.uk/media/44990/ras-edinburgh-and-south-east-scotland-city-deal-region.pdf>

the skills required to enable more people to participate successfully in the labour market and bring benefits to the whole economy.

4.1.1 The change we want to effect

Approaches to employer engagement related activity across the region is fragmented, inconsistent and often duplicated and there is scope to improve our approaches. Any future employability and skills programme must enhance and help to future-proof the regional economy by combining and augmenting existing resources. It must increase the employment rate and close the opportunity gap between different sections of society. It also must increase productivity and earnings and help reduce the gap between the lowest and highest earners.

Whilst Community Benefits are actively pursued in all Local Authority areas, this practice is not consistent across all partners. More needs to be done to ensure that public sector expenditure and the procurement processes capitalise on every available opportunity and help drive inclusive growth.

There are many examples of good practice employability and skills services operating across the region, for example: Edinburgh Guarantee, Joined Up for Jobs, Joined up for Business, East Lothian Works, Opportunities Fife, Developing Midlothian's Young Workforce etc. Expanding this network and building on existing centres in other key geographic areas would help support the recruitment and training needs of business.

The IEE Project as proposed cements the foundations to better match industry aligned jobs demand with labour market skills supply. The IEE project will ensure a more joined-up and visible regional approach which is easily recognisable to employers and those willing to participate in employment. Better sighting of industry need and more proactive approaches to better equip the workforce will ultimately improve transition from skills gaps and into work ratios.

4.2 Identification of Options

Through the existing contributions each of the partners already spend on employability, skills and training interventions, there is clear recognition that it is not just one partner who is responsible for the delivery of employability and the skills provision, but rather the full partnership involving public, private, and voluntary sector representation.

The most effective, efficient means of delivering the priorities has been considered with options selected for appraisal as follows:

- **Status Quo (Business as Usual)** - Continuous improvement actions within individual organisations, but no integration of alignment between organisations
- **Increased Local Resourcing** - Increase resources for existing local delivery activity, but no integration or alignment between organisations
- **Full Restructure of Delivery into Regional Level Projects** - Zero budgeting approach with all activities ceasing and redesigned from scratch
- **Regional Employability and Skills Activity** - Introducing regional employability and skills services to augment current activity

- **Integrated Regional / Local Model** - Integrated and aligned activity from community level to authority and regional scale as part of an inclusive, multi-agency, whole system, and whole person progression approach to services, interventions, and allied supports

4.3 Appraisals Approach

Pros and cons of each option have been assessed against impact criteria linked to the identified goals for an improved future Employability & Skills programme.

Status Quo (Business as Usual)

Continuous improvement actions within individual organisations, but no integration of alignment between organisations

Pros	Cons
Minimal disruption to service	Scope for duplication and progression bottlenecks. Limited option to shared capacity across partners. Limited opportunity to achieve economy of scale. Service capacity will reduce over time due to financial constraints. Current system for improving employability and delivering skills training has led to disparities and inequalities within the region. Continuing the status quo this trend is likely to continue, resulting in a widening of the skills and productivity gap.

Increased Local Resourcing

Increase resources for existing local delivery activity, but no integration or alignment between organisations

Pros	Cons
Additional capacity Minimal disruption to service	Public Expenditure limited ability to increase Adds to complexity of combined service offer Lack Regional coherence and alignment with wider city region deal Limited capacity to respond to changes in labour market Difficult to sustain due to affordability

Full Re-structure of delivery into Regional level projects

Zero budgeting approach with all activities ceasing and redesigned from scratch

Pros	Cons
Reduced fragmentation from start. Single integrated offer from start	Significant disruption to services and beneficiaries Loss of best practice and expertise during transition Risk of disconnect from local priorities

Regional Employability and Skills Activity

Introducing regional employability and skills services to augment current activity

Pros	Cons
Adds additional capacity	Add to complexity and fragmentation
Minimal disruption	Difficult to sustain due to affordability
Can be aligned with wider city region deal activity	Will not be able meet the employment and skills demand from the wider City Region Deal activities
	Risk of disconnect from local priorities

Integrated Regional/Local Model

Integrated and aligned activity from community level through to authority and regional scale

Pros	Cons
Adds additional capacity	Requires cultural change and strong buy in from all partners
Minimal disruption	Coordination and sequencing is challenging
Aligned with wider city region deal activity	Requires investment in collaboration infrastructure (e.g. management systems)
Reduced fragmentation over time	

4.3.1 Programme Option Analysis

Impact Criteria (0=None, 1=Low, 2=Medium, 3=High)	Status Quo	Increased Local	Full Restructure	Regional Activity	Integrated
Positive impact for service beneficiaries	2	2	3	2	3
Ease of Transition	3	3	1	2	2
Builds on established good practice	2	2	2	2	3
Targeting progression of disadvantaged groups	2	2	3	2	3
Increases value for money achieved	1	1	2	1	2
Aligned with key growth sectors	2	2	3	3	3
Promotes Regional collaboration	1	1	3	2	3
Contributes to City Region Deal commitments	1	1	3	2	3
Drives service streamlining and agility	1	1	2	2	3
Affordable and sustainable	2	1	3	1	3
Improves Diversity	2	2	3	3	3
COMBINED (# out of 30):	19	18	28	22	31

Figure 4: Programme Options Appraisal

Three options were selected on the basis that each scored more highly than business as usual and generated, on aggregate, a positive score (implying that each of these options is more likely than not to deliver the intended aims and objectives).

4.3.2 Preferred Option

The Integrated Regional /local model compared to the as-is position and other alternatives considered is the preferred option for best public-sector delivery approach moving forwards.

The analysis highlighted that the full restructure and integrated options were both viewed as potentially the most impactful, but the significant disruption and unknowns associated with the full restructure make it difficult to implement. The preferred option will help ensure a more integrated and focused system approach built around the existing labour market system that will facilitate and enable improved:

- Regional Leadership and Improvement Capacity
- Better understanding of Labour Market Need and Opportunity
- Stronger Employer and Citizen Relationships
- More targeted Skills Development and
- More effective Opportunity Matching

4.3.3 Impact of implementing the Integrated Employer Engagement Project

It is anticipated the IEE project proposal will contribute to achieve the following high-level quantitative IRES Programme outcomes over the lifetime of investment.

Stage	Measure	Client Group Target over 8 Years	LA Target over 8 Years ¹¹	Profile over 8 Years ¹¹
1-4	<p>ENHANCED OUTREACH: Improved outreach attracts additional people from following disadvantaged or under-represented groups into the programme</p> <ul style="list-style-type: none"> • People with a disability or enduring health conditions • People in workless or low-income (< 60% median wage) families • Care Experienced and disadvantaged young people • Disadvantaged people within the BME Community • Women entering or advancing within DDI or HCI related careers 	20% increase on baseline established in Year 1		CEC: 32% ELC: 8% Fife: 33% Mid: 5% SBC: 10% WLC: 12%
3-4	<p>EMPLOYMENT: Additional people moving into employment</p> <ul style="list-style-type: none"> • Sustaining employment for at least 13 weeks • Sustaining employment for at least 6 months 	5,300		CEC: 36% ELC: 9% Fife: 29%

¹¹ Profile based the proportion of the regions unemployed (modelled) citizens for employment and low paid (below living wage) citizens (Source Nomis Jul 2017)

Stage	Measure	Client Group Target over 8 Years	LA Target over 8 Years ¹¹	Profile over 8 Years
3-4	<ul style="list-style-type: none"> Enhanced targeting supports additional people from the above disadvantaged or under-represented groups secure and sustain employment 	20% increase on baseline established in Year 1		Mid: 7% SBC: 7% WLC: 13%
4-5	<p>CAREER PROGRESSION: Additional people progressing into and sustaining (13 weeks and 6 months) better employment, earnings and careers</p> <ul style="list-style-type: none"> Moving into higher earning role (Scottish Living wage or above) Moving from existing into Medium to High Skills roles Moving from temporary (insecure) work into a permanent role 	500		CEC: 32% ELC: 8% Fife: 33%
4-5	<ul style="list-style-type: none"> Enhanced targeting supports additional people from the above disadvantaged or under-represented groups into and sustaining better employment 	20% increase from the baseline established in Year 1		Mid: 5% SBC: 10% WLC: 12%
2-5	ENABLERS: Additional accredited training and skills improvements	14,700		
2-5	<ul style="list-style-type: none"> Enhanced targeting supports additional people from the above disadvantaged or under-represented groups achieve skills improvements that unlock latent talents and help secure higher earnings. 	20% increase from the baseline established in Year 1		

Figure 5: Anticipated Programme Outcomes

To ensure that supply side targets remain relevant and are stretching and delivering value for money, each will be refined as the partnership matures and project propositions are developed to implementation stage. It is also intended in the first year of project activity to negotiate with business some key mirror targets for demand side. i.e. key sectors, business size and who are we engaging with to open up such opportunities.

5 Commercial Case

We know that public sector investment in employability and skills provision spanning schools, colleges, universities, National Training Programmes etc. is substantial. It is therefore vital moving forwards that outcomes are maximised and delivered by the most effective and efficient means.

Critical to making progress towards an inclusive labour market will be the creation of the right leadership and collaboration environment to stimulate whole system thinking and a shared commitment to improving the quality and quantity of collective outcomes.

The IEE Project will be underpinned by a “regional skills partnership” consisting of; public, private, third sector and education representatives that will actively shape the regional skills offer to meet the current and future needs of the Edinburgh and South-East Scotland’s labour market and will:

- Use more rigorous use of regional labour market intelligence and performance data to provide a **clarity of purpose** that will influence future profiling and activity to ensure greatest impact for our investment

- Strengthen our **relationships with employers and investors (including Social Enterprises)** to enhance our knowledge, create new opportunities, promote inclusive recruitment and workforce upskilling approaches to help drive future growth and innovation
- Fully exploit the potential to generate **Community Benefits from Procurement** across all the regional partners, which will offer additional opportunities and support for citizens and local businesses from the early phases of City Region Deal implementation
- Enhance access to **higher paid, higher skilled jobs for those from vulnerable and disadvantaged sections of society**. Raising aspirations, developing resilience, and stimulating lifelong career-focused learning and progression routes that will reduce labour market inequalities and increase productivity.
- Drive **improvements in school, college and university curriculum** that are better aligned to the needs of the region's key industries sectors and equip individuals with the skills that are essential for stimulating innovation
- Reduce the practical barriers to a **flexible and mobile workforce** that will enable us to make maximum use of the talent pool throughout the region and minimise skills gaps and shortages

The IEE Project Delivery Group, described in the management case will have operational management responsibility for the IEE Project and all procurement will uphold the overarching principle to achieve best value.

6 Financial Case

Table 1 over shows the planned activities, spend plans and time lines for the period 2019-2027. Spend profiles relate specifically to the range of activities required to successfully deliver the four key sub-themes of the IEE Project over the 3 identified development phases.

Integrated Employer Engagement Activity vs CRD Spend Timeline	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL	BUSINESS /INDUSTRY LEVERAGE	COMMENTS
	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)		
PROJECT MANAGEMENT AND DEVELOPMENT											
IEE Project Delivery Group (virtual management team)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		Partnership meetings (in kind)
Project/Strategy Development (Spend to save)	50.0	90.0	90.0	90.0	90.0	60.0	50.0	0.0	520.0		Staff training, upskilling and accreditation
IEE Communications Strategy	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	40.0		
IEE Website	0.0	40.0	5.0	5.0	10.0	5.0	5.0	5.0	75.0		Link in with IKS Project delivery
Sub-TOTAL:	55.0	135.0	100.0	100.0	105.0	70.0	60.0	10.0	635.0		
ESES City Region Deal Contribution:	55.0	135.0	100.0	100.0	105.0	70.0	60.0	10.0	635.0		
CORE STAFF TEAM COSTS											
IEE Project Manager	26.0	55.0	57.0	59.0	61.0	63.0	65.0	67.0	453.0		Secondments from CRD partners. Review after 3 years
IEE Development Officer	20.0	44.0	46.0	48.0	50.0	52.0	54.0	56.0	370.0		
Community Benefits Officer	20.0	44.0	46.0	48.0	50.0	0.0	0.0	0.0	208.0		
Regional Engagement Officer	20.0	44.0	46.0	48.0	50.0	0.0	0.0	0.0	208.0		
Business Support	16.0	32.0	34.0	36.0	38.0	0.0	0.0	0.0	156.0		
Non-staff project costs	36.0	36.0	36.0	36.0	36.0	20.0	20.0	20.0	240.0		
Sub-TOTAL:	138.0	255.0	265.0	275.0	285.0	135.0	139.0	143.0	1,635.0		
ESES City Region Deal Contribution:	138.0	255.0	265.0	275.0	285.0	135.0	139.0	143.0	1,635.0		
INTEGRATING & POOLING EMPLOYER ENGAGEMENT											
Staff, partner & client engagement events and training	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	200.0		Significant co-production required
Employer Fund	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	40.0		Fund employers bid to change their processes in line with CRD aims e.g. recruitment
Sub-TOTAL:	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	240.0		
ESES City Region Deal Contribution:	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	240.0		
GENERATING & ALIGNING COMMUNITY BENEFITS											
Procurement tracking systems	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	400.0		Based on (current) Benefits pricing model
Staff resource	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		Included in core staff team costs
Community Benefits Charter	0.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0		New initiative
Sub-TOTAL:	50.0	55.0	50.0	50.0	50.0	50.0	50.0	50.0	405.0		
ESES City Region Deal Contribution:	50.0	55.0	50.0	50.0	50.0	50.0	50.0	50.0	405.0		
RECRUITMENT & SKILLS CENTRES NETWORK											
Operational developments	0.0	60.0	80.0	70.0	45.0	0.0	0.0	0.0	255.0		Includes scope for legal contracts; potential front-loading of rents. Non recurring costs.
Pop-up centres	30.0	60.0	80.0	60.0	40.0	20.0	20.0	20.0	330.0		
Sub-TOTAL:	30.0	120.0	160.0	130.0	85.0	20.0	20.0	20.0	585.0		
ESES City Region Deal Contribution:	30.0	120.0	160.0	130.0	85.0	20.0	20.0	20.0	585.0		
TOTAL:	303.0	595.0	605.0	585.0	555.0	305.0	299.0	253.0	3,500.0		
ESES City Region Deal Contribution TOTAL:	303.0	595.0	605.0	585.0	555.0	305.0	299.0	253.0	3,500.0		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27			

Table 1 IEE Proposed Financial Profile

Table 1 should be read in conjunction with Table 2 in the Management Case detailing Phase 1 and 2/3 of the IEE Project plan activity.

