

PERFORMANCE REPORT Q1 2016/17

FOR CHESHIRE EAST COUNCIL

PURPOSE To update Cheshire East Council on the performance of the Skills and Growth Company in quarter 1 of 2016/17.

DATE Thursday, 28 July 2016

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APPROVED BY Skills and Growth Company Board

SUMMARY

- Quarter 1 has seen a robust start to the Skills & Growth company, having gone live on 1st April 2016.
- Overall, performance and finances are in alignment with expectations (KPIs, PIs and project delivery) in accordance with the contract with Cheshire East Council.
- The quarter has been characterised by a proactive and high profile stakeholder engagement campaign and the development of bids to grow the company's business base.
- Over the quarter the company has maintained stability as new systems, processes and procedures have been introduced, and seamlessly managed the transition of contract delivery arrangements from the Council including Fairerpower, Connecting Cheshire, GM/C&W Life Science Investment Fund, and Science Corridor Enterprise Zone. There has been a small amount of new work requests to manage as new arrangements bed in.

FINANCE:

PERFORMANCE FRAMEWORK:

RISK:

PERFORMANCE NARRATIVE

The tables below is a written record of the key achievements over the quarter. This includes information relevant to the work plan, performance indicators and enabling functions set out in the business case.

SKILLS PRIORITY 1 ENSURE YOUNG PEOPLE ARE WORK READY		
April	May	June
<ul style="list-style-type: none"> Participation in Changing Education's 'Work Based Learning' Conference for schools at Cranage Hall Three C&W LAs agree to a consortium approach to the development of an ESF IAG bid 	<ul style="list-style-type: none"> Engagement with potential IAG providers for ESF IAG bid Stepping into Business workshop delivered to 3 primary and 1 high school, in partnership with Bentley Motors Poynton/Wilmslow/Knutsford Pledge meeting at AZ to discuss roll-out of third Pledge and work readiness programmes Macclesfield Pledge meeting to discuss Apprenticeships into schools. 	<ul style="list-style-type: none"> Response to APPG 'IAG in Schools' call for evidence submitted Business Breakfast for schools and industry held ESF IAG Partnership Bid submitted Stepping into Business Meeting held KS4 Apprenticeship Destination data analysed and baseline and KPI set Successful application to subcontract for College Consortium and LTE IAG bid Brief developed for Young People CEIAG survey Agreement from LEP to run Careers Enterprise Pilot in Cheshire East on behalf of LEP Work Readiness Programme (Pledge) commenced in 3 schools Meeting arranged to consider International School responding to LEP Employer Board
SKILLS PRIORITY 2 TACKLE LONG TERM UNEMPLOYMENT AND NEETS		
April	May	June
<ul style="list-style-type: none"> Represented CEC at SEMMS Airport A6 relief Road meeting and reviewed take up of jobs by CE young people with Carillion/Morgan and other LA partners 	<ul style="list-style-type: none"> Led on Adult Education Budget development with the LEP 	<ul style="list-style-type: none"> Established Interim Governance Board for CE-LL Interim Governance Board – Inaugural meeting held

