

Council

23 March 2023

Report of the Executive Member for Economy and Strategic Planning

Partnerships, networking and business connections

The Business Growth Managers (GMs) currently have over 150 active business support connections in train, with the Inward Investment Officer (IIO) fielding numerous queries for potential landings in York, including direct foreign investment.

Regular meetings are held with key intermediaries, including Ad:venture, Mercia, IUK Edge, British Business Bank, Department for International Trade, Enterprise Works at the University of York, FSB, WNY Chamber, York Science Park, the Guildhall, Y&NY Growth Hub, York St John University, StreetLife, York College, York Creatives, University of York, Barclays Eagle Labs, Scale-Up Programme and Lloyds Bank.

The Economic Growth Team lead on developing key sector opportunities within the city, including professional services, retail, creative tech and media arts, hospitality, tourism, bioeconomy and health and life sciences. Already the GMs and IIO have pulled together sector resources and initiated key working relationships which will reap future benefits.

The GMs have a seat on variety of boards and groups within the city providing a key Council presence to help guide and influence decision making. Partners now include York Tourism Advisory Board, York High St Forum steering group, York St John University Business School Advisory Board, Skills Support for the Workforce and WNY Chamber Property Steering Group.

Networking events, sessions hosted and attended by the GMs and funding opportunities continue to yield important new business introductions and drive business investment. Work includes:

- Co-ordination of the *York Digital Focus* event, part of Leeds Digital Festival
- Delivery of the third in a series of successful *Women in Business* events in partnership with NatWest Bank
- Delivery of four *Connect Over Coffee* events for businesses

- Funding provided to WNY Chamber by CYC has led to 20% increase in York membership numbers. GMs now have these details as leads for potential support
- Funding provided by CYC to FSB has led to numerous masterclasses and podcast recordings (including website creation, customer retention strategy, social media strategy and how to win awards) have led to 120 positive business interactions. Again, details have been obtained to generate leads and potential support
- Generation of 156 interactions with businesses via partnership working with YNY Growth Hub, including attending the Courageous Females course, Your Small Business Board (Peer to Peer), Strive Live (for start-ups) and sessions on marketing, staffing and digital skills, access to finance and more
- Planned delivery of three webinars and one in-person event with Google Digital Garage in 2023
- Working with Enterprise Nation to plan delivery of a start up event, and with The CPD unit at University of York to plan an Employment and Skills conference in the next quarter.

Promotion of the City, especially with international partners, is a key aspect of the team's remit and as such:

- A promotional city developments film to showcase York has been made, led by the BID. Designed for use by city-wide partners for multiple purposes, including attracting direct foreign investment. This will be launched in January 2023
- Attendance at York Property Forum focussed on *Making Heritage Modern, Relevant and Attraction*, leading to a working relationship with the Minster, including support to highlight the York Minster Precinct
- Linking York Vikings Rotary and York Nebraska Rotary through a third parties to discuss opportunities to connect
- Initial exploratory meetings with Dijon, aiming to build on the civic engagement between our city and theirs, as well as identifying commercial opportunities.

Two new business have now located in York through the efforts of the team - one from the tech sector, the other working in green energy solutions - several other potential companies are exploring the local area as a base, including large international businesses:

- An international business looking to expand close to east coast of UK (near ports) with a manufacturing facility totalling up to 500,000 ft² to produce aluminium bottles/cans for beverage industry
- US-owned business, developing a medical device, looking for manufacturing facility and cleanroom and storage
- Eastern European company looking for land on which to develop a battery recycling facility to provide feedstock for locally based Gigafactory

Recovery

We have seen continued recovery and strengthening of the York economy:

- York still the UK city with the lowest increase in unemployment through Covid and beyond – currently 1.8% of the working age population is claiming out of work benefits (Centre for Cities using ONS data)
- Average weekly workplace earnings in York are the highest of all cities in Yorkshire and the North East (Centre for Cities)
- High productivity by regional standards - GVA per hour worked in York above everywhere in the North except Sunderland (Nissan plant)
- Employment rate of 81.6% for York is higher than all other northern cities
- More highly-qualified people than anywhere else in the north (NVQ level 4+ %age highest of all northern cities)
- 19 inward investments have brought £55m of investment and 240+ new jobs to York in the last 12 months
- Vacancy rate on the high street remains below average, despite challenges of covid, and office/industrial vacancy levels are very low across the city

York Business Festival

York Business Festival was delivered through the business support partnership in November 2022, based on the five key themes of the Economic Strategy:

- An economy driven by good business
- Thriving businesses supported by sustainable growth

- A greener economy
- A thriving workforce, and;
- York as a global City

Over 1,000 businesses attended the Festival, with a programme of 30 events – webinars, seminars, workshops and networking - covering a broad range of issues such as green jobs, business start ups and entrepreneurs, innovation, sector sessions focussing on rail and hospitality, importing/exporting, apprenticeships, sustainability, and employees, skills and the talent pipeline on offer.