7 Management Case

At the core of the project will be the IEE Project Delivery Group that will deliver progress towards project objectives and work with the IRES Board and other project leads to support the delivery of the wider IRES programme goals. The IEE Project Delivery Group will be responsible for overseeing the planning, implementing, reviewing, and refining of the employer engagement activity to ensure it delivers the change and inclusive growth ambitions for the ESES City Region Deal. This group is already well established and has been meeting regularly to develop the proposal. The group is chaired by a representative from City of Edinburgh Council given the local authority’s lead role in taking forward developments. Membership of the group is as follows:

Role	Organisation or Group	No.
Chair/Vice-Chair	City of Edinburgh Council	1
Delivery Partners	Local Authorities: City of Edinburgh, East Lothian, Fife, Midlothian, Scottish Borders, West Lothian	6
	Public Bodies: Capital City Partnership, Department of Work and Pensions, Developing the Young Workforce, Skills Development Scotland	4
	Further and Higher Education: College representative, University representative	2
Business and Inclusion Representatives	Sectorial Representation, DDI, HCI, etc	x
<i>Note: lead members from other IRES themes would attend the delivery group as and when necessary to ensure compatibility across IRES objectives and engage with specific aspects and sub-themes</i>		

Figure 6. IEE Project Delivery Group Composition

City Region Partners have agreed to nominate and ensure appropriate representation on the IEE Project Delivery Group to take forward all matters of Project Business. This will include Business Case and Project Implementation Planning particularly in the early stages of developments. Partners have also agreed the Project Lead to drive and progress development, and to report on progress. Partners acknowledge that Project Leads may change on a rotating basis over the lifecycle of the project, subject to business demands and dependent upon availability of expertise.

The Project Delivery Group will meet as required to develop project activity, and will be supported by the IRES Programme Management Office representatives and other partner organisations, or through opt in, together with subject experts and stakeholders (including industry representatives, or community interests) as required.

The IEE Project Delivery Group reports to and is accountable to the Integrated Regional Employability and Skills (IRES) Board. The accountable body for delivery of the IEE Project will be Capital City Partnership through a delivery agreement with the ESES City Region Deal Lead Accountable Body (City of Edinburgh Council) with strict monitoring of IEE Project progress within an approved agreement framework.

Procurement representatives from each local authority have established a working group, the purpose of which is to work collaboratively to identify, agree and establish a shared approach to community benefits through procurement.

Once implemented, this approach will strengthen the combined 'buying power' of the 6 local authorities resulting in opportunities for our most vulnerable citizens being maximised. The development of this set principles will be subject to agreement through the appropriate ESESCRD decision-making channels, which all partner local authorities will pledge to adopt.

The Procurement group will create a Memorandum of Understanding (MOU) which will form a pledge between the 6 local authorities agreeing a commitment to the shared approach to community benefits through Procurement.

The Procurement group will feed progress into the IEE Project Delivery Group for reporting to the IRES Board on an ongoing basis.

7.1 IEE Operational Management

The IEE project is a change programme with the intention that any new activity introduced will, throughout the project lifecycle, become the norm.

Capital City Partnership (CCP) are already an established Arm's Length External Organisation (ALEO) and main delivery body for the city's employability strategy and programme. Proposals are to build on this approach and bring more key agencies and employers together to help move more people into employment.

It is proposed to undertake changes on a phased basis to ensure that services provided to businesses and clients remain seamless, whilst driving steady improvement in the outcomes delivered.

7.2 Stage and Gate Approach to Management

A Stage and Gate Approach will be used to ensure that IEE funding is meeting the intended objectives. Close working relationships across the IEE Project Delivery Group and the IRES Board will enable ongoing assessment and evaluation linked to funding approvals and evaluation. This metric-based approach will support a continuous improvement model that allows Management to react swiftly to any obstacles or issues and ensure emphasis on the change objectives through structured reviews and targeted measures of progress that help reach Project goals.

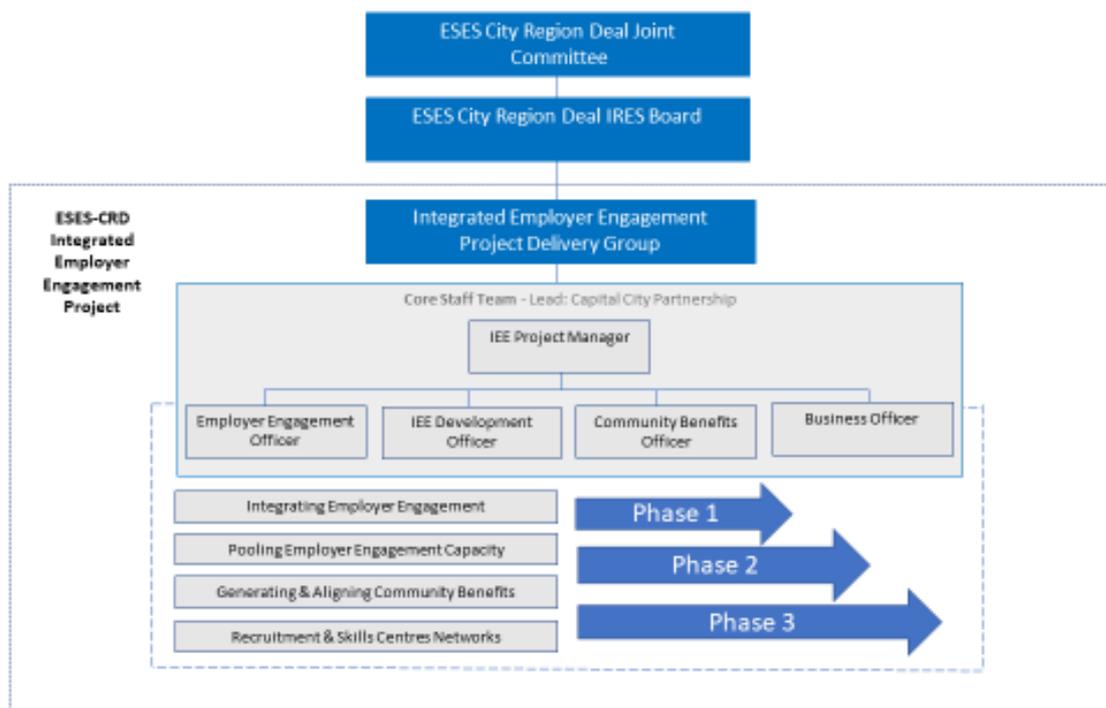


Figure 7. Proposed IEE Strategic and Operational Management Structure

The core IEE staff team will be based initially at CCP offices in Edinburgh with a remit across the wider City Region area and will work closely with the IEE Project Delivery Group. All posts will be employed by Capital City Partnership, who will also take on the necessary contractual, HR and pension responsibilities. Temporary secondments to the team from employer engagement staff from within ESECRD partners are strongly recommended, and will be encouraged, to ensure business as usual whilst facilitating cultural change.

Contracts will be for a three-year fixed term period to attract candidates whilst providing continuity of employment and ensure organisational capacity to manage conversion to mainstream. Staff roles are outlined as follows:

IEE Project Manager will provide overall day to day management of the strategy and delivery of the aims and objectives of the IEE Business Case, including developing implementation plan and working with the Project Board. The post holder will require to have the vision to lead on changes to current funding and systems approaches whilst also attracting leverage where possible. It is anticipated the manager will spend a lot of time maintaining relationships with funders, stakeholders, board and other themes leads. The manager will have operational line management responsibility for other core team members.

IEE Development Officer will focus on the one stop employer offer, supporting each region on developing a set of agreed service standard principles and ‘no wrong door’ approach. Emphasis will be on producing branding and marketing materials including online resources where relevant. This post will also look at supporting the apprenticeship levy and other employer support initiatives.

Community Benefits Officer will work across the six regions with stakeholders to develop a cohesive approach to community benefits, including where community benefits can support

employability and provide links to the Integrated Knowledge marketplace model. New systems development and alignment will also link into this role.

Regional Engagement Officer will provide the link to recruitment skill centre models, supporting the initial FUSE development to understand the relationship with the developer, recruitment requirements and wider business improvement protocols. This post will work on regional pop-ups to support FUSE and then link this back to regional outlets, with a focus predominately on Fife and West Lothian.

7.3 Project Plan

There is already international recognition of the partnership arrangements involving third, private and public sector organisations working to achieve inclusive growth¹². Plans are to build on this approach and harness the co-operation of greater numbers of employers to tackle exclusion and disadvantage over 3 progressive stages.

Phase 1 (2019 to 2021): Stakeholder engagement

This will involve significant co-production and co-design with stakeholders, service providers and service users to create a new way forward, bringing together systems and partnerships which are useable and more efficient in terms of investment and people's time.

The focus throughout will be on reducing worklessness and poverty through the provision and sharing of appropriate employability interventions, accessible for those living in the SES City Region's most deprived areas.

The aim is to offer a joined-up service that can be accessed through one interface, building a more regional and more integrated business model.

Key activities in Phase 1 will be to:

- Establish a virtual team which will develop an improved integrated and joined-up approach, operating across all 6 local authority areas.
- Identify the resource required to effectively coordinate and manage the introduction of the integrated activity across the region. Resourcing is recommended through recruitment secondment, however over the period of the Project it should become self-sustaining.
- Build on the learning from the Regional Improvement Collaboratives to inform wider stakeholder decision-making and support development.
- Undertake an extensive programme of local authority Economic Development staff, partner, and client engagement activity to ensure these groups are fully involved in designing future service delivery, including improved branding and more staff on message to deliver the changes.

¹² Joined up for jobs – joined up for business - <https://www.joinedupforjobs.org/about>

- Develop a range of engagements with employers of all types to promote Fair Work and the Scottish Living Wage to increase the flow of disadvantaged groups into good employment.
- Build on current links with Fairstart and Developing the Young Workforce to embed best practice across the partnership.
- Develop a clear, detailed implementation and communications strategy to publicise the roll-out of the new integrated employer engagement approach operating across all 6 local authority areas and partners. This communications strategy will link with the over ESES City Region Deal Communications Strategy.
- Develop and launch a new integrated employer engagement website in line with the Integrated Knowledge Management Information system; and linking in with existing partner web presence where appropriate.
- Develop and establish a City Region Deal approach to shared community benefits in procurement for community benefits that will operate consistently across the City Region for all City Region Deal projects.
- Build on existing Recruitment and Skills Centre initiatives to expand the range and quality of opportunities and events, including pop-ups across the region targeting the most vulnerable in our communities.
- Review and refine supply and demand side targets to ensure that they remain relevant to the inclusion challenges of the region.
- Promote the economic benefit of Fair Work and negotiate with business some key targets for demand i.e. key sectors, business size and who are we engaging with to open up such opportunities.

Phase 2 (2021 to 2024): Consolidating the Changes

Proposed activities include:

- Launch the agreed approach and strategy for community benefits in procurement that will operate consistently across the City Region for all region wide projects.
- Build on existing Recruitment and Skills Centre initiatives to expand the range and quality of opportunities and events including pop-ups across the region targeting the most vulnerable in our communities as new developments come on stream.
- Review progress on all aspects of the Integrated Employer Engagement project and develop further plans to mainstream activity as improved business as usual.

Phase 3 (2024 to 2026): Fully Integrated Employer Engagement Service

As the Project progresses to Phase 3, an integrated employer engagement approach across the region will become embedded 'business as usual'. This approach will do more to provide the right help for people of all ages, and particularly for those further from the labour market, whilst aligning with both local and national approaches.

7.4 Summary

Proposed project phasing and implementation for the IEE Project is detailed in Table 2 below.

Integrated Employer Engagement	PHASE 1 - 2019 to 2021 - STAKEHOLDER ENGAGEMENT										PHASE 2/3 - CONSOLIDATING THE CHANGES -2021 to 2026									
	2019/20				2020/21				2021/22		2021/22	2022/23		2023/24		2024/25		2025/26		2026/27
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2
PROJECT MANAGEMENT AND DEVELOPMENT	PROJECT MANAGEMENT AND DEVELOPMENT										PROJECT MANAGEMENT AND DEVELOPMENT									
IEE Project Delivery Group (Virtual management team)	Embedded										Review									
Project/Strategy Development (spend to save)											Shift to Mainstream									
IEE Communications Strategy											Shift to Mainstream									
IEE Website											Shift to Mainstream									
CORE STAFF TEAM COSTS	CORE STAFF TEAM COSTS										CORE STAFF TEAM COSTS									
IEE Project Manager											Shift to Mainstream									
IEE Development Manager											Shift to Mainstream									
Community Benefits Officer											Shift to Mainstream									
Regional Engagement Officer											Shift to Mainstream									
Business Support											Shift to Mainstream									
Non-staff project costs											Shift to Mainstream									
INTEGRATING & POOLING EMPLOYER ENGAGEMENT	INTEGRATING & POOLING EMPLOYER ENGAGEMENT										INTEGRATING EMPLOYER ENGAGEMENT									
Staff, partner & client engagement events and training											Shift to Mainstream									
Employer Fund											Shift to Mainstream									
GENERATING & ALIGNING COMMUNITY BENEFITS	GENERATING & ALIGNING COMMUNITY BENEFITS										GENERATING & ALIGNING COMMUNITY BENEFITS									
Procurement tracking systems	Roll out										Shift to Mainstream									
Staff resource											Shift to Mainstream									
Community Benefits Charter											Shift to Mainstream									
RECRUITMENT & SKILLS CENTRES NETWORK	RECRUITMENT & SKILLS CENTRES NETWORK										RECRUITMENT & SKILLS CENTRES NETWORK									
Operational developments											Shift to Mainstream									
Pop-up centres											Shift to Mainstream									
SUB THEME REVIEWS	Review										Mid Project Review									
											Review									
											Review									
											End report									
Integrated Employer Engagement	Integrated Employer Engagement										Integrated Employer Engagement									
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2

Table 2 Project Phasing - Implementation to mainstream

7.5 Risk Mitigation Plan

Risk management is an integral feature of the IEE Project and the project risk register ANNEX B is regularly updated. All risks at project level will be identified and mitigation measures put in place and monitored as part of the quarterly progress monitoring and annual review processes required by the IRES Programme Board. The IEE Delivery Group and ultimately the IRES board will regularly review project progress with decisions made on continuation, adjustment or withdrawal of funding.

