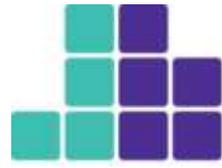


Item 1 (b)

24th October 2018



**Jobs & Business
Glasgow**

Improving Skills, Promoting Enterprise

**Jobs & Business Glasgow Operational Performance Report for the
Thriving Economy Theme**

1. Background & Governance

1.1 Background

Jobs & Business Glasgow (JBG) was established to support economic development in the city by working in partnership to create a more resilient business base while supporting residents to compete for employment opportunities in and beyond the city. We do this by increasing the number of businesses in the city; increasing the scale of social enterprise; and improving Glasgow residents' competitiveness in the labour market by supporting them to improve their employability skills.

JBG, including our subsidiary property company, has a turnover of approximately £12 million each year and is a significant feature of the economic development landscape in Glasgow. JBG employs 242 members of staff operating from over 40 delivery locations throughout the city. In addition, we also manage an extensive portfolio of business property.

Activity carried out by all services within JBG contribute to one or more of the following themes and outcomes of the Council plan:

A Thriving Economy

- A resilient, growing and diverse city economy where businesses thrive.
- More Glaswegians are in work or training.

A Healthier City

- Glasgow is healthier.
- Citizens and communities are more self-reliant for their health and wellbeing.

Resilient and Empowered Neighbourhoods

- Citizens can access good facilities, jobs and services locally.

A Well Governed City that Listens and Responds

- We take account of equality issues and the impact of poverty in our decision making.

1.2 Governance Arrangements, Delegated Authority & Structure

1.2.1 Members

JBG is a company limited by guarantee registered in Scotland (SC108565) with charitable status (Scottish Charity Number SCO23930), and Glasgow City Council is the sole member of JBG.

1.2.2 Board of Directors

The Board has a duty to manage the Company and ensure that it carries out the objectives set out in our '*Memorandum and Articles of Association*' and in compliance with the Companies Act (2006) and relevant charities legislation.

The Board's general responsibilities are to:

- provide strategic direction to the company;
- agree JBG's Business Plan;
- resolve major policy issues;
- monitor, review and report JBG's general performance and ensure our objectives are being achieved;

- agree the budget and allocation of finance to planned activities;
- delegate appropriate activity to subsidiary companies, committees and the chief executive;
- decide on the governance and delegated authority levels of the company.

The directors of the company are also charity trustees for the purposes of charity law and under the company's '*Articles of Association*', they are known as members of the board.

Under the terms of clause 16 of the Articles of Association, company membership consists of Glasgow City Council. The Board comprises a maximum number of 11 directors (trustees) and consists of: a maximum of five Partner Directors (Elected members of Glasgow City Council); a maximum of five Independent Directors (Independent business leaders appointed on the basis of their skills and experience); and Jobs & Business Glasgow's Managing Director.

The Trustees of the organisation are as follows:

- Councillor Angus Millar **Board Chair**
- Bailie Annette Christie
- Councillor Michael Cullen
- Councillor Malcolm Cunning
- Councillor Franny Scally
- Peter Marsh
- Nicola Harmon
- Gerry Wylie
- Yvonne Anderson
- Gary Hay **Managing Director**

The JBG Board meets a minimum of five times each year. In addition JBG's Board has two sub committees to manage various aspects of governance and its responsibilities.

1.2.3 Audit Committee

The Audit Committee, chaired by Peter Marsh, meets quarterly and has been developed to assist the Board of Directors to fulfil its responsibilities with regard to the control of the company's financial statements and auditing, accounting and related processes; and the company's system of internal control regarding finance, accounting and financial reporting.

1.2.4 Nominations Committee

The nominations committee makes recommendations to the Board of Directors in relation to the selection of appropriate individuals for appointment as Independent Directors.

1.2.5 Property by Jobs & Business Glasgow

JBG has a non-charitable trading subsidiary which manages our property portfolio. Separate Board meetings are held for the property subsidiary which is chaired by Councillor Michael Cullen.

