

# **NORTH YORKSHIRE COUNTY COUNCIL**

**18 FEBRUARY 2009**

## **STATEMENT OF THE COMMUNITY SERVICES PORTFOLIO HOLDER COUNTY COUNCILLOR GREG WHITE**

### **ECONOMIC DEVELOPMENT**

#### **Economic Recession**

As Members will be aware, the County Council has been undertaking a significant amount of work in order to respond to the economic downturn which is now officially a recession.

The Executive considered the County Council's response to the economic downturn on the 20 January 2009. I will, however, take this opportunity to update Members on further developments. A very useful meeting of the Economic Development and Regeneration Overview and Scrutiny Committee took place on the 16 January 2009. The Federation of Small Businesses and Business Link attended and outlined how they were seeking to support businesses through the difficult times. The Federation of Small Businesses also brought forward some proposals as to how the County Council could assist. Two specific areas were highlighted by them – Uniform Business Rates and Local Procurement. The scope for the County Council to influence the Business Rate is extremely limited. On local procurement, however, the County Council already has a good record of working with Small Medium Enterprises and business organisations to facilitate engagement with the County Council on tendering for NYCC contracts. Work is therefore on-going in order to ensure that County Council support remains relevant and new opportunities are investigated and, where possible, implemented. This will, of course, be part of an on-going dialogue with business support agencies.

In the light of continuing increases in unemployment rates in parts of North Yorkshire and specific redundancies being notified, it is worth highlighting some specific initiatives which are taking place.

Firstly, working with Yorkshire Forward, who have the lead role, all partners including the County Council are working together to share intelligence relating to redundancies to ensure that a coordinated response is put together. In respect of larger redundancies (above 50) Yorkshire Forward coordinates a joint response with Jobcentre Plus, Learning and Skills Council, Business Link and local authorities to ensure that the necessary support is given to companies and employees. The County Council will play its part in that partnership approach.

A new initiative has been put in place in respect of small scale redundancies (below 50). Through this, all local authorities have been asked to nominate a representative to be part of a virtual team who will ensure that such companies can access the same support services and resources available to companies planning larger redundancies. The County Council's representative will be our Economic Development Manager.

Secondly, the County Council continues to work with Business Link and the Leeds, York and North Yorkshire Chamber to ensure that businesses have access to the necessary support. Space will be made available in The North Yorkshire Times (NYT) to communicate with North Yorkshire residents and businesses, for example around how to access information and advice. The current Edition of NYT highlights a series of sessions being organised in NYCC Library and Information Centres by Business Link for businesses across North Yorkshire. A good example of the corporate response from the County Council to the current difficult conditions.

Work is also underway on a regional basis in order to ensure everyone across the region is focussed on specific and targeted activity to make things easier for communities and businesses. A draft pledge has therefore been created which includes 11 areas of action. The County Council will, of course, join with other local authorities in signing up to this pledge.

The recession does present many difficulties but offers a number of opportunities for the North Yorkshire economy. The recession, coupled with the Euro exchange rate, means that tourism may well receive a boost. Discussions are taking place among partners, including the County Council, on what further assistance can be provided to this sector of the economy.

## **COMMUNITY PLANNING AND COMMUNITY SAFETY**

### **Credit Union**

The business plan has been approved by York Credit Union's Board and sent to the Financial Services Authority for authorisation to extend York Credit Union's common bond to the rest of North Yorkshire. Later this month York Credit Union's membership will vote to approve the extension of the common bond. Once up and running the credit union will carry out a payroll campaign to public sector employees in all parts of the county to build up the savings ratio of the credit union. This will help to ensure that the credit union becomes sustainable in as short a period as possible. The economic downturn is likely to increase demand for loans from the credit union but the credit union will only be able to work towards meeting this demand if it has first built up a sufficient savings to lending ratio. Parallel to the payroll campaign, customer access points in libraries, children's centres and district council offices etc. will be established initially in the Scarborough and Selby districts, with rollout to all other districts in the next two years. The credit union will market itself on the basis of providing a safe and secure place for people to start saving, placing them in a good position to apply for a loan should they really need to do so.

**NYSP Partnership Meeting – 12 March 2009**

The NYSP Partnership will be meeting at County Hall on 12 March 2009. The focus for this meeting will be the impact of the economic downturn on North Yorkshire. The Minister for Yorkshire and the Humber, Rt Hon Rosie Winterton MP, has expressed an interest in attending the event to provide a central government perspective and a series of short presentations will follow from key partners looking at the impact within the county and across a range of sectors, e.g. business, tourism and the advice sector.

**GREG WHITE**