(Stockport and Manchester) <ul style="list-style-type: none"> Catch 22 (CEC funded NEETs project), Steering group meeting held to review progress 	<ul style="list-style-type: none"> SFA ROTO application resubmitted ESF Mental Health bid submitted – partnership across LAs Lead discussed and DWP regarding co-location of JCPlus 	and ToR drafted <ul style="list-style-type: none"> SMT approval to developing an integrated Framework for Employment across the Council Development of ‘Skills Indicators’ to identify ‘hot spots’ across the Borough underway
SKILLS PRIORITY 3 ENSURE EDUCATION PROVISION MEETS EMPLOYER NEEDS		
April	May	June
<ul style="list-style-type: none"> Rail Skills Board met and agreed to support the development of a Crewe rail skills ‘spoke’ to the National College 1st Apprenticeship Levy meeting held at MMU 	<ul style="list-style-type: none"> Developed Rail Institute of Technology proposal with industry and providers Submitted Rail Institute of Technology bid to LEP for LGF3 Successful subcontractor application to LTE for business engagement under ESF Skills for Workforce project Discussion with Carillion/Keir SMART motorway programme (M6 J16-19): Apprenticeship and work experience opportunities for local schools 	<ul style="list-style-type: none"> Rail Institute of Technology bid shortlisted and approved for LGF3 submission UTC Open Day/ Careers Event supported Employers supported with Skills Enquiries x 3 Led on Area Based Review for C&WLEP. Led C&W Employer Skills Board on behalf of LEP Co-ordinating October ‘Shaping our Future’ event for employers and providers to share intelligence to shape provision.
SKILLS PRIORITY 4 FOSTER HIGH VALUE SKILLS FOR HIGH GROWTH BUSINESS		
April	May	June
<ul style="list-style-type: none"> Presentation to STEMCAT meeting on Pye Tait’s analysis of Advanced Manufacturing and Rail Skills. Stepping into Business planning meeting held 	<ul style="list-style-type: none"> Rail Skills Board meeting held -agreement to recruit Rail Co-ordinator, partner contributions to fund Partner in HEFCE Outreach bid with Higher Futures: to take account of CEC/S&GC priorities. 	<ul style="list-style-type: none"> Commissioned Apprenticeship Levy data analysis – identified businesses in CE liable for levy c150 c£15m/annually Employer Levy Toolkit under development Secured CE digital rep to sit on sub regional skills board – Mobica CTO
GROWTH PRIORITY 1 LEAD HIGH GROWTH SECTORS		

April	May	June
<ul style="list-style-type: none"> Working group established to drive forward SOZ at Hurdsfield. JV launched with Engie. Inception Board Meeting undertaken and process for business plan in 6-months progressing. Established Innovation Strategy Board with private sector/ industry membership AMR launched and liaison established. Funding secured for Macclesfield Heat Network Study. The Creative and Digital Taskforce 'The Weave' has been established and meeting regularly. First Alderley Park briefing held with MSP and local councillors. Bid for Heat Networks funding for Crewe Town Centre and Hursdfield. 	<ul style="list-style-type: none"> Science Corridor EZ successfully launched. BIS Science and Innovation Audit started with Greater Manchester. Engagement with Jodrell Bank for the SKA started, with an imminent planning application expected. Grant funding agreement being drafted by Legal and payment schedule has been agreed. Geothermal ESIF Concept submitted by deadline with Keele University for test well and business support programme. Match being sought from LGF ELENA funding bid approved by cabinet and submitted to the EIB. 	<ul style="list-style-type: none"> MoU between CEC and Astra Zeneca signed for improvements at Hurdsfield. Health Innovation project scoped including initial research and workshop between BioHub/MSP and The Weave. PQQ documents issued for Organic Waste Treatment Solution for 2 lots Digital 2020 business case developed and approval external funding. t. Connecting Cheshire 80K Programme progressing well, with end in September, and 10k delivery on track. Advice and guidance on unconventional hydrocarbons (fracking)
GROWTH PRIORITY 2 PROMOTE AND SECURE INVESTMENT IN KEY EMPLOYMENT SITES		
April	May	June
<ul style="list-style-type: none"> Event with East Cheshire Chamber to assess demand for employment land in Congleton Produced evidence and analysis of demand for employment land at Albion Chemical Works 	<ul style="list-style-type: none"> Enterprise Zone Launch Event and supporting applications for EZ Rate Relief 	<ul style="list-style-type: none"> Successful meeting with Billfinger GVA to position investment opportunities in key employment sites. Positioned demand profile for Cheshire Green to support the business case for investment. Positioned the demand profile for Cheshire Gateway & Land off University Way (Crewe) to justify change of use. Coordinated pre-application for Radius Payment solutions for a new purpose built 65,000 sq ft HQ facility.