Partners supporting delivery of the event include the University of York, the Institute of Directors, York and North Yorkshire LEP, York St. John University, Chamber of Commerce, Warwick University, Chamber of Commerce, the Department for International Trade, and numerous individual speakers.

Economic Strategy

The City's *Economic Strategy* was agreed by the Council's Executive on 22nd November as part of the 10 Year Strategy and Policy framework, which also includes Climate Health and Wellbeing 10 year strategies, and the emerging 10 year City Plan.

Full Council ratified the Economic Strategy – which will be driven by the Economic Partnership Board - on 15th December 2022.

UK Shared Prosperity Fund (UKSPF)

City of York Council's UKSPF Investment Plan received formal Government approval in early December 2022.

York was allocated £5,848,801 to spend over three years to March 2025. This amount is made up of a core allocation of £5,107,510, and £741,291 that has been specifically allocated for the Department for Education's *Multiply* Adult Numeracy programme.

An expression of interest application process has been now completed by potential bidders, with an assessment process underway, with high interest resulting in a five and a half fold oversubscription to the first tranche of funding. This first phase concerns two of the three programme interventions – Communities and Place, and Local Business Investment – with year three.

People and Skills expressions of interest to be invited in Summer 2023. The value of this current tranche is around £1.48m.

Inclusive Growth Fund

The Inclusive Growth Fund supports eight projects across the City, using £300k of the £660k Leeds City Region Business Rate Pool.

The projects and their funding allocations are:

Project title	Funding
Establishing a York Poverty Commission	20k
Community hubs as drivers of economic growth	40k
Greening our retail estate	70k
Community jobs fairs	30k
14+ vocational training and work	50k
Independent retail growth fund	40k
Mental health, wellbeing and employment	25k
York Economic Strategy consultation	25k

Project updates

Establishing a York Poverty Truth Commission

£20k from the Inclusive Growth Fund has been delivered to York CVS and will help cover staff salaries, expenses for the community commissioners and venue hosting for meetings.

The community commissioners have been meeting for several months to develop their relationships of trust and sharing their personal stories. They have identified the issues they wish to focus on which will lead to them identifying civic commissioners.

The Poverty Truth Commission launched on 9th March 2023.

Greening our retail estate

£20k of the £70k fund was allocated towards procuring researchers to produce a report that examined the 'green' economy in York. The research, which delivers on an objective set out in York's 10 years Economic Strategy, maps out the types of green jobs and skills that exist and are in demand in York.

The report, produced by The Institute of Employment Research, based at the University of Warwick, will guide the council and key stakeholders in efforts to support the growth of the green economy and ambitions to become a net-zero city by 2030.

The remaining £50k of this fund remains to be allocated.

Community Job Fairs

The £30k allocated to this project has been delivered to York Learning to help run Community Job Fairs. The purpose behind this funding was to ensure that jobs fairs not only occurred in the city centre but in York's communities, to make it easier for communities to access employment opportunities. This is in addition to the twice yearly fairs held at the York Railway Institute.

York Learning will continue to run these popular community job fairs, attracting several hundred candidates and dozens of exhibitors, up to 2025.

Independent Retail Growth Fund (IRGF)

Eight traders' associations and business groups received small grants from the IRGF in July 2022 to boost local economies, promote small independent businesses and increase footfall.

Projects ranged from promotional campaigns, events, fairs and markets and each businesses or organisation has reported that much of the funding has had a far-reaching impact on the local community, visitors and the businesses themselves.

Organisation	Amount received
Indie York	2,500
Bishy Road Traders' Association	2,500
Acomb Alive!	2,500
Haxby and Wigginton Traders' Association	5,000
Goodramgate Traders' Association	3,965
Micklegate Business Initiative	3,500
York Wedding Suppliers	2,500
York Market Traders' Forum	2,500
Total	24,965

Mental health, wellbeing and employment

Three different projects have been developed and supported.