ANNEX A: IEE PROJECT ELEMENTS

Integrating Employer Engagement: Establishing a set of values and operating principles to ensure wider access to employers, promote a 'no wrong door' approach and avoid the confusion of duplicated offers from multiple partners

- Employers have a 'no wrong door' offer to access the network of recruitment, training and business growth support to cut through the maze of public and third sector offers
- Streamline Joined Up for Business partnership approach with capacity to offer a bespoke solution as and when required
- By creating a shared understanding of employers' skills needs partner agencies will be able to respond more to anticipate and help meet their recruitment requirements.
- All employer facing staff across the Region will be trained on the shared 'offer to employers' with a full understanding of the key services that are on offer from each of the organisations within the network
- An A-Z of services etc will be developed for the Region as a supporting tool for all employer facing staff
- Better use of labour market intelligence will increase understanding & response to recruiting businesses, practices, issues, solutions

Pooling Employer Engagement Capacity: To organise engagement and co-ordinate activity with employers, such as response to large-scale recruitment requirements, capacity building and a greater geographical response to PACE activity

- Enable partners to work more closely together so that clients are best prepared for the employment or work placement opportunities that become available.
- Enable partners to anticipate demand from an earlier point and give clients advice on upcoming opportunities.
- Build a common- cross-boundary framework and process to support clients/job seekers to access the full regional travel to work area
- Better informed employability providers who can guide and support clients on making work choices that are current and relevant
- Hold cross-boundary (travel to work area) recruitment support events instead of only LA boundary restricted events

Generating and Aligning Community benefits: Using procurement process to ensure the expenditure of the partners fully utilises any opportunity to drive inclusive growth

- Build a common, cross-boundary framework and process to support clients/job seekers to access the full travel to work area, and not simply a restricted geographical area that pertains to one LA.
- Opportunity to design a clear Regional timeline highlighting opportunities to allow a co-ordinated approach to the design of a programme of pre-employment training by employability providers, colleges and universities.

- An agreed menu of options for community benefits which has been consulted on by all beneficiaries with improved ability to measure deliverables and impact of Community Benefits.
- Improved opportunities for individuals from SIMD areas and disadvantaged backgrounds to progress towards employment opportunities which come out of City Region Deal projects (e.g. housing construction).
- Provide a more accessible co-ordination point for employers throughout the Region.
- Ensure support, tracking and monitoring of contractors regarding the fulfilment of their community benefit obligations.
- Ensure greater alignment and access to third sector provision.

Recruitment & Skills Centres Network: Building on existing centres at Edinburgh Airport and Fort Kinnaird, in other key geographical areas. Supporting the recruitment and training needs of business in concentrated areas; supporting specific industries such as retail and hospitality; while creating talent pools for the Skills Gateway project (DDI and HCI).

- This will provide additional benefits to employers by focusing the efforts of partner organisations to better meet their skills and recruitment needs. By creating a dedicated resource, in areas where there are or will be job opportunities, employers can access a greater pool of talent more easily and more quickly.
- Provide a single point of contact and a consistent service to employers who are seeking to Recruit, Train or grow their workforce across the Region with the ability to have bespoke offers to employers to match specific or local needs.
- Employer skills needs anticipated and met prior to this becoming a skills gap while ensuring fair and inclusive recruitment offers and opportunities for all.
- Build up expert knowledge to act as an 'expert domain' to the employability network for recruitment support
- Provide a focal point for employability providers to access jobs and opportunities for their clients
- Set up a regional response for pre-recruitment training to support Industry recruiting sectors
- Provide additional capacity to promote, service and support Regional recruitments e.g. Edinburgh St James
- Expand the reach of the networks to create a new, joint partnership ensuring a consistent service across the Region

ANNEX B: IEE RISK MATRIX (Updated 2 April 2019)

Risk	Mitigation Measures
<p>Project fit and impact - developments in the economy, operational environment, performance factors, or good practice developments mean projects within the programme (or existing services) are no longer required in their current format or there is evidence of under/over provision.</p>	<p>Impact measures will be regularly reviewed by project team and reported to the IRES Board to ensure target objectives are being met.</p> <p>Implications of Brexit monitored on a daily basis.</p> <p>The partnership will conduct a mid-programme evaluation in 2021 to check the direction of travel is still right.</p>
<p>Programme and project management capacity - Inadequate programme or project management results in failure to deliver agreed outcomes</p>	<p>As above with options considered to review, increase or decrease any aspect of service delivery at any time.</p>
<p>Disadvantaged citizens and low-income families benefit from the change - disadvantaged citizens and families (or under-represented client groups) do not see tangible long-term benefits from the IEE project.</p>	<p>Building capacity of IEE networks from early stage of project inception will result in wider community engagement.</p> <p>Links with local authority employability teams and Fairstart providers locally will enhance provision.</p> <p>More evident formal links establishing across HCI Skills Gateway.</p>
<p>Private sector investment and support for inclusion - buy-in and investment cannot be achieved reducing future impact and sustainability of interventions</p>	<p>Private Sector representation on IEE Delivery Group at strategic level ensuring close monitoring.</p> <p>Economic Benefits of Fair Work a major topic for Private sector engagement</p>
<p>Mainstreaming of Activity - successful activities or changes in practice initiated by the IEE Project are not mainstreamed reducing the impact of ESSES City Region Deal funding.</p>	<p>Key intention of the project is to bring about cultural change. Phasing of project deliverables weighted across years 1-3 with resource input reducing years 4-8 to accommodate mainstream shift. Progress regularly reviewed by IEE Delivery Group and IRES Board.</p>
<p>Private Sector Displacement - potential displacement of recruitment agencies throughput as a result of development / introduction of improved IEE activity.</p>	<p>Collaborative partnership working already engaging private and third sector operators. Enhanced communication and clarity of understanding of roles to avoid displacement.</p>

Edinburgh and South East Scotland City Region Deal

10 am, Friday 7 June 2019

Workforce Mobility Proposition

Theme project within **Integrated Regional Employability and Skills (IRES)** Programme

Item number	5.6
--------------------	-----

Executive Summary

It is widely recognised that transport connectivity impacts on the ability of vulnerable citizens to sustain learning, training and work. The Workforce Mobility project is a key part of the Integrated Regional Employability and Skills (IRES) Programme and the project aims to incrementally strengthen and streamline regional delivery to achieve better outcomes for the whole region.

The project links strongly to the overall programme vision of Edinburgh and South-East City Region and especially the development of a more '*connected*' and '*inclusive*' city region economy. Most particularly for those people facing significant disadvantages to securing and sustaining meaningful, high quality employment.

This report seeks approval to implement the Workforce Mobility project as detailed in the accompanying business case proposal.

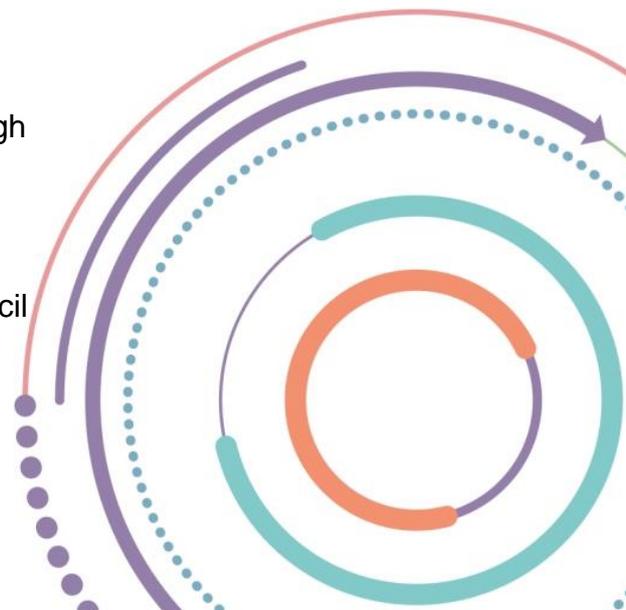
Angela Leitch

Chair, Integrated Employability and Skills Board, Edinburgh
and South-East Scotland City Region Deal

E-mail: aleitch@eastlothian.gov.uk | Tel: 0162 0827413

WM Lead Contact: Douglas Scott, Scottish Borders Council

E-mail: dscott@scotborders.gov.uk Tel: 01835 825155



City Region Deal Checklist

Criteria	Details/Link to Document
Contribution to City Region Deal commitments and Inclusive Growth Framework	The IRES Programme's Workforce Mobility (WM) Project is a cross cutting programme supporting the inclusive growth ambitions of the partnership and helping to unlock new talent pools for business and provide disadvantaged citizens with improved access to the skills they need to succeed.
Alignment, integration with, or dependence on, other City Region Deal activities	<p>The WM project is part of the IRES programme and fits within its series of thematic pillars.</p> <p>Interventions proposed within the programme will help maximise the value realised from other City Region Deal investments and ambitions by supporting the creation of a diverse and well skilled population that can benefit from and help drive the future growth of the regional economy.</p>
Scale and regional distribution of expected outcomes, benefits, and leverage, from activity	<p>The WM Project will deliver a more integrated and focused system approach built around the existing labour market system that will facilitate and enable improved:</p> <ul style="list-style-type: none"> • Strategic integration of transportation and employability planning • Operation of the South East Scotland labour market in terms of linking supply and demand • Access to training, education and employment by young and disadvantage people <p>Approaches to transportation and accessibility, particularly in more rural areas</p> <p>The WM project will contribute to achieve the wider IRES programme objectives of an additional 14,700 people with improved skills and 5,300 moving into employment over the course of the investment period.</p>
Compliance with financial requirements and agreed expenditure profile	The WM Project Business Case complies with financial requirements and profile.
Equalities Impact	See cover report.
Anticipated significant risks and mitigation measures	As detailed in the WM Project Business Case, a risk and mitigation matrix has been prepared and will be updated as the project develops.
Alignment and fit with City Region Deal governance arrangement	The WM Project, as detailed in the Project Business Case, is fully integrated with current City Region Deal governance arrangements.
PMO check	All information provided.
Government approval	Scottish Government signed off on IRES Programme Business Case on 30 November 2018, of which the WM Project is a key component.
Partner sign-off	All partners involved in developing the shared Business Case proposal.
Advisory Board sign-off	The report was approved by the IRES Board at its meeting on 29 April 2019
Executive Board sign-off	The report was approved by the Executive Board at its meeting on 21 May 2019
PMO Recommendation	That Committee approves implementation of the IRES Programme's Workforce Mobility Project as set out in the Business Case

Workforce Mobility Proposition

1. Recommendations

It is recommended that:

- 1.1 The Workforce Mobility Project, as detailed in the accompanying project proposition, are approved.
- 1.2 The accountable body for delivery of the Workforce Mobility Project will be Scottish Borders Council through a delivery agreement with the ESES City Region Deal Lead Accountable Body (City of Edinburgh Council), with strict monitoring of project progress within an approved agreement framework.
- 1.3 Funding is allocated in principle in accordance with the financial projections contained in this report and accompanying business case and subject to ongoing monitoring and review by the IRES Board.

2. Background

- 2.1 Edinburgh and South-East Scotland's regional labour market is a low unemployment, high inequality environment, with significant issues of entrenched and persistent poverty and disadvantage, while the mechanisms available at regional level to tackle these inequalities and fully exploit the potential of the economy are weak.
- 2.2 The ESES City Region Deal provides an opportunity to develop a collaborative approach that enhances our capacity and capability to tackle these inequalities and support the partners' ambition of inclusive growth.
- 2.3 The workforce mobility landscape is extremely complex and public interventions are often failing in meeting the labour market needs and opportunities in the region
- 2.4 The Workforce Mobility project is one of seven change projects outlined in the IRES Programme Business Case¹ and aims to increase the flow of disadvantaged groups into good employment.
- 2.5 The project will help build the capacity and cohesion across partners to fully address the skills shortages and gaps that could impact the inclusive growth potential of our economy.