GROWTH PRIORITY 3 ENSURE ALL BUSINESSES HAVE THE SUPPORT THEY NEED TO SUCCEED		
April	May	June
<ul style="list-style-type: none"> • Programme of visits arranged for Leader of Council to Top 25 Companies • Business Rocks Event in Manchester – launch of Creative England Digital Growth Fund • Confirmed a pilot of Innovate 2 Succeed Programme and established referral mechanism • Negotiating a consultancy support service to Reaseheath College, South Cheshire College and MMU under CW SME Growth Programme 	<ul style="list-style-type: none"> • Supporting AO.Com with launch of new site and recruitment of 70 new jobs • Commissioning Science Corridor Sustainable Travel Planning Study • SAGC facilitated a networking meeting with a small group of entrepreneurs when Baroness Mone visited CE on 9th May • Submitted bids to provide Business Engagement & Training Needs Analysis service under an ESF Employees Support in Skills Programme (• Led negotiations with Royal London 	<ul style="list-style-type: none"> • Progressing 6 EOI's for the Digital & Creative Fund. • Starting targeted engagement to support companies that will be apprentice levy payers. • commercial sponsorship for the Tour of Britain. • Leader programme progressing well 2 projects on track to receive funding. • Guided Walk of rural businesses with NFU
GROWTH PRIORITY 4 MAXIMISE AND ATTRACT INWARD INVESTMENT		
April	May	June
<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Enterprise Zone Launch Event and supporting applications for EZ Rate Relief • Coordinated meeting between Leader of Council and AstraZeneca to agree how to position Cheshire and the North West with AZ's Global Leaders 	<ul style="list-style-type: none"> • • Coordinated investment tour from Hong Kong based investment consortium interested in investing in key employment sites. •

PERFORMANCE INDICATORS

The tables below set out quantitative performance over the quarter for KPIs and PIs.

KEY PERFORMANCE INDICATORS									
Ref	Priority	Performance measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
KPI1	Ensure education provision meets employer needs Lead Employer Boards in growth sectors e.g. Life sciences, Advanced Engineering, Rail	Employment Boards (No#) ¹	2	1	1	1	2	2	0
KPI2	Connecting Cheshire - Contract 2 delivery with BT. implementation of 10,000 THP	(Total Homes Passed – Cumulative)	5,500	2,000	2,000	2,750	3,527	3,527	2,000
KPI3	Promote and secure investment in key employment sites	Strategic engagements ² (No#)	12	2	1	1	3	5	1
KPI4	Ensure businesses have the support they need to succeed Deliver the Top 100 Strategic investor programme & High Growth SME programme (engagements)	Engagements ³ Top 100 Strategic (No#)	40	10	2	4	12	18	8
		High Growth Businesses (No#)	100	26	0	8	12	20	26
KPI5	Maximise and attract inward investment Create high value jobs in key growth sectors	New Jobs created ⁴	210	50	70	70	70	210	150

¹ Boards of attended with a range of skills providers and private sector partners to foster the growth of key sectors, chaired at least on a quarterly basis

² a meeting with a developer / institutional investor / fund / commercial lenders that results in them having a firm understanding of the offer and asset base in Cheshire East and encouraging the flow of enquiries and investment opportunities

³ engagements are to include six hours of contact time with the company including , a formal record and development of a comprehensive account plan expected to lead towards successful outcomes (e.g. Jobs, investment, productivity)

⁴ Demonstrated by direct intervention by the company, adopting a similar definition to UKTI - A contractual commitment to creating a new post typically linked to an expansion, capital investment, relocation of new business function.

SKILLS PRIORITY 1ENSURE YOUNG PEOPLE ARE WORK READY								
Ref	Performance measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
SP1.1	Secondary schools and college in Cheshire East participate in a Pledge (or similar) Work Readiness Programme	20%	5%	0%	0%	14%	14%	10%
SP1.2	Increase the number of young people in Cheshire East choosing and securing Apprenticeships as a destination at end of KS4 (Year 11 leavers)	6%	Measured Annually					
SKILLS PRIORITY 2TACKLE LONG TERM UNEMPLOYMENT AND NEETS ⁵								
Ref	Performance measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
SP2.1	Increase enrolments for community learning and Adult Skills (Now AEB)	2,500	TBD					
SP2.2	Maintain or improve Ofsted grade from good	Good/outstanding						
SP2.3	Ensure learner retention rate maintained above 91%	91-94% 95%						
SKILLS PRIORITY 3ENSURE EDUCATION PROVISION MEETS EMPLOYER NEEDS								
Ref	Performance measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
SP3.1	Employer surveys indicate year on year good or better satisfaction with local training provision	1	0	0	0	0	0	1
SP3.2	Employers supported with skills matching enquires	25	5	0	0	3	3	5
SKILLS PRIORITY 4FOSTER HIGH VALUE SKILLS FOR HIGH GROWTH BUSINESS								