Using the recommendations of 'Building Business Resilience' report with York St John University in 2021, we have provided £5k to support York St John Communities Centre to deliver free wellbeing coaching sessions to business owners, employees and the self-employed in York.

Each client will be offered five coaching sessions, provided by either telephone, and online through Zoom or MS Teams. The sessions will be up and running in March 2023.

The second project supported is with York Mind, who have received £12.5k to offer two services to the business community. This includes free mental health training, developing mental health strategies for business, and ensuring that staff are educated and supported to take care of their mental wellbeing. They will be running both in-person and online from March to June 2023.

York Mind have also been supported to develop a knowledge hub for small businesses in York, to access resources to help implement wellbeing strategies for staff, and to support the needs of business owners themselves. This includes webinars, short videos, leaflets, posters, blog posts and links to other useful resources and will be free to access for 6 months. The knowledge hub will launch in April 2023.

The third project funded was delivered in conjunction with the Burnt Chef Project. Hospitality professionals can face long antisocial hours and tough environmental conditions on a daily basis and The Burnt Chef Project is working to tackle the work-related stress in the hospitality industry through training.

At the end of January, the Council held an event to announce all these new offers, along with the existing free resources such as the services offered by York Ending Stigma, St Nicks and the FSB. Representatives from different organisations spoke at the event, such as the Health and Safety Executive, to champion the work York is doing in this area.

Good Business Charter

York signed up to the Good Business Charter (GBC) accreditation scheme in June 2021, the first City in the UK to do so, and 72 businesses have registered to pledge their commitment. This local total is a significant contribution to the North Yorkshire overall total of 115, and national numbers of 1,185.

Along with the Council, the scheme is supported by our Universities, local business organisations and small business owners alike.

The GBC accreditation scheme measures an organisation's behaviour over 10 ethical business components which collectively cover care for:

- employees
- suppliers
- customers
- the environment

The 10 GBC components are:

- Real Living Wage
- Fairer hours and contracts
- Employee well-being
- Employee representation
- Diversity and inclusion
- Environmental responsibility
- Pay fair tax
- Commitment to customers
- Ethical sourcing
- Prompt payment to suppliers

The aim is for the GBC to change business behaviour to have a positive impact on all stakeholders including employees, customers and suppliers.

Impacts include:

- employees earning under the real Living Wage will see a salary uplift and those on zero hours will have important guarantees on stability of their hours
- businesses raising their standards in order to be GBC accredited
- creation of a fairer society by encouraging businesses to pay people a fair wage for a fair day's work, as well as pay their UK taxes
- ethical sourcing and prompt payment to suppliers ensures smaller companies are not exploited
- appropriate behaviour towards customers to make for a fairer society where everyone is well informed of the choices they are making and the contribution their custom brings.

Planning Application determination

We continue to perform well above the national targets for application determination

	National Target	CYC
Major applications	80%	98%
Minor applications	70%	90%
Other applications (householders included)	80%	96%

- 921 were householder applications which is a drop of almost 200 from 2021. 2021 saw the largest number of householder applications in recent years, this was seen nationally as people chose to extend their homes after the pandemic
- The number of major applications received was 56, this is an increase of 20 from 2021 and is the same number received in 2019 pre-pandemic. Some of these are worth noting
- Scheme at Northern House for the erection of mixed use development including 153 apartments, offices, visitor attraction, aparthotel with 88 rooms with landscaping and public realm improvements was approved at committee. The visitor attraction is to house a new Roman museum which will have significant public benefits
- Permission was given for up to 158 houses at Copmanthorpe on a local plan allocated housing site
- 85 dwellings at Ordanace Lane approved for the Council's housing programme with at least 40% of them affordable homes
- National Railway Museum, approval was given at committee for the construction of a new Central Hall, including entrance hall, exhibition space and café.
- Secretary of State gave permission following a Public Inquiry for 970 dwellings at Land to the North of Monks Cross on an allocated housing site
- Successfully defended an appeal at the Chocolate Works Residents Parking site, Bishopthorpe Road for 70 extra care apartments (McCarthy and Stone). The inspector agreed with officers that the design of the proposal was unacceptable.

