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## **Executive Leader Decision Session**

**5<sup>th</sup> April 2011**

Report of the Director of City Strategy

### **Jobs Fund**

#### **Summary**

1. This report seeks approval to allocate funding from the Jobs Fund established at the Council's budget meeting for specific initiatives. It follows up on the reports presented at the last meeting of the Leaders decision session on 1<sup>st</sup> March 2011 which highlighted the current economic position facing the City of York. This recognised that the Council and its partners can take action to assist the city during a slow recovery from the period of downturn to help business as well as those individuals and communities hardest hit.
2. The One City project has a good strategic fit with the long term aspirations of the city under the Inclusive City, Learning City, Sustainable City and Thriving City themes in the Sustainable Community Strategy.

#### **Background**

3. Previous reports to the Council's Executive in 2008 and 2009 outlined the implications of the global recession on the local economy of York and identified a number of actions for the Council to take in response to this. It was recognised that York was initially better placed than some other cities to respond to the changing economic picture. It has experienced relatively high levels of employment and encouraging economic growth over recent years especially in the technical, creative and scientific sectors. The City has strong partnership working and a good support infrastructure which has been responsive to changing economic circumstances. This has been key to ensuring that York remains vibrant and successful at attracting investment and visitors. Whilst apparently affluent, there are, however, significant pockets in York where deprivation is relatively high and where action is required if the circumstances of those least well off are not to be exacerbated by the prevailing economic climate. There remain concerns regarding the high level of public sector employment in the city which highlights the importance of both encouraging private sector employment and supporting initiatives to help local people get into work.
4. The Council's budget meeting in February established a budget of £132,000 to support additional initiatives to respond to these objectives under the collective title of the Jobs Fund. Work is well underway with a range of partners to develop proposals to use this funding in the most effective ways. Proposals will be brought forward for consideration at the Leaders decision making sessions as these are developed. Two initial proposals are set out in this report regarding additional support for Science City York and rolling out proposals developed through area based approaches in Kingsway West and Clifton.

## **Consultation**

5. Previous consultation has taken place with the York Economic Partnership, York Business Forum, Science City York, york-england.com, Visit York, York Professionals, Retailers Forum and Chamber of Commerce.

## **Science City York**

6. Budget Council agreed a revised core contribution to Science City York. In addition to this, Science City York are seeking to undertake additional activities, particularly to support initiatives being developed in connection with the Leeds City region and with regard to the recommendations from the Green Jobs taskforce. Details of proposals for 2011/12 are set out in Annex 1 attached to this report. These initiatives will encourage job creation in the City of York for the benefit of local residents.

## **Rolling out initiatives undertaken on an area basis**

7. Previous reports have outlined successful work that has been undertaken in a targeted way focussed on Kingsway West and Clifton. The Kingsway West pilot was the subject of an independent evaluation undertaken by York St. John University. Key successes in both areas have been demonstrated by an intensive programme to maximise income for poorer households in the City. The direct impact on generating income is significant but there has also been a prevention aspect to this work, particularly with older residents with multiple health problems. Investing in this activity prevents the burden of cost falling on the local authority in the medium and longer term through reduced need for social care spend. The outcome of this work is highlighted in Annex 2 attached to this report.
8. A proposal to extend this work further is attached as Annex 3 to this report. This seeks to deliver a targeted programme of income maximisation for a cost of £20,000 per annum for 3 years with the aim of achieving £200,000 per annum. It is intended to align this work with the neighbourhood pilot initiative.

## **Options**

9. The purpose of this report is to note progress with the initiatives report and the current state of the local economy. Reference is made to the budget allocation of £132,000 agreed by the Council for the Jobs Fund. The option for the decision by the Executive Leader is therefore to accept these recommendations or not to do so.

## **Corporate Priorities**

10. The actions in this report support the Inclusive City, Learning City and Thriving City elements of the Sustainable Community Strategy and the Council's Corporate Strategy.

## **Implications**

### **Financial**

11. The recommendations can be supported through existing budgets, given the allocation of £132,000 agreed at Budget Council for the Jobs Fund.

### **Human Resources (HR)**

12. There are no specific HR implications arising from this report.

## **Equalities**

13. This paper proposes action to support the least well of in York and promotes financial inclusion and economic participation for all.

## **Legal**

14. There are no immediate legal implications.

## **Crime and Disorder**

15. This paper supports the consideration of crime and disorder in the context of deprivation in ward planning as demonstrated by the Kingsway Pilot.

## **Information Technology (IT)**

16. There are no strategic IT implications.

## **Property**

17. Previous actions have supported some businesses within the Council's portfolio that have suffered down-turn as a result of the prevailing financial climate.

## **Risk management**

18. The projects previously approved have been assessed to ascertain their effectiveness

## **Recommendations**

19. That the Executive Leader notes the progress made with measures undertaken by the Council in response to the economic downturn.
20. That the Executive Leader agrees to allocate £53,000 for 2011/12 from the approved Jobs Fund to support additional activities to be undertaken by Science City York as outlined in this report.
21. That the Executive Leader agrees to allocate £20,000 per annum for 3 years to support a targeted programme of income maximisation to be undertaken by Future Prospects as outlined in this report.
22. That the Executive Leader agrees to receive further updates on York's economic climate and assessment of the effectiveness of actions initiated as a result of this report.
23. Reason: To enable the funds set aside in the budget for Jobs Fighting Fund to be allocated to specific initiatives

**Annex 1** – Science City York: proposals for 2011/12

**Annex 2** – Future Prospects: assessment of benefit maximisation work undertaken in Kingsway West and Clifton.

**Annex 3** – Future Prospects: proposals to extend work on income maximisation.

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**Report Approved**

**For further information please contact the author of the report**

**Wards affected – ALL**

**Specialist implications officer**

Financial – Patrick Looker