

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
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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.

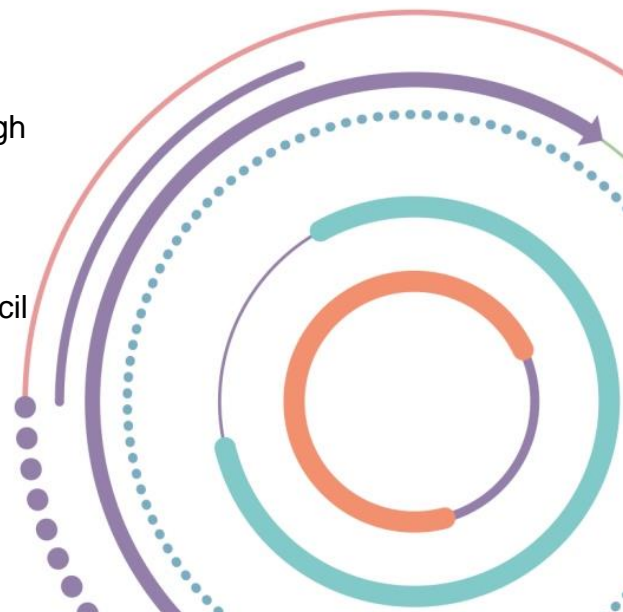
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City Region Deal Checklist

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.

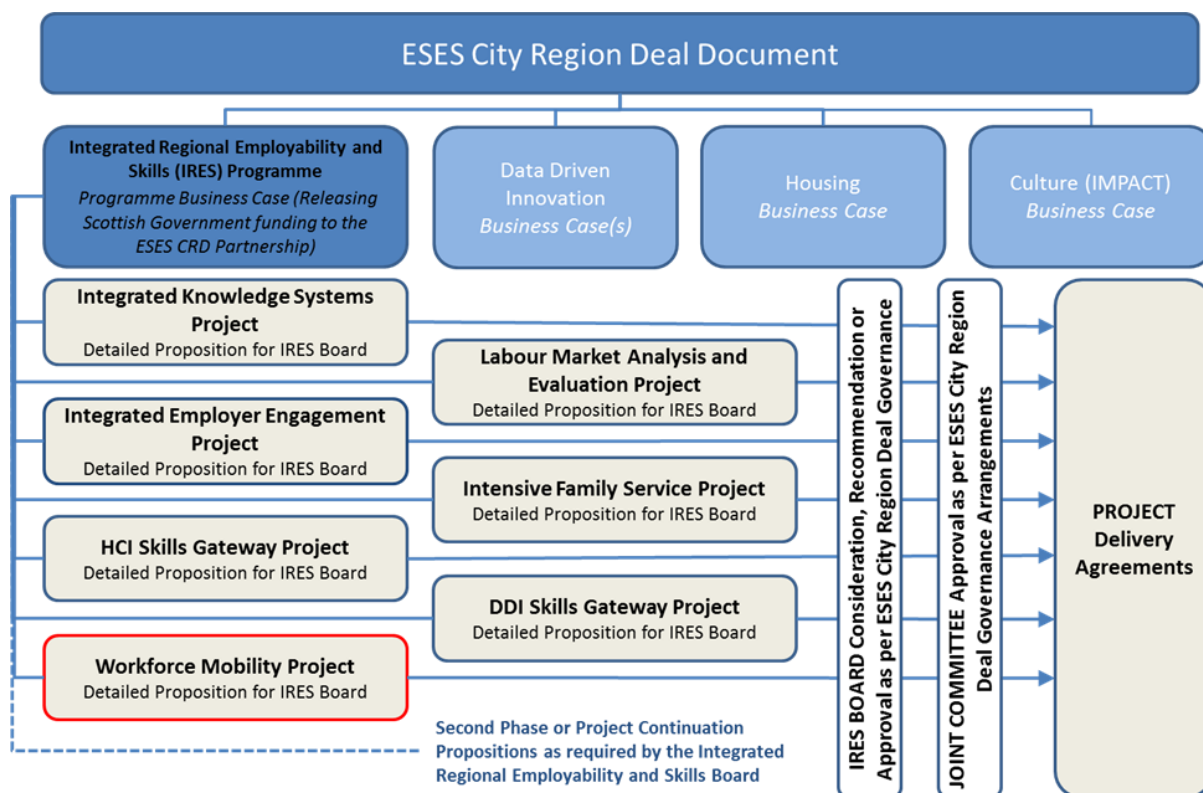


Figure 1 Workforce Mobility Project Proposal in the context of the ESES CRD IRES Programme

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.