2. Service Provision

JBG has a Services Agreement with the Council to provide the following services:

2.1 Employability and Skills

2.1.1 Given our aims around stimulating Glasgow's economy with specific emphasis on addressing market failure we aim to provide a service for people (clients) who are not participating on mandatory welfare programmes.

2.1.2 Our key target groups for service provision are generally regarded to be among priority equalities groups and include:

- people in receipt of health related benefits;
- people in receipt of Employment Support Allowance;
- people in receipt of Job seekers Allowance;
- the long term unemployed;
- young people;
- lone parents;
- people living in disadvantaged communities;
- people from ethnic minority backgrounds.

2.1.3 Our services are designed to provide support for people to address the barriers they may face when considering their employment and career options. Our aim is to offer a tailored package of support that has an emphasis on the physical and mental benefits that employment and training can provide, therefore not only assisting people into work, but also improving their, and their loved ones, financial, physical and mental wellbeing.

2.1.4 Our service provision centres on supporting these clients through an employability progression model providing support from engagement to sustained employment in a way that is consistent with the employability pathway promoted by the Scottish Government (Creating a Fairer Scotland: A New Future for Employability Support in Scotland).

Over the last two years we have developed our delivery model to ensure that we are as close to and accessible as we can be, to local communities. For many of our clients, initial engagement may be the most difficult step on a long journey. We now deliver services from as many as 45 locations throughout the city with an aim of being within 15 minutes' walk for any potential client. We have carefully selected our delivery locations to provide the best possible location within each neighbourhood with the aim of delivering the most accessible buildings and minimising threshold anxiety.

We have developed an individual package of support to identify skills, experience and ambitions and remove barriers to participation and progression (debt and financial issues, childcare, lack of skills and experience).

2.1.5 We have improved the range and accessibility of support services for our customers and provided increased access to employment opportunities for Glasgow residents by:

- **Working closely with a range of partners** – including Jobcentre Plus, GCC departments and ALEOs, Remploy, the Wheatley Group, Glasgow’s Helping Heroes, Glasgow’s Registered Social Landlords as well as key partners within the Glasgow City Council Family;
- **Developing relationships** with the Third Sector and Third Sector representation organisations; and
- **Increasing our working relationships with employers** – including sharing our expertise and knowledge around Community Benefit.

A detailed list of strategic and operational partners is contained in Appendix 5.

2.1.6 Jobs & Business Glasgow also delivers a number of strategic transitional employment programmes to support unemployed Glasgow residents into employment. Our transitional employment programmes are based on JBG’s unique capacity and track record of co-ordinating and developing employability partnerships of this nature on a city-wide basis.

Current programmes include the Neighbourhood Environmental Services, in partnership with GCC Land and Environmental Services (LES) and the Assisted Garden Maintenance Programme also in partnership with LES. All beneficiaries are Glasgow residents and the majority live in some of the most disadvantaged communities in the city.

2.2 Business and Social Enterprise Support Services

2.2.1 Business Start-Up

The Business Start-Up and Aftercare service is delivered to individuals living or looking to establish a business in the Glasgow City Boundary and is designed to stimulate Glasgow’s economy by:

- Raising awareness of enterprise activities and encouraging action from would be entrepreneurs living in deprived communities;
- Providing pre start up support by addressing individual needs and overcoming barriers to self-employment. This will include intensive 1-2-1 advice and access to start up grant funding; and
- Providing light touch aftercare on a wide range of issues to new SME’s starting up in Glasgow depending on client need as and when required for a period of up to 12 months from start up.

Maintaining consistency with our strategic aims, our Business Start-Up and Aftercare services are targeted towards specific groups including:

- those living in the most deprived communities as represented by the worst 15% Scottish Index of Multiple Deprivation (SIMD);
- those locating their new start up business into a 15% SIMD deprived community;
- those that are 1 day+ unemployed;
- those on a low income (suffering in work poverty, and earning below the Glasgow Living Wage threshold).

