

**Notice of a Public
Decision Session - Executive Member for Economy and Strategic
Planning**

To: Councillor Waller (Executive Member)

Date: Monday, 18 November 2019

Time: 4.30 pm

Venue: The Thornton Room - Ground Floor, West Offices (G039)

A G E N D A

Notice to Members – Post Decision Calling In:

Members are reminded that, should they wish to call in any item* on this agenda, notice must be given to Democracy Support Group by:

4:00 pm on Wednesday 20 November 2019 if an item is called in *after* a decision has been taken.

*With the exception of matters that have been subject of a previous call in, require Full Council approval or are urgent which are not subject to the call-in provisions. Any called in items will be considered by the Customer and Corporate Services Scrutiny Management Committee.

Written representations in respect of item on this agenda should be submitted to Democratic Services by **5.00pm on Thursday 14 November 2019**.

1. Declarations of Interest

At this point in the meeting, the Executive Member are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests.

which they may have in respect of business on this agenda.

2. Minutes (Pages 1 - 6)

To approve and sign the minutes of the meeting held on 17 October 2019.

3. Public Participation

At this point in the meeting, members of the public who have registered to speak can do so. The deadline for registering is **5.00pm on 15 November 2019**. Members of the public can speak on agenda items or matters within the Executive Member's remit.

To register to speak please contact the Democracy Officers for the meeting, on the details at the foot of the agenda.

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The Council's protocol on Webcasting, Filming & Recording of Meetings ensures that these practices are carried out in a manner both respectful to the conduct of the meeting and all those present. It can be viewed at https://www.york.gov.uk/downloads/file/11406/protocol_for_webcasting_filming_and_recording_of_council_meetings_20160809

4. Local Industrial Strategy – York response to consultations (Pages 7 - 50)

This report provides the Executive Member with an update of progress towards the development of Local Industrial Strategies (LISs) by the York, North Yorkshire and East Riding, and Leeds City Region Local Enterprise Partnerships (LEPs).

5. Renewal ballot for the York Business Improvement District (BID) (Pages 51 - 62)

This report seeks the approval from the Executive Member for the renewal ballot for the York Business Improvement District (BID). If agreed, this will take place in November 2020 and will allow eligible businesses to vote on whether they wish to support a second five year term for the BID, beginning in April 2021.

6. Procurement – supporting local business (Pages 63 - 68)

This report provides an update on the council's procurement policies in relation to small and medium-sized businesses in the local area, considering the challenges and what more can be done to enable these businesses to bid for council contracts.

7. Urgent Business

Any other business which the Executive Member considers urgent under the Local Government Act 1972.

Democracy Officers

Robert Flintoft

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- Email robert.flintoft@yotk.gov.uk

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 **(01904) 551550**

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting

- Registering to speak
- Written Representations
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above

City Of York Council

Committee Minutes

Meeting	Decision Session - Executive Member for Economy and Strategic Planning
Date	17 October 2019
Present	Councillor Waller

15. Declarations Of Interest

The Executive Member was asked to declare any personal interests not included on the Register of Interests, or any prejudicial or disclosable pecuniary interests that he might have in respect of the business on the agenda. None were declared.

16. Minutes

Resolved: That the minutes of the last Decision Session held on 9 September 2019 be approved as a correct record and signed by the Executive Member.

17. Public Participation

It was reported that there had been two registrations to speak under the Council's Public Participation Scheme, the speakers have registered to speak on items 4 and 6 [Developing the York Economic Partnership and Strategy] and [Permitted Development Rights for solar panels].

Michael Hammill noted that his application for solar panels had been rejected. He requested that the Executive Member make sure planning policy was in line with dealing with a Climate Emergency.

Gwen Swinburn supported the comments of Michael Hammill, suggesting that similar applications in such circumstances be automatically referred to Planning Committee. In regards to the York Economic Strategy, she raised concerns that it was not strategic enough for the city.

18. Developing the York Economic Partnership and Strategy

The Executive Member considered a report that set out York's current Economic Strategy and what the Council's new Economic Strategy will be seeking to achieve. The Head of Economic Growth gave an overview of the report. The Strategy will seek to continue growth seen in recent years, but with a renewed effort to enable all of York's communities to benefit from that growth. As well as an objective to work with low-paid sectors to improve productivity and help them provide better jobs.

The Executive Member stated that it is important that we are clear what will benefit York, its residents, and business', particularly small business who employ the majority of people in the city. He thanked the officer for capturing his own views on a York People's Panel, noting the importance of receiving the actual experiences of people in the city.

Resolved: That;

- i. The broad outline of the new Economic Strategy, as set in the report be noted;
- ii. The establishment of a York Economic Partnership and a York Peoples' Panel consultation, as set out in the report, be approved.

Reason: To support inclusive economic growth in York.

19. Supplementary Planning Documents Update

The Executive Member welcomed the report and the Development Officer provided an overview of the report, outlining the progress update and scoping details of the prioritised Supplementary Planning Documents for Green-Blue Infrastructure and Affordable Housing. As well as recognising Members commitment to Carbon Reduction, Renewable Energy and Sustainable Design and Construction SPDs.

The Executive Member noted it was good to see that Passive House was now the standard for all houses that are about to be constructed. He noted that Blue Infrastructure is a term known mainly to the council, therefore any communication should make

clear what is Blue Infrastructure in relation to flood prevention and how we live with water. The Executive Member also stated that he was happy to see the report is factoring in Northern Forest as a natural Carbon Reduction tool.

The Development Officer provided an overview of the report. In response to questions from the Executive Member, officers confirmed that:

- The Council will have a consultation strategy for when the draft SPD is brought back to Local Plan Working Group and Executive.
- The consultations will be published in advance of the statutory period, using social media, press releases, and council wide newspaper.

The Executive Member requested that officers brief all relevant departments and relevant committee chairs, to allow for submissions to be ready for the consultation on the Carbon Reduction and Renewable Energy SPD's.

Resolved: That;

- i. The progress of the Supplementary Planning Documents be noted;
- ii. The scope of the Green Infrastructure SPD be endorsed to allow the draft document to progress;
- iii. The scope of the Carbon Reduction, Renewable Energy and Sustainable Design and Construction SPD be endorsed, to allow the document to progress as the next priority SPD.

Reason: So that work on interim draft Supplementary Planning Documents can be progressed prior to adoption of the York Local Plan.

- iv. A report be taken to the Local Plan Working Group and Executive regarding the production of an Affordable Housing SPD and the implications of national policy changes.

Reason: So that Members are aware of potential implications of the NPPF (2019) on affordable housing policy and

consequential implications for the production of an SPD.

- v. A future report on Green-blue Infrastructure Strategy be taken to Executive to endorse the scope, timetable, and resources required for a GBI strategy and action plan.

Reason: So that work on a draft GBI strategy and action plan can commence.

- vi. A response to the government's consultation on whether to implement changes to Part L of the Building Regulations be taken to a joint Decision Session of the Executive Members for Environment and Climate change, and Economy and Strategic Planning.

Reason: So that the Council can submit a formal response to the Government led consultation on Building Regulations.

20. Permitted Development Rights for Solar Panel

The Executive Member considered a report outlining current Permitted Development Rights for Solar and Photovoltaic (PV) Panels. The Head of Development Services introduced the report, stating that in most cases, given the provision of permitted development rights, residents and businesses in York would be able to install Solar and Photovoltaic Panels without requiring formal planning permission. Utilisation of Permitted Development rights to install PV panels is something the Council is keen to encourage the usage of. There are a number of factors in which permission might be required. Each application is considered on its own merits and its impact on both the property and surrounding area which will vary on a case by case basis.

In response to questions from the Executive Member, the Head of Development Services confirmed:

- That there was a correction to the report page 80 paragraph 8 (of the agenda pack). 'In 2018 the Council received 16.no applications which included Solar or Solar PV equipment either as a standalone proposal or which were incorporated

into a larger proposal. Planning permission was granted for 14 of these applications, 1 planning application and 1 Listed Building Consent (at the same site) were refused due to the impact of the proposal on a heritage asset.'

- The process undertaken when an application is made in a conservation area. Confirming if amendments could be made that would allow the application to be accepted then discussions will be held with the applicant, if this is not the case then the application will be rejected.
- For household applications there is a 8 week decision target for applications. This can be extended if agreed with the applicant.
- Development Managers track applications including to make sure they are remaining within the 8 week decision target deadline.
- The department continue to monitor new products in a variety of ways, including ones that maybe more sympathetic in conservation areas.
- That relevant guidance and examples of best practice could be included on the council's website.

The Executive Member welcomed the report and noted that it is important to show the council's commitment to tackling climate change. He also noted that the historic nature of a house does not preclude renewables.

Resolved: That;

- i. The City of York Council support steps to reduce carbon emissions within this city;
- ii. The content of the report be noted and that officers continue to review options for suitable products for solar power in conservation areas and on historic buildings and to update the council website accordingly and take appropriate steps to publicise changes to permitted developments;
- iii. Comments made at this meeting be included in consultation on the Carbon Reduction, Renewable Energy and Sustainable Design and Construction SPD.

Reason: To recognise the importance of the commitment to tackle climate change and maintain transparency to

the public, and the feed comments made at the meeting into ongoing SPD's.

Cllr. A Waller, Executive Memeber

[The meeting started at 2.00 pm and finished at 2.38 pm].



**Decision Session – Executive Member of
Economy and Strategic Planning**

18 November 2019

Local Industrial Strategy – York Response to Consultation

Summary

1. This report provides the Executive Member with an update of progress towards the development of Local Industrial Strategies (LISs) by the York, North Yorkshire and East Riding and Leeds City Region LEPs. It sets out how the emerging LIS priorities align to and support local priorities in York as defined by the Council Plan, and proposes a basis for City of York Council's response to the two documents which are subject to LEP Board Approval.
2. LISs act as local companions to the Government's Industrial Strategy, a strategy which seeks to boost national productivity by supporting businesses to create good jobs and increase the earning power of people throughout the UK with investment in skills, industries and infrastructure.
3. Separate LISs are being prepared for York and North Yorkshire and Leeds City Region - the City of York is part of both sub-regional geographies. At this stage, each LEP has produced a series of draft LIS priorities for consultation, before producing a draft LIS that will be submitted to Government by the end of the year with publication in spring 2020.

Recommendations

4. The Executive Member is asked to:
 - 1) Consider the content of the two LISs and what City of York Council's response might be, as set out in this paper; and,

- 2) Delegate the formal response to the Corporate Director of Economy and Place

Reason: To ensure that City of York Council formally feeds into the LIS development process, and that the LISs align with, and support, local priorities.

Background

5. Local Industrial Strategies (LISs) act as local companions to the Government's Industrial Strategy, a strategy which seeks to boost national productivity by supporting businesses to create good jobs and increase the earning power of people throughout the UK with investment in skills, industries and infrastructure.
6. Initially, work was undertaken by York, North Yorkshire and East Riding and Leeds City Region LEPs to develop a joint LIS that covers West Yorkshire, York and North Yorkshire. This work had been ongoing since early 2019, with an economic evidence base produced for this broader geography, as well as a series of commissions undertaken to provide further analysis in strategically important areas. These include:
 - Productivity Commission;
 - Innovation Commission;
 - Clean Growth Commission;
 - Health-tech Commission; and,
 - Inclusive Growth Commission.
7. A decision was made in June 2019 that York, North Yorkshire and East Riding and Leeds City Region LEPs would work on separate LISs to maximise local distinctiveness. In the event of a merging of the LEPs, which has been discussed following the recommendations of the Government's 2018 LEP review, the two LISs will be combined. Should the merger not proceed, both parties recognise that strong connections need to be made between both LEP areas. This is a clear priority for York given our functional economic geography and strategic connections with neighbouring towns and cities in North and West Yorkshire and further afield.