¹ <http://www.acceleratinggrowth.org.uk/ires>

3. Main report

- 3.1 There is already a broad range of transport subsidy schemes operating across the City Region however these are often fragmented and sometimes restrictive in their use. To broaden the labour market and to increase employment flexibility throughout, there is a need to find ways to reduce this problem.
- 3.2 The Workforce Mobility project is a change programme with the intention that any new activity introduced will, throughout the project lifecycle, become the norm. The project provides a focus to removing the employability related barriers to full mobility faced by the regional workforce and aims to:
- **Gain intelligence on current and latent demand patterns** for the job-seeking disadvantaged individuals throughout the region that supports the case for new travel solutions to open up new talent pools
 - **Integrate and augment existing concessionary travel and other transport support** to better focus and combine subsidies for disadvantaged groups, particularly young people and weave them into a tailored support package
 - **Inform the development of a unified smart infrastructure** that improves the efficiency of travel schemes (including school, school-college transport, and disability), while reducing the administrative burden and cost of concessionary travel schemes
- 3.3 All will be co-ordinated from an Integrated Regional perspective resulting in a more focussed and streamlined employability support network that will ensure greater numbers of local people are able to access the wealth of employment and training opportunities that the City Region Deal will make available.
- 3.4 Within the scope of current investment the Workforce Mobility Project aims to help deliver over time, improved employability and skills support that is accessible to everyone regardless of their background and enable more people to participate successfully in the labour market bringing benefits to the whole economy.
- 3.5 It is proposed to undertake changes on an incremental phased basis to ensure the services provided currently are not disrupted and where possible drive steady improvement in the outcomes delivered.

PHASE 1 RESEARCH & DEVELOPMENT

Aims to gain greater intelligence on current and latent demand patterns for the job-seeking disadvantaged individuals throughout the region that supports the case for access and transport improvements to open up new talent pools.

Also to identify ways to better integrate and augment existing concessionary travel and to better focus and combine subsidies and other transport support for young people and disadvantaged groups, and weave them into a tailored support package that can be piloted.

This phase will involve significant co-production and co-design with stakeholders, service providers and service users to create a new way forward, bringing systems and partnership together with a clear focus to improve transportation and accessibility to training, education and employment that will help reduce worklessness and poverty.

PHASE 2 IMPLEMENTATION OF PILOT INITIATIVES

Implementation of pilot initiatives for access and transport that can be evaluated and continue the development of collaborative initiatives aimed at access and transportation improvements within the City Region.

PHASE 3 EVALUATION & REVIEW

Evaluate and review pilot developments undertaken in phase 2 and progress of collaborative initiatives to support mainstreaming.

PHASE 4 MAINSTREAMING

Implement improvements as business as usual.

4. Financial impact

- 4.1 Scottish Government have allocated £25million of grant funding which that will be made available over the next eight years to develop and deliver the aspirations set out in the IRES Programme Business Case.
- 4.2 It is proposed the Workforce Mobility is allocated £2.0 million in principle over this period as illustrated subject to ongoing monitoring and review by the IRES Board.

2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
£40,000	£80,000	£82,000	£491,000	£557,000	£360,000	£240,000	£150,000	£2,000,000

- 4.3 Ongoing performance reviews and evaluation will be undertaken to qualify and quantify the impact made by the service.

5. Equalities impact

- 5.1 An Integrated Impact Assessment will be conducted and updated throughout this process with progress regularly reported at Project Board meetings.
- 5.2 The Workforce Mobility project proposal is an integral part of this wider IRES Programme and it is anticipated that it will generate significant inclusive growth benefits, including:

- Increased number of young and disadvantaged people engaged in job searching, education/training, gain a qualification, or are in employment (including self-employment) upon leaving
- Increased number of young and disadvantaged people in workless, lone parent or low-income households with improved skills

6. Background reading/external references

- 6.1 [Edinburgh and South-East Scotland City Region Deal Document, August 2018](#)
- 6.2 [An Integrated Regional Employability and Skills Pipeline for the Edinburgh City Region, Programme Business Case for Investment, December 2018.](#)

7. Appendices

- 7.1 Workforce Mobility Project Proposition



ESES City Region Deal IRES Programme

Workforce Mobility Project Proposition

ACCELERATING GROWTH

EDINBURGH AND SOUTH EAST SCOTLAND
CITY REGION DEAL

Contents

1.	Introduction	4
1.1	About this Document	4
2.	Project Vision	4
2.1	Overview of the Workforce Mobility Project	4
2.1.1	Outcomes and Benefits	5
3.	Strategic Case	6
3.1	PART A: The Strategic Context	6
3.1.1	National Context and Strategy Alignment	6
3.1.2	Strategic Alignment across the IRES Programme	7
3.2	PART B: The Case for Change	7
3.2.1	Existing Arrangements, Challenges & Business Needs	8
3.2.2	Objectives and Benefits	9
3.2.3	Scope of Investment Requirements	10
3.2.4	Risk Management	10
3.2.5	Constraints	10
3.2.6	Dependencies	10
4.	Economic Case	10
4.1	Labour Market Context and Gap Analysis	10
4.1.1	The Change we want to Effect	11
4.2	Identification of Options	11
4.3	Appraisals Approach	11
4.3.1	Programme Option Analysis	13
4.4	Preferred Option	13
4.4.1	Impact of implementing the Workforce Mobility Project	13
5.	Commercial Case	14
5.1	Possible Development Propositions within Integrated Hybrid Model	15
5.1.1	Proposition 1 – Business as Usual	15
5.1.2	Proposition 2 – Universal Comprehensive Transport Subsidy	15
5.1.3	Proposition 3 – Carrying out Pilot Initiatives	16
5.2	Conclusion	18
6.	Management Case	18
6.1	Project Management	19
6.2	Project Plan	20
6.3	Summary	22

6.4 Stage and Gate Approach to Management.....	22
6.5 Risk Mitigation Plan.....	22
7. Financial Case.....	23
ANNEX A: WORKFORCE MOBILITY PROPOSITIONS IDEAS	25
Preliminary Feasibility Analysis and Development.....	25
Discussion Paper on Workforce Mobility for Young People aged 16-25 participating in Modern Apprenticeships and living in rural areas of the Region	27
Connection between Workforce Mobility and Other City Region Deal Themes	28

1. Introduction

1.1 About this Document

This Project proposition sets out a detailed case for investment in a Workforce Mobility Project as part of the Integrated Regional Employability and Skills (IRES) Programme and should be considered in conjunction with the IRES Programme Business Case.

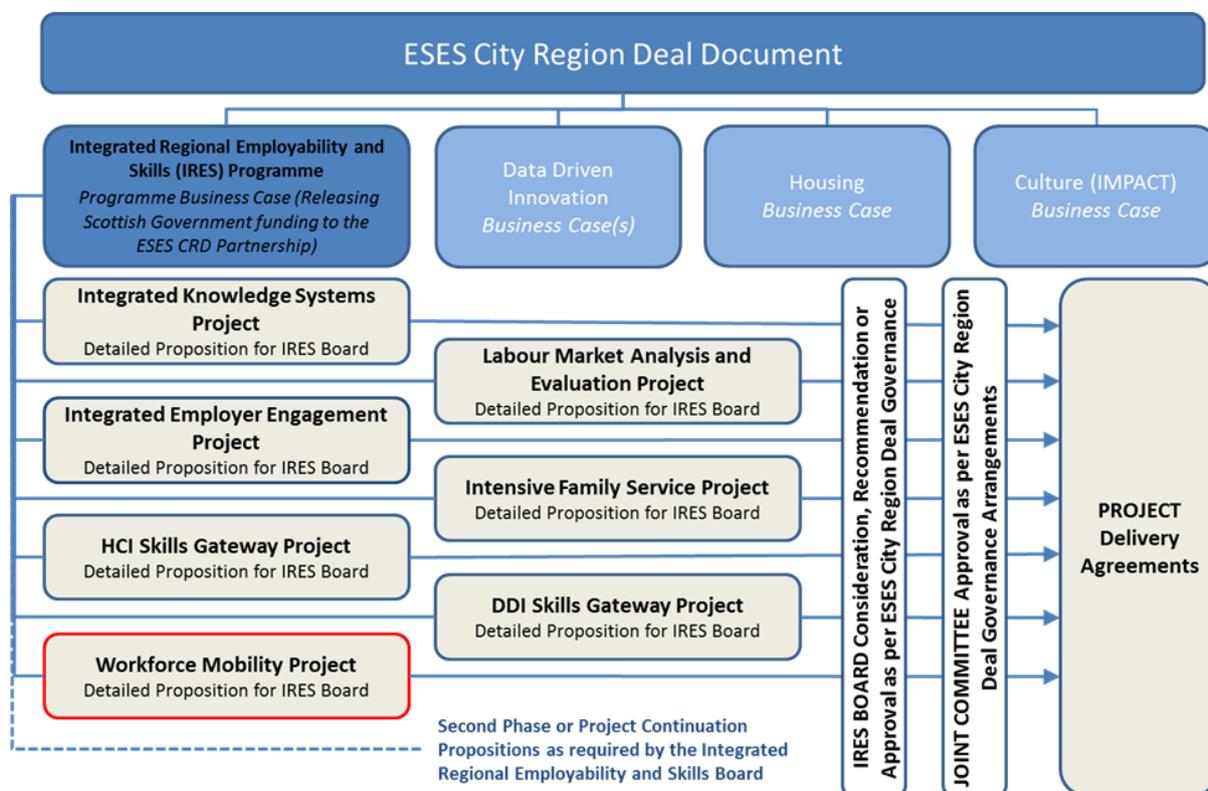


Figure 1 Workforce Mobility Project Proposal in the context of the ESES CRD IRES Programme

2. Project Vision

It is widely recognised that transport connectivity impacts on the ability of vulnerable citizens to sustain learning, training and work. The Workforce Mobility project is a key part of the Integrated Regional Employability and Skills (IRES) Programme and the project aims to incrementally strengthen and streamline regional delivery to achieve better outcomes for the whole region. The project links strongly to the overall programme vision of Edinburgh and South-East City Region and especially the development of a more ‘connected’ and ‘inclusive’ city region economy. Most particularly for those people facing significant disadvantages to securing and sustaining meaningful, high quality employment. Also delivering better impact from existing public, private and third sector investments.

2.1 Overview of the Workforce Mobility Project

The current workforce mobility landscape is extremely complex and public interventions are often failing in meeting the labour market needs and opportunities in the region.

Mobility challenges cut across Employability and Skills, Innovation, Transport and the wider policy areas and as such the ambition must be shared and owned across the City Region Deal partners and

stakeholders including citizens and employers to ensure that interventions are mutually supporting and sustainable.

Regular travel by public transport across the city region can be expensive, especially for those travelling long distances, coming from rural areas, or for those that are already disadvantaged in terms of income.

There is already a broad range of transport subsidy schemes, Young Scot, DWP Discount Travel Scheme and Local Authority Taxi-card scheme for those with a disability however these are often fragmented and sometimes restrictive in their use. To broaden the labour market and to increase employment flexibility throughout the city region there is a need to find ways to reduce this problem.

The extreme challenges in taking forward the multiplicity of ambitions within the current resources available are acutely recognised.

This project provides a focus to removing the employability related barriers to full mobility faced by the regional workforce. The Workforce Mobility project therefore aims to:

- **Gain intelligence on current and latent demand patterns** for the job-seeking disadvantaged individuals throughout the region that supports the case for new travel solutions to open up new talent pools
- **Integrate and augment existing concessionary travel and other transport support** to better focus and combine subsidies for disadvantaged groups, particularly young people and weave them into a tailored support package.
- **Inform the development of a unified smart infrastructure** that improves the efficiency of travel schemes (including school, school-college transport, and disability), while reducing the administrative burden and cost of concessionary travel schemes

All will be co-ordinated from an Integrated Regional perspective resulting in a more focussed and streamlined employability support network that will ensure greater numbers of local people are able to access the wealth of employment and training opportunities that the City Region Deal will make available.

2.1.1 Outcomes and Benefits

The Workforce Mobility Project will help drive a more proactive, regional and sectoral specific approach to early skills and new skills development appropriate to local labour market conditions.

The focus will be on reducing worklessness and poverty through better alignment of existing resources to target disadvantage and it is intended that more local people will be engaged in the opportunities available. An improved business as usual approach will open up and provide direct linkage to new job gateways where there are current skills gaps, future skills gaps and where new skills are demanded.

The Workforce Mobility Project will contribute to the aims of the IRES programme by helping to:

- extend labour market opportunities for disadvantaged people particularly those living in more rural areas
- provide sustainable ways of reducing the cost of travel which is a key constraint in accessing employment, training and education opportunities
- make it easier for disadvantaged people including young people to connect to different types of transport to access employment, training and education opportunities

- work with businesses, social enterprise and public sector partners to develop ways of improving workforce mobility
- support workforce mobility requirements in other IRES propositions namely, Intensive Family Support, Targeted Skills Development (Data Driven Innovation and Housing Construction & Infrastructure) and Active Opportunity Matching.

3. Strategic Case

The Project strategic case is set out in two parts:

Part A: The Strategic Context – establishes the Workforce Mobility Project Proposals from a Scottish Government and ESES City Region perspective.

Part B: The Case for Change – describes the existing arrangements and summarises the objectives to be addressed by the project including investment needs, operational risks, constraints and dependencies.

3.1 PART A: The Strategic Context

3.1.1 National Context and Strategy Alignment

Scotland's Economic Strategy (Scottish Government, 2015)¹ sets out the Scottish Government's purpose "to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth" and has two key goals: increasing competitiveness, and tackling inequality.

Allied to this, the Creating a Fairer Scotland (Employability)² policy seeks to promote greater fairness and equality in employment while also driving continuous service improvement through strong, productive partnerships.