2.2.2 Social Enterprise Support

The Social Enterprise service provides support to local social enterprises within Glasgow by providing bespoke support for business planning, development plans, and funding strategies. In addition to the general advice, specialist support will be provided including community asset transfer, HR Advice with mentoring, guidance and support including specialist assistance where appropriate on all aspects of HR and People Management and capacity building. The service will support the aims of social enterprise client organisations throughout Glasgow to enhance their long-term sustainability by:

- Supporting aspiring or 'pipeline' social enterprises to become social enterprises.
- Assisting clients develop their organisational capacity, not least in governance and financial control.
- Signposting 'community development' type groups to relevant partners for support.
- Working strategically with key partners and stakeholders

3. Property

Following the merger of the five former local regeneration agencies in 2011 to create what is now Jobs & Business Glasgow, phase one of a property consolidation exercise was instigated for the previous property companies within each of the LRAs being wound up and all assets transferring to one single body, Property by Jobs and Business Glasgow (PBJBG). However, unlike the four other LRAs, properties previously within Glasgow South West Regeneration Agency (the receiving company at the time of merger) were part of the main charity. JBG are progressing with the consolidation of all properties into PBJBG.

3.1 Property Portfolio

The overall JBG property portfolio comprises commercial, operational and mixed use properties, which include 7 business centres, 4 industrial estates, 9 childcare facilities and 1 Forest School. JBG operate and manage c.340,000 sq/ft of property. Our combined property portfolio contributes to our core strategy by providing access to good quality office accommodation and we have over 130 tenants. Over the last four years there has been a significant programme of property rationalisation and fabric investment.

3.2 Childcare

Jobs & Business Glasgow (Rising Stars) operates a significant childcare portfolio. Currently there are 9 childcare facilities and a Forest School operating throughout the city with the focus centred on the south and east of the city. A mapping exercise has taken place to identify potential future childcare centre locations across the city.

JBG is one of the largest childcare service providers in the city with provision for 467 full time children. JBG also operates two out of school services within the South and East of the city, and a mobile play team with capacity to provide crèche provision for substantial numbers of children throughout Glasgow; last year crèche services were provided for over 1,100 children.

One of JBG's properties, the B-listed Blairtummock House in Easterhouse, was relaunched last year as a significant childcare centre of excellence in a unique partnership with Glasgow Kelvin College who now deliver all of its Easterhouse-based Childcare training programmes from Blairtummock House, while JBG has an onsite nursery and after school service within the same building, thus providing opportunities for students and working parents to access high quality Early Learning and Childcare in their local area.

4. Overview of Operational Performance: 2018/19, Q2

4.1.1 The report uses the traffic light system to demonstrate visually performance against target.

Symbol	Description	Explanation
	Red	20% or more below performance
	Amber	Within 10 – 20% target performance
	Green	Within 10% of target performance
	No target	Data only indicators
	Unknown	Figures are unavailable or not reported

4.1.2 A detailed breakdown of all Q2 outputs is contained in Appendix 3.

4.1.3 Performance to date remains strong in a number of areas; we have supported almost 3,200 clients across the city since April, which is almost equal to our position at this point last year despite a small reduction in the number of advisory staff in the preceding twelve months; combined numbers into employment and transitional employment is very close to our position in 2017; numbers of business start-ups created by Glasgow residents is almost identical to our position at the same period in 2017; we continue to focus on delivering services from a number of community-based locations, as listed earlier in this report.

The target for indicator 3 assumes that 25% of the clients we support in the reporting period will access work-related training opportunities, undertake personal activity, achieve a qualification or commence further or higher education.

In this financial year JBG have undertaken an exercise to fine-tune the KPI targets, as set out in the 2018-19 Business Plan, within the reporting period (1st April 2018 to 31st March 2019) so that they reflect several operational and environmental factors that may temporarily increase or reduce levels of demand and productivity. Profiling targets in this way means that they will more clearly represent our anticipated position at any given week in the year.

5. Quarter 3 Planning

5.1 Delivery model to date

It is now two years since Jobs and Business Glasgow began rolling out an innovative new approach to delivering essential, more responsive services that led us to move away from an office-based format and instead develop a leaner, local service based in local communities and neighbourhoods across the city, as part of Glasgow City Council's wider support services. To date, at a time when Jobcentre Plus has reduced the number of their offices in Glasgow from fourteen to just eight, JBG is providing employability services in upwards of 45 locations across the city.

