

Developing packages to help people being made redundant to start their own businesses

Potential Scrutiny Topic

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1. Background information on the Topic

Strengthening and supporting a culture of enterprise and stimulating more start-ups amongst all residents is a key priority within the City Strategy, the Council Plan, the new Economic Strategy and the Learning City Skills Strategy (currently being refreshed).

The increase in business start-up rates (both VAT registered and those below the £75k threshold) is encouraging. Our challenge is to improve the business survival rate, particularly within the first three years and to support businesses to grow. York has a thriving micro-business sector i.e.: employing less than 5 people. York ranks 23rd out of 64 UK cities in terms of VAT registered business start-ups.

Businesses						
	2006	2007	2008	2009	2010	Trend
Business Births (VAT Registered over £75k)	660	700	735	570	665	Increase
Business Deaths (VAT registered)	540	600	550	635	770	Increase
Number of businesses taking up the York Enterprise Fund (administered by Business Support York & North Yorkshire; a fund jointly supported by Aviva & CYC)			Mar-10	Mar-11	Mar-12	Trend
			6	14	29	Increase
Business Start – ups (Bank Search UK – monitors business bank accounts)	2007	2008	2009	2010	2011	Trend
	N/A	1,199	1,266	1,511	1,661	Increase

2. Current Support Packages in York

The new 'York Means Business' portal (to be launched end July) provides information about 'free' support services and start-up programmes that York residents can access, along with information about access to finance, business networks, etc. Local support packages include:

Initial 'free' support - [Business Support York and North Yorkshire \(BSYNY\)](#) provides a rolling programme of FREE 'start-up' events open to everyone, as well as initial advice and guidance for pre start-up business, those considering buying a business and small established enterprises. This is funded through a European grant and City of York Council Service Level Agreement.

If you're over 50 and facing redundancy or unemployed there is a specific programme of workshops available through the [WorkAge Project at York College](#). This is European funded and 40 places are available to support York residents looking at returning to work or starting-up in business.

Unemployed? Available to Jobseekers Allowance claimants aged 18 and over who have been claiming for 26-weeks, explore your ideas with a business mentor with the potential to access finance in the early months of trading via the [New Enterprise Allowance \(NEA\)](#), facilitated via Business Support York and North Yorkshire. There have been significant numbers of referrals to this programme and

Acorn Programme at York St John University Business School is designed to prepare and help businesses in their first year offering a structured week of coaching and practical advice. There is a charge.

European Social Funded support for employees facing redundancy in the private sector – a varied programme of support is available. This is a new development, funded by the Skills Funding Agency and brokered through Bradford College.

City of York Council employees facing redundancy – through our Service Level Agreement with Business Support York & North Yorkshire,

those facing redundancy have access to initial free 'start-up' support. We are currently testing this service.

If you are an armed forces leaver [Be the Boss](#) offers you access to advice, information, finance and mentoring.

Future Prospects has set up an informal **Enterprise Club** for people to come along and find out more about setting up in business. This includes access to short term market trading stalls to test the market.

York CVS provides support for those thinking about Social Enterprise

3. Potential focus for any scrutiny review

York is fairly well placed with a range of support programmes. Awareness, however, may not be as high as it could or should be.

Gaps to explore:

- Raising awareness campaign of what support & programmes are already available e.g.: through Your City publication; ward newsletters; the Press etc
- Is 'starting a business or going self-employed for me' workshops – for those facing redundancy; perhaps even something specifically targeting potential women entrepreneurs
- Increase access to structured start-up programmes for those unemployed for less than 26 weeks i.e.: not yet eligible for the Job Centre Plus New Enterprise Allowance programme
- Extend the existing workshops available through Business Support York & North Yorkshire
- Target a specific programme for younger, under 30s (interest from Job Centre Plus)