No One Left Behind, Next Steps for the Integration and Alignment of Employability Support in Scotland³ urges the need to incrementally develop an integrated regional employability and skills system that is more:

- flexible, tailored, and takes a 'whole person' approach
- straightforward for people to navigate
- better integrated and aligned or interwoven with other supporting services
- provides pathways into sustainable and fair work
- is driven by evidence to supports people into the right job at the right time
- designed, delivered, and improved in partnership

¹ Scotland's Economic Strategy, Scottish Government, 2015, <https://beta.gov.scot/publications/scotlands-economic-strategy/>

² Creating a Fairer Scotland: A New Future for Employability Support in Scotland, Scottish Government, <https://beta.gov.scot/publications/creating-fairer-scotland-new-future-employability-support-scotland/>

³ No One Left Behind - Next Steps for the Integration and Alignment of Employability Support in Scotland, Scottish Government, <https://www.gov.scot/Publications/2018/03/5358/downloads>

- responsive to those with high needs (e.g. young care leavers, workless, and those in low paid or insecure jobs) who are at major risk of missing out on the benefits of economic growth
- minimises skills shortages and gaps or gender imbalances in our key growth sectors, while promoting greater workforce diversity

3.1.2 Strategic Alignment across the IRES Programme

The Workforce Mobility Project aims to resolve some of these workforce accessibility issues facing disadvantaged groups in South East Scotland. The project links strongly to support Targeted Skills Gateways for Data Driven Innovation (DDI); Housing and Construction & Infrastructure (HCI) and Intensive Family Support proposals. This ensures that maximum value is generated from wider City Region Deal investments by supporting the creation of a diverse and well-skilled population that can benefit from, and help drive, the future growth of the regional economy⁴.

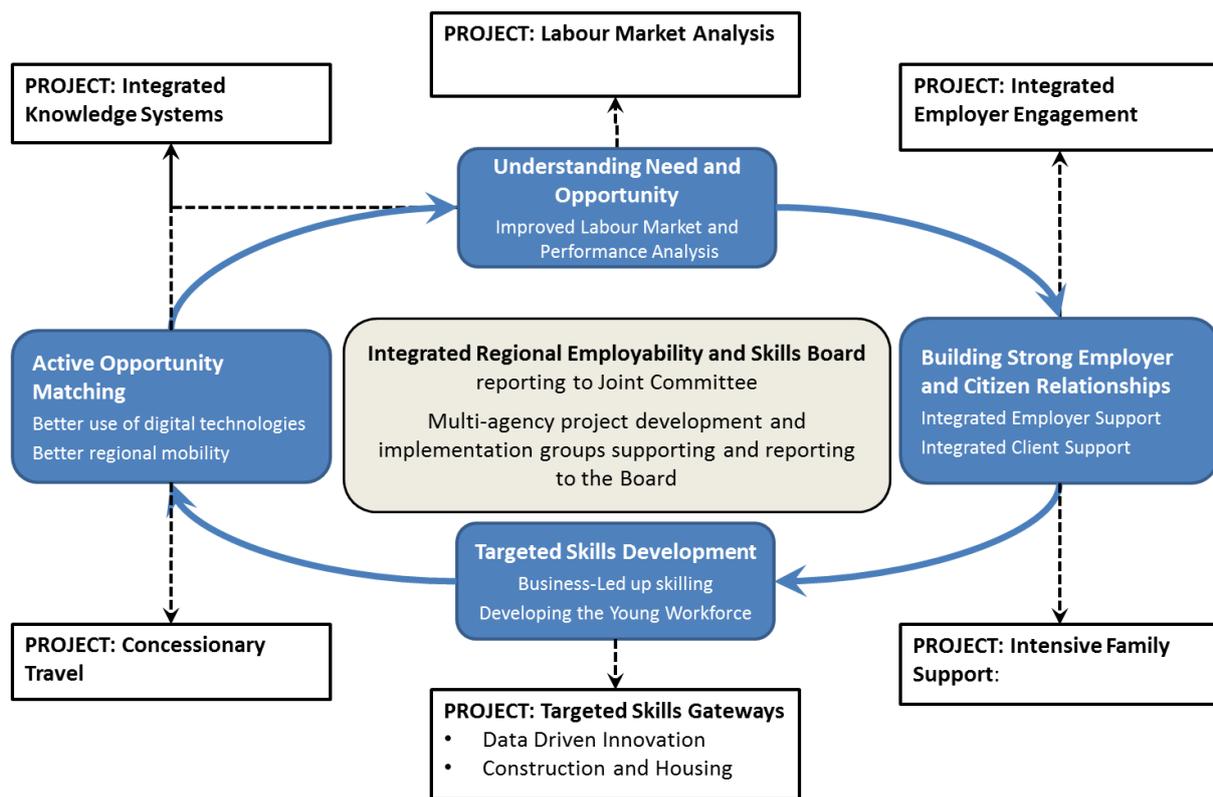


Figure 3. Workforce Mobility/ Concessionary Travel Proposal is an integral component of an inclusive labour market improvement cycle

3.2 PART B: The Case for Change

The 2018 Regional Skills Assessment Summary Report for Edinburgh and South-East Scotland City Region⁵ concludes that although the outlook for the local economy is positive there are some key inclusive growth challenges that still remain. Despite expected increases in jobs across most sectors and occupations providing opportunities for people at all skills levels, a key challenge facing employers

⁴ <http://www.acceleratinggrowth.org.uk/ires>

⁵ Regional Skills Assessment Edinburgh & South East Scotland City Region: Summary Report, Skills Development Scotland, <https://www.skillsdevelopmentscotland.co.uk/media/44990/rsa-edinburgh-and-south-east-scotland-city-deal-region.pdf>

will be sourcing people to fill these vacancies. This is particularly an issue in the context of Brexit and the resultant constraints on the future supply of labour from Europe. A further challenge is the forecast ageing of the population and associated contraction of the working age population which, although not as pronounced as in other areas, could put further pressure on labour supply in the region.

The Workforce Mobility Project is designed to help redress these disparities through a strong focus on providing disadvantaged groups with additional support and improved access to training, employment, higher responsibility and increased earnings potential.

3.2.1 Existing Arrangements, Challenges & Business Needs

As already mentioned, the current workforce mobility landscape is extremely complex. There are already a number of transportation and mobility initiatives both at a national and local level.

At the national level the most significant is the 60 plus free bus concessionary travel scheme operated by the Scottish Government that is available throughout Scotland, including South East Scotland. In relation to the labour force this scheme can provide major benefits for those older workers over 60 who require and want to access training and employment. Other workforce mobility initiatives that impact on South East Scotland include:

- a) **Job Centre Flexible Support Fund:** Provides reimbursement for travel to attend Job Interviews. Customers have to apply in advance of attending a job interview and will be reimbursed the cost of the most appropriate / economical mode of transport.
- b) **The Jobcentre Plus Travel Discount Card:** 50% reduction on all Scotland's rail transport services with the exception of the "Caledonian Sleeper" service. This scheme can be used to support customers travelling to look for work for up to 3 months. However, there is specific eligibility guidance around who can access this funding depending on length of unemployment etc. It is hoped in future to widen the scheme in Scotland to include bus transport and tram operators as in other areas of the UK and to allow cross border rail travel with other operators.
- c) **ScotRail Alliance:** This scheme offers two free journeys per month for travel to and from an interview.
- d) **Young Scot Card (Age 11 to 18, and young people 19 - 25 if they are full time volunteers):** Discounted bus travel for those aged 16-18 or in voluntary work 19-25 - one-third off the cost of adult single bus fare and one third off the cost of adult fare using the railcard scheme. The card also gives access to discounts of a non-transport nature including retail and services. Young Scot is funded by the Scottish Government through Young Scot Enterprise Fund.

There is also a range of transport support schemes operating at a local level within South East Scotland which have indirect links to training, education and employment. These include East Lothian Council support for a rail concession scheme for older and disabled people, and a taxi-card scheme that provides support to disabled people meeting specified criteria. Similar arrangements exist in all other local authority areas although each have their own distinct administration arrangements. A criticism is that all are perceived to focus on particular needs of groups such as older and disabled groups and

do not take a holistic account of the needs of young people or indeed other excluded groups in the workforce.

The only specific employment and training transport scheme identified is the West Fife Enterprise participant travel initiative operated by West Fife Enterprise which provides Weekly Stagecoach mega-rider tickets for unemployed people aged 16 – 64 attending West Fife Enterprise courses and costing around £19,000 annually to provide in 1917/18. Despite all this activity however there still remain significant issues in relation to transport and accessibility for the region's potential workforce, most notably for young people in rural parts of the Edinburgh and South East Scotland Region Deal area. This is particularly apparent in the Scottish Borders which is one and half times in area larger than the rest of the Edinburgh and South East Scotland and is a rural area characterised by a relatively low population density and a distributed set of small towns with populations below 15,000 people.

The Scottish Government consultation on the formation South of Scotland Enterprise Agency⁶ carried out between April and June 2018 highlighted major concerns about transport options for disadvantaged groups and particularly in relation to young people with several suggested improvements and challenges. Transport Scotland's Borders Transport Study⁷ later published in March 2019 magnifies and illuminates the same issues.

What's therefore required is an improved workforce mobility infrastructure system that provides more flexible and person-centred support. A system that is easy and straightforward for people to navigate and one that is better integrated and aligned with other services. A system that provides people and especially those facing multiple barriers with better pathways into sustainable and fair work opportunities.

3.2.2 Objectives and Benefits

The Workforce Mobility Project will help create a more joined up access to employability system across the region – an employability system that does more to provide the right help for people of all ages, and particularly for those further from the labour market.

The project's main objectives are threefold:

- to help remove the barriers to full mobility faced by the regional workforce, by increasing our intelligence on current and latent demand patterns for the job-seeking disadvantaged individuals
- to integrate and augment our existing concessionary travel schemes and other transport support to better focus and combine subsidies for young people and disadvantaged groups
- to inform the development of a unified smart infrastructure that improves the efficiency of travel schemes (including school, school-college and disability transport)

The Workforce Mobility Project Proposition provides the foundations for ongoing investment in a seven-year programme of activity to bring about such change. A regional approach that will help

⁶ Scottish Government consultation on the formation South of Scotland Enterprise Agency <https://www.gov.scot/publications/south-scotland-enterprise-agency-consultation-analysis-report/>

⁷ Transport Scotland's Borders Transport Study <https://www.transport.gov.scot/news/borders-study-reaches-next-stage/>

integrate our existing transport systems to better support our workforce and improve accessibility particularly for people living in rural areas to access training and employment opportunities.

3.2.3 Scope of Investment Requirements

The IRES Programme Business Case proposed an allocation of £2 million over the seven year period to help contribute in tackling these transport challenges. The inherent challenges in taking forward the scope of ambitions within the current resources are acknowledged and it is important that any investment leads to sustainable solutions which will not collapse after the funding is withdrawn.

Public sector investment in employability and skills provision spanning schools, colleges, universities, National Training Programmes is substantial, and likewise investment in transportation and supporting public mobility infrastructure. It is therefore vital moving forwards that outcomes are maximised and delivered by the most effective and efficient means that brings expertise from both those involved in employability and skills, and transportation.

3.2.4 Risk Management

The IRES Board is ultimately responsible for managing all aspects of programme and project risk and plans will be reviewed on an ongoing basis by a sub group of the IRES Board to ensure they satisfactorily capture the up to date risk profile and ensure there are appropriate mitigation procedures in place. New risks will be highlighted to the Board and where escalation is required mitigating actions will be agreed and implemented along with agreed timescales for review.

3.2.5 Constraints

In developing the proposed Workforce Mobility Project investment and activities, consideration has been given to various constraints particularly that each element of the project must become self-financing (sustaining) in the longer term. So too the level and local flexibility of resources available through public, private and third sector partners to deliver the ambition also a recognised constraint.

3.2.6 Dependencies

The future success of the Workforce Mobility Project will depend on close alignment with other IRES projects and integration with existing services and interventions, to ensure a viable and sustainable pipeline of people with the skills required to exploit the range of tailored training, learning and employment opportunities being made available.

4. Economic Case

This section provides an overview of the selection process involved to identify those (short-listed) delivery options which are most likely to realise project benefits against the fixed budget constraint implied. The section also includes a summary of the anticipated high level IRES Programme impact benefits that the project aims to contribute to.

4.1 Labour Market Context and Gap Analysis

The IRES Programme Business Case⁸ points to the need for change in order to bring about the necessary improvements in the way that employability and skills are delivered across our public services. The Workforce Mobility strategic case reinforces this need and strengthens the call for

⁸ <http://www.acceleratinggrowth.org.uk/ires>

closer policy alignment and integration across local, regional and national levels to deliver such change.

4.1.1 The Change we want to Effect

Within the scope of current investments the Workforce Mobility Project aims to help deliver over time, improved employability and skills support that is accessible to all our people, regardless of their background and enable more people to participate successfully in the labour market bringing benefits to the whole economy.

4.2 Identification of Options

Through the existing contributions that each of the partners already spend on workforce mobility, there is clear recognition that it was not just one partner who was responsible for delivery, but rather the full partnership involving public, private and voluntary sector representation.

The most effective, efficient means of delivering the priorities was therefore considered with three options selected for appraisal as follows:

- **Status Quo (Business as Usual)** – no change
- **Increased Local Resourcing** - Increase local resources to progress and develop new or existing activity
- **Integrated Hybrid Model** - Integrated and aligned activity from community level to authority and regional scale as part of an inclusive, multi-agency, whole system, incremental progression approach to services, interventions, and allied supports

4.3 Appraisals Approach

Pros and cons of each option were assessed against impact criteria linked to the identified goals for an improved future improved Workforce Mobility landscape.