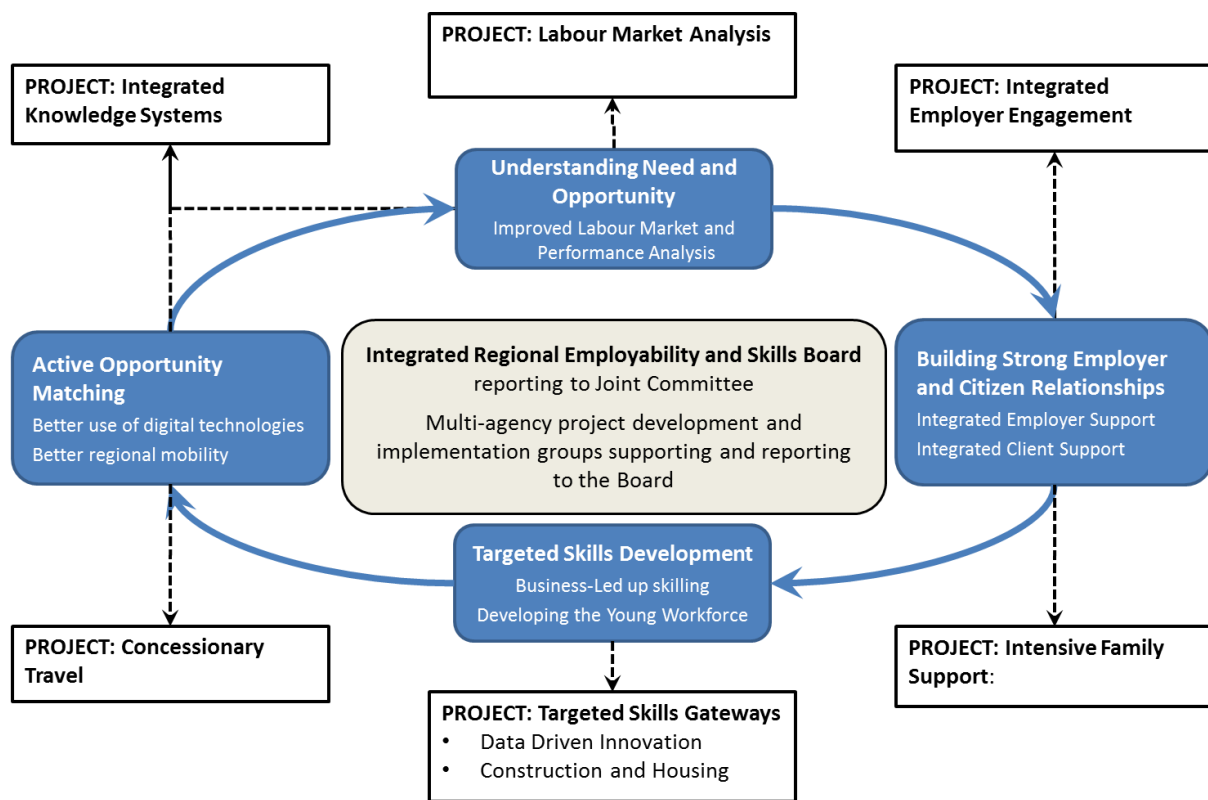


Figure 3. Workforce Mobility/ Concessionary Travel Proposal is an integral component of an inclusive labour market improvement cycle

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 Profile Target over 8 Years ⁹
1-4	ENHANCED OUTREACH: Improved outreach attracts additional people from following disadvantaged or under-represented groups into the programme <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	EMPLOYMENT: Additional people moving into employment <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	CAREER PROGRESSION: Additional people progressing into and sustaining (13 weeks and 6 months) better employment, earnings and careers <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	ENABLERS: <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.

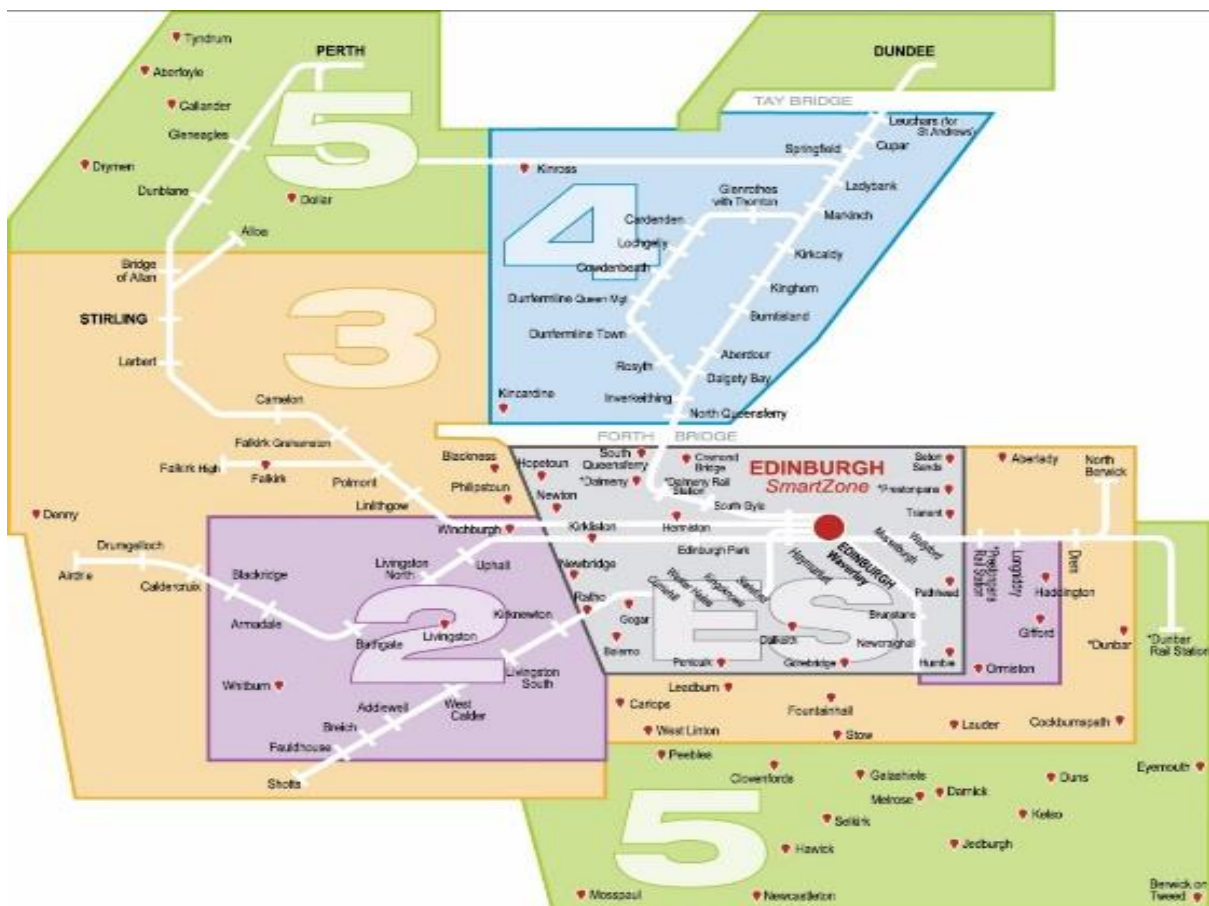


Figure 5. One Ticket Zones Example

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.

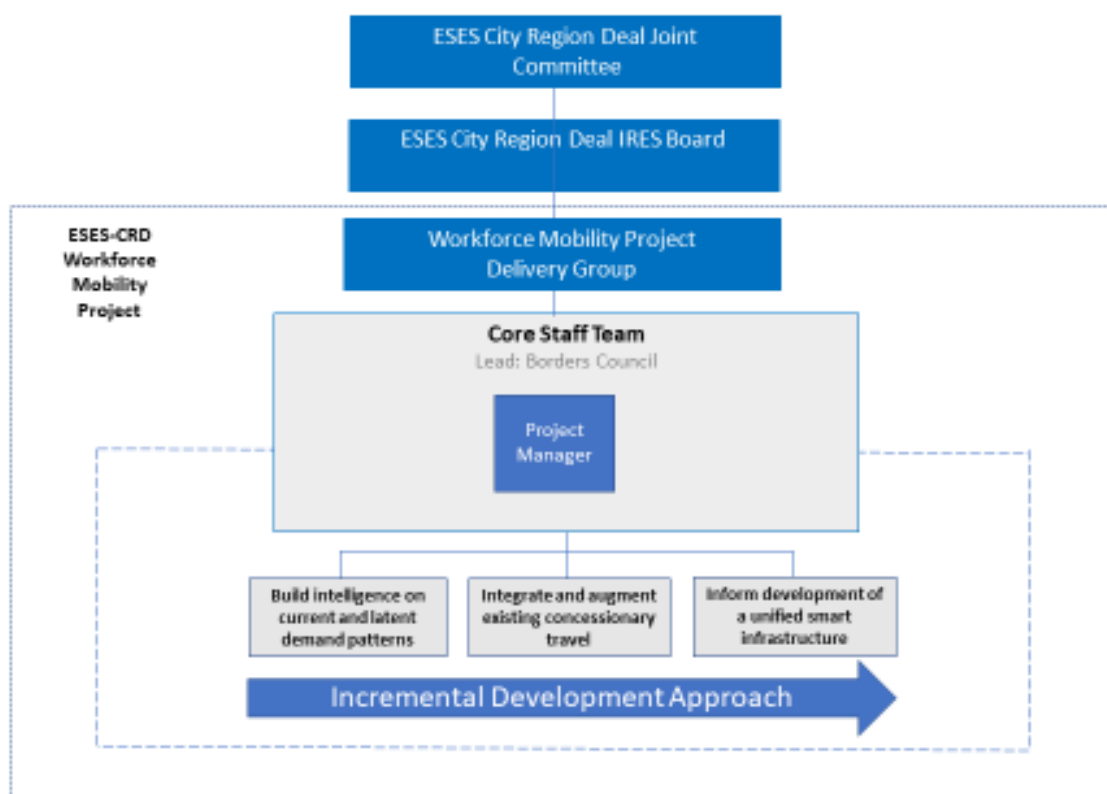


Figure 6. Workforce Mobility Delivery Group Management Structure

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.