

Council and Capital Credit Union establish £4m loan fund

- Nearly 4,000 people in Edinburgh helped into work or learning over the past 12 months*
- 12 development sites in Edinburgh worth £2.14bn could bring significant jobs windfall*
- Edinburgh Guarantee youth employment initiative creates 1,000 new posts for 16-19 year olds*

The City of Edinburgh Council today marks one year on from the launch of its Strategy for Jobs with the announcement that funding of up to £4m could be secured to provide loans for up to 1,000 small to medium sized businesses.

Councillor Frank Ross will make the announcement at a business breakfast to discuss jobs creation and key achievements during the first year of the Council's Strategy for Jobs at the Usher Hall this morning. The event is hosted by the Council and supported by the Edinburgh Business Forum.

The Council is in discussions with the Capital Credit Union to make available a new fund of £1.3m to the East of Scotland Investment Fund (ESIF). This provides the opportunity for this money to leverage other funding, including European, to bring the fund to a potential £4million.

The Council would be responsible for allocating the funding appropriately to help businesses in the city realise their expansion plans. Typical loans of around £40,000 given to businesses result in an average eight new and ten jobs safeguarded per loan. This is based on experience from the existing jobs fund.

Cllr Ross will also reveal that since the start of the

Council's Economic Strategy nearly 4,000 people in the city have been supported into work or learning. He will also highlight future challenges and opportunities for the city's economic strategy including 12 prime sites across the city which have significant development potential.

Cllr Frank Ross, Convener of the Economy Committee, said: "Small to medium sized enterprises are fundamental to the growth of Edinburgh's economy. The additional loan fund we are putting at the disposal of small businesses is designed to help make their expansion plans a reality, and create jobs.

"Since last year's call to action at the launch of our Strategy for Jobs we have seen fantastic achievements with the Council and local business working in collaboration.

"We set out a vision for Edinburgh as a confident, creative and inspiring capital city, pioneering growth and jobs for the city region and for Scotland.

"Our economy is resilient and diverse and we have a very flexible workforce. The number of jobs in our city has now recovered to above the pre-recession peak and the new fund announcement today will help to boost employment even further.

"Young people in the city have benefitted from employment and training opportunities through programmes such as the Edinburgh Guarantee and the Edinburgh Jobs Fund and two incubator hubs have opened, Creative Exchange, Leith and Entrepreneurial Spark hatchery in Edinburgh Park.

"There are some important opportunities for us in the months ahead. We must focus on unlocking the development potential of 12 key sites in the city. We estimate that these 12 sites have an end value of £2.14bn and the potential to create up to 20,000 jobs across the city. Such enormous economic promise could deliver the Council's Strategy for Jobs five year target through these projects alone.

“Add to this the £3.8billion of investment in infrastructure across the city region at present and you can see that Edinburgh’s future economy is in a strong position for the future.”

Marlene Shields , Chief Executive, Capital Credit Union, said: “Capital Credit Union is delighted to be working in partnership with the City of Edinburgh Council to provide loan finance for SMEs to grow and develop their businesses. Credit unions are community financial institutes providing secure savings facilities and access to affordable, competitively priced loan products for both individuals and businesses throughout the Lothians and Scottish Borders. Over 18,000 members are already using Capital Credit Union for savings, loans and mortgages.

“Working with the City of Edinburgh Council sits very comfortably with our philosophy to help grow and add value to the communities our members, both corporate and individuals, work and live in.”

Hugh Rutherford, Chair of the Edinburgh Business Forum, said, “The Council’s Strategy for Jobs provides us with a very clear vision of the aspirations for this city and highlights the importance of Team Edinburgh coming together to deliver that vision. Edinburgh is an increasingly creative and entrepreneurial city. The SME base offers huge potential for job creation and today’s announcement will give that sector a real boost.

“Edinburgh is a truly international capital city, a global player and a gateway to the rest of the country. Our city centre is the nation’s shop front and must be recognised as such. We need to build on the excellent work already underway to keep our position on the world stage.”

Top 10 achievements in the last year

An investment of £85m in Atria Edinburgh, opened its doors on

time and in budget. The City of Edinburgh Council funded project has provided the city with much needed Grade A office space and received the Estate Gazette award for Property Company of the year.

Success of Edinburgh Guarantee. Following the best school leaver results for 10 years, the Edinburgh Guarantee continues to develop. Since its inception in 2011 over 150 businesses have actively supported the guarantee leading to 1,000 young people being matched into jobs, apprenticeships, paid internships or work placements. One in a hundred full time equivalent workers at the Council are now apprentices, achieving an ambitious target set in September 2011.

Entrepreneurial Spark hatchery was launched in Edinburgh Park. Supported by the City of Edinburgh Council and Edinburgh's Napier University, it has worked with 71 entrepreneurs who between them have created 92 new jobs and 20 intern placements.

Fund of £1m for city centre promotion secured. More money than ever before is being invested in Edinburgh's city centre as the City of Edinburgh Council, Marketing Edinburgh and Essential Edinburgh have all contributed to this fund for a two year marketing campaign.

New one-door hub for business established in the City of Edinburgh Council's Waverley Court headquarters. The new hub houses Business Gateway, Building Standards and Planning services. Tailored recruitment support is also offered as part of the integrated approach. The hub has helped 1600 businesses in the first year from all sectors.

Essential Edinburgh ballot renewal. The result for Essential Edinburgh was a resounding vote of confidence in the city centre and Business Improvement Districts have also been set up elsewhere in the city.

Extensive and proactive programme of investor events in

Edinburgh, London and overseas leading to significant new investment leads which are being developed across the city. Events attended included Sitematch. MIPIM and Expo REAL.

Creative Exchange is one of three incubator spaces in Edinburgh the Council supports. It opened in Leith in July 2013. The new facility offers business support and workspace for up to 80 individuals or companies. It is already 70 per cent occupied.

Opening of a brand new conference extension at the EICC. This has doubled Edinburgh's capacity for conference space.

A significant new investment agreement with China. The Chinese city of Shenzhen and Edinburgh have agreed the establishment of joint of joint 'international creative industry incubation centres' inside three years. It is hoped that increased cooperation will harness the opportunities offered by the cities' fast-growing cultural and creative sectors, promoting Edinburgh and Shenzhen as international creative centres and supporting the growth of local businesses into new markets.