Planning enforcement

- 523 new cases were received in 2022.
- 668 cases were closed
- 4 enforcement notices were served

For the first time in a number of years during 2022 the enforcement team were fully staffed, and new members of the team were trained up. Officer started to deal with the backlog of cases and progressing appropriate action.

We have reviewed the service and found the service performing well but due to a number of reasons there is a backlog of applications. In order to address the backlog for all minor applications a new way of working has now been introduced – ‘One Opportunity’ which builds on best practice from elsewhere.

One Opportunity outlines that if changes are needed to proposals officers give clear and specific advice once on the requirements, there is then the expectation that the proposals are amended, and the applications are then progressed quickly. If the concerns are not overcome the application will be refused with no further discussion. This new way of working, along with the expectations has been outlined at an Agents forum.

Building Control

- 2144 building regulation applications were received. This is a drop of almost 150 from 2021 however that year had a significant increase due to the recovery post pandemic.
- Specific submissions to the LA Building control (not including initial notices) was 1132. This is a slight drop from 2021 but the numbers remain consistently over 1000.
- Recruitment continues to be an issue in the team however we continue to keep a consistent market share of around 40%.

Environmental Health

In line with the Food Standards Agency’s requirements, we have carried out 643 food safety inspections of the city’s pubs, cafes, restaurants and other food businesses as well as issuing the food hygiene rating scores.

We have provided over 100 pre-food hygiene inspection visits (on a cost recovery basis) to businesses to help them prepare for their inspection.

Latest figures show we have found 92.5% of businesses are broadly compliant on inspection (scoring 3 or more out of 5), with 68.5% scoring the maximum of 5. Our surveys show 100% of businesses we contacted thought our visits were helpful.

Again, in accordance with Food Standards Agency’s requirements, over 1000 businesses were contacted in preparation for a new compliance regime for food standards i.e. ensuring that food is what it says it is. Furthermore, we have assisted businesses in complying with ‘Natasha’s Law’ which requires the appropriate listing of allergens on pre-packed food. There has been one successful prosecution of a food business which sold a dish containing peanuts to a customer with a peanut allergy

causing them to suffer a serious anaphylactic shock. The customer had made the business aware of their allergy beforehand. The court issued a £5000 fine and £2200 in costs.

Officers have dealt with 137 complaints about food and food businesses and undertaken 45 suspected food poisoning investigations (although we are pleased to report that none of the confirmed food poisonings linked back to a food business)

We have actively engaged with foodbanks to ensure that food supplied to those in need during this time of financial hardship is safe.

Environmental health officers investigated 33 complaints about health and safety at work, and over 80 RIDDOR accidents and injuries i.e. business reporting accidents that have occurred as required by law.

We facilitated the return in 2022 of the Tattooing Convention that included pre-event checks and inspections of tattooists at the event.

On the Environmental Protection side of our work, we are trialling a new resource of Public Protection Support Officers to help resolve complaints – including complaints out of hours - without resorting to enforcement action. It is hoped this will provide an improved response to complaints such as noisy emanating from properties on short term lets such as Air BnB's, although the number of reports to the service about such premises remains low.

Trading Standards

Trading Standards Officers have continued to advise businesses in the city about refusing the sale of age-restricted products to children. Of particular concern has been the reports of the number of children vaping.

Officers conducted test purchasing visits, using an underage volunteer, at 20 different premises attempting to buy e-cigarettes, fireworks, alcohol and a video game. Unfortunately, there was a 20% failure rate overall. Of particular concern was e-cigarettes where 5 of the 18 (62.5%) premises sold.

Using funding provided from Public Health, to develop a 'scheme' to help business develop systems to refuse to sell products under the age of 18 including face to face training for staff to help them determine a person's age. The scheme will be rolled out to businesses in the coming year. In addition, in conjunction with public health colleagues, officers are also looking for ways to increase information about cheap and illicit tobacco

being sold in the city which undermines the strategy of reducing tobacco consumption by increasing price.

National Trading Standards teams

Following their convictions for fraudulent trading in relation to the illegal re-selling of event tickets (ticket touting), two defendants were made the subject of confiscation orders at Leeds Crown Court. This is an order to recover the assets they had gained from their offending. They were found to have benefited financially from their crimes by £8,750,732 and were ordered to pay back £6,167,522.02 in assets. Should they fail to pay back that amount, they face an additional 8 years imprisonment. The case received significant national coverage.