

Report of the Assistant Director – Legal & Governance

Local Industrial Strategy Cover Report

Summary

1. The purpose of this report is to inform Members of the developing Local Industrial Strategies (LIS) covering West Yorkshire, York and North Yorkshire and to outline where each Local Enterprise Partnership (LEP) is with their LIS and the opportunities for City of York Council to engage with the development process.

Background

2. At a meeting of this Committee in July 2019 Members discussed their developing work programme for the new municipal year and considered when would be the optimum time for the Committee to invite the Leeds City Region (LCR) LEP and the York, North Yorkshire and East Riding (YNYER) LEP to attend to present their Local Industrial Strategies.
3. It was agreed that both be invited to attend the October meeting as by this time the LEPs would have sufficient information to share with the Committee but there would still be time for Members to potentially influence the process of the drafting and consultation and approval of the strategies.
4. The Committee has maintained an overview of York's position as part of the LCR and YNYER LEPs and York has enjoyed positive working arrangements and has benefited from both. The different priorities and focuses of the two areas have provided support to York in different ways, recognising our strategic position as a key city between two sub-regions and our role bridging two economic geographies.

Local Industrial Strategy

5. The UK Government's Industrial Strategy seeks to boost 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. Local Industrial Strategies act as local companions to the Government's Industrial Strategy, with work on developing a Local Industrial Strategy (LIS) that covers West Yorkshire, York and North Yorkshire ongoing since early 2019.
6. An economic evidence base has been produced for this 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. Analysis and commissions can be found at:
<https://www.businessinspiredgrowth.com/analysis-and-commissions/>
8. Whilst initially a joint document, a decision was made in June 2019 that LCR LEP and YNYER LEP would work on separate LISs to maximise local distinctiveness.
9. In the event of a LEP merger between LCR LEP and YNYER LEP, the LISs will be combined. Should the merger not proceed, both parties recognise that strong connections need to be made between the two strategic documents to reflect the functional economic relationship between both LEP areas.
10. This is clearly a particular priority for York and the other local authorities that are part of both LEP areas.
11. This report outlines where each LEP is with their LIS, what the next steps are, and the opportunities for City of York Council to engage with the development process and respond in a formal manner.

York, North Yorkshire and East Riding Local Enterprise Partnership

12. A series of local engagement workshops took place in July and August with an ambition of understanding what makes York and North Yorkshire distinct, but also how places within the area differ. The output of these local events have resulted in a series of seven Place Stories which outline assets, opportunities and priorities for each area (including York and its Hinterlands). These have been shared online for comment in September and October and can be found at:

<https://www.businessinspiredgrowth.com/place-stories/>

13. During the workshops, participants were asked to share their vision of their local area. These have been aggregated across York and North Yorkshire and categorised into themes, as shown below.



14. These themes have been triangulated to form sub-regional priorities. A focused period of engagement has taken place in October, with workshops for each priority to discuss the interventions.

Theme	Target Audience
Transformation to a Smart Region	IT and digital businesses, digital infrastructure providers, businesses developing disruptive technology, local authority transport teams, business support providers, Higher and Further Education and VCSEs
Meeting the Productivity Challenge	Micro, SMEs and large businesses, from across sectors, and business support providers
Natural Assets and Enabling Clean Growth	Food, farming and visitor economy businesses, the construction sector, utilities, VCSEs, universities, DEFRA and local authorities
Low Carbon Housing	Construction businesses, developers, housing

and Construction	associations, local authorities, green building specialists and construction training providers
Place Leadership - Anchor Institutions	Colleges, universities, Network Rail, Emergency Services, MOD, health trusts, housing associations, local authorities, large businesses, utilities companies and VCSEs
Inclusive Growth as a Driver of Productivity	Micro, SMEs and large businesses, business support providers, local authorities, health trusts and VCSEs.

15. Item 10, Section 2.0 of the [LEP Board Paper](#) on the LIS (20.09.19) outlines a draft set of regional priorities which are being consulted upon during October through the abovementioned workshops and online engagement. Following this engagement, a draft strategy will be created for formal consultation during November, prior to submission to Government in December. It is envisaged that the York and North Yorkshire LIS will be published in March 2020.

Suggested Actions for City of York Council

16. Focused on boosting productivity and promoting long-term growth, responding to the Local Industrial Strategy requires input from a broad range of Council agendas including economic growth, transport and housing, amongst others. The Economic Growth team will act as the central focal point for co-ordinating City of York Council's engagement with the York and North Yorkshire LIS. The following set of actions will ensure that the Council effectively engages with the LIS development process and that York's interests are heard.
- i. Share the York and Hinterlands Place Narrative amongst relevant service areas and co-ordinate feedback. Produce a draft City of York Council response;
 - ii. Ensure that relevant Council Officers, Members and city stakeholders/businesses are aware of the LIS themed workshops taking place in October and have the opportunity to feed into the process;
 - iii. Engage with online engagement activity on LIS priorities and ensure that relevant service areas have the opportunity to input into the process. Produce a draft City of York Council response;

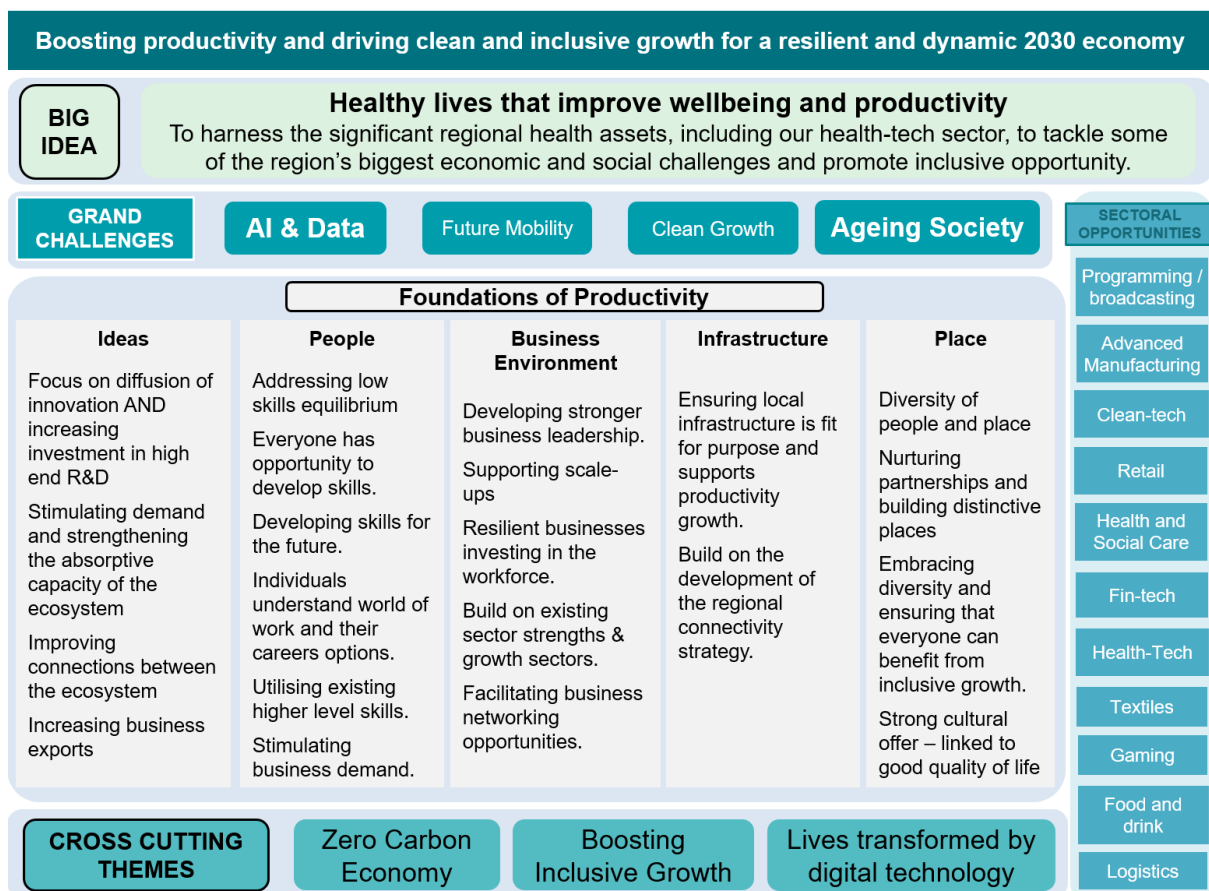
- iv. Invite YNYER LEP to attend the Executive Member for Economy and Strategic Planning's decision session on 11th November, 2019 to update the Executive Member on LIS development, current progress and engagement documents. This is an opportunity for local businesses and residents to feed into the LIS process. Draft LIS response to be produced by the Economic Growth team and presented at the decision session, to form the basis, together with the Exec Member's input, for a formal CYC response to the consultation.

Leeds City Region Local Enterprise Partnership

17. Following the completion of a joint LIS evidence base for West and North Yorkshire in July, a 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 and data, the future of mobility, clean growth and an ageing society). The Council inputted into both requests via responses from the Economic Growth team.
18. A stakeholder event was also held on Friday 26th July in Leeds 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.
19. August and September has seen LCR LEP develop a series of draft LIS priorities built around the five Foundations of Productivity (see framework diagram below), supported by three cross cutting themes: a zero carbon economy, inclusive growth and transforming lives by digital technology.
20. Their draft priority framework introduces what the LEP are referring to as their "big idea" of harnessing the region's health assets, including the health-tech sector, to tackle the region's biggest economic and social challenges, and promote inclusive opportunities.
21. LCR LEP's suggested approach to sectors through the LIS is three fold:
 - i. A focus on sectors where the region already has clear heritage and specialisms in - manufacturing (including food and drink) and textiles;

- ii. Low paid but big volume sectors in terms of employment - retail and health and social care; and,
- iii. High value sectors which will drive growth but also build upon existing assets in the city region - programming/broadcasting, clean-tech, fin-tech, health-tech and gaming.

22. The LEP will be consulting on these draft priorities during October, before drafting a LIS for submission to Government in late 2019 with publication in spring 2020. LCR LEP Draft LIS priorities framework:



Suggested Actions for City of York Council

23. Economic Growth to arrange a workshop with representatives from LCR LEP to discuss their draft LIS priorities framework and alignment with local priorities in York. Given that the Local Industrial Strategy requires input from a broad range of Council agendas including economic growth, transport and housing, amongst others, it is important that this workshop has representation from a range of relevant service areas.

24. Invite LCR LEP to attend the Executive Member for Economy and Strategic Planning's decision session on 11th November, 2019 to update the Executive Member on LIS development, current progress and present the draft LIS priorities framework. This is an opportunity for local businesses and residents to feed into the LIS process. Draft LIS response to be produced by the Economic Growth team and presented at the decision session, to form the basis together with the Exec Member's input, for a formal CYC response to LCR LEP.

Consultation

25. The information provided in this report has been provided by the City of York Council Economic Growth Manager. Consultation around the development of Local Industrial Strategies is ongoing and involves a wide range of stakeholders including economic growth, transport and housing, businesses and local authorities

Options

26. Members can make constructive comments to potentially influence the drafting and approval of the LISs

Analysis

27. There is no analysis at this stage