What does City of York Council expect to see in a LIS?

8. City of York Council's emerging Council Plan outlines eight outcomes which will frame the way in which the Council will work over the next four years. These are:
 - Good health and wellbeing;
 - Well-paid jobs and an inclusive economy;
 - Getting around sustainably;
 - A better start for children and young people;
 - A greener and cleaner city;
 - Creating homes and world-class infrastructure;
 - Safe communities and culture for all; and,
 - An open and effective Council.
9. For the LISs to align with and support local priorities in York, it is important that they address the abovementioned themes. The following section sets out the Council Plan outcomes in greater detail, outlining why they are important in the discussion on boosting productivity, creating good jobs and increasing people's earning power. For the purposes of this discussion on productivity, the outcome 'an open and effective Council' is less relevant, however the approach we are taking in determining the Council's response to the draft LISs follows the principles set out in that priority.

Well-paid jobs and an inclusive economy

10. In order to raise wage levels, increase spending power and ultimately improve living standards, people need to be paid more. While there is a correlation between skills levels and pay levels, the availability of well-paid jobs is also an important factor when considering pay levels and levels of disposable income, as well as the profitability of businesses.
11. While York has witnessed jobs growth in high-paid sectors (professional, scientific and technical activities, information and communication, financial and insurance activities, education and public administration and defence), much of the recent growth in jobs has been in retail, hospitality and tourism, leading to a reduction in average pay in York. Low paid industries (including health and social care) make up close to half (46.8%) of all employment in York. These sectors are not only important to York's economy, they are also a major reason why York is a great place to live, work and visit.

12. It is also important that economic growth is inclusive, i.e. that its benefits are felt by all in society, regardless of where they live, how they make their living, and who they are. In York, part-time roles are predominantly in low paid industries and opportunities for those without high levels of skills are decreasing. Therefore, it is clear that any approach in the LIS that aims to raise productivity in York whilst also being inclusive needs to focus on three things:
- The creation of high-value jobs, including part time roles;
 - Supporting low paid sectors to be more successful; and,
 - Work with communities, local employers and anchor institutions to open up opportunities for residents.

Creating homes and world-class infrastructure

13. Access to modern infrastructure – housing, energy, transport, business accommodation, and digital access - is essential to ensuring that York is able to grow and prosper. Providing the right mix of housing, including affordable housing, is key to ensuring that the city has strong communities and local businesses are supported with a ready pool of skilled workers. The right housing offer also helps to retain the city's young population and attract the next generation of workers and wealth-creators to York.
14. The availability of suitable, well-connected business accommodation is key to ensuring that local businesses continue to grow and prosper, start-ups are encouraged and York attracts high-quality inward investment that provides the well-paid jobs that the city needs. York's compact size, competing demand for site/land uses and the historic nature of the city's traditional core means that green- and brownfield opportunities for commercial development are limited. Nevertheless, major regeneration opportunities such as York Central and The Guildhall, as well as the Hudson Quarter development, offer sizeable growth opportunities for York's economy.
15. Digitisation is a key enabler of business growth, creating efficiencies, driving innovation, and opening up access to opportunities. York is a flagship example of a Gigabit City, placing the city at the cutting edge of digital connectivity. However, there are areas of the city centre and rural communities where residents and businesses cannot access this infrastructure meaning that its benefits remain out of reach. Improving access to world class digital infrastructure will allow residents and

businesses to interact more effectively, and enable more people to work from home, thus reducing congestion on key transport corridors.

16. The transport network allows people to access jobs, services and opportunities, and provides businesses with access to labour markets, goods and trading routes. Key economic centres need to be well-served by sustainable transport links, reducing congestion and carbon-emissions, improving air quality and promoting health lifestyles.
17. As a key component of the UK's rail network, the importance of York Station as a key gateway to the North – including Scotland - and driver of regional growth should not be underestimated. Ensuring that enhancements to the rail network such as High Speed 2, Northern Powerhouse Rail, the Transpennine Route Upgrade and upgrades to the East Coast Main Line take place and benefit York are key to encouraging sustainable travel and reducing the reliance on the car as the primary mode of transport. York also benefits from a substantial Park and Ride network, allowing residents, workers and visitors to complete their journey into the city centre by bus.
18. Finally, investment in transport must also include the major road network to ease congestion and improve reliability. Focus in the LIS should be placed on accelerating the shift to electric vehicles through the provision of fast and reliable charging infrastructure and incentives for motorists to go green.

A greener and cleaner city

19. York has history of taking the lead on improving environmental sustainability, with a series of past measures implemented to reduce both Council and city-wide emissions. In March 2019, City of York Council declared a Climate Emergency and set a target to become Net Carbon Neutral by 2030 following evidence that globally we need to be well on the way to net zero emissions by 2030 in order to avoid the disastrous consequences of exceeding 1.5°C of warming.
20. The Council is developing a series of immediate actions to address this emergency and plans to measure annual city-wide progress towards meeting the 2030 target. The challenge of becoming a net-zero carbon city should not be underestimated – contributory changes will be required across all aspects of the Council's work and will have impacts on the ways that we live, work and travel within the city. Indeed, data from York, North Yorkshire and East Riding LEP's energy strategy shows that CO₂

emissions in York are forecasted to increase by 35% between 2017 and 2036 if no action is taken.

21. In light of the above, it is important that the LIS not only seeks to minimise the impact of climate change through adaptation and mitigation, but also drives clean growth, creating new jobs. York's enviable position at the heart of a unique bio-economy ecosystem needs be both acknowledged and maximised if the LEPs are to lead the transformation to a carbon-neutral economy.

Getting around sustainably

22. Given the Council's declaration of a Climate Emergency and its ambition to be Net Carbon Neutral by 2030, it is crucial that people are able to travel via sustainable means. York has the fifth highest proportion of commuting by bicycle in the country and the Council is prioritising the city's roads, footpaths and cycle network for improvement in an effort to increase the proportion of local journeys made by public transport/cycling/walking.
23. As previously mentioned, York benefits from a substantial Park and Ride network, enabling allowing residents, workers and visitors to complete their journey into the city centre by bus. As of January 2020, 81% of the Park and Ride fleet will be fully electric, and the Council will impose a Clean Air Zone in 2020 that proposes that individual buses entering the zone five or more times per day must meet ultra-low emission bus standards.
24. Encouraging sub-regional travel by sustainable means must be a priority for the LIS – despite almost 1 in 4 residents across West Yorkshire, York and North Yorkshire living within one kilometre of a rail station, the rail network is used by just 2% of commuters in the region. Addressing the affordability of rail travel and ensuring that rail stations in the region have the right level of facilities to encourage commuters to use public transport is key to increasing rail usage.

A better start for children and young people

25. It is crucial that every child and young person in York has the opportunity to develop, learn and achieve their aspirations. While York benefits from high educational attainment, data from the Department of Education shows that there is a 26% attainment gap between children on free school meals (FSM) and non-FSM pupils at foundation stage. Pleasingly,

there is only a 4% gap between the proportion of Key Stage 4 pupils on FSM and non-FSM pupils who go onto a sustained education or employment destination in York – the lowest gap in West Yorkshire, York and North Yorkshire.

26. Ensuring that young people have high quality careers guidance to shape learning and employment choices is key to ensuring that York and the wider region have a skilled future workforce, meeting the needs of businesses and able to adapt to future mega-trends like automation and digitisation.

Good health and wellbeing

27. Ensuring that people are healthy and are able sustain work and overcome ill-health is key to boosting business productivity. Recent research by VitalityHealth found that the combined economic impact of ill-health related absence and presenteeism currently sits a £77.5 billion a year for the UK economy – a 6% increase on the previous year's figures.
28. Residents need to be supported to enjoy the best possible health and wellbeing throughout their life, and this includes educating employers on the economic benefits of workplace health and providing greater access to green spaces and active travel infrastructure to promote physical activity.
29. National statistics suggest that over 30,000 working-age adults in York experience mental health problems each year. Ensuring that employees get the best possible support from their employers is a key priority for the economy, and a significant opportunity to boost productivity.
30. The Health and Social Care sector is the second biggest employer in York after Retail, and the current low levels of pay for social care staff is a particular challenge. With an ageing population – York is expecting a 10% increase in people aged over 80 in the next five years – there will be growth in the care sector and a need for more care workers. Supporting productivity and wage growth in care organisations is thus a key priority.

Safe communities and culture for all

31. Creating strong, resilient and supported communities is key to building thriving communities which residents are proud to call their home.

Technological and societal change is changing the way in which people work, ensuring that residents have access to retraining services is key to encouraging a strong and resilient workforce that is able to better adapt to future labour market trends. Community hubs can be the home for these services.

Sector strengths

32. York's economy is diverse and rapidly growing with the city witnessing the fastest productivity growth of any area in the region since 2012. The Council has identified five key growth sectors based on existing strengths and assets. These are:
 - Rail engineering and technology;
 - Digital and ICT;
 - Financial and professional services;
 - University-led innovation and training; and,
 - Bio-tech (particularly at start-up phase).
33. York also has notable sector strengths in Life Sciences, including both med-tech and biopharmaceuticals. If the LIS is to adequately align to and support local priorities, it is important that these sector strengths are supported to prosper, as well as the city's lower-paid, high volume industries (retail, hospitality, tourism and health and social care).
34. For these sectors to continue their growth, ensuring the supply of high-quality appropriate workspace is a key concern. York Central is key to this, and that development is rightly at the heart of our economic strategy. Support for the development was included in both LEPs strategic economic plans, and must also be a priority in the LISs.

A York and North Yorkshire Local Industrial Strategy

35. A series of local engagement workshops took place in July and August 2019 with an ambition of understanding what makes York and North Yorkshire distinct, but also how places within the LEP area differ. The output of these local events have resulted in a series of Place Stories which outline assets, opportunities and priorities for each area. A Place Story for York and its Hinterlands is included under Annex A.
36. During the workshops, participants were asked to share their vision of their local area. These visions were aggregated across York and North Yorkshire and categorised into a series of themes which were then

triangulated to form sub-regional priorities. YNYER LEP's emerging priorities can be found under Annex B. To summarise, the LEP has identified three emerging priorities for its LIS. These are:

- Invest in places, communities and culture to drive productivity;
- Unlock constrained growth in productive sectors and realise productivity potential in low pay sectors; and,
- Drive new productive growth by leading the transformation to a carbon neutral circular economy.

Each priority is underpinned by a series of objectives.

37. These abovementioned priorities are supported by three guiding principles which explain how the public purse will be used to support 'Good Growth', i.e. growth that is beneficial to business, people and the environment. These are:

- Realise inclusive growth where prosperity is shared and social mobility is unlocked;
- Transform to a 'Smart region' where digital technology enables productive, clean and inclusive growth; and,
- Minimise the impact of climate change through adaptation and mitigation.

