



**Councillor James Alexander**  
**Labour Leader of City of York Council**  
**Report to Full Council – December 2013**

**Council Report December 2013**

I thought it would be helpful if I reiterated the purpose of the Labour council. This is to alleviate poverty by getting our poorest residents off benefits and into well-paid work. We are doing this by working in partnership with the private sector to grow the local economy and increase job opportunities. We are funding this through investing in infrastructure and bringing developments forward. As we further approach full employment we will need to focus more on in work poverty and tackle low wages. I hope my report reflects the progress being made.

**Employment**

The number of people in York claiming job seeker's allowance is 2,195. This is a decrease of 122 from the previous month. This means 1.6% of York's working age population is currently claiming job seeker's allowance. In Yorkshire and Humber it is 3.9% and in the country it is 3.0%. York is outperforming the country by almost 50%. 2,195 represents a decrease of 872 from this time last year.

We are currently 0.1% away from pre-recession claimant figures.

**Job Vacancies**

It is immoral York has 2,195 people claiming job seeker's allowance and 2,214 job vacancies in York. This highlights the issue of linking people with the skills required to the job market. We are pursuing greater devolution of skills funding as part of the Government's city deal devolution programme to the Leeds City Region area. This will allow us a greater say to work with businesses to ensure training can be given to people for the job vacancies that are already here or the skills gaps we know are coming.

I would like the Government to devolve University funding on the basis of our functional economic geography, so that we can ensure

universities have to provide the courses required for in the job market, rather than the market for courses.

As of 16th November the number of job vacancies in York recorded by Job Centre Plus was 2,214. However I am concerned that 1161 of these were in employment agencies which give little job security. The second largest group was in retail with 205 vacancies and this is often low paid. Although we are approaching full employment, I would like us to focus more on better paid jobs as well as moving the over qualified out of existing jobs and into one befitting of their skill set. This will allow the low skilled access to the job market.

### **Out of Work Benefits**

This month saw new quarterly data released by the Department for Work and Pensions showing York has the lowest number of people receiving out of work benefits ever recorded. York is both outperforming both the region and country in getting our residents off benefits and back to work. The results show York is outperforming the region by 48% and the country by 40%.

Out of work benefits data is recorded as far back as 2000 and consist of job seekers allowance, employment and support allowance, incapacity benefit, lone parent benefit and other income related benefits.

I have always taken the view benefits are a safety net to help the poorest when times are tough but are not a lifestyle choice. I believe in people being supported into well-paid employment to look after themselves and their family rather than the reliance on the state.

As of May 2013 there were 8,810 receiving out of work benefits in York, which is the lowest amount ever recorded. There has been a sharp decline over the numbers receiving these benefits consecutively for five quarters since Feb 2012. This is when the council introduced York's 'Economic Infrastructure Fund' to help facilitate growth of the economy and get people back to work. 6.6% of York's working age population receive out of work benefits. In Yorkshire and Humber this figure is 12.6% and in the country it is 11.2%.

In May 2011 we inherited a figure of 9,860. It was ,720 when the Liberal Democrats won control of the council from Labour in May 2003. These figures reached York's highest ever recorded figure of 10,840 in February 2010.

The UK figure has only reduced in the last quarter.

### **Youth Unemployment**

The number of those aged 18-24 claiming job seeker's allowance is now 530. This is a reduction of 25 from last month and 240 from this time last year.

We have managed to secure £86,000 from the Leeds City Region to help tackle youth unemployment. This will see the council work in partnership with employers to support and match 56 young people aged 18-24 who are long-term unemployed into roles over the next two years. The council is topping up this fund with a further £60,000 from the Economic Inclusion Fund to support 40 more. York currently has 80 young people aged 18-24 who have been claiming job seeker's allowance for over a year. This reduced by 5 this month and by 50 from this time last year.

I welcome the news from Nestle that it is creating 1,900 job opportunities for young people in the country including at the factory in York.

The company will also work with schools and colleges to offer skills and employability training through its European Youth Employment Initiative.

We will be working with Nestle to maximise the opportunity this brings for York's young people.

### **York Central**

The development of York Central could make the greatest impact on our city since the railways. As well as transforming a stagnating market town into a dynamic city, the railways imprisoned the area now known as York Central. With happy synchronicity, its release and redevelopment should provide a modern springboard to future prosperity. This is a very exciting project which will potentially change the face of York for ever, and provide the city with stable

employment opportunities for decades to come. It will be the cornerstone of the city's future economic prosperity it's difficult to think of a site which would be more appropriate for brownfield development. The size and location of the York Central development makes it one of the most important in western Europe. It is a jewel of an opportunity. It has been left derelict and underdeveloped for over a generation.

