

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

Progress Report.

Review Recommendations	Cabinet Response		Progress
	Agreed?	Comments	Comments
1. Cabinet recognises that the official unemployment rate does not give a true picture of the economic conditions of the Borough.	<u>Yes</u>	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.	Completed. The Council now uses a range of information to determine the true rate of unemployment in its strategic planning and priority setting. This includes the Job Seekers Allowance, the Labour Force Survey, Incapacity Benefit and numbers of people which are economically inactive.
2. Sedgefield Borough Council's Economic Development Service focuses on supporting entrepreneurship and access to employment in disadvantaged communities.	<u>Yes</u>	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	Completed The economic development service is refocused to provide more support to enterprise in disadvantaged communities. Two officers have agreed new job descriptions to that effect.

		aspects of economic development. This will be reflected in the Corporate Plan and monitored through the Prosperous SWG.	
3. The Borough Council cease grants of up to £10,000 for companies and refocus on smaller grants for individuals starting businesses.	<u>Yes</u>	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.	Completed. The Council now offers small grants as a flexible fund to those starting in business. This supplements the grants available through the Local Enterprise Growth Initiative.
4. Systems need to be in place to link training services to information on company expansions and relocations.	<u>Yes</u>	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.	Completed Economic development officers attend the one stop meetings with the Council's planning officers to gain an insight into those developments that may be coming on stream in the future. This information is shared with the Training services manager through the Divisional Management Team of Strategy and Regeneration.
5. The Government is lobbied to provide further funds, paid to local authorities, for neighbourhood-focused regeneration activity.	<u>Yes</u>	The Cabinet is awaiting the outcome of the Comprehensive Spending Review currently being carried out in Government.	Partially Completed. The Government have announced that there will be a new fund to replace Neighbourhood Renewal Fund and that its focus should be enterprise and employment in disadvantaged communities. However Government have not announced allocations for Durham and have confirmed that the new fund will be

			paid through the County Durham LAA rather than direct to District Councils.
6. The Council actively engages in the Local Enterprise Growth Initiative programme as integral to its economic development function.	<u>Yes</u>	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.	Completed. The enterprise coaches funded through the LEGI fund are integrated into the economic development service. Two officers have agreed new job descriptions to accommodate this shift.
7. The value of the Local Strategic Partnership is recognised in tackling such a multi-faceted problem as employability.	<u>Yes</u>	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.	Completed. The leader of the Council now chairs the Local Strategic Partnership Board.
8. The important role of the voluntary and community sector in delivering services locally is recognised.	<u>Yes</u>	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.	Ongoing. LEGI funded Coaches are located in VCS premises throughout the Borough promoting self employment and social enterprise development.. VCS organisations provide much of the Information advice and guidance element of the Worklessness commission as well as some health conditions programmes.

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