A City of York Council Response

38. YNYER LEP's three guiding principles of inclusive growth, the use of digital technology to transform York and North Yorkshire into a 'Smart region', and clean growth align with the Council's local priorities, as set out in its Council Plan. Given the declaration of a Climate Emergency in York and the Council's ambition to be Net Carbon Neutral by 2030, the LEP's third principle around 'minimising the impact of climate change through adaptation and mitigation' is not ambitious enough to make the required step change needed across the sub-region.

39. The LEP's three emerging draft LIS priorities also align well with the outcomes identified in York's Council Plan. 'Priority 1: Invest in places, communities and culture to drive productivity' recognises York's role as a key economic hub for the region and digital assets, as well as the city's global brand recognition and strong visitor and cultural offer.

40. The importance of an inclusive economy and strong, healthy communities is recognised in a few of the LEP's objectives, aligning with York's Council Plan outcomes of 'well-paid jobs and an inclusive economy', 'good health and wellbeing' and 'safe communities and culture for all'. Emphasis is also placed on enhancing the built environment and infrastructure to drive growth, as well as investing in infrastructure that is resilient to the effects of climate change. However, the importance of investing in infrastructure that drives sustainability needs to be explicitly made here, especially given York's Council Plan outcomes of 'a greener and cleaner city', and 'getting around sustainably'. The other comment to make under Priority 1 is that the objective around enabling 'anchor institutions to collaborate and lead the Good Growth agenda' lacks specificity and needs greater focus.
41. 'Priority 2: Unlock constrained growth in productive sectors and realise productivity potential in low pay sectors' recognises the need to invest in the sub-region's infrastructure to support productivity growth as well as supporting businesses to improve their productivity by utilising advancements in technology (automation, digitisation and data). The emphasis on promoting good working practices, inclusive workplaces and improved health outcomes align with Council's ambitions around a well-paid, inclusive economy and 'good health and wellbeing' in York.
42. The objective in Priority 2 around promoting enterprise and ambition needs greater focus – people, as a key group for interventions through the LIS, are silent across the LEP's LIS objectives. A focus here around promoting enterprise and ambition amongst young people would align well both locally and sub-regionally.
43. Finally, the Council's approach to 'well-paid jobs and an inclusive economy focuses both on high-sectors and support for lower paid industries, with a series of key sectors defined for each grouping. Beyond a focus on manufacturing, construction and utilities in terms of sectors experiencing vacancies, and encouraging innovation in agriculture and food manufacturing, the objectives under Priority 2 do not outline any further sector-based objectives. Given YNYER LEP's emphasis in the LIS on transforming York and North Yorkshire into a 'Smart region', and the focus on automation, digitisation and data driven businesses, a greater focus on digital and ICT skills is needed. This is a key sector in York, with significant growth opportunities due to the city's world-class digital infrastructure and academic assets.

44. 'Priority 3: Drive new productive growth by leading the transformation to a carbon neutral circular economy' aligns well with the Council Plan outcomes of 'a greener and cleaner city', and 'well-paid jobs and an inclusive economy'. However, there is no mention of building upon York's innovation strengths here, despite the city being home to a nationally significant bioeconomy cluster (the Biorenewables Development Centre, BioVale, the University of York, FERA Science) which offers inward investment, circular/clean growth and job creation opportunities while tackling global challenges, including carbon-zero and finding value from waste.

Next Steps

45. A period of focused engagement took place in October 2019, with a series of workshops organised in York by YNYER LEP for each guiding principle and priority to discuss interventions. Relevant Officers from across City of York Council took part in these workshops.
46. YNYER LEP have also consulted during October on their draft LIS priorities via their website. A full list of LIS engagement activity by the LEP can be found under Annex C. A draft LIS will be released for formal consultation in November and will be submitted to Government by the end of the year with publication in spring 2020.

A Leeds City Region Local Industrial Strategy

47. Following the completion of a joint LIS evidence base for West and North Yorkshire in July 2019, a second call for evidence was launched by LCR LEP, as well as a request for local authorities to contribute intelligence on local activities taking place that addresses the Government's four Grand Challenges (AI & Data, the Future of Mobility, Clean Growth, and an Aging Society). The Council contributed to both requests through the Economic Growth team.
48. A stakeholder event was also held in July which saw representatives from a wide range of organisations attend to discuss the strengths of the City Region and the challenges that need to be addressed through the LIS. The Council's Economic Growth Manager attended the event to put forward York's interests.
49. Following significant public engagement with stakeholders and partners, during which over 70 consultation meetings were held with over 1,000 people involved, priorities have been identified against the five

foundations of productivity (people, place, infrastructure, ideas and business environment). These are set out in the public consultation currently live and are included under Annex D:

- Supporting businesses to meet the challenges of the future economy and create good quality jobs, to support progression and promote inclusivity;
- Accelerating economic growth across the City Region through technology and innovation;
- Building on the successes of our globally important healthcare sector as a source of good jobs and growth;
- Making sure our environment promotes healthy, active lifestyles and is fit for future generations to enjoy; and,
- Skilled people, in good jobs, with access to training to help build and sustain their careers.

50. These priorities are underpinned by an overarching big idea (“healthy lives that improve wellbeing and productivity...”), and draw out three golden threads as cross cutting themes: zero carbon economy, boosting inclusive growth, and lives transformed by digital tech.
51. The big idea seeks to harness the region’s significant health assets to find innovative ways to tackle some of the region’s biggest economic and social challenges, as well as promoting inclusive opportunity.
52. The big idea, cross cutting themes, priorities and focus on two of the four grand challenges (Ageing Society, and AI and Data, on the basis that the region is able to lead on these challenges, rather than simply contributing to them) were supported by LEP Board members at their away day on 25 September.

A City of York Council Response

53. LCR LEP’s draft LIS priorities align strongly with York’s Council Plan. The priorities and ambitions are comprehensive, although a little generic. For instance, the priority on supporting businesses is right to identify the need to improve the quality, affordability and availability of business premises in the region for example, however, of greater value is how the LEP intends to do this in a way that will make a significant impact to the region’s business environment. A similar question can be raised in response to the LEP’s ambition to ensure that businesses looking to scale-up and/or transition to low-carbon methods have access to finance to enable them to achieve this.

54. Elsewhere, given the onset of automation, the emphasis on supporting workers to adapt to technological change with better and creative skills is welcomed and will support workers to transition into well-paid jobs, and develop an inclusive economy. Similarly, the focus on high quality careers and retraining services to raise young people's aspirations and support adults to develop their careers has a strong alignment with the Council Plan's outcomes around 'a better start for children and young people' in York, and an inclusive economy where workers in lower paid industries have opportunities to further develop their skills and aid career progression.
55. The environment plays a key role in LCR LEP's draft LIS priorities, with a focus on promoting healthy, active lifestyles and ensuring that the region's environment is fit for future generations to enjoy. Emphasis is placed on tackling climate change and becoming a net carbon zero city by 2038, and providing infrastructure that not only supports clean and inclusive growth, but also minimises the impact of climate change. This ambition strongly aligns with the Council's aim for York around 'a greener and cleaner city', but considering the emphasis around active lifestyles, little is made of investing in, and encouraging, sustainable and active travel.
56. Creating the right infrastructure to help people benefit from growth and access opportunity is also mentioned in LCR LEP's LIS priorities as an ambition, with a focus on delivering full fibre broadband and 5G mobile connectivity across the region. The need to ensure affordable and reliable transport is also referenced, although given the large number of rail stations that exist in the region and the density of the predominantly urban City Region geography, it is surprising that securing the economic benefits of a fast rail network across the City Region is not highlighted as a key ambition. Given York's enviable position at the heart of the UK's rail network and the economic importance of the city's connections to West and North Yorkshire, we would suggest that ensuring that Leeds City Region has a world-class transport system to enable people to access jobs, services and opportunities and businesses to prosper should be at the heart of the LIS. Especially given LCR's ambition to champion and unlock the potential of the region's diverse places to tackle inequality.
57. Finally, significant focus is placed in LCR LEP's LIS priorities on healthy people and building on the successes of the Region's healthcare sector, the latter a source of jobs and growth. Given the emphasis on the sector, it would be useful for the priorities to also address the challenge of skills

shortages in the health and social care sector – a major issue locally, regionally and nationally. It is also important to emphasise that York has notable sector strengths in life sciences, including both med-tech and biopharmaceuticals – the latter unique to York in comparison with the City Region. The Council hopes that York’s significant assets here have been recognised.

Next Steps

58. LCR LEP is currently consulting on its Draft LIS Priorities, with the consultation to close on 18th November. A LIS will then be produced that will be submitted to Government by the end of the year with publication in spring 2020.

Consultation

59. On 16th October 2019, Members of City of York Council’s Economy and Place Policy and Scrutiny Committee received an update from both LEPs on work to develop LISs that cover West Yorkshire, York and North Yorkshire. A senior representative from YNYER LEP outlined the stage where each LEP was with their LIS and the opportunities for the Council to engage with the development process.
60. At an Officer level, the Council’s Economic Growth Manager has been heavily involved in work to develop a LIS for Leeds City Region and York and North Yorkshire. Crucially, the LIS requires input from a broad range of Council agendas including Economic Growth, Regeneration, Transport, Housing, Skills, Communities and Corporate Policy. A range of Officers from those service areas have attended meetings and/or workshops on the LIS to date. The Council’s Economic Growth team will continue to engage with relevant internal service areas on the LIS to ensure that York’s interest are put forward.

Council Plan

61. The emerging Council Plan has outcomes which reflect a good quality of life and York as a successful business location. The Local Industrial Strategy aims to boost productivity, creating good jobs and increasing people’s earning power and therefore addresses the following outcomes:
 - Good health and wellbeing;
 - Well-paid jobs and an inclusive economy;
 - Getting around sustainably;

- A better start for children and young people;
- A greener and cleaner city;
- Creating homes and world-class infrastructure; and,
- Safe communities and culture for all.

Implications

- **Financial** – no financial commitments. LISs will promote the coordination of local economic policy and national funding streams;
- **Human Resources (HR)** – no implications;
- **One Planet Council / Equalities** – minimising the impact of climate change is central to both LISs and therefore supports the Council’s climate change challenge. Both LISs also focus on inclusive growth which will positively support the Council’s equalities objectives;
- **Legal** – no implications;
- **Crime and Disorder** – no implications;
- **Information Technology (IT)** – no implications;
- **Property** – no implications.

Risk Management

There are no specific risks identified in respect of the recommendations.

Contact Details

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Chief Officer’s name: Neil Ferris
Title: Corporate Director, Economy and Place

Report **Date** 06/11/19
Approved

Wards Affected: List wards or tick box to indicate all **All**

For further information please contact the author of the report

Background Papers:

None

Annexes

Annex A – YNYER LEP York & Its Hinterlands Place Story

Annex B – York and North Yorkshire Draft LIS Priorities

Annex C – YNYER LEP LIS Engagement Log

Annex D – Leeds City Region LEP Draft LIS Priorities

List of Abbreviations Used in this Report

ICT – Information and Communications Technology

LIS – Local Industrial Strategy

LEP – Local Enterprise Partnership

FSM – Free School Meals

YNYER – York, North Yorkshire, East Riding

FERA – Food, Environment, Rural Affairs

AI – Artificial Intelligence

LCR – Leeds City Region

HR – Human Resources

IT – Information Technology



Good Growth in Distinctive Places

Place Stories
York and its hinterlands

Place Stories York and its hinterlands



Internationally known for its history and heritage, York serves an important function as a regional driver of economic growth. The city's highly skilled population, strong academic and research-based strengths and direct rail connections to the UK's major cities act as a major magnet for investment.