Status Quo (Business as Usual)

Pros	Cons
Minimal disruption to individual services and other transport support arrangements	Pressures caused by public expenditure constraints is leading to continuing reductions in the capacity of public transportation services.
Continuous improvement actions within individual organisations	Limited possibilities to share capacity in transportation services between partners.
	Lack of opportunities to achieve economies of scale.
	Current system for the delivery of employability and delivering skills training has led to disparities and inequalities in access within the region.
	Limited scope to establish joined up approaches to make improvements to transportation and employability services.
	Status quo is likely to continue to result in a widening of the skills and productivity gap.
	Little integration or alignment between organisations or service providers

Increased Local Resourcing

Increase local resources to develop new or existing activity or improvement actions

Pros	Cons
<p>Minimal disruption to service.</p> <p>Some improvements to join up approaches to tackling transportation and access to training and employment opportunities.</p> <p>Potential to link with Integrated Hybrid model.</p>	<p>Public Expenditure constraints offer limited ability to increase resources to improve transport and access to training and employment.</p> <p>Difficult to sustain in the long term due to affordability.</p> <p>Lack Regional coherence and alignment with wider city region deal.</p> <p>This option builds on the current system which has led to disparities and inequalities in access to training and employment within the region.</p> <p>Continuing the status quo trend is likely to continue, resulting in a widening of the skills and productivity gap.</p> <p>Scope is limited for dealing with duplication and progression bottlenecks.</p> <p>Limited option to enhance shared capacity between partners.</p> <p>Limited possibilities to achieve economies of scale.</p> <p>Little integration or alignment between organisations or service providers</p>

Integrated Hybrid Development Model

Integrated and aligned activity from community level to authority and regional scale as part of an inclusive, multi-agency, whole system, incremental progression approach to services, interventions, and allied supports

Pros	Cons
<p>Adds additional capacity with minimal disruption.</p> <p>Aligned with wider city region deal activity.</p> <p>Reduced fragmentation over time.</p> <p>Sustainable over long term and requires minimal initial upfront investment.</p> <p>Increased integration and alignment between organisations and service providers.</p> <p>Potential links with local resourcing model.</p> <p>Makes alignment with transportation systems in neighbouring regions easier.</p>	<p>Requires cultural change and strong buy in from all partners.</p> <p>Coordination and sequencing is challenging.</p> <p>Requires investment in collaboration infrastructure (e.g. management systems).</p>

4.3.1 Programme Option Analysis

Impact Criteria (0=None, 1=Low, 2=Medium, 3=High)	Status Quo	Increased Local Resourcing	Integrated Hybrid model
Positive impact for service beneficiaries	1	2	3
Ease of Transition	3	2	1
Builds on established good practice	1	2	3
Targeting progression of disadvantaged groups	1	2	3
Increases value for money achieved	1	2	3
Aligned with key growth sectors	1	2	3
Promotes Regional collaboration	1	2	3
Contributes to City Region Deal commitments	1	2	3
Drives service streamlining and agility	1	2	3
Affordable and sustainable	1	1	3
Improves Diversity	2	3	3
COMBINED (# out of 30):	14	22	31

Figure 3: Programme Options Appraisal

The Integrated Hybrid Model and Increased Local Resourcing options both scored more highly than business as usual and generated, on aggregate, a positive score (implying that each of these options is more likely than not to deliver the intended aims and objectives).

4.4 Preferred Option

The Integrated Hybrid Development Model, as part of an inclusive, multi-agency, whole system, and whole person progression approach to services, interventions, and allied supports compared to the as-is position and other alternatives is considered the preferred option for best public-sector delivery approach moving forwards.

The preferred option will help ensure a more integrated and focused system approach built around the existing labour market system that will facilitate and enable improved:

- Regional Leadership and Improvement Capacity
- Better understanding of Labour Market Need and Opportunity
- Stronger Employer and Citizen Relationships
- More targeted Skills Development, and
- More effective Opportunity Matching

Although the Integrated Hybrid model is the more affordable single preferred option the merits of linking with aspects of increased local resourcing was also acknowledged if combined and weighted appropriately could accelerate and deliver the project ambitions. The Commercial Case considers this in more detail.

4.4.1 Impact of implementing the Workforce Mobility Project

Figure 4 below outlines the high-level IRES Programme outcomes that the Workforce Mobility project proposal will contribute to over the lifetime of investment.

Stage	Measure	Client Group Target over 8 Years	LA Target over 8 Years ⁹	Profile over 8 Years ⁹
1-4	<p>ENHANCED OUTREACH: Improved outreach attracts additional people from following disadvantaged or under-represented groups into the programme</p> <ul style="list-style-type: none"> • People with a disability or enduring health conditions • People in workless or low-income (< 60% median wage) families • Care Experienced and disadvantaged young people • Disadvantaged people within the BME Community • Women entering or advancing within DDI or HCI related careers 	20% increase on baseline established in Year 1		CEC: 32% ELC: 8% Fife: 33% Mid: 5% SBC: 10% WLC: 12%
3-4	<p>EMPLOYMENT: Additional people moving into employment</p> <ul style="list-style-type: none"> • Sustaining employment for at least 13 weeks • Sustaining employment for at least 6 months 	5,300		CEC: 36% ELC: 9% Fife: 29%
3-4	<ul style="list-style-type: none"> • Enhanced targeting supports additional people from the above disadvantaged or under-represented groups secure and sustain employment 	20% increase on baseline established in Year 1		Mid: 7% SBC: 7% WLC: 13%
4-5	<p>CAREER PROGRESSION: Additional people progressing into and sustaining (13 weeks and 6 months) better employment, earnings and careers</p> <ul style="list-style-type: none"> • Moving into higher earning role (Scottish Living wage or above) • Moving from existing into Medium to High Skills roles • Moving from temporary (insecure) work into a permanent role 	500		CEC: 32%
4-5	<ul style="list-style-type: none"> • Enhanced targeting supports additional people from the above disadvantaged or under-represented groups into and sustaining better employment 	20% increase from the baseline established in Year 1		ELC: 8% Fife: 33% Mid: 5%
2-5	<p>ENABLERS:</p> <ul style="list-style-type: none"> • Additional accredited training and skills improvements; • Workforce mobility • Integrated Employer Engagement • Skills Gateways 	14,700		SBC: 10% WLC: 12%
2-5	<ul style="list-style-type: none"> • Enhanced targeting supports additional people from the above disadvantaged or under-represented groups achieve skills improvements that unlock latent talents and help secure higher earnings. 	20% increase from the baseline established in Year 1		

Figure 4: Anticipated Programme Outcomes

To ensure that targets remain relevant and are stretching and delivering value for money, each will be refined as the partnership matures and project propositions are developed to implementation stage.

5. Commercial Case

The Economic Case concluded that although the Integrated Hybrid model is the more affordable single preferred option the merits of linking with aspects of increased local resourcing were also recognised.

⁹ Profile based the proportion of the regions unemployed (modelled) citizens for employment and low paid (below living wage) citizens (Source Nomis Jul 2017)

The Commercial Case further tentatively explores several possible development propositions in terms of such feasibility.

5.1 Possible Development Propositions within Integrated Hybrid Model

5.1.1 Proposition 1 – Business as Usual

Discounted on the basis of options appraisal as outlined in Economic Case.

5.1.2 Proposition 2 – Universal Comprehensive Transport Subsidy

If there were no resource constraints then arguably the optimum approach would be a universal and comprehensive transport support scheme targeting young and disadvantaged people in South East Scotland to assist them with training and employment. Such a scheme would provide a transport allowance to all unemployed young people and adults who are training for employment and the level of allowance would be graded for on the basis of the South East Scotland One Ticket Transport Zones 1, 2, 3, 4, and 5 as outlined.

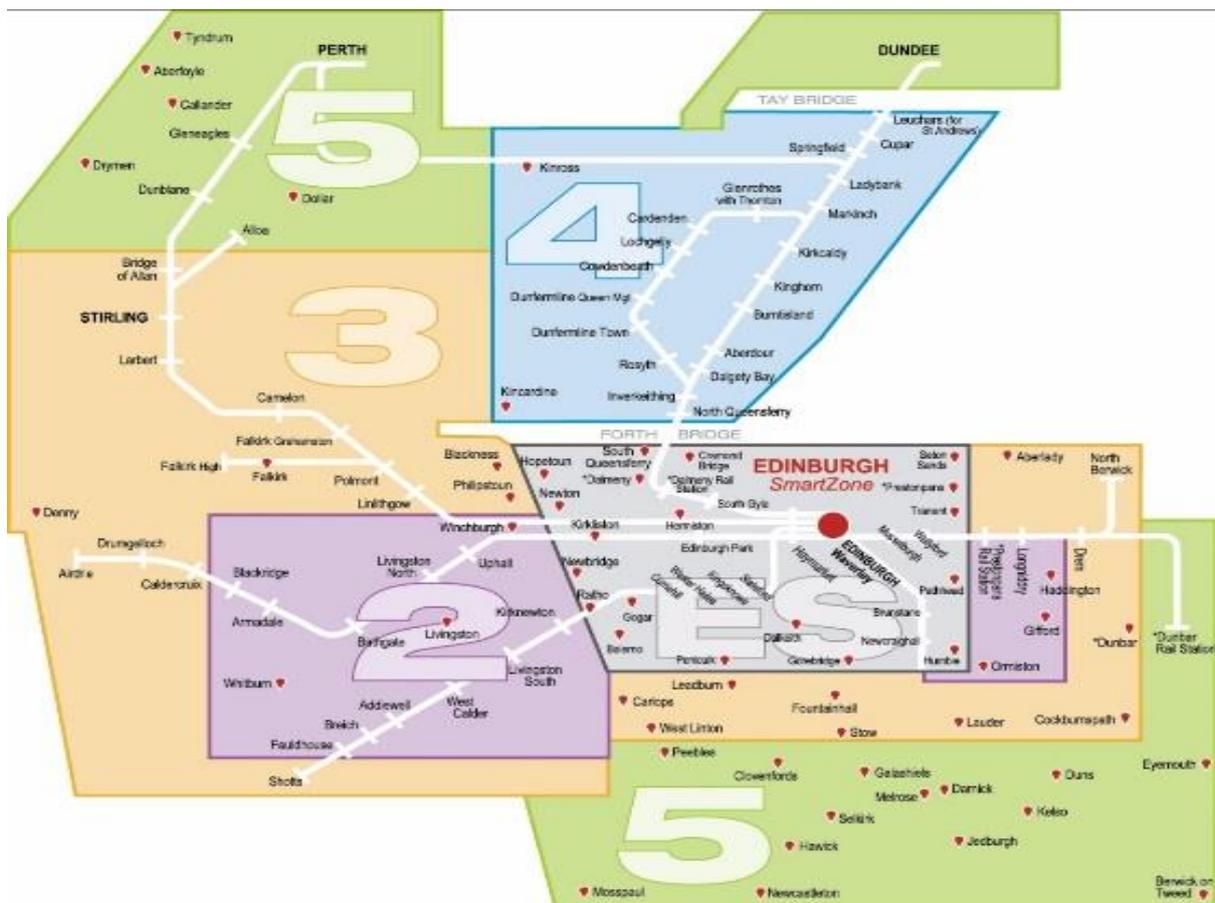


Figure 5. One Ticket Zones Example

This approach would provide transformational access improvements and enable all forms of transport to be affordable however would cost in excess of £30 million per year based on comparative

expenditure estimates for the national 60 plus concessionary fare scheme operated by the Scottish Government¹⁰. Discounted on the basis of affordability.

5.1.3 Proposition 3 – Carrying out Pilot Initiatives

Given the budget restriction the best approach suggestion is to look at progressing several options or pilot initiative(s) and each are described further:

3a - Pilot the Scottish Government apprenticeships scheme for under 21-year-olds across South East Scotland

In August 2017, the Scottish Government carried out a consultation on free bus travel for older and disabled people and modern apprentices. The consultation sought views on a proposal for a concessionary fares scheme for under 21-year-olds on modern apprenticeships schemes. Potential exists to pilot this across South East Scotland and prioritise across key sectors to the relevant e.g. HCI, DDI, Health & Social Care and if successful could then be rolled out to other areas. Scottish Government and Transport Scotland officials advise that pilot areas have already been identified in other parts of Scotland and would not at this current time support a further pilot of this nature in South East Scotland.

3b – Pilot a Travel Grant to Young People (16-24) who are in Modern Apprenticeship Training in One Ticket Zones 2, 3, 4 and 5

Research¹¹ suggests that there are affordability issues for young people accessing training, particularly in rural areas. Such a project could take place for example in partnership with Skills Development Scotland to provide travel allowances for apprenticeships in targeted areas within the One Ticket Zones 2, 3, 4 and 5. This pilot could cover a three – five year period and provide support for the whole of the apprenticeship period. The pilot could then be evaluated and decisions made whether to continue to mainstream. Advantages of this scheme are that the grant could be open to all young unemployed people living in the targeted areas in Zones 2, 3, 4 and 5 and not just limited to accessing public transport i.e. the travel grant could also be used to support car travel or purchasing a motor or electric bike, or a bicycle. Consider some areas of Zone 1 in proposals given the mobility issues experienced by some communities located in particular parts of Midlothian, East Lothian and West Edinburgh.

3c – Pilot More Demand Responsive Transport across particular rural routes

Demand responsive service (DRT) or flexible transport services is described as any form of transport where day to day service provision is influenced by the demands of users. DRT planning can therefore involve: taxis; shared taxi/ bus; community car schemes; non-emergency patient transport; job-link services; ring-and-ride; education services transport; dial-a-ride, community buses, and many other related services. DRT systems typically provide a public transport service for areas of low passenger demand, such as rural areas, where a regular bus service would not be viable. DRT services may also be provided especially to target specific groups or categories of individuals. Funds could potentially

¹⁰ <http://consult.gov.uk>

¹¹ Scottish Government consultation on the formation South of Scotland Enterprise Agency <https://www.gov.scot/publications/south-scotland-enterprise-agency-consultation-analysis-report/>
Transport Scotland's Borders Transport Study <https://www.transport.gov.scot/news/borders-study-reaches-next-stage/>

be allocated to pilot schemes over a three-year period that have a focus on helping young people who need help to access training and employment. A lead partner would require to be identified to operate the scheme and applications for support would be considered by a panel consisting of representatives of the six local authorities, and the Scottish Government.