So much work has gone into working up proposals for the site that there is a determination to continue so that we can deliver the jobs, and housing that the city needs from this part of the city centre.

My involvement with the York Central development began when I became leader of the opposition in May 2010. There was a steering board that discussed grand plans but could not address the issue of the infrastructure gap required to access the site. The previous Liberal Democrat council went to market with a master plan that did not address the funding gap that was in the region of £50m. Unsurprisingly the market rejected the proposals. Following Labour winning control of the council in May 2011 we began pursuing tax increment financing for the site. This did not prove to be fruitful. We then pursued finance through the Government's infrastructure fund. I have personally discussed the matter with the planning minister, Nick Boles MP, the minister for cities, Greg Clark MP and the business secretary, Vince Cable MP. Despite many positive noises the Government has not awarded any funding towards this scheme.

Rather than allowing this site to remain derelict we have worked with Network Rail to secure a first access point into the site for construction traffic. This has been carried out through a land swap deal allowing Network Rail access to land next to the carriage works to bring some jobs back to this vicinity and the council the direct through route for a bridge to be constructed. In addition the council is allocating up to £10m toward this first access point from the council's Economic Infrastructure Fund. This will be only spent when the business case is agreed with network rail. There is significant developer interest in this site and allocating this £10m is a significant step forward towards unlocking York Central and its potential for the city.

The total scheme could deliver up to 8,000 jobs, over 1,000 homes and £600m a year to York's local economy. First phase could begin as early as 2015.

However we must ensure that we are flexible when it comes to the overall scheme. Taking inspiration from the Argent development behind Kings Cross, which was plagued with similar infrastructure constraints, we need to move with the market as time passes for the development. If we are too rigid in housing numbers, exact location and design, the full potential of the site will not be realised.

### **British Sugar**

I welcome progress on another brownfield site which could provide a further 1,000 much needed homes for the city.

Associated British Foods are currently consulting on their plans and the council could be making a planning decision on the development as early as summer 2014.

The site covers 42 hectares and 12 hectares will be dedicated to new open space. The first homes could be occupied by as early as 2016.

This is another brownfield site being brought back into use since the sugar beet factory closed in 2007.

### **White Swan Hotel**

I am pleased work has started on bringing the White Swan back into use as 18 affordable homes and a supermarket. My group considered compulsory purchase of this property whilst in opposition as it has been left empty for so long.

Contractors have started work on site after the council managed to secure a £450,000 grant from the Homes and Communities Agency.

I am pleased the homes coming into use will be housing association homes.

I thank Council officers and Councillor Tracey Simpson-Laing for their work in bringing this project forward with Tees Valley Housing

## **Terry's**

David Wilson Homes working with Henry Boot Developments have submitted a detailed planning application for 85 much needed homes. This will be the first phase of an estimated 270 units.

The first phase proposals includes a mixture of three and four bedroom homes and two bedroom apartments, along with a convenience store at the main access point in to the development.

Work is planned to commence by the end of the calendar year with residents moving in possibly as early as mid 2014.

I welcome the swift progress on this brownfield site being brought back into use for much needed homes.

## **Rail Devolution to the North**

As I have said before, I am fully supportive of High Speed 2 and the economic benefits it will bring. The East Coast Mainline is clearly still important for York and I want to build a case with other places on the East Coast Mainline for continued investment. A meeting of council leaders with the rail minister was cancelled this month and I am concerned that Government promises over devolving rail networks in the north have been watered down to partnership working with the Department for Transport. I am seeking further information on this project.

## **Living Wage Accreditation**

I am very proud that since my last report to full council, we received Living Wage Foundation accreditation for our efforts. We were the first local authority in the region to implement the Living Wage and many others have begun to follow suit. We have helped directly raise the living standards of over 500 members of our staff and we have agreed the Living Wage will become a condition of contracts from the beginning of the next financial year.

## **1st Anniversary of The Press 'Stamp Out Poverty' Campaign**

I welcome the first anniversary of The Press 'Stamp Out Poverty' campaign. I hope the results as outlined in this report shows what we are doing as a council to stamp out poverty in this city.

I would like to see an increase in the number of employers paying the Living Wage and I would like to see The Press receive Living Wage accreditation just as the council and companies such as Aviva have.

### **Small Business Saturday**

Small Business Saturday is on the 7th December and it is a welcome initiative to get people supporting small businesses. I will be taking part in a number of initiatives during the day.

Along with the Lord Mayor and Toby Perkins, Shadow Minister for Small Business we welcomed the Small Business Saturday to York. York was the only calling point for the bus in the North of England.