We now have a significant presence within many of Glasgow Life's facilities, particularly libraries, where we market JBG's employability services as just part of a wider range of Council "family" support and information services that are on offer in our libraries, thus supporting a multi-agency information and support "hub" approach. Our intention now is to use this successful model to enable JBG to play a key role in providing the Council's response to the roll out of Universal Credit.

5.2 Universal Credit

Glasgow City Council is one of a number of local authorities to have raised concerns that the process for claiming Universal Credit (UC) is likely to cause stress and in some case extreme distress for a considerable number of city residents who have little or no experience of digital media and who will find themselves unable to sufficiently submit a new claim or to provide ongoing evidence online.

UC is being rolled out across Glasgow between October and December this year and the Council has made it a priority that the Council family provides a co-ordinated response to the anticipated impact brought by these changes through the provision of appropriate and effective support services for citizens who will be affected.

5.2.1 JBG Response

JBG has begun using our hugely successful Transitional Employment model as a vehicle for recruiting and supporting a number of Client Support Assistants who will be a key presence in many of the locations across the city that have been identified as UC interactive "hubs", where claimants will be expected to submit their claims.

Client Support Assistants will provide a "floor-walking" service and in many cases will be the first point of contact in these locations for claimants; they will offer an empathetic and objective customer service role, offering claimants support to log in to their UC account and helping them to ensure their input is appropriate. This programme will complement Glasgow Life's Universal Support Officers.

This innovative programme demonstrates JBG's and the Council family's determination to create a citywide strategic response that deals at a local level with particular client groups who face significant barriers to accessing benefits and the labour market.

The benefits to our partner organisations – such as Glasgow Life, GCC Revenues and Benefits and RSLs - are also substantial; the Client Support Assistants are managed by JBG, and although they will be providing a customer support service on behalf of Council partners and each location's host organisation, the Client Support Assistants will be employed by JBG through the transitional employability model.

6. Q3 Risk Report

6.1.1. JBGs risk management process requires periodic risk management reporting to the Board. Risk communication is an ongoing process and the Senior Management Team, following regular review of risks at SMT meetings, ensure that the appropriate risks are communicated to relevant service delivery partners and key stakeholders.

When appropriate, our risks are communicated through a number of channels, including:

- the staff Intranet and Blog;
- at team meetings (various functions and teams);
- in Board papers; and
- within JBG Quarterly and Annual Reporting and appropriate external papers.

There are 14 active risks recorded on the JBG risk register. This report, however, which is contained in Appendix 6 , will focus on the top five risks, as assessed on 10th August, 2018.

7. Recommendation

Committee is asked to note the content of this report.

Overview of Business Functions

The table below is an excerpt from JBG's Business Classification Scheme and represents the top level functions of the organisation and the activities carried out by each function.

Top Level Function	Level 2 Activities
Council property	<ul style="list-style-type: none"> Maintenance of council property Property acquisition and disposal Property and land management Property use and development
Economic development	<ul style="list-style-type: none"> Business intelligence Promotion Regeneration Training
Education and skills	<ul style="list-style-type: none"> Advice Employment skills Life long learning
Finance	<ul style="list-style-type: none"> Accounts and audit Asset management Financial provisions management Financial transactions management Payroll and pensions
Health and safety	<ul style="list-style-type: none"> Compliance Monitoring Risk management
Human resources	<ul style="list-style-type: none"> Administering employees Employee relations Equal opportunities Monitoring employees Occupational health Recruitment Terms and conditions of employment Training Workforce planning
Information and communication technology	<ul style="list-style-type: none"> Infrastructure System support

Information management**Access to information****Archives****Knowledge management****Records management**

Management**Communication support****Corporate communication****Enquiries and complaints****External audits****Preparing business****Project management****Quality and performance****Statutory returns****Strategic planning**