3d - Use of the National Entitlement Card for Taxi Card

There are aspirations to progress development and functionality of the National Entitlement Card (NEC) to support improved mobility. In East Lothian for example there are currently 1558 residents using the taxi card system and council officials there have prepared a User Requirement Document outlining proposals for development. In essence; a smart enabled card that can be read by Electronic Ticket Machines (ETMs) similar to those already deployed on the buses and connected to the taxi meter (a solution for Private Hire is also needed). The current National Entitlement Card would be suitable for this purpose and benefits could include, reducing administrative times for processing, checking and payment, improving the accountability of recording journeys, reducing possible fraud and improving the back office function. Meetings have been held with Transport Scotland and East Lothian Council to explore the requirement for a web based management information system to allow the full monitoring and management of the process including resident information, journey information and monthly reports by company for invoicing.

3e – Pilot a Community or Place - Shared Car Schemes in One Ticket Zones 2, 3, 4 and 5

Shared car schemes offer a possible way of encouraging young people and people in employability groups to access cars for training and employment and a number are being rolled out across South East Scotland. Scottish Borders Council for example provides cars for use by employees across the Scottish Borders using the E-Car lease scheme and potential exists to extend this to the wider community. Funding could potentially be allocated to such pilot schemes that have a focus on helping young people and adults who need help to access training and employment. Consider some areas of Zone 1 in proposals given the mobility issues experienced by some communities located in particular parts of Midlothian, East Lothian and West Edinburgh.

3f – Pilot an Innovation Transportation Grant Scheme for Businesses and Social Enterprises

Businesses and social enterprises in Zones 2, 3, 4 and 5 in South East Scotland could potentially be invited to apply for grant assistance to develop and implement innovative transportation proposals. Solutions could focus on supporting access to the company by its workforce with particular emphasis on providing more opportunities for young unemployed people (16-24) and other employability groups. The grant would be a one-off and any solutions would need to show sustainability once the assistance finishes. Examples of possible initiatives may be assistance for employees and/or trainees with driving lessons or the costs of leasing or buying a car; enter an agreement with a taxi firm or bus company to transport employees and/or trainees; or to introduce a car sharing scheme on its own or with other businesses etc. The business or social enterprise would require to demonstrate how support will be sustainable beyond the first year of award. The pilot scheme could potentially operate for three – five years and be followed by an evaluation. The pilot scheme could potentially be operated by Business Gateway and businesses and social enterprises could be asked to come forward with innovative proposals which could be assessed by a panel consisting of representatives of the six local authorities and the Scottish Government. Consider some areas of Zone 1 in proposals given the

mobility issues experienced by some communities located in parts of Midlothian, East Lothian and West Edinburgh.

3g – Pilot emergency hardship or philanthropic support arrangements

There are already many various local grant and philanthropic support arrangements operating across the IRES partnership supporting progression along the skills pipeline and potential exists to strengthen this and promote more the extent of supports available particularly to support the most disadvantaged in our communities.

5.2 Conclusion

The Workforce Mobility landscape is extremely complex and it is important that any additional investment in developing transportation and supporting public mobility is both effective and efficient. The Integrated Hybrid model is the preferred management in terms of taking the Workforce Mobility project forward and the merits of linking with aspects of increased local resourcing are also recognised. The Commercial Case tentatively suggests and outlines several possible development propositions potentially worthy of development. A preliminary feasibility assessment of the various proposition suggestions is included in [ANNEX A](#) and this requires to be further developed.

6. Management Case

At the core of the project will be the Workforce Mobility Project Delivery Group that will deliver progress towards project objectives and work with the IRES Board and other project leads to support the delivery of the wider IRES programme goals.

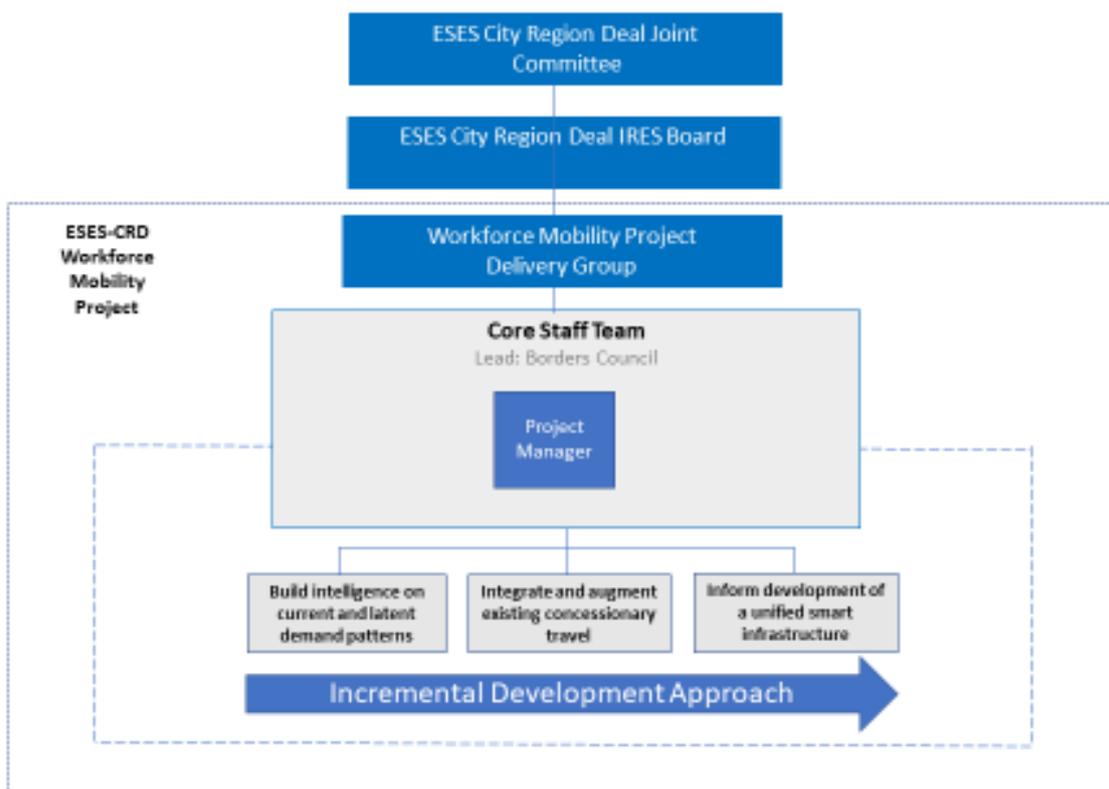


Figure 6. Workforce Mobility Delivery Group Management Structure

The Workforce Mobility Delivery Group will be responsible for planning, implementing, reviewing, and refining workforce mobility activity to ensure it delivers the change and inclusive growth ambitions for the ESES City Region Deal. Membership of this group will be as follows and it is proposed that the group would be chaired initially by a representative from Scottish Borders Council given the local authority’s lead role in developing the proposal.

Role	Organisation or Group	No.
Chair/Vice-Chair	Scottish Borders Council	1
Delivery Partners	Balance of Local Authority Transportation and Employability Departments: City of Edinburgh Council, East Lothian, Fife, Midlothian, Scottish Borders, West Lothian	6
	Public Bodies: Department of Work and Pensions, Developing the Young Workforce, Skills Development Scotland, Improvement Service, Young Scot, Scottish Government Transportation, Transport Scotland, Transport Appraisal Board	8
	Further and Higher Education: College representative, University representative	2
Business and Inclusion Representatives	Co-opted representation as required	
Academic Research	Representation and input as required	
Note: Lead members from other IRES themes would attend the delivery group as and when necessary to ensure compatibility across IRES objectives and engage with specific aspects and sub-themes		

Figure 7. Workforce Mobility Project Delivery Group Composition

City Region Partners have agreed to nominate and ensure appropriate representation on the Workforce Mobility Project Delivery Group as set out above to take forward all matters of Project Business. This will include Business Case and Project Implementation Planning particularly in the early stages of developments. Partners have also agreed the Project Lead to drive and progress development, and to report on progress. Partners acknowledge that Project Leads may change on a rotating basis over the lifecycle of the project, subject to business demands and dependent upon availability of expertise.

The Project Delivery Group will meet as required to develop project activity, and will be supported by the IRES Programme Management Office representatives and other partner organisations, or through opt in, together with subject experts and stakeholders (including industry representatives, or community interests) as required.

The Workforce Mobility Project Delivery Group reports to and is accountable to the Integrated Regional Employability and Skills (IRES) Board. The accountable body for delivery of the Workforce Mobility Project will be Scottish Borders Council through a delivery agreement with the ESES City Region Deal Lead Accountable Body (City of Edinburgh Council) with strict monitoring of the Workforce Mobility project progress within an approved agreement framework.

6.1 Project Management

Unlike other IRES project themes the Workforce Mobility theme bridges two major policy areas: Employability & Skills and Transportation. The challenges are complex and are shared across both the public and private sectors. Recent developments have already enabled engagement with the newly established Transport Appraisal Board (TAB) to help identify joint approaches, however there remains a strong call for more evident linkages across stakeholder groups e.g. SESTRAN and Lothian Buses Ltd with a view to progress solutions.

Crucial to the success of the project particularly in the early stages will therefore be the recruitment of a suitably qualified and knowledgeable Project Manager (PM) to effectively coordinate and manage the operational project activity on a day to day basis. A secondment from the sector specific should be encouraged.

Establishing and maintaining the existence of a Project Delivery Group involving all key stakeholders and being fully representative of both public and private sector from across the ESESCRD area that will direct and steer project developments is a priority.

The role of the PM will provide the capacity impetus to facilitate the necessary engagement of all relevant stakeholders in the process and where appropriate to research and develop the proposed pilot initiatives as set out in the Workforce Mobility Project Proposal Commercial Case.

6.2 Project Plan

The Workforce Mobility Project is a change programme with the intention that any new activity introduced, will, throughout the project lifecycle become the norm.

There is already considerable resource deployed by employability and transportation partners to tackle workforce mobility issues and the early stages of the project will seek to ensure that these are being used to optimum effect. Given the sheer complexity and scale of the challenge the initial priority must be to increase our management capacity to help navigate and facilitate better interrelationships across the two policy areas of employability and transportation.

It is proposed to undertake changes on an incremental phased basis to ensure the services provided currently are not disrupted and where possible drive steady improvement in the outcomes delivered.

A four phase process including further research & development (estimate 18 months), followed by implementation of pilot initiatives, evaluation and review and finally mainstreaming of activity is therefore proposed:

PHASE 1 RESEARCH & DEVELOPMENT

Aims to gain greater intelligence on current and latent demand patterns for the job-seeking disadvantaged individuals throughout the region that supports the case for access and transport improvements to open up new talent pools. Also to identify ways to better integrate and augment existing concessionary travel to better focus and combine subsidies and other transport support for young people and disadvantaged groups and weave them into a tailored support package that can be piloted.

This phase will involve significant co-production and co-design with stakeholders, service providers and service users to create a new way forward, bringing systems and partnership together with a clear focus to improve workforce mobility and make routes to employment more accessible that will help to reduce worklessness and poverty.

Key activities in Phase 1 will be to:

- Recruit a suitably qualified Project Manager to effectively coordinate and manage the operational project activity on a day to day basis.
- Establish and maintain support for a virtual team (Workforce Mobility Project Delivery Group) involving key stakeholders from across the ESESCR area that will direct and steer project developments.
- Establish the exact extent of underutilisation of current workforce mobility investment and develop proposals for improvements with better alignment of single offers where possible.
- Undertake research to establish latent demand patterns for the job-seeking disadvantaged individuals throughout the region.
- Develop proposals to better integrate and augment existing concessionary travel and other transport support that will better focus and combine subsidies for disadvantaged groups.
- Facilitate and gather expert opinion from across the partnership to inform the detailed design and development of proposals.
- Conduct a detailed commercial feasibility appraisal of the current option proposals highlighted.
- Establish the extent of emergency (hardship) or philanthropic support arrangements currently in place to assist workforce mobility and develop improved arrangements where practical.
- Develop a preferred monitoring and evaluation framework to measure the extent of project success and conduct a comprehensive mid-phase review.
- Raise awareness and engage employers, also public and private transport operatives, Higher and Further Educational establishments and the third Sector across the ESESCR in progressing the solution.

PHASE 2 IMPLEMENTATION OF PILOT INITIATIVES

- Implementation of pilot initiatives for access and transport that can be evaluated.
- Continue the development of collaborative initiatives aimed at access and transportation improvements within the city region.

PHASE 3 EVALUATION & REVIEW

- Evaluate and review pilot developments undertaken in phase 2 and progress of collaborative initiatives to support mainstreaming.

PHASE 4 MAINSTREAMING

- Mainstream the outcomes of successful piloting informing the development of access and transportation improvements for young and disadvantaged people and unified smart infrastructure.
- Improved efficiency of travel schemes (including school, school-college transport, and disability), while reducing the administrative burden and cost of concessionary travel schemes.
- Embed a service that can be accessed through one interface through a joined up and accessible business model across the region as business as usual that contributes to an

overall employability system that does more to provide the right help for people of all ages, and particularly for those further from the labour market.

6.3 Summary

Table 1 below outlines the four phases of the Workforce Mobility Project plan and should be read in conjunction with Table 2 in the Financial Case detailing activity.

