



Councillor James Alexander
Labour Leader of City of York Council
Report to Economic & City
Development Overview & Scrutiny
Committee (ECDOSC) – June 2011

Report from the Leader on the year ahead (2011-2012)

I have written this report taking into account the remit of ECDOSC. I am happy to answer any questions on this report or any questions relevant to areas in my portfolio that fall within the remit of this Committee, these are primarily economic development and tourism.

Increasing Jobs and Economic Growth

This is the overarching policy of this administration. We need to play a role in developing an economic environment where the number of jobs increases, brought about by growth in new and existing businesses.

Residents are struggling due to the global economic crash and this is exacerbated by the Government pursuing an economic policy of faster and deeper than necessary deficit reduction by reducing public sector spending. This involves making people redundant and increasing the burden on the welfare system, which ironically is a budget the Government wishes to cut.

York has been given conflicting information as to how vulnerable we are to these reductions. As a city, we have an over-reliance on public sector employment and an unbalanced economy. This leaves us particularly at risk but we also have a number of different public sector organisations that may spread the reductions amongst particular services.

Since taking control we have seen negotiations with Mark and Spencer yield results through its commitment to bring new jobs to York and we have also taken the decision to support expansion of York St John to create more new jobs. These two areas have the potential to create up to 400 jobs. I suspect though that the number will be nearer 300. This is just the start of efforts to deliver economic prosperity for the city.

Local Enterprise Partnerships

I am the only person to sit on both the Leeds City Region and York North Yorkshire Local Enterprise Partnerships (LEPs) that were created following the demise of Yorkshire Forward. There is no money attached to the LEPs and the advice received from Government is both inconsistent and contradictory. The advice does not give the private sector the certainty it requires.

I would have preferred to see Yorkshire Forward reformed, not abolished.

I am using my unique position to broker the best deals for York as they emerge. I am not convinced an Enterprise Zone is in the best interests of York given possible changes to business rates in the Localism Bill.

I have been elected Labour Vice-Chair of the Leaders' Board and Vice-Chair of the Employment and Skills Board. Councillor Tracey Simpson-Laing has been appointed to the Housing Board and Councillor Dave Merrett to the Transport Board.

Tourism

I realise how important tourism is to our local economy and therefore unlike my predecessor, I have decided to become a director of Visit York. We believe our 'Reinvigorate York' scheme will support the visitor economy.

Reinvigorate York

My administration has taken the decision to invest at least £2m in restoring our city centre to a position befitting a city such as York. We are currently losing retail market share and we need to be more competitive in the tourism market. This funding will go some way to right the wrong of under-investment under the previous administration.

Financial Black Holes

We have discovered a number of financial black holes left by the previous administration. This includes £0.8m in the Housing and Revenue Account (HRA) and £0.5m in Property Services. The Cabinet is asking for full disclosure of the financial problems that were kept from us in opposition and we are asking for options on how to clean up the mess.

West Offices

I toured the new offices to inspect the progress being made. I have asked the Chief Executive to look at increasing the capacity that can be used by partners to create more of an income stream to the council.

I also visited Barnsley to find out more about their move to new council offices. I received an agreement from the Leader of Barnsley from some of his staff to come to York and discuss with our staff how their move went and what they learnt.

Shared Services

I have written to all council leaders in the region requesting discussions on shared services. A number of councils have responded. Shared services could deliver savings to the council taxpayer. The main criteria for shared service negotiations will be maintaining quality of service, whether there is a genuine saving to be made and where staff will be based.

York's Fairness Commission

York's Fairness Commission will begin its work in the next couple of months. It fulfils a manifesto commitment to have a genuine non-partisan engagement with residents over service priorities of the council. It is clear the Fairness Commission may have the opportunity of a longer-term role in working towards policy formulation to close the gap between rich and poor.

Labour is enjoying making a positive difference to York and delivering on our manifesto pledges.

Councillor James Alexander
Labour Leader of City of York Council
28th June 2011