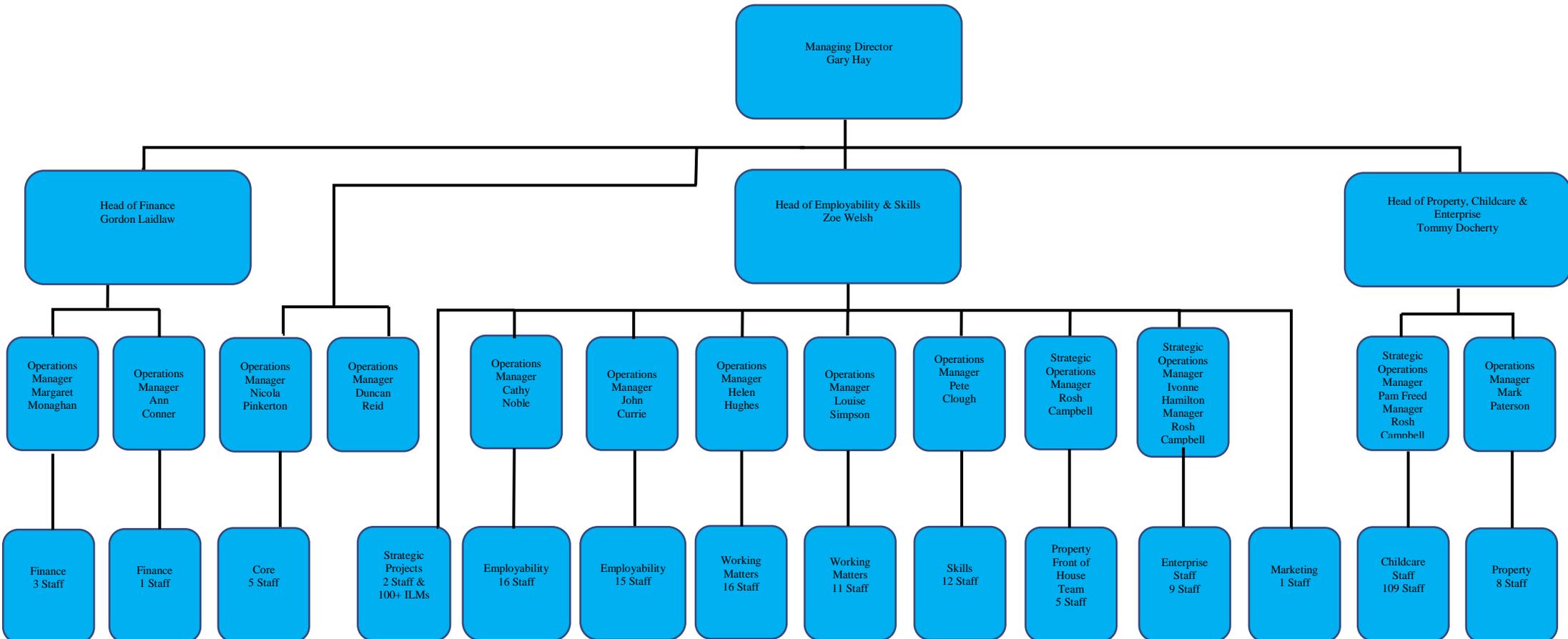
Procurement**Contracting****Market information****Tendering**

Risk management and insurance**Risk management**

Staff headcount/FTE (by service area/function)As at 12th October 2018:

Service	Headcount
Childcare	123
Property	14
Enterprise	10
Employability & Skills	73
Strategic Projects	3
Finance	6
Marketing	1
Strategy & Compliance	7
Directorate	1
Secondments	4
Company Total	242

Leadership and Organisation Structure



APPENDIX 3

2018-19 Performance to Date: Q2

Key Performance Indicators – Progress April 1st 2018 - September 30th 2018						
KEY PERFORMANCE INDICATOR		Target 2018-19	Anticipated to Date	Actual to Date	Variance from Anticipated to Date	% achieved actual / anticipated at assessment date
1	Number of people provided with employment related advice	5,920	3,197	2,890	-307	-10%
2	Scottish Index of Multiple Deprivation residents engaged	3,848	2,078	1,925	-153	-7%
3	Number of people supported to participate in training and personal development activity, achieve a qualification, or undertake further education	1,480	732	932	200	27%
4	Number of people supported into transitional employment	210	105	117	12	11%
5	Number of transitional employment participants progressing into employment	110	20	19	-1	-5%
6	Number of people supported into employment (all ages)	814	339	366	27	8%
7	Number of Glasgow residents who have started a business as a result of support from JBG	140	70.0	95	25	36%
8	Number of jobs created through Business Start-ups	160	79	96	17	21%
9	Number of new businesses in receipt of aftercare	260	129	100	-29	-22%
10	Number of social economy initiatives supported	140	69	58	-11	-16%
11	Number of new Enterprises supported through incubator space	10	6	15	9	150%
12	Total jobs	1,064	429	480	51	12%