York's economy is both diverse and rapidly growing with the city witnessing the fastest productivity growth of any area in West and North Yorkshire since 2012. The city has distinct sector specialisms in high value sectors such as rail, digital, finance and insurance and bio-tech and life sciences. However, York's popularity as a great place to live, work and visit also means that the city has strong employment in low productivity sectors such as food and accommodation, retail and health and social care, with these sectors representing over 40% of all employment. This means that despite high level occupations being the main source of jobs growth in recent years, wage levels for workers have not followed the same upward trajectory.

An opportunity exists through the York Central development and key academic and sector-based research organisations to capitalise upon the area's innovation and clean growth strengths, creating new high value job opportunities that will benefit local people and raise wage levels. However, it is important to note that York Central represents York's only major opportunity for growth and therefore York's interrelationship with its surrounding hinterland is crucial to the city's future economic prosperity.

This interrelationship extends to travel to work patterns with a dynamic exchange of labour taking place on a daily basis as commuters travel to their place of work, resulting in peak-time congestion on key transport corridors in the sub-region. Although York benefits from fast rail connections to the UK's major cities, connections to neighbouring towns such as Harrogate and Selby are slow and infrequent. Station facilities and public transport provision across the wider area need upgrading if residents are to be encouraged to travel sustainably.

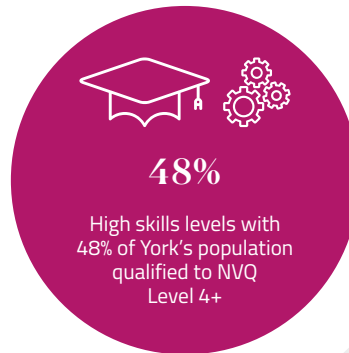


Economic Key Facts

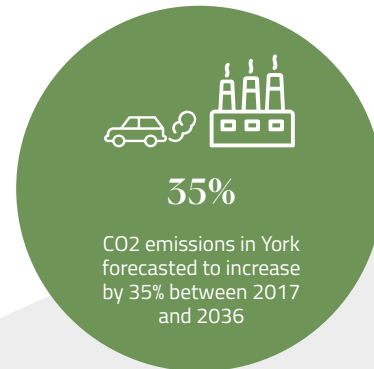


The area benefits from a highly skilled resident population and high-level occupations have been the main source of employment growth in York in recent years. However, limited graduate-level jobs coupled with rising house prices and limited supply has meant that York has seen a net outflow of young adults post-academic study.

Technological changes coupled with an ageing workforce could mean that there is a risk of reduced job opportunities for older workers in the future, whilst an ageing society puts pressure on the health and social care system which is facing labour shortages and increasing demand for staff.



With two universities, high-performing colleges and nationally significant research organisations, York and its hinterlands benefits from a strong knowledge-based economy. Specialisms in rail, agri/bio-tech and life sciences are all based upon the area's strong knowledge base. The attraction and retention of skilled young adults is currently an area of weakness and is critical to maintaining the area's innovation strengths. Opportunities exist in building stronger innovation links with the city of Leeds, as well as further developing York's bio-economy and AI strengths.



The area's green spaces and close proximity to the National Parks and Yorkshire Coast makes it an attractive place to live and provides strong health and wellbeing benefits. An opportunity exists to not only reduce carbon emissions by reducing reliance on car travel through active travel and sustainable transport, but to also capitalise upon the area's bio-economy strengths through better utilisation of natural land assets.



1hr 50mins

Fast rail connections to the UK's major cities from York Station - London in 1hr 50 mins, Edinburgh in 2hr 30mins, Newcastle in 1hr and Leeds in 25 mins

The area benefits from a diverse sectoral mix, with a nationally significant rail sector and innovation strengths in York and its hinterlands in construction, manufacturing and energy. Businesses located in the area have a real competitive advantage through the area's range of physical and digital infrastructure, although congestion on key transport corridors, limited local rail connectivity and pockets of poor digital connectivity represent a barrier to growth.

The availability of suitable business accommodation to meet all stages of the business journey is also a major barrier to business growth and productivity. An opportunity exists through greater partnership working between local authorities and the private sector to reduce barriers to enterprise and investment and support supply chain activity across the wider area.



7 million

7 million visitors to York a year, with over 30% of local employment in retail, food and accommodation and tourism.

York has a rich history of social leadership and this ethos continues today through the city's strong sense of community and thriving voluntary sector. Strong momentum has grown locally on taking action on climate change with a target set by the Council to become net carbon neutral by 2030. York already has the highest proportion of residents commuting to work by active travel in the region, although this is considerably lower in neighbouring areas. An opportunity exists to reduce transport emissions by placing a greater emphasis on active travel and sustainable transport provision that better connects housing with key employment centres.



92%

York's GVA output per head is 92% of UK levels

York's internationally-renowned heritage and cultural offer draws seven million visitors to the city a year, providing a significant boost to the local economy. An opportunity exists to spread the economic benefits from the visitor economy to neighbouring areas by investing in their visitor offer, whilst at the same time working with the sector in York to raise productivity levels and increase its economic value.

York and its wider hinterlands offers a unique opportunity to be the global lead on bio-economy innovation by translating this into real-world interventions that positively address sustainability and climate change. Investment is needed to scale up and support these activities, which is challenging at a time when government and local administrations are balancing political, social and economic pressures against the need for clean growth.



Emerging Local Priorities

We need to...



Capitalise upon our academic assets and competitive strengths to create high-value jobs

What is the issue we are trying to address?



There is enormous growth potential in new technologies such as clean growth, agri/bio-tech and artificial intelligence. York and its hinterlands has distinct specialisms in these areas which offer the opportunity to stimulate high value growth whilst creating opportunities for local people and retaining young talent. Becoming a national leader in these industries would raise the area's visibility on a global scale, generating significant inward investment opportunities.



Invest in our range of infrastructure (physical, digital and built) to support business growth and encourage enterprise

What is the issue we are trying to address?



To raise productivity levels and maximise growth opportunities, the barriers to business growth need to be addressed. There is a lack of suitable business accommodation in the right locations and certain pockets of the area suffer from poor digital connectivity which impacts on business productivity. Congestion on key commuter corridors prevents businesses from transporting goods efficiently and often acts as a barrier to employers being able to recruit from the widest possible labour market. By investing in the area's range of infrastructure, we can enable our businesses to reach their potential, creating more good quality jobs and raising local wage levels.



Retain young adults in York and its surrounding area by investing in what matters to them (e.g. graduate jobs, alternative career routes, culture and housing)

What is the issue we are trying to address?



Despite being home to two universities and excellent colleges, there is an outward migration of young adults from York and its wider area. By investing in graduate jobs, promoting alternative career routes, building more affordable housing, and creating a vibrant cultural offer that appeals to young people, York and its surrounding area will be able to retain young adults whilst also becoming a destination for graduates in its own right.

CASE STUDIES

York Central

York Central is a 45-hectare brownfield scheme which will create new high quality commercial space, 2,500 new homes, new public space and an expansion of the National Railway Museum, all in close proximity to the city's railway station.

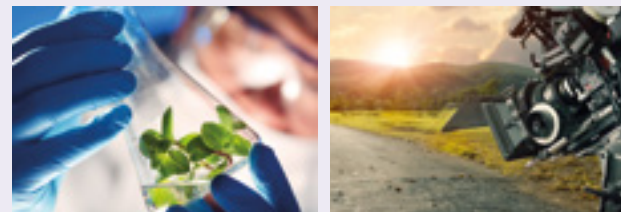
An Enterprise Zone site, the development will provide commercial space for approximately 6,500 jobs and grow York's economy by 20%.



University of York

The University of York is synonymous with driving productivity and innovation.

A number of exciting research and enterprise projects are underway at the university from using its world-class research and knowledge base to drive the development of UK-based bio-industries to deliver growth, jobs and environmental benefits, to the further development of its Artificial Intelligence (AI) expertise with a new, world-leading, £35m research facility which will address global challenges in assuring the safety of robotics and other systems that use AI.



Create Yorkshire in Church Fenton

Create Yorkshire sits on the expansive, former RAF Church Fenton airbase, and is one of the largest production spaces in the North of England. It has already housed successful TV shows like ITV's Victoria. With links into colleges, easy routes to Leeds (the new home of Channel 4) and plans to expand further, it could become the heart of Yorkshire's creative industries.

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Emerging Priorities

Showcase of the emerging
regional priorities

Good Growth in Distinctive Places

The aim of our Local Industrial Strategy is to:

Deliver an ambitious vision for York and North Yorkshire, which uses our distinctive assets to drive productivity improvements whilst transforming to a competitive, carbon-neutral circular economy that benefits businesses, society and the planet.

Our Local Industrial Strategy has **3 priorities**, which articulate how we will use our distinctive assets to drive productivity growth in Distinctive Places and transform our area's economy.

- Invest in places, communities and culture to drive productivity.
- Unlock constrained growth in productive sectors and realise productivity potential in low pay sectors.
- Drive new productive growth by leading the transformation to a carbon neutral circular economy.

Alongside these, we have **3 principles**, which explain how we will ensure the public purse is supporting Good Growth, which is beneficial to businesses, society and the planet.

- Realise inclusive growth where prosperity is shared and social mobility is unlocked.
- Transform to a 'Smart region' where digital technology enables productive, clean and inclusive growth.
- Minimise the impact of climate change through adaptation and mitigation.

Good Growth



Good Growth Principles

When we put our priorities into practice, we will test interventions against these three principles, to ensure that everything we do is supporting Good Growth.



REALISE INCLUSIVE GROWTH WHERE PROSPERITY IS SHARED AND SOCIAL MOBILITY IS UNLOCKED

GG1

It is essential that economic growth benefits the people and places upon which it is founded. In an area with almost full employment, and yet pervasive social issues, we need all of our priorities to provide benefits for people and communities creating new ways for people to access good jobs and the social mobility they afford, and addressing in work poverty.



TRANSFORM TO A 'SMART REGION' WHERE DIGITAL TECHNOLOGY ENABLES PRODUCTIVE, CLEAN AND INCLUSIVE GROWTH

GG2

Technology is a fundamental driver of change in our economy and society, and a cost effective means of enabling improvements in productivity, clean growth and social inclusion. Therefore, the use of digital technology to achieve the scale, impact and efficiency required to transform our area is a core principle across our priorities.



MINIMISE THE IMPACT OF CLIMATE CHANGE THROUGH ADAPTATION AND MITIGATION

GG3

Whilst the clean growth agenda provides a significant economic opportunity, we must adapt to minimise the impact of extreme weather events and other environmental change such as to crops, wildlife migration and sea level rises. Transforming to a high productivity carbon neutral resource efficient economy also demands that the negative environmental impacts of economic growth and activity are minimised and mitigated.