Workforce Mobility Project	PHASE 1 - RESEARCH AND DEVELOPMENT						PHASE 2 - IMPLEMENTATION OF PILOT INITIATIVES						PHASE 3 - EVALUATION AND REVIEW	PHASE 4 - MAINSTREAM								
	2019/20			2020/21			2020/21		2021/22		2021/22		2022/23		2023/24		2023/24	2024/25		2025/26		2026/27
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2
PROJECT MANAGEMENT AND DEVELOPMENT	PROJECT MANAGEMENT AND DEVELOPMENT						PROJECT MANAGEMENT AND DEVELOPMENT						Review	PROJECT MANAGEMENT AND DEVELOPMENT								
Project Manager appointment			Appoint							Review		Shift to Mainstream				Mainstream				End		
Workforce Mobility Virtual Delivery Team						Embed	Embedded		Review		Embedded				Mainstream				End			
Feasibility of existing options									Review		Shift to Mainstream				Mainstream				End			
Pilot proposal development									Review		Shift to Mainstream				Mainstream				End			
Monitoring & evaluation framework						Establish			Review		Shift to Mainstream				Mainstream				End			
	Review						Mid project ongoing review and evaluation						Review	End report								
	2019/20			2020/21			2021/22		2021/22		2022/23		2023/24		2023/24	2024/25		2025/26		2026/27		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2		

Table 1. Workforce Mobility Project Phased Development Approach

6.4 Stage and Gate Approach to Management

A Stage and Gate Approach will be used to ensure that Workforce Mobility funding is meeting the intended objectives. Close working relationships across the Workforce Mobility Project Delivery Group and the IRES Board will enable ongoing assessment and evaluation linked to funding approvals and evaluation. This metric-based approach will support a continuous improvement model that allows Management to react swiftly to any obstacles or issues and ensure emphasis on the change objectives through structured reviews and targeted measures of progress that help reach Project goals.

6.5 Risk Mitigation Plan

Risk management is an integral feature of the Workforce Mobility Project and the project risk register is regularly updated. All risks at project level will be identified and mitigation measures put in place and monitored as part of the quarterly progress monitoring and annual review processes required by the IRES Programme Board. The Workforce Mobility Delivery Group and ultimately the IRES Board will regularly review project progress with decisions made on continuation, adjustment or withdrawal of funding.

Risk	Mitigation Measures
Project fit and impact - developments in the economy, new or amended Scottish and UK Government policies, changes in the operational environment, performance factors, or good practice developments mean that measures within the programme (or existing services) are no longer required in their current format.	Impact measures will be regularly reviewed by project team and reported to the IRES Board to ensure target objectives are being met. The outcome of Phase 1 of the Workforce Mobility project will be reported to the IRES Board in 2021 together with recommendations for pilot initiatives. This will enable the partnership to ensure the direction of travel is still right.
Programme and project management capacity - Inadequate programme or project management results in failure to deliver agreed outcomes and outputs.	As mentioned above there is the option for the IRES Board to review progress and make changes to the project at the end of Phase 1 in 2021.
Young and disadvantaged people and low-income families benefit through the project.	Inclusion is a fundamental part of the Workforce Mobility project, particularly for young and disadvantaged people. As mentioned above there is the option for the IRES Board to review progress and make changes to the project at the end of Phase 1 in 2021 if it is not dealing with this issue adequately.
Cooperation or barriers between the national, regional and local stakeholders in developing a more coordinated approach or agreeing pilot options to be taken forward for implementation	There will be regular progress reports to the IRES Board which will highlight any issues that need to be resolved.
Mainstreaming of Activity – options initiated by the Workforce Mobility Project cannot be mainstreamed reducing the impact of the allocated Deal monies.	Key intention of the project is to bring forward mobility options for mainstreaming and this will be a key part of the evaluation process in Phase 3.

Figure 8. Workforce Mobility Project Risk Register

7. Financial Case

Table 2 over shows the planned activities, spend plans and time lines for the period 2019-2027 and spend profiles relate specifically to the range of activities required to successfully deliver the Workforce Mobility Project over the four phases of development. The extreme challenges in taking forward the scope of ambitions within the current resources available has already been highlighted. A strict stage and gate approach will be applied by the board in relation to monitoring of performance and funding approvals.

Workforce Mobility Project vs CRD Spend Timeline	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL	External Leverage
	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	(£,000)	
PHASE1 RESEARCH AND DEVELOPMENT										
Project Management	40.0	80.0	82.0	83.0	84.0	50.0		0.0	419.0	
IEE Project Delivery Group	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	In kind
Feasibility Appraisal				50.0	30.0				80.0	
Single offer progression				48.0	48.0				96.0	TBD
Monitoring & Evaluation framework					25.0				25.0	
Sub-TOTAL:	40.0	80.0	82.0	181.0	187.0	50.0	0.0	0.0	620.0	
ESES City Region Deal Contribution:	40.0	80.0	82.0	181.0	187.0	50.0	0.0	0.0	620.0	
PHASE 2 IMPLEMENTATION OF PILOT ACTIVITIES				310.0	370.0	310.0			990.0	TBD
PHASE 3 EVALUATION & PHASE 4 MAINSTREAM									0.0	
Sub-TOTAL:	0.0	0.0	0.0	310.0	370.0	310.0	240.0	150.0	1380.0	TBD
ESES City Region Deal Contribution:	0.0	0.0	0.0	310.0	370.0	310.0	240.0	150.0	1380.0	
Overall City Region Deal Contribution	40.0	80.0	82.0	491.0	557.0	360.0	240.0	150.0	2000.0	

Table 2. Workforce Mobility Project Financing

Table 2 should be read in conjunction with Tables 1 in the Management Case outlining the four phases of Workforce Mobility Project plan activity.

Project management costs include salaries, on-costs and all directly attributable costs associated with this function. Subject to pace of development, potential does exist to bring forward the planned implementation of Phase 2 pilot activities in advance of the 2022/23 financial year. Such opportunity will be closely monitored by the Project Delivery Group and IRES Board through the Stage and Gate Approach with finance and phasing elements revised accordingly.

ANNEX A: WORKFORCE MOBILITY PROPOSITIONS IDEAS

Preliminary Feasibility Analysis and Development

An initial analysis of propositions is set out below based on potential opportunities, relative issues with some analysis of risks and mitigating actions.

OPTIONS	Opportunities	Risks/ issues	Risk mitigation
Pilot the Scottish Government apprenticeships scheme for under 21-year-olds across South East Scotland	<p>Scottish Government and Economic Policy acceptance to encourage further uptake in vocational learning.</p> <p>Priority group for Scottish Government and for City Region Deal.</p> <p>Target group specific to labour market demand.</p>	<p>Equalities (supporting young people on apprenticeships vis other young people)</p> <p>(Young people in Edinburgh – young people living parts of East/ Mid already benefit from comparable low fares to Edinburgh young people.)</p> <p>Subsidy used to support other activity other interests than access to employment.</p> <p>Transport cost per head higher in rural areas.</p> <p>Sustainability of scheme post City Region Deal</p>	<p>Prioritise by sector e.g. Construction, Digital, Health & Social Care, Food and Drink, Engineering, Life Science etc.</p> <p>Include the option of transport grant for young people not able to take up public transport</p>
Pilot a Travel Grant to Young People (16-24) who are in Modern Apprenticeship Training in One Ticket Zones 2, 3, 4 and 5	<p>Clear target to young people on Modern Apprenticeships</p> <p>Targeted to remoter rural geographies and areas suffering accessibility difficulties out with city areas</p> <p>Administration because of all young people on Modern Apprenticeships in targeted areas would be simple.</p>	<p>Finding an organisation to administer the scheme.</p> <p>Need to ensure grant is used to support transport costs of young people.</p> <p>Sustainability of scheme post City Region Deal</p> <p>Equalities (supporting unemployed young people vis other young people and Young people in Edinburgh – young people living parts of East/ Mid already benefit from comparable low fares to</p>	<p>Use Skills Development Scotland or local authorities or other partners to administer the scheme.</p>

OPTIONS	Opportunities	Risks/ issues	Risk mitigation
		Edinburgh young people.	
Pilot More Demand Responsive Transport Scheme across particular rural routes	<p>Demand Responsive Transport (DART) Schemes are working communities across the area</p> <p>DART schemes provide an opportunity to deal with gaps in public transport.</p>	<p>Not specifically targeted at unemployed young people or employability groups.</p> <p>Uncertain effectiveness and performance.</p> <p>Sustainability into the future.</p>	Specific Criteria to support young people and employability group in applications to be supported.
Use of the National Entitlement Card for Taxi card	Developing a smarter approach to transportation in rural areas.	<p>Not specifically targeted at unemployed young people or employability groups.</p> <p>Uncertain direct benefits for the young unemployed and employability groups</p>	Identify more direct benefits for the young unemployed and employability groups
Community or Place wide Shared Car Schemes in One Ticket Zones 2, 3, 4 and 5	<p>Flexible and pragmatic approach to tackling transportation requirements of unemployed and employability groups in rural areas.</p> <p>Provides more emphasis for unemployed young people and people to get driving licences which can provide additional skills.</p>	<p>Not targeted specifically at unemployed young people or employability groups.</p> <p>Uncertainty about costs of schemes and who would run them.</p> <p>Ensuring use of the scheme is used for training and employment purposes.</p> <p>Equalities (supporting unemployed young people vis other young people and Young people in Edinburgh – young people living parts of East/ Mid already benefit from comparable low fares to Edinburgh young people.</p>	Use best practice and information from other Shared Car Schemes
Pilot an Innovation Transportation Grant	Gives ownership of finding transportation	Not targeted specifically at unemployed young	Ensure the needs of young unemployed people are

OPTIONS	Opportunities	Risks/ issues	Risk mitigation
Scheme for Businesses and Social Enterprises.	<p>solutions to businesses and social enterprises</p> <p>Flexibility of the type of possible solutions</p>	<p>people or employability groups.</p> <p>Equalities (supporting unemployed young people vis other young people and Young people in Edinburgh – young people living parts of East/ Mid already benefit from comparable low fares to Edinburgh young people.</p>	mentioned in the scheme

Discussion Paper on Workforce Mobility for Young People aged 16-25 participating in Modern Apprenticeships and living in rural areas of the Region

Early indications suggest that piloting of a Travel Grant to Young People (16-24) who are in Modern Apprenticeship Training in One Ticket Zones 2, 3, 4 and 5 and piloting an Innovation Transportation Grant Scheme for Businesses and Social Enterprises are both worthy of further consideration and refinement. This requires to be calculated.

Introduction

This Project Proposition sets out a detailed case for investment in a Workforce Mobility Project as part of the Integrated Regional Employability and Skills (IRES) Programme and should be considered in conjunction with the IRES Programme Business Case.

Research Base

Skills Development Scotland's (SDS) Skills Development Plans for the Edinburgh and South East Scotland City Region, the South of Scotland and the Scottish Borders have all identified the issues around the difficulties of accessing training and employment for young people in more rural areas because of affordability and the limited availability of public transport.

These same issues were identified as serious issues to be tackled in the Scottish Government's consultation exercise on the planned Enterprise Agency for the South of Scotland and the Scottish Borders that was carried out between April and June 2018. There were particular concerns raised about providing more transport options for young people to ensure that they stay in local areas. The issues were also highlighted in Transport Scotland's Borders Transport Study carried out in 2018.

Project Vision

There are major challenges in accessing training and employment for young people particularly in the more rural parts of South East Scotland. These issues arise from the dispersed settlement pattern, the limited public transport services and the affordability of transport. There is no one solution which will tackle these challenges. This project aims to test a scheme where by travel allowances are provided to young people aged 16-25 living targeted areas in the more rural parts of South East Scotland in

Zones 2, 3, 4 and 5 of the South East Scotland One Ticket area (see map below) who are on Modern Apprenticeships on basic wage rates.

Overview of the Workforce Mobility Project

This project aims to test a scheme that would provide travel allowances to young people aged 16-25 living in the more rural parts of South East Scotland who are on Modern Apprenticeships on basic wage rates.

Young people aged 16-25 would use the travel allowance to make themselves more resilient in relation to transportation. For instance, they could use the monies to pay for public transport - bus, train or taxi travel; driving lessons; car sharing etc. If this concept is successful it could be rolled out to the rest of South East Scotland and to the rest of Scotland.

The project would have three phases:

- Phase 1 - The establishment of the project within the budget envelope. This would include identifying the details of the targeted Modern Apprentices and the geographical coverage.
- Phase 2 - The second phase of the projects for a three – five year period.
- Phase 3 - The final phase involves the evaluation of the project and the transition to the sustainable solution.

Outcomes and Benefits

The Workforce Mobility Project has a particular focus on improving the accessibility of young people on Modern Apprenticeship Schemes living in the more rural parts of South East Scotland. The project will:

- Extend labour market opportunities for young people.
- Provide sustainable ways of reducing the cost of travel which is can be a key constraint in accessing training and employment opportunities.
- Make it easier for young people to connect to different types of transport to access training and employment opportunities.
- Build up the resilience of young people in accessing transport for employment and training.
- Enable young people to stay in rural communities and small towns and travel to external training and employment outlets.
- Provide businesses, social enterprise and public sector partners with a ways of improving workforce mobility.

Connection between Workforce Mobility and Other City Region Deal Themes

Increasing workforce mobility of disadvantaged sections of our workforce is a complex challenge cutting across the Employability and Skills, Innovation, Transport themes and wider policy areas (see below), with the interaction between individual, business and other stakeholder choices having a significant effect on the chances of driving success.



For example

- **Quality of the Opportunity and Business Factors:** Does the role offer the reward and progression opportunities worth travelling for?
- **Ability to Reduced the Need to Travel:** is the role compatible with flexible and/or remote working?
- **Awareness and Confidence in (Active) Travel Options:** Is the individual able and willing to effectively plan and undertake travel to the opportunity?
- **Availability and Quality of (Active) Travel Modes:** Can the individual easily get to the opportunity taking into account health related or cultural factors?
- **Perceived and True Cost of Travel:** Is the cost of travel too prohibitive?
- **Availability and Ease of Accessing Transition Supports:** Are the financial or mentoring supports, know, available, easy to obtain, and meet personal need (i.e. not paid in arrears)?
- **Other Practical and Cost Factors:** Are work enablers in place for the individual or family, such availability and flexibility of childcare, or the suitability of the work environment?

The ambition therefore must be shared and owned across the City Region Deal partners and wider stakeholders including citizens and employers to ensure that interventions are mutually supporting and sustainable.