⁵ Only applicable once Life Long Learning Join the company

Ref	Performance measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
SP4.1	Employer Boards (Like Rail skills) established in growth sectors e.g. Life sciences, Advanced Engineering, Agri- Tech	2	1	1	1	2	2	n/a
SP4.2	Careers events linked to priority high skilled sectors or major initiatives e.g. HS2, Northern Gateway	5	1	0	1	0	1	n/a
SP4.3	Ambassadors/ mentors from high growth sectors supporting schools to promote career opportunities	10	0	0	0	0	0	3
GROWTH PRIORITY 1 LEAD HIGH GROWTH SECTORS								
Ref	Measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
GP 1.1	(Energy) Fairerpower Complete 5 year business plan Customers Partners	6000 1	1,500 0	305 0	319	463 1	1,087 1	6000 1
GP1.2	(Technology) Connecting Cheshire - Contract 1 implementation plan final 52 structures (Cumulative)	51	10	26	28	30	30	51
GP1.3	(Technology) Connecting Cheshire Gainshare modelling and programme development Total Homes Passed (NB* Not a 16/17 target)	0	0	0	0	0	0	0
GP1.4	(Technology) Connecting Cheshire - Contract 2 delivery with BT. implementation of 10,000 THP (Total Homes Passed – Cumulative)	5,500	2,000	2,000	2,750	3,527	3,527	2,000
GROWTH PRIORITY 2 PROMOTE AND SECURE INVESTMENT IN KEY EMPLOYMENT SITES								
Ref	Measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
GP 2.1	Projected increase in business rate income related to the development of a specific asset ⁶	£0.5k	£0.1k	£0.46	£0.01	£0.0	£0.47	TBC
GP 2.3 (KPI 3)	Promote and secure investment in key employment sites	12	3	0	1	3	4	£1m

⁶ * this is an estimation based on a consistent valuation per square ft.

GP 2.4	Additional floor space taken up (sqft)	500,000	100,000	386,502	9,545	0	396,047	500,000
GP 2.5	Promotional Events / Prospectus for Key Sites	2	0	0	0	0	0	1
GROWTH PRIORITY 3 ENSURE ALL BUSINESSES HAVE THE SUPPORT THEY NEED TO SUCCEED								
Ref	Measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
GP 3.1	Creation of new high value jobs in priority sectors (Top 100)	400	70	70	50	0	120	100
GP 3.2	Creation of new high value jobs in priority sectors (HGSME)	200	20	0	27	5	32	110
GP 3.3	Creation of new entry level jobs	0	0	0	0	0	0	0
GP 3.4	Strategic Account Plans (Top 100)	25	8	4	3	2	9	3
GP 3.5	Business engagements (Top 100)	40	10	2	3	7	12	10
GP 3.6	Business engagements (HGSME)	124	26	0	10	16	26	26
GP 3.7	Capital investment (Top 100)	£3 m	£0.1 m	£50K	0	£0.5m	£0.55m	£5m
GP 3.7	Capital investment (HGSME)	£2 m	£0.1 m	0	£50k	£450k	£0.5m	£1.5m
GP 3.8	Revenue spend (Top 100)	£6 m	£0.5 m	0	£3m	£0m	£3m	£10m
GP 3.8	Revenue spend (HGSME)	£4 m	£0.25 m	0	£200k	£580k	£0.78m	£5m
GP 3.9	Engagement with external organisations (Top 100)	5	3	3	0	0	3	1
GP 3.9	Engagement with external organisations (HG SME)	5	2	1	1	1	3	1
GP 3.9	Referrals to external organisations and track success (Top 100)	25	5	0	1	1	2	3
GP 3.9	Referrals to external organisations and track success (HGSME)	25	5	1	4	1	6	1
GP 3.10	Events (Top 100)	4	1	0	0	1	1	1
GP 3.10	Events (HGSME)	8	1	1	1	0	2	1