Distinctive places



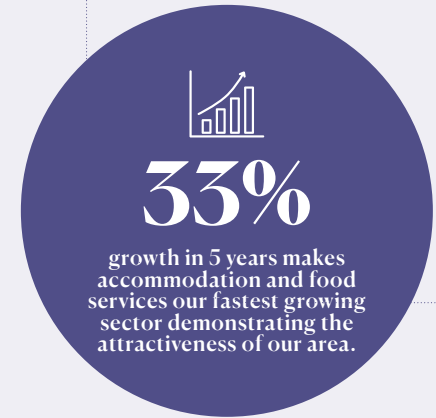
DP1 – Invest in places, communities and culture to drive productivity

ENHANCE THE BUILT ENVIRONMENT AND INFRASTRUCTURE TO POSITION THE CITY OF YORK AND MARKET TOWNS AS ECONOMIC HUBS AND DRIVERS OF FUTURE GROWTH

The scale and concentration of activity in towns and cities mean that growth and productivity rates are higher and that it is much more efficient to provide the infrastructure required for transformation. We therefore need to capitalise on these economic hubs to drive future growth, by ensuring their built environment and infrastructure enhances their distinctive role and function in the modern global world.

ENHANCE OUR SENSE OF COMMUNITY AND GLOBAL BRAND RECOGNITION BY INVESTING IN HERITAGE AND CULTURE AND SUPPORTING HIGH VALUE TOURISM

Surveys have rated both Harrogate and Skipton as the happiest places in England, York the best place to live, and Scarborough receives more visitors than anywhere in the UK outside London. By enhancing what makes us special and distinctive, we can enable communities to realise their potential and tackle their challenges, whilst creating better jobs and promoting our area to boost investment and exports.



INVEST IN DIGITAL INFRASTRUCTURE TO REALISE THE POTENTIAL OF SMART CITY YORK, ENSURE OUR TOWNS ARE AS CONNECTED AS CITIES AND THAT RURAL AREAS BENEFIT FROM 100% CONNECTIVITY.

High speed internet is an essential utility for a competitive and productive economy, a prosperous society and to enable clean growth. As an enabling technology, digital infrastructure investment is essential to allow our cities and rural communities to realise their potential in the connected global world, by overcoming the constraints of geography.

CREATE HEALTHY AND INCLUSIVE COMMUNITIES WITH ACCESSIBLE ROUTES TO OPPORTUNITY

There is a fundamental relationship between the health of the local economy and the health of the communities it is founded upon. This reciprocal relationship can be both cause and effect: better businesses, good working practices and better pay provide social benefits, whilst improved skills, quality of life and health provide productivity improvements for businesses. Interventions are possible, desirable and beneficial from both directions.

ENABLE ANCHOR INSTITUTIONS TO COLLABORATE AND LEAD THE GOOD GROWTH AGENDA

Organisations like the MOD, schools, councils, colleges, universities, utilities, hospitals, housing providers and large businesses employ lots of people, have significant supply chains and major land and infrastructure assets. With a shared vision and an approach that maximises their contribution to good growth locally, they could make a major impact on the prosperity and wellbeing of the people, places and businesses they influence.

INVEST IN INFRASTRUCTURE THAT ENHANCES RESILIENCE FROM CLIMATE CHANGE

We are experiencing wetter winters, hotter summers, and more frequent and extreme weather events. We must reduce impacts on businesses and communities by adapting existing infrastructure, preparing for changes in agriculture and the natural environment, and planning new development that prevents and is resilient to flooding and can cope with extreme heat.

DP2 – Unlock constrained growth in productive sectors and address low pay sectors

IMPROVE SKILLS PATHWAYS TO FILL 4,000 VACANCIES IN MANUFACTURING, CONSTRUCTION AND UTILITIES

These higher productivity sectors are growing and could grow more, but are constrained by a lack of people with the right skills, qualifications and experience, as demonstrated by 4000 vacancies due to skills gaps. We need a long term solution that tackles this issue, in order to realise the higher wages and high productivity growth our area needs.

INVEST IN EMPLOYMENT INFRASTRUCTURE INCLUDING TRANSPORT IN GROWTH CORRIDORS

Some of the most accessible parts of our region have been designed as growth corridors, providing opportunities for growth in higher productivity sectors. However this is constrained by the lack of suitable sites, premises, access infrastructure and utilities. We will prioritise infrastructure investments which provide the greatest transformation of our economy.

BOOST PRODUCTIVITY GROWTH THROUGH GOOD WORKING PRACTICES AND INCLUSIVE WORKPLACES

People thrive when they work in happy, healthy, fair jobs, with employers who recognise their contribution, provide opportunities to develop and progress, manage effectively, and do their best to provide secure contracts. Harnessing this can boost staff recruitment, retention and motivation, which means that business productivity thrives too.

UNLOCK PRODUCTIVITY IMPROVEMENTS FROM AUTOMATION & DATA DRIVEN BUSINESSES

The digital and tech sector is growing rapidly, demonstrating the demand for it's services from all other sectors. The opportunity to improve productivity by utilising digital, tech, data and Artificial Intelligence in businesses across York and North Yorkshire requires many more businesses to capitalise on the benefits it can provide, and increased digital skills to realise it's potential.

INNOVATE IN AGRICULTURE AND FOOD MANUFACTURING TO INCREASE PRODUCTIVITY AND IMPROVE HEALTH OUTCOMES.

Food & drink dominates North Yorkshire manufacturing. With agriculture it is three times more concentrated here than nationally and supports 45,000 jobs. But pay can be low and energy use high. Process and product innovation, automation, waste valorisation, energy efficiency, branding, exporting and good work practices and can all drive productivity growth, reduce waste and carbon impacts and support health improvements.

PROMOTE ENTERPRISE AND AMBITION

People's behaviour, whether in business or as a worker, student or parent, is fundamental to everything, as their individual actions accumulate to create trends and shape economies and societies. We need to be better at influencing behaviour which leads to beneficial outcomes. How effective we are at this will be fundamental to the scale of transformation that happens in our economy and society.



1/2

The proportion of businesses in the LEP area adopting high performance working practices is just half the national average.



42%

of North Yorkshire manufacturing is food and drink.

DP3 – Drive new productive growth by leading the transformation to a carbon neutral circular economy.

CREATE MARKET OPPORTUNITIES THAT ESTABLISH NEW JOBS IN CLEAN AND CONNECTED CONSTRUCTION

Energy efficient digitally connected housing is a significant driver of new growth, and one we can influence locally to support increasing housing stock, improving affordability and reducing fuel bills. Enabling £1.4bn of investment in domestic energy efficiency would create over 20,000 'job years'. To do this we must develop new investment mechanisms, stronger policy drivers and new construction skills.

DEVELOP AND DELIVER £5.9BN INVESTABLE PROJECTS THAT ENABLE OUR AREA TO BECOME CARBON NEUTRAL

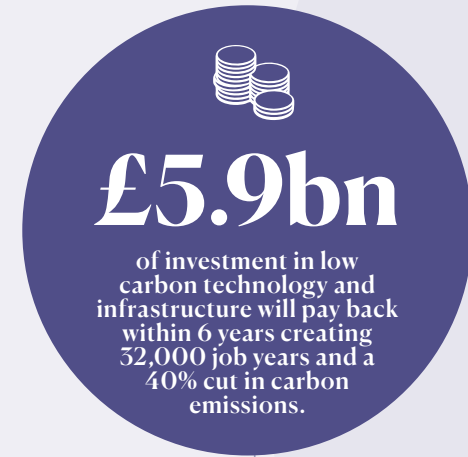
A carbon neutral economy twins responsibility with opportunity. £5.9bn of investment in small-scale renewables, energy efficiency and clean transport would create thousands of productive new jobs (32,000 'job years'), cut carbon emissions by 39% and energy bills by 41%, and pay for itself within 6 years. Opportunities include high impact, low carbon technologies such as electric vehicles, anaerobic digestion, heat pumps and biomass.

CREATE, GROW, ATTRACT AND ADAPT BUSINESSES BASED ON CARBON NEUTRAL CIRCULAR TECHNOLOGIES THAT WE'RE STRONG IN

A circular economy creates business opportunity by designing business systems and processes so that resource value is maintained, materials recirculate and waste is eradicated. Our most significant opportunities to do this are in sectors such as agri-tech, food and the bioeconomy, construction, manufacturing and utilities. This will create new growth opportunities, whilst enabling existing businesses to be economically sustainable in the long term.

REGENERATE AND MANAGE NATURAL RESOURCES TO REALISE THE POTENTIAL OF RURAL AND COASTAL ASSETS AND CREATE NEW INCOME OPPORTUNITIES FOR LAND AND RESOURCE BASED BUSINESSES

Natural systems and resources such as soils, landscapes, crops, livestock, woodland, wildlife and the sea have shaped and sustain our communities and economy. But they can easily be degraded. We must sustain and regenerate these assets in new ways to create new jobs and economic value, reduce flood risks, and conserve the natural assets that make our area special.



YNYER LEP LIS Consultation Engagement LOG 05.11.2019

Engagement type	Details	Headline
Face to face workshop events	<p>Annual Conference Workshops 80 attendees</p> <p>Local Engagement Events 142 attendees</p> <p>Emerging Priorities Workshops 180 attendees</p>	402 key stakeholders and partners have collaborated with us to build a LIS for our region.
Face to face presentation events	<ul style="list-style-type: none"> • LEP Annual Conference • LEP Skills Conference • LEP Business Engagement Forum • Director of Development • YNYER Skills and Employability Board • YNYER Business Board • YNYER Main Board • LEP Social Inclusion Group • LCR and YNYER Joint Expert Panel • YNYER Economic Development Officers • York Professionals Network • Department of Transport • BEIS • CLG • DEFRA • YNYER College Principles • YNY Local Authorities Communications Leads • YNYER Local Authority Chief Executives • YNYER Local Authority Leaders 	We have engaged key national, regional and local stakeholders through a series of 20 presentation and feedback sessions.

	<ul style="list-style-type: none"> • York Overview and Scrutiny • YNYER Climate Emergency Event 	
Communications outputs to support engagement for online and media.	<p>10 x collaboratively written Think Pieces</p> <p>7 x Place Stories</p> <p>1 x Emerging Priorities</p> <p>Influencer and stakeholder engagement pack sent to 2000 contacts on our partner list.</p>	We worked in collaboration to invigorate debate and make our engagement as accessible as possible.
Social media (re Place Stories/ Think Pieces and Emerging Priorities phase)	Paid for posts directly relating to LIS activities gained 89 link clicks, and 31,517 impressions on Twitter. Our organic activity brought about a further 101,000 impressions.	We used a combination of organic and paid for activity on social media to increase the reach of our invitation to engagement.
Media reach (re Place Stories/ Think Pieces and Emerging Priorities phase)	<p>Launch PR: Front page and inside editorial brought a combined reach of 1,751,408.</p> <p>Yorkshire Coast Radio interview.</p> <p>The Business Desk featured 5 of our 10 think pieces, including links to the LIS website pages. The articles each averaged a reach of 266,427.</p>	Our launch PR and think pieces media activity gained a combined reach, in print and online, of over 2.8m
Online submissions	42 submissions of insight and opinion on our LIS website pages	We've received over 40 quality engagements on our Emerging Priorities, through feedback submitted online.

