

**OVERVIEW AND SCRUTINY REVIEW GROUP REPORT – REDUCING ECONOMIC INACTIVITY (INCREASING EMPLOYABILITY)  
REVIEW**

**CABINET RESPONSE AND ACTION PLAN**

Review Recommendations	Cabinet Response		Implementation	
	Agreed?	Comments	Responsibility	Timescale
1. Cabinet recognises that the official unemployment rate does not give a true picture of the economic conditions of the Borough.	<b><u>Yes</u></b>	Cabinet recognises that there are significant numbers of residents in the Borough that suffer economic disadvantage and that the economic conditions in the Borough are far more complex than the headline unemployment figures would suggest. Despite the low official unemployment rate Economic development remains a priority for the Council and its partners as reflected in the Community Strategy and corporate Plan.	Head of Strategy and Regeneration	Corporate Plan 2007-2010

<p>2. Sedgefield Borough Council's Economic Development Service focuses on supporting entrepreneurship and access to employment in disadvantaged communities.</p>	<p><b><u>Yes</u></b></p>	<p>The Cabinet is aware of the changing economic conditions within the Borough and notes the upturn in the market for land and premises and the improving employment rate in the Borough. However Cabinet is concerned that many in our disadvantaged communities are being excluded from the labour market, having a detrimental effect on the productivity of the borough. Economic policy will focus on improving access to employment, training and entrepreneurship in disadvantaged communities as well as more traditional aspects of economic development. This will be reflected in the Corporate Plan and monitored through the Prosperous SWG.</p>	<p>Head of Strategy and Regeneration</p>	<p>June 2007</p>
<p>3. The Borough Council cease grants of up to £10,000 for companies and refocus on smaller grants for individuals starting businesses.</p>	<p><b><u>Yes</u></b></p>	<p>In line with Policy set out above, the Cabinet agrees that there is little additionality in giving out such grants as the market has improved and other agencies such as ONE now fulfil this service. Council resource will be redirected into supporting individuals seeking to start in business with continuing effort on aftercare and support. Cabinet has agreed a new grant programme of small grants to individuals in anticipation of this recommendation.</p>	<p>Head of Strategy and Regeneration</p>	<p>Implemented April 2007</p>

4. Systems need to be in place to link training services to information on company expansions and relocations.	<b><u>Yes</u></b>	The Cabinet agrees that information brought into the Council via planning applications, enquires to Economic Development and employer forums needs to be used systematically to ensure residents can be trained to take up new opportunities. Officers will be instructed to examine how internal communications can be improved.	Head of Strategy and Regeneration	September 2007
5. The Government is lobbied to provide further funds, paid to local authorities, for neighbourhood-focused regeneration activity.	<b><u>Yes</u></b>	The Cabinet is awaiting the outcome of the Comprehensive Spending Review currently being carried out in Government.	Head of Strategy and Regeneration	September 2007
6. The Council actively engages in the Local Enterprise Growth Initiative programme as integral to its economic development function.	<b><u>Yes</u></b>	The Council is actively involved in the LEGI programme at an officer level, with mainstream resources diverted to support the programme. Cabinet notes that there is less scope for political involvement in the programme and will be recommending that officers examine this gap.	Head of Strategy and Regeneration	September 2007
7. The value of the Local Strategic Partnership is recognised in tackling such a multi-faceted problem as employability.	<b><u>Yes</u></b>	The Cabinet notes that as the democratically elected body for Sedgefield Borough the Council leads the development of the Community Strategy. This plan is currently being refreshed however Cabinet fully supports Employability as one of the key strategic objectives for partnership working through the LSP. Cabinet will also lobby to ensure that Employability is incorporated within the Local Area Agreement.	Head of Strategy and Regeneration	September 2007

<p>8. The important role of the voluntary and community sector in delivering services locally is recognised.</p>	<p><b><u>Yes</u></b></p>	<p>The Voluntary and Community Sector are better placed than the Council in reaching many residents with employability issues. The Council is working with CAVOS to explore how the Community and Voluntary sector can be commissioned to carry out work in this area.</p>	<p>Head of Strategy and Regeneration</p>	<p>Ongoing commitment</p>
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