Some councils are giving free parking on Small Business Saturday. However feedback from businesses was that the town is often packed in the run up to Christmas and the support would be more appropriately needed in the post-Christmas lull.

Therefore as part of the programme the council will be giving free parking on a Saturday in January which will be at the choosing of small businesses.

### **Bringing Derelict Homes Back into Use**

I welcome the council seeking Government approval for the compulsory purchase of a property in Bradley Drive that has been left derelict for over 15 years. The council has offered help to the owner of the property in Foxwood without success.

This is the second such case in recent months. It is immoral for us to need homes in this city and for very few property owners to leave premises derelict for the attention of vandals.

I would like to thank Councillor Steve Burton for pursuing this case which was raised with him by local residents. I remember him raising it during the local elections. I am amazed action was not taken by the council some years ago.

## **York Outer Ring Road**

We are all very much aware that York's road network was not originally built for the volumes it receives. Council recently passed a motion supporting acquiring funding towards upgrading York's Outer ring road.

The funding required is in the order of at least circa £120m and the annual operational budget of the council is circa £128m. Therefore Government funding is required.

Upgrading the ring road would have a sub-regional economic impact and would help improve the economies of our neighbours. Therefore I was disappointed in August that the North Yorkshire Local Transport Body turned down an application for £2m towards improving the outer ring road.

Greater amounts of funding flow through the Leeds City Region and the council is working cross-party with West Yorkshire colleagues to deliver the Government's flagship devolution policy of a combined authority. Through this York can secure £83m towards transport schemes including upgrading the outer ring road.

The Prime Minister recently visited York and also gave his support to measures to upgrade the outer ring road. I have called a cross party meeting with both of York's MPs and all group leaders to discuss how we can work together to secure further funding.

## **Askham Grange**

I am disappointed by the Conservative Liberal Democrat Government's announcement that Askham Grange prison will close. The Government says this is because there is no longer a requirement for dedicated women's open prisons.

My concern lies with the 100 staff who work at the prison who are currently unsure of their future, and I will be contacting Lord McNally to discuss their future.

The council will be working with the prison and partners to support staff with training and redeployment in light of this news.



Askham Grange has space for 126 offenders and The Press reported in May how it had been described as "remarkable" by inspectors.

### **The Press' Business Awards**

I would like to congratulate all the winners and all those nominated for The Press' Business Awards.

I welcome comments at The Press' business awards from both Steve Hughes (Editor of The Press) and Richard Flanagan (president of the York and North Yorkshire Chamber of Commerce).

Steve said with regards to the council's approach to the economy that the "strategy is beginning to pay off" whilst Richard made the assertion that "York needs to grow".

By the time of publication of this report Ed Miliband should have announced York as a 'right to grow city'.

In light of this, I am concerned about the existing plans to relocate sub editing activities for The Press, and other Newsquest publications, to South Wales. I am hoping to work with them so that they reconsider this move, which will affect a number of jobs in the city.

### **Local Enterprise Partnerships**

Until recently, there had been a real lack of clarity from Government about the future of devolved economic funding allocations to cities like York.

As such, we sought to clarify our position and that of the city as wanting to maximise our potential access to devolved funding pots.

In order to maximise this access to funding for transport projects such as York's Outer Ring Road, we confirmed our intention to be a full member of Leeds City Region Local Enterprise Partnership and indeed to proceed to becoming a member of the West Yorkshire Combined Authority. Seeking such clarity posed difficulties with York being a concurrent member of the York, North

Yorkshire and East Riding Local Enterprise Partnership which does not have access to such large devolved capital funds.

I am pleased to say in seeking a pragmatic solution with the Government and the York, North Yorkshire and East Riding Local Enterprise Partnership, there is a recognition from all sides that the vast bulk of York's large capital funds for transport will come to York via the cross-party West Yorkshire Combined Authority.

I look forward to working with the York, North Yorkshire and East Riding Local Enterprise Partnership on small business support, tourism and York's growing agri-business sector.

Whilst I am personally looking forward to working with West Yorkshire colleagues on a transport fund of £1b that will be used to unlock critical infrastructure across the economic areas of the West Yorkshire authorities and York, I am also very excited at working with Barry Dodd and his LEP team on the development of a biorenewables cluster – Biovale. This will see interventions and actions undertaken to prioritise investment in the hard and soft infrastructure for the development of a hub of expertise and enterprise in the growing field of industrial biotechnology. In addition, and closely related, is the project to build the profile of York and North Yorkshire as a hub for agri-food technologies, hinged on FERA.

I would like to take this opportunity to wish all members of council a very merry Christmas and happy new year.

**Councillor James Alexander**  
**1st December 2013**