Leeds City Region Local Industrial Strategy Our draft priorities

October 2019

Developing the Local Industrial Strategy

- The Government has asked Local Enterprise Partnerships across the country to create Local Industrial Strategies for their areas, which will act as the local companions to the National Industrial Strategy.
- The Local Industrial Strategy is a long-term plan for Leeds City Region, developed in partnership, to harness the strengths of our local area.
- It is designed to boost productivity and transform the City Region, building on our strengths, improving people's skills and helping businesses grow while tackling the climate emergency, so everyone can benefit from a strong economy.
- In developing the evidence and policies, we have engaged with over 750 people at more than 50 events, working with regional, national and international stakeholders, as well as schools and youth groups. You can find out more about this activity [here](#).



What makes Leeds City Region special?

£69.6bn
economy

3.1 million
people

126,000
businesses

9
Universities
producing 130,000
graduates per year

Fastest rate of
private sector
jobs growth in
the UK

A creative
and digital
heartland – the
new home of
Channel 4

UK's largest
regional finance
centre

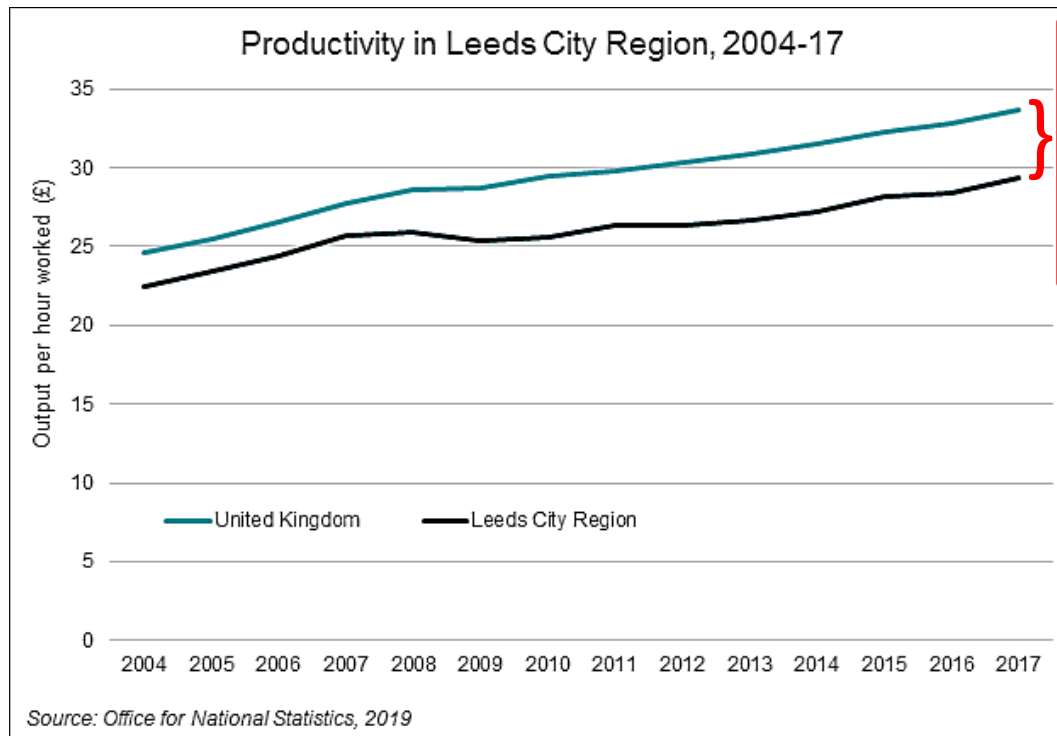
UK's highest
number of
manufacturing
jobs

Easy access to
green space, with
over 300,000
hectares of
national parks



Addressing the productivity gap

- Closing the productivity gap with the rest of the UK would mean **more, better-paid jobs, improve living standards** and could add **£11 billion to the region's economy**.
- There are several factors contributing to this – Leeds City Region has **lower levels of skills, innovation** and **infrastructure investment** than more productive regions. These are crucial issues that our Local Industrial Strategy is designed to address.



If productivity in Leeds City Region matched UK levels the economy would be £11bn larger

Putting health at the heart of the region

- Our **industrial heritage** has created a **legacy of health, social and environmental challenges** that we need to overcome if the City Region is to reach its full potential.
- Improving **opportunities and the quality of life** for everyone in Leeds City Region is central to our Local Industrial Strategy. We want everyone to aspire to live **healthy lives** with greater earning power through **better, more flexible skills** and a fair, progressive **employment market**.
- We believe **enabling everyone to live healthy, active lives** is one of the most effective ways of **improving productivity** across the City Region.

The following priorities form part of our wider objectives for the City Region. You can find out more about the work of the LEP [here](#).



Supporting businesses to meet the challenges of the future economy and create good quality jobs

Our ambitions are to:

- Make **business support services more joined-up**, so businesses can find the help they need, regardless of the route they take to find it.
- Provide **finance for businesses** scaling-up, transitioning to low-carbon methods and those looking to locate into the region.
- Improve the **quality, affordability and availability** of business premises.
- Make the most of **new market opportunities**, including through **international trade and new technologies**.
- Support **businesses to grow and increase productivity**, ensuring that they can encourage creativity, connections and big dreams.

Annex D



Accelerating economic growth across the City Region through technology and innovation

Our ambitions are to:

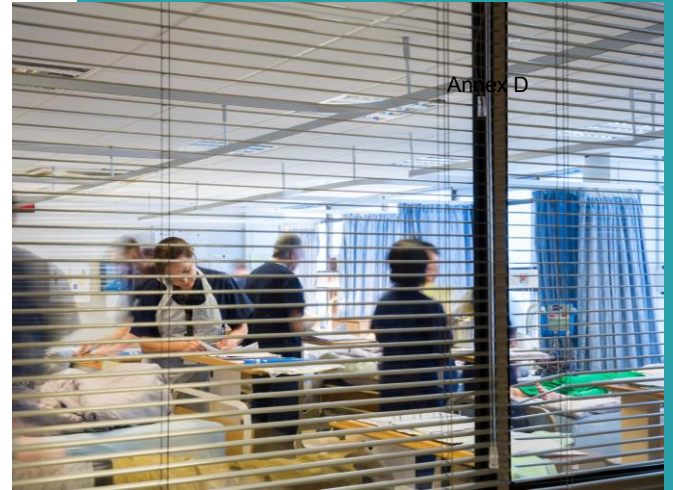
- Support **businesses, innovators and budding entrepreneurs** to develop and bring to life more and better ideas to solve our biggest societal challenges.
- Ensure that existing **good ideas, knowledge and technology are shared, adopted and used** by businesses and wider society in order to make everyone more **successful and productive**.
- Help workers **adapt to technological change** with **better digital and creative skills** delivered through inclusive, accessible training.



Building on the successes of our globally important healthcare sector as a source of jobs and growth

Our ambitions are to:

- Build on our unique position as a **world leader in healthcare technology** – a key growth sector and a major source of jobs:
 - Six **NHS and government health headquarters** are based in Leeds City Region – including the newly formed NHSX – making it the **decision-making centre for national health policy**.
 - We are also home to some of the **world's largest public- and private-sector healthcare data platforms**, the UK's largest concentration of **medical device companies**, and world-leading **life sciences** clusters of academic excellence and commercial innovation.
- Harnessing these strengths could help **address the health issues** faced by the country and provide a source of **economic growth**, as well the potential for **game-changing innovation** and new treatments that can help us play a full role in **solving national and global challenges** like the ageing population.



Making sure our environment promotes healthy, active lifestyles and is fit for future generations to enjoy

Our ambitions are to:

- Take urgent collaborative action to **tackle the climate emergency** by becoming a **net zero carbon city region by 2038** at the latest, with significant progress by 2030.
- Ensure **affordable, reliable transport** is available to all communities so everyone can access work, education and leisure.
- Ensure infrastructure supports **clean and inclusive growth**, can **respond to future challenges**, and **supports productivity**.
- Provide the **right infrastructure for our region**, taking the natural environment and factors such as **flood risk** into account when planning for future development.
- Future-proof existing and future housing stock to **reduce fuel poverty** and **create healthy, sustainable communities**.



Skilled people, in good jobs, with access to training to help build their careers

Our ambitions are to:

- Work with local employers to **understand their skills needs** now and in the future and make sure our schools, colleges, universities and training providers **deliver the right courses**.
- Make the job market more inclusive by **understanding the barriers people face to finding and keeping well-paid employment** and delivering projects to overcome these.
- Provide universal access to **high quality careers and retraining services** to help young people aspire to jobs of the future and support adults to develop their careers.
- Ensure the **education and training** offer in our area **meets the needs of local people and businesses** so we develop and retain talented people and successful businesses.



Healthy, modern communities where everyone living and working in the region can reach their full potential

Our ambitions are to:

- Champion and unlock the **potential of our diverse places** - towns, cities and rural communities - to **tackle inequality**.
- Create the **right infrastructure** to help everyone **benefit from growth** and access opportunity.
- Build **greener, healthier communities** supported by technology and data.
- Deliver **full fibre broadband and 5G** mobile connectivity across the City Region.
- Make the most of our key regional assets to help us **meet the needs of our future economy**.





**Leeds City Region
Enterprise
Partnership**



**Executive Member for Economy and
Strategic Planning Decision Session**

18 November 2019

Report of the Head of Economic Growth

Renewal ballot for the York Business Improvement District (BID)

Summary

1. This paper seeks support and approval from the Executive Member for the renewal ballot for the York Business Improvement District (BID). If agreed, this will take place in November 2020 and will allow eligible businesses to vote on whether they wish to support a second five year term for the BID, beginning in April 2021.
2. The Business Improvement District will collect a sum estimated to be in excess of £4,000,000 over the course of the five years, or £800,000 per annum. This is raised by means of a levy payment made by businesses within the BID geography (see Annex A). This funding is subsequently reinvested back into the City Centre on a variety of projects and programmes.
3. Decisions on allocation of this investment are taken by the established business-led BID Board and focus on areas such as improving the cleanliness of the City Centre, tackling anti-social behaviour and providing business and procurement support for City Centre businesses.
4. The Executive Member Economy and Strategic Planning, nominated by the Executive, currently represents the interests of City of York Council on the Business Improvement District Board, along with the Deputy Leader of the Council.
5. There are issues surrounding the ongoing cost to the Council of the BID levy collection. Further details are contained at the 'Levy collection' section of this report.

Recommendations

6. That the Executive Member:

- Expresses support for the York BID and its work
- Notes the stages and timescales required to implement the decision as outlined in these recommendations.
- Agrees that a further report may be taken to Executive in Spring 2020 detailing the BID Prospectus, Service Level Agreements and role of Make It York
- Notes discussions on arrangements to operate the ballot and for the Council to act as the collection agent for the levy
- Support exploration of additional recompense from the BID for work carried out by the Council

Reason: To allow the work of the BID and its partners to boost the City Centre economy, ease difficult trading conditions for retailers and to provide every opportunity to help York thrive.