GP 3.11	GVA	£70 m	£7.71m	£5.9m	£6.59	£0.43	£13.03	£18.00m
GROWTH PRIORITY 4 MAXIMISE AND ATTRACT INWARD INVESTMENT								
Ref	Measure	Annual Target	Quarter 1 Target	April	May	June	To Date	Pipeline
GP 4.1	New Jobs Created	200	50	100	0	100	200	100
GP 4.2	Respond effectively to 50 enquiries/ opportunities per annum	50	13	3	5	8	13	2
GP 4.3	Lead Generation Events	8	2	0	1	1	2	1
GP 4.4	Multiplier Assists	25	6	2	2	4	6	3

COUNCIL NEW WORK REQUESTS

WORK REQUESTS						
Teams	April	Days	May	Days	June	Days
Corporate	<ul style="list-style-type: none"> Review of Community Engagement Plans for the Council Review of Research Partnership Framework 	0.2 0.2	<ul style="list-style-type: none"> Review of Ambition for All Framework Review of Annual Governance Statement 	1 0.2	<ul style="list-style-type: none"> Review of partnership structures 	0.3
Innovation and Growth	•		<ul style="list-style-type: none"> Commerical Opportunities – Macclesfield Hospital / Infomatics LGF Bid – Geothermal LGF Bid – Digital Fund Informal Cabinet Paper - Fracking 	1 2 2 1	•	
Business Engagement and Inward Investment	<ul style="list-style-type: none"> Tour of Britain 	tbc	<ul style="list-style-type: none"> Review of Employment Sites for Devolution LGF Bid – revolving fund Informal Cabinet Concept Paper – strategic relationship with Chambers Sustianable Transport Study – Science Corridor 	0.8 1 3 tbc	<ul style="list-style-type: none"> Informal Cabinet Concept paper on Brexit 	6
Skills and Employment	•		•		•	

GRANT APPLICATIONS IN THE COUNCIL'S NAME



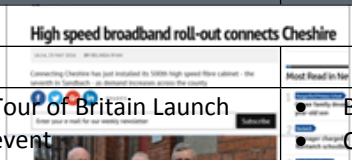



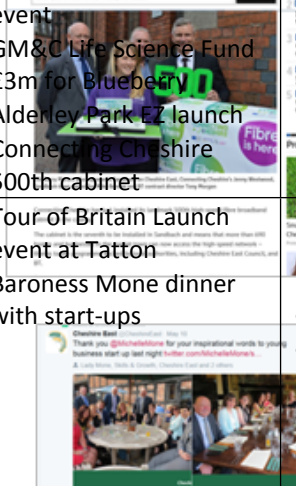





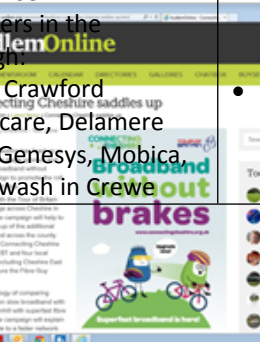
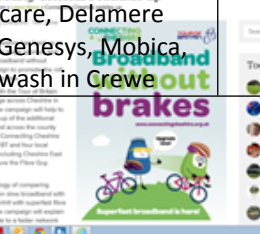
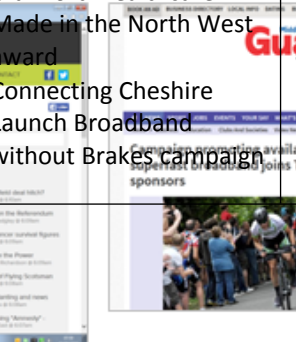

BIDS

NAME and VALUE

- **ESF: Mental Health** (£2m) subcontracting position in a consortium where CWAC is the lead
- **ESF: CIAG** (£0.9m) consortium bid
- **ERDF: Digital2020** (£5.3m)
- **ERDF: Digital Science Corridor** (£2m) consortium bid
- **ERDF: Slim hole well** (£5.5m)
- **ELENA: Engergy Programme** (£1m)
- **LGF: Geothermal** (£2.5m)
- **LGF: VIoT** (£8m) consortium bid
- **HNDU: Heat Networks** (£0.185m)

COMMUNICATIONS

COMMUNICATIONS - KEY PERFORMANCE INDICATORS

Performance measure	April		May		June	Q1 Total
Enagements						
Media Releases & Social Media Activity	 					9
Stakeholder Engagement Highlights	 					9
Awards or achievements	 		 		 	5
Examples of activity						

Examples of activity