APPENDIX 4

Work Locations – Enterprise, Employability and Skills, Strategic Projects, Property, Childcare and Corporate

Area	Community Based Location	Area	Community Based Location
EAST	Baillieston Library	SOUTH	Govan HA Community Hub
EAST	Bridgeton Library	SOUTH	Govanhill Library
EAST	CSG Boden St	SOUTH	Govanhill Volunteer Shop
EAST	Dennistoun Library	SOUTH	Hampden Park
EAST	Easterhouse Library (The Bridge)	SOUTH	Ibrox Library
EAST	Helenslea Community Hall	SOUTH	Maureen Cope Community Hall
EAST	Parkhead Library	SOUTH	New Gorbals Housing Association
EAST	Riddrie Library	SOUTH	Pollok Community Centre
EAST	Sandyhills Community Hall	SOUTH	Pollok Library
EAST	Shettleston Library	SOUTH	Pollokshaws Library
EAST	The Legacy Hub (Dalmarnock)	SOUTH	Pollokshields Library
EAST	JBG Westwood Business Centre	SOUTH	St Francis Centre
EAST	Tollcross Learning & Advice Centre Learning Academy	SOUTH	Toryglen Community Base
EAST	Westmuir St School	SOUTH	The Wedge
EAST	JBG Ladywell	SOUTH	Langside Library
N. EAST	Molindinar Community Centry	WEST	Anniesland Library
N. EAST	Royston Library	WEST	Ashgill Recreation Centre
N. EAST	Springburn (Kelvin College) Campus	WEST	Drumchapel Community Centre
N. EAST	Springburn Library	WEST	Drumchapel Library
N. EAST	JBG ELCC, Springburn	WEST	Knightswood Library
N. EAST	Barmulloch Library	WEST	Maryhill Hub (CSG)
SOUTH	JBG Orkney Street	WEST	Maryhill Library
SOUTH	Adelphi Centre Café	WEST	Mitchell Library
SOUTH	Cardonald Library	WEST	Partick Library
SOUTH	CSG Meiklewood	WEST	Possilpark Library
SOUTH	Elderpark Library	WEST	Sanctuary Housing Association
SOUTH	Glasgow's Helping Heroes		
SOUTH	Glenoaks Housing Association		
SOUTH	Gorbals Library		
EAST	Rising Starts Orr Street, Bridgeton	SOUTH	Rising Starts Nethan Street, Govan
EAST	Rising Stars Crownpoint Road, Bridgeton	SOUTH	Rising Stars Ardlaw Street, Govan
EAST	Rising Stars Blairtummock House, Easterhouse	SOUTH	Rising Stars Commercial Road, Gorbals
EAST	Rising Stars Westerhouse Road, Easterhouse	SOUTH	Rising Stars Cowglen Road, Pollok
EAST	Rising Stars Academy Street, Shettleston		

Stakeholders, Partnership and Collaborations

It is vital that JBG works with Glasgow City Council and other stakeholders to ensure that we support the delivery of services across the sector to create the maximum impact on our Clients and therefore on the Economy of the City. Our key Stakeholders are:

- **GCC Development and Regeneration Services** through a Services Agreement and through collaborative working to support the development of community benefit clauses;
- **GCC Democratic Services and Community Planning** for the delivery of services that are consistent with CPP and Single Outcome Agreement objectives and maintaining appropriate monitoring framework for JBG activity;
- **GCC Education Services** – working in partnership to deliver the city’s plan for childcare provision;
- **Glasgow’s College Network** – working in partnership to improve the skills base across the city;
- **GCC Land and Environmental Services**- working together to deliver environmental training programmes and intermediate labour market programmes designed to improve the employability skills base among people from disadvantaged areas in Glasgow;
- **Glasgow Life** – working in partnership to provide local access to GCC family services;
- **Skills Development Scotland**, delivering National Training Programmes, Employability Fund and Modern Apprenticeships – with associated collaboration with employers;
- **The Big Lottery Fund** – funding three programmes valued over three years at approximately £3 million;
- **NHS Greater Glasgow and Clyde** – working with the Health and Social Care Partnership to deliver employability support to groups of people, that are considered to be most distant from the labour market;
- **DWP/Jobcentre Plus** – ongoing partnership working to support the development and delivery of Working Matters, the Glasgow City Region City Deal’s key employability programme;
- **The Wheatley Group/GHA** – partnership working to deliver employability advice and support to Wheatley Group tenants; and jointly market both organisations’ Care Sector-based employability training;
- **Clyde Gateway URC** – working with the URC to deliver effective employability services across the Clyde Gateway area.

Q3 Risk Register

Description of Risk	Residual Risk				Mitigation
	Probability	Impact	Score (p*i)	D.O.T	
<p>1 – RISK: Loss of staff resources at senior level leading to reduced capacity to complete business critical functions and manage stakeholders.</p> <p>CAUSE: Difficulty in replacing senior staff after staff changes in 2016.</p> <p>EFFECT: Business critical functions and stakeholder management tasks are not carried out as efficiently as anticipated, leading to issues around performance, adherence to regulatory and statutory commitments and reputational damage.</p>	3	4	12	Increase	Liaison with JBG board and HR partners to help ensure business as usual is achieved as much as possible in the event of senior staff departures.
<p>2 - RISK: Commercial property occupancy rates fall below 80%.</p> <p>CAUSE: Lack of effective marketing; cooling of GCC interest in occupying our Westwood property.</p> <p>EFFECT: Reduction in income.</p>	3	3	9	No change	<p>Progress / update report to be requested from property agent detailing issues and recommended actions on each property.</p> <p>JBG to explore strategic property review to evaluate market trend and demand determine medium-long term viability and sustainability of each property.</p>
<p>3 - RISK: Core employability service is unable to cope with demand.</p> <p>CAUSE: Current core employability staff will begin delivery of the Work Life Glasgow project. ESF rules prohibit staff supporting non-ESF clients, and a number of core clients will not be eligible to participate in the WLG project.</p>	3	3	9	New	HR and staff consultation focusing on filling core employability posts; establishment of training plans for new core employability staff; reduce demand on core employability services by transferring eligible clients to WLG project caseload; raise

EFFECT: Reduction in performance against KPI targets; reputational damage emerging from being unable to provide support to unemployed Glasgow residents.					awareness amongst staff of alternative employability providers in the event that our capacity is insufficient to meet demand.
4 - RISK: There is a risk that JBG currently possess insufficient back office and project delivery resources to develop funding proposals, arrange partnership working, and deliver activity in line with the expectations of the respective funders. CAUSE: A reduction in the number of staff across all functions and subsequent difficult in replacing these staff has reduced our capacity to develop funding proposals and deliver funded projects. EFFECT: Reduction in income.	2	4	8	No change	Where possible, liaise closely with funding bodies to assist in proposal development; explore alternative staffing arrangements; engage proactively with partner organisations around delivery arrangements.
5 - RISK: Potential to be taken to an employment tribunal on grounds of equal pay (gender) CAUSE: Precedent set by Dumfries and Galloway ruling. EFFECT: Reputational and financial damage.	2	4	8	No change.	Continue to liaise with GCC Legal to ensure we are not increasing the inherent risk.

Risk Management Summary and Conclusion

Risk 1: Increase - Imminent departure of acting Head of Finance has seen this re-emerge as a significant risk.

Risk 2: No change.

Risk 3: New.

Risk 4: No change.

Risk 5: No change in score, although the closure of risks or reduction in other risk scores since the June Board has seen this enter the top 5.

Risks removed from top 5 since last report:

Risk Conclusion

Risk management is an ongoing process and the SMT will continue to monitor each of the risks and provide the Board with immediate updates where significant change occurs.