Background

7. A BID is a business-led partnership that enables coordinated investment in the management and marketing of a commercial area, and is a defined geographical area (see Annex A). Governed by legislation to ensure fairness and transparency, a BID is created for a five year period and follows a successful ballot of local businesses.
8. During the term of the BID, all businesses defined within the BID Business Plan geography will be required to pay the mandatory levy, irrespective of whether they cast a vote in the ballot or not.
9. The York BID was voted for by eligible City Centre levy payers in November 2015, and began operation in April 2016. This has proved popular with the majority of levy payers. This term runs until March 2020, and a new vote is required to allow the BID to continue operating beyond then.

BID operation

10. During their three and a half years of operation, the York BID has delivered a series of high impact, highly visible events, programmes and initiatives that have helped to support traders during a prolonged and especially difficult period for local high streets across the country.

11. The four programme areas of focus in the BID's current Business Plan are:

- Safe and Secure
- Events and Festivals
- Business Support
- Appearance and Environment

12. Under these headings, high level, tangible outcomes of the work of the BID have been evidenced and include:

- Further enhancement of the City Centre through a business-led levy collection totalling around £4m over the five year period. This is in addition to the £5.72m spent by the Council in the last three years
- Concentrated effort, agreed by local businesses, focussing on the four key themes to boost the City economy, increase footfall, and raise the profile of the City
- A visible presence on the streets of York through initiatives such as the award winning Street Rangers, as well as Taxi Marshals
- A key additional strategic partner on major City Centre issues, including counter terrorism measures, and a major ally in protecting the health of the high street
- Additional capacity to undertake major projects, including the new City Centre Wayfinding scheme, allowing York to compete with other major cities across the U.K. The Council has committed around £710,000 to BID projects to date
- A sponsor and incubator for small organisations and independent events, such as York Fashion Week and the Micklegate Run

Achievements to date

13. Although the BID functions with a small team of four people, working with key City partners they have achieved much.

14. The Council is working at capacity to provide frontline services across the whole City. Many of the services provided by the BID are focussed in a specific City Centre geography and create a significant complementary boost to the Council's regular programme of activity.

15. The Annual Review for 2018 – 2019, shared at the BID Annual General Meeting (AGM) in June 2019, includes many areas of note and can be found online by cutting and pasting this link:

<https://www.theyorkbid.com/downloads>

16. Key outcomes to date include:

- An increase in City Centre footfall of 1.9% against the national picture of a 2.5% decrease
- The BID funded Street Rangers have engaged with businesses over 15,300 times, recovered £24,000 of stolen stock, provided first aid on 206 occasions and deterred 1,544 cases of anti-social behaviour
- Cycle rack provision in the City is up by 10% after the BID increased capacity by providing 88 further spaces
- Christmas lights switch on and Winter lights – the BID have dressed the City and Bar Wall entrances in over 16 kilometres of lights, and such is the success of the switch on that plans are underway to move the event to a larger area to accommodate the growing crowds expected to attend in 2019
- In 2018/19, the BID deep cleaned over 41,500 m² of the City Centre and responded to 173 call outs from businesses. The team is also pivotal in removing used syringes and large quantities of biowaste from the streets and surrounding areas.

Revised Business Plan

17. The BID team will be producing a refreshed Business Plan for consultation ahead of the renewal ballot, building upon the achievements of the last five years and concentrating on the priorities of levy payers.

18. A draft Renewal Proposal has already been considered by the BID Board, with a view to developing an equally strong set of deliverable initiatives and projects for the City 2021 - 2026, should a second BID ballot be won.

Baseline Agreements

19. The programme of services included in the BID prospectus is in addition to the significant work already undertaken by the local authority, complementing work already ongoing.

20. The Baseline Agreements are developed with City of York Council Heads of Service, and include the minimum services provided by the authority, as well as details of employees and equipment required. These services are a combination of statutory and discretionary, and reflect the current situation in 2019/20.

21. Many Council activities that typically fall within the Baseline Agreement, such as City Centre Management, Culture and Economic Development now fall under the remit of Make it York. As an authority, we are looking at the commitment we are able to make in a number of areas, including:

- Street Cleaning
- Streetlighting
- Highways Maintenance
- Parking Services

The Renewal Ballot

22. The ballot is the single most important stage in renewing the BID. For the BID to be voted in for a second term, two conditions must be met:

- a) The majority of those voting must vote 'yes', and;
- b) Those 'yes' votes have to represent more than 50% of the total rateable value of all votes cast

23. The BID Board has agreed to engage the Electoral Reform Service to run the renewal ballot, and will cover all associated costs accordingly. This is noted in the minutes of the November 2019 Board meeting.

Levy collection

24. In the BID legislation, the local authority is required to act as the accountable body to collect the BID levy, and the Council has successfully collected up to 98% of the total amount of the levy for the last three years on behalf of the BID.

25. Subject to a successful renewal ballot, the Council will remain as the billing authority, and will continue to collect and transfer funds to the BID Company and carry out the administration function.

26. Local authorities are bound by legislation on the amount that they can charge a BID organisation for their costs in relation to administration and collection of the levy. Guidelines state that costs 'should not exceed £35 per hereditament or 3% of the billed levy, whichever is the lower', and that 'the method resulting in the lowest cost of collection for the BID should be agreed'. As the 3% for the collection of the levy is the lower of the two figures, this is the amount claimed back by the Council.

27. Beyond the immediate outlay for collecting the levy, City of York Council undertakes further work for the BID which costs more than the

guidelines allow for. Unaccounted for tasks include ad hoc reports run by the collection teams, and the presence of the Income Manager at Magistrate hearings at recovery action stage, These elements are at a cost to the Council, both in monetary terms and by means of an impact in diverting resources away from programmed work.

28. Should the BID continue into a second term, the Executive Member is asked to support exploration of additional recompense for the additional work carried out by the Council. This is possible by means of a provision set out in the Operating Agreement between the Council and the BID, signed when the BID came into force in 2016.

Consultation

29. The BID team have sought advice and guidance from BID Industry bodies, including The BID Foundation and the Association of Town Centre Managers.
30. The BID Team is responsible for building and maintaining robust working relationships with all potential BID members and is required to engage businesses in every aspect of the process.
31. City Centre businesses and local partners will play a central role in the development of the refreshed BID Business Plan, and will also be made aware of the ballot plans through a concerted renewal campaign.
32. The Baseline Agreements have been written with the input of relevant managers.

Options

33. Given the detail above, the options for the Executive Member are:
 - a) Agree to support the development of the BID's prospectus
 - b) Confirm the Council's willingness to produce draft Service Level Agreements for consideration by the Executive
 - c) Agree that the cost pressures outlined in the 'Levy Collection' section of this report, and the outcome of any discussions with the BID, will be included in the Executive report

Reason: To allow the timely production of a BID prospectus, in collaboration with the Council, so that the Executive can consider its position with regard to the final BID prospectus ahead of the November 2020 renewal ballot.

Council Plan

34. The applicable Council Plan 2015-2019 priorities are:

- A prosperous City for all and;
- A focus on frontline services

35. The ethos of the BID and its work supports the programme summary of the administration's progressive partnership, as well as planned work such as the City Centre Strategy, inclusive growth projects, delivery of the refreshed Economic Strategy and strengthening the Council's commitment to supporting high streets and our communities.

Implications

Financial

36. There are ongoing cost issues with the amount of support the Council gives to the BID in the administration, collection and enforcement of the BID levy that should be further explored, as outlined in paragraph 34 onwards.

37. West Offices sits within the BID levy geography, and so the Council is a key contributor to the BID.

Human Resources (HR)

38. Not applicable.

Equalities

39. All equality implications will be managed through the BID process and representative governance will be sought.

Legal

40. Our legal protections are set out within a Memorandum of Understanding (MOU) drawn up by agreement between the Council's Legal Team and the BID. This MOU is necessary to cover the relationship between the Council and the BID Company.

41. The baseline agreements and Operating Agreement appear in these schedules.

Crime and Disorder

42. The BID is a key strategic partner working to implement counter-terrorism and anti-social behaviour measures in the City Centre
43. One the BID Programme strands covers 'Safe and Secure'. Initiatives to date include the introduction of the Street Rangers, part-funding York BID Taxi Marshals in Duncombe Place, increasing the number of secure cycle parks in the City Centre by 10% and setting up the Anti-Social Loitering Scheme to deter ASB that occurs in the doorways of business premises.
44. Additionally, key themes for the BID from the perspective of retailers is to tackle the culture of afternoon drinking, the large number of stag and hen parties, and the sensitive matter of street kitchens in the City Centre. Multi-agency discussions are continuing in order to find a workable solution to these issues.

Information Technology (IT)

45. Not applicable at present.

Property

46. The BID have worked closely with landlords of empty retail units in the City Centre to preserve the appearance of the high street. They embarked upon a 'wrapping' or 'shop jacket' project in order to maintain the quality of the high street aesthetic.

Risk Management

47. Failure of the Council to support the BID renewal will mean that the BID will not proceed into a second term as the local authority is the accountable body and billing authority for the organisation.

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Wards Affected: List wards or tick box to indicate all
Guildhall, Micklegate, Fishergate

All

For further information please contact the author of the report

Background Papers:

None at this time

Annexes

Annex A – The BID Geography

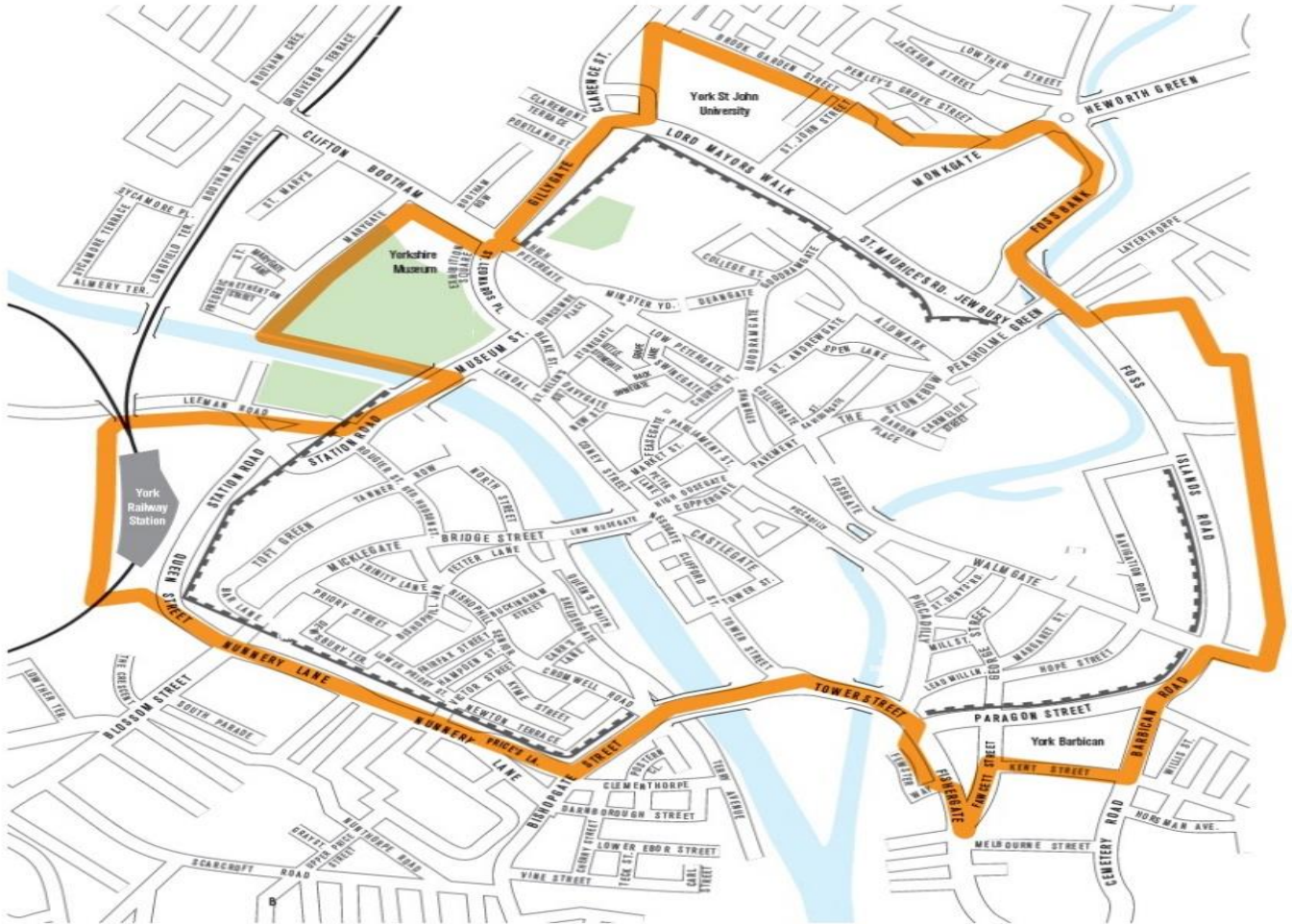
List of Abbreviations Used in this Report

BID- Business Improvement District

AMG- Annual General Meeting

MOU- Memorandum of Understanding

The BID Geography



Aldwark	Deangate	Kent Street	New Street	St Martins Lane
Back Swinegate	Duncombe Place	King Street	Newgate	St Mary's Square
Barbican Road	Dundas Street	Kings Court	North Street	St Maurices Road
Bishopgate Street	Exhibition Square	Kings Square	Nunnery Lane	St Sampsons Square
Blake Street	Fawcett Street	Kings Staith	Ogleforth	St Saviourgate
Blossom Street	Feasegate	Lendal	Palmer Lane	St Saviours Place
Bootham	Fetter Lane	Lendal Bridge	Paragon Street	Station Rise
Bridge Street	Finkle Street	Little Shambles	Parliament Street	Station Road
Buckingham Street	Fishergate	Little	Patrick Pool	Stonegate
Bridge Street	Foss Bank	Stonegate	Pavement	Stonegate Walk
Buckingham Street	Foss Island Road	Lord Mayors Walk	Peasholme Green	Swinegate
Castlegate	Foss Islands Road	Low Ousegate	Peckitt Street	Swinegate Court East

Chapter House Street	Fossgate	Low Petergate	Percys Lane	Swinegate Court West
Church Lane	Franklins Yard	Lower Friargate	Peter Lane	Tanner Row
Church Street	Garden Place	Margaret Street	Piccadilly	Tanners Moat
Clifford Street	George Hudson Street	Market Street	Priory Street	The Stonebow
Coffee Yard	George Street	Merchantgate	Queen Street	Toft Green
College Street	Gillygate	Micklegate	Rougier Street	Tower Street
Colliergate	Goodramgate	Mill Street	Shambles	Trinity Lane
Coney Street	Grape Lane	Minster Gates	Skeldergate	Walmgate
Coppergate	High Ousegate	Minster Yard	Spurriergate	Wellington Row
Coppergate Walk	High Petergate	Monkgate	St Denys Road	Whip-Ma-Whop-Ma Gate
Cromwell Road	Hungate	Museum Street	St Helens Square	
Cumberland Street	Jewbury	Navigation Road	St Johns Street	
Davygate	Jubbergate	Nessgate	St Leonards Place	



Decision Session - Executive Member for Economy and Strategic Planning 18 November 2019

Report of the Head of Corporate Finance & Commercial Procurement (interim s151 officer)

Procurement - supporting local business

Purpose of Report

1. To provide an update on the council's procurement policies in relation to small and medium-sized businesses in the local area, considering the challenges and what more can be done to enable these businesses to bid for council contracts.

Recommendation

2. The Executive Member is asked to note and comment on the report, including considering whether there should be further consultation with suppliers.

Reason: To update the Executive Member on procurement issues and activity in the support of the local economy.

Background

3. The council's procurement strategy seeks to maximise the social, economic and environmental benefits of its procurement spend with suppliers.
4. One of the key deliverables from the current strategy is to ensure that the council has effective and improving relationships with suppliers, ensuring that small and local businesses have the opportunity to bid for and win council contracts. Spending our money with local suppliers provides additional economic benefit to the local economy.
5. Alongside ensuring value for money in all our expenditure, we also want to contract with a wide range of organisations from different sectors. When contracting with larger national suppliers, we want to encourage them to engage local providers in the delivery of services.

Analysis

6. Over the last 5 years the procurement team has implemented a number of measures to increase the support for local and small businesses to secure council contracts.

7. These measures include the following:

- Simplification of our documentation for lower value contracts
- Use of processes that are proportionate and appropriate to the goods or services being purchased
- Delivery of regular supplier engagement events specifically for local businesses, covering advice on how to respond to tenders and details of upcoming opportunities
- Delivery of project specific supplier engagement events including introductions for local business to larger national contractors
- Development and implementation of an agreed Social Value Policy that ensures any tenders over £100k in value have at least 10% of quality score on social value
- Ensuring our suppliers pay the Real Living Wage and have employment & skills plans in place
- When contracting with national/international suppliers we encourage them to engage local providers in the delivery of services
- When tendering for larger projects, include questions about how they will engage with local supply chain
- As a founder member of YPO, we work collaboratively to help local suppliers get onto frameworks
- We have a positive working relationship with the CVS, chamber & FSB, and have provided support through the delivering of presentations, networking and workshops for suppliers
- We publish a forward plan of upcoming projects and update this on a quarterly basis
- Where possible, we break larger projects into smaller lots to make them more accessible for small businesses

8. The Council maintains its commitment to equality and an inclusive economy. We recognise that our influence extends to local businesses, partners and other external bodies. We also need to consider our role in providing wider support and engagement to encourage our local supply market to be responsible employers who operate safe working practices.

9. The council's procurement team already actively engage with local businesses through both the local Chamber of Commerce and the Federation of Small Businesses through the provision of training sessions and presentations on a range of topics. Recent events have included items on the council's forward procurement plan and targeted sessions with local companies on how tenders are evaluated.
10. In addition to the measures outlined above, the Council supports businesses in a variety of other ways:
- Offering 10 day payments terms for York based sole traders
 - Supporting businesses to understand the world of apprenticeships and their benefits through its Apprenticeship Hub (Skills Service)
 - Providing vouchers to eligible businesses for broadband upgrades to help support business growth (Digital York)
 - Offering businesses a range of information, advice and support including start up and growth support and access to finance and funding (available through Make it York's growth service)
 - Supporting businesses to create a well-developed business continuity plan to assist them in recovering from an incident as quickly as possible (Emergency Planning)
 - Advising businesses on Trading Standard Law to ensure that they meet legal requirements and prevent mistakes from being made (Trading Standards)
11. Furthermore, over the last year the Council's Economic Growth team has worked with a range of service areas (including Procurement) to ensure that the Council's business facing services are accessible to local businesses and that collectively we continue to improve how we engage with York's SMEs.

Measuring the impact of our procurement and other policies

12. The Council monitors how much it spends with different types of supplier. The tables below set out the spend over the last 2 years:

Size of business	2017/18 spend		Of which in Yorkshire & Humber	Of which in a YO postcode
	£'000	% of total	£'000	£'000
Micro (less than 10 employees)	15,126	9	8,888	6,600

Small (11 to 49 employees)	48,433	29	39,353	29,527
Medium (50 to 249 employees)	35,861	22	20,315	10,437
Subtotal SME's	99,420	60	68,556	46,564
Large (250 or more employees)	66,410	40	30,347	14,245
Grand Total	165,830	100	98,903	60,809

Size of business	2018/19 spend		Of which in Yorkshire & Humber	Of which in a YO postcode
	£'000	% of total	£'000	£'000
Micro (less than 10 employees)	14,892	8	9,681	8,497
Small (11 to 49 employees)	52,644	27	41,435	29,888
Medium (50 to 249 employees)	35,217	18	21,303	11,587
Subtotal SME's	102,753	53	72,419	49,972
Large (250 or more employees)	91,615	47	29,864	11,745
Grand Total	194,368	100	102,283	61,717

13. Whilst the tables show a reduction in spend with SME's in percentage terms, the actual value has increased. The reduction is predominantly due to the ongoing expenditure on the Community Stadium with a large supplier that has an impact on the overall position. If this spend was removed the figures for 2018/19 would again show that 60% of total spend being with SMEs.

14. In terms of other requirements that might be included in tenders, such as the inclusion of local suppliers in the supply chain, this is monitored by individual managers as part of regular contract monitoring. At this time, due to resource constraints, this information is not collected corporately.

Next Steps

15. There are a number of areas where the procurement team are actively working to improve the opportunity for local businesses to win council tenders.

16. Current and planned work includes the following:

- We continue to communicate with local businesses and are trying to identify new ways to engage directly with suppliers in the York area
- We will ensure further positive engagement at York Business Week
- We will continue to monitor our spend with local businesses
- We will consult with a range of organisations including the local Federation of Small Businesses & the local Chamber of Commerce to understand any barriers for local SMEs wanting to bid for council work
- We will consider how we can help fulfil climate change obligations through procurement processes
- We will consider how we can improve social value achieved through council spend

Consultation

17. There has been ongoing discussion with various suppliers and stakeholders regarding procurement. Further, more specific, consultation could be carried out if required to understand the issues facing local businesses who wish to become suppliers to the council.

18.

Options

19. Not applicable.

Council Plan

20. The information and issues included in this report demonstrate progress on achieving the priorities set out in the Council Plan.

Implications

21. The implications are:

- **Financial** There are no financial implications.
- **Human Resources (HR)** There are no HR implications.
- **One Planet Council / Equalities** There are no One Planet Council or equalities implications.
- **Legal** There are no legal implications.
- **Crime and Disorder** There are no crime and disorder implications.
- **Information Technology (IT)** There are no IT implications.

- **Property** There are no property implications.
- **Other** There are no other implications.

Risk Management

22. This report is for information only so no specific risks have been identified as a result of this report.

Author:	Chief Officer responsible for the report:		
Debbie Mitchell Finance & Procurement Manager 554161	Ian Floyd Deputy Chief Executive / Director of Customer & Corporate Services		
	Report Approved	x	Date 7.11.19
Wards Affected: <i>All</i>			
<i>For further information please contact the author of the report</i>			

List of Abbreviations Used in this Report

YPO- Yorkshire Purchasing Organisation

FSB- Federation of Small Businesses

SME- Small or Medium Enterprises

CVS- Council for Voluntary Services