

NORTH YORKSHIRE COUNTY COUNCIL

19 MAY 2010

STATEMENT OF THE DEPUTY LEADER OF THE COUNCIL AND PARTNERSHIPS AND ECONOMIC DEVELOPMENT PORTFOLIO HOLDER COUNTY COUNCILLOR JOHN WATSON OBE

ECONOMIC OUTLOOK

There continue to be positive economic signals but it is too early to know exactly how North Yorkshire's economy will fare over the next year or two. A couple of notable positive indicators are those relating to Jobs Seekers Allowance claimants and business start-ups -

The number of Job Seekers Allowance (**JSA**) **claimants** in North Yorkshire fell last month by 677 (or 6.1%) and is now 10,402 (March 2010). The claimant count unemployment rate for North Yorkshire fell from 3.1% to 2.9%. The rate for Yorkshire and the Humber is down from 5.1% to 4.9% and the Great Britain rate is down from 4.3% to 4.2%. These figures are unadjusted for seasonal variations.

The largest falls in claimant numbers were in Harrogate (169 claimants or 7.3%) and Scarborough (222 claimants or 6.4%) districts. No districts experienced a rise in claimant numbers last month.

The number of 18 to 24 year old JSA claimants fell by 230 (7.2%) last month and is now 2,960. There is an unemployment rate among 18 to 24 year olds of 6.2%.

There were 544 new **business start-ups** across North Yorkshire in March, an increase of 75 (16%) over the February figure. All districts saw an increase in start-ups except Craven where the number remained the same.

BUSINESS SUPPORT

I previously reported on how the business engagement and support functions provided by york-england are being brought in-house by the County Council, the City of York and Harrogate Borough Council. The detailed structure has being finalised with the handover organised for the beginning of June – subject to the contract being finalised with Yorkshire Forward.

MILITARY IN NORTH YORKSHIRE

The Ministry of Defence (MOD) spending in North Yorkshire has been found to be worth almost £600m a year to the County.

In partnership with Yorkshire Forward, the MOD, Richmondshire District Council and Tees Valley Unlimited, we commissioned SQW Consulting to explore the economic impact of the military presence in North Yorkshire.

The research focused on the Catterick Garrison Administration Area (CGAA) which has the largest concentration of Defence activity in York and North Yorkshire and where growth is possible in the future. Evidence for the report was gathered from

publicly available statistics, internal MOD data and consultation with key partners and MOD staff.

The report identified last year the MOD employed over 17,000 people in North Yorkshire, with most being based in Richmondshire which is home to Catterick Garrison, and almost half the people in Richmondshire are employed by the MOD.

The size of the military presence in North Yorkshire has drawn in investments in educational, retail and leisure services. It has supported the housing market and has the potential to bring skilled service leavers into the local workforce.

The study highlights that up to 800 military people leave the services each year in North Yorkshire. They have high level technical and engineering qualifications with organisational and leadership skills that would contribute positively to the local economy. The main challenge for leavers is finding suitable job opportunities in North Yorkshire.

The MOD prepares leavers for life outside the force, and locally it is mounting a major initiative with partners to raise awareness among local business leaders of what leavers can offer.

The study identified that the MOD procured at least £61m of goods and services each year in CGAA and 64% of the value of these contracts was retained by businesses in Yorkshire and Humber. It was identified that local businesses need to take advantage of CGAA contracts and the MOD needs to raise awareness by providing local suppliers with information on the opportunities to do business.

The MOD's Military Civil Integration (MCI) Project brings key military and civil Stakeholders in North Yorkshire together to maximise the benefits of this major economic presence in the interest of both communities. Joint working on local procurement, housing, employment and children's issues is already making a difference.

Other key facts the report highlights is the vast amount of capital investment the MOD has invested in North Yorkshire. Between 2004 and 2008 the MOD invested £308m on capital projects which includes accommodation, messes and medical facilities creating an estimated 170 temporary construction jobs per annum over this period.

We will continue to work with partners to make sure North Yorkshire makes the most of these significant economic opportunities.

CULTURAL ACTIVITY

North Yorkshire Open Studios 2010

This year's event, which will take place on 11/12/13 and 19/20 June, has grown in size and range with 120 artists opening their studios and selling work and a programme of 20 talks, events, small exhibitions and workshops. This year also highlights local restaurants and other attractions and has a "green challenge" with suggestions on how to visit studios using public transport, walking and cycle trails. As well as being a visitor attraction the event also provides income for artists: last year selling over £60,000 of work, attracting 15,000 visitors with an estimated additional spend in the area of £675,000.

Key Festivals Selection

As part of its commitment to supporting sub-regional ambitions in relation to culture, tourism and market town regeneration the County Council and partners are inviting all cultural festivals to submit bids to get involved in a collaborative project that will increase audiences. With funding from Yorkshire Forward and the support of Arts Council England, the aim is to work with a small number of festivals over three years to put the area firmly on the festival map as a national and international tourist destination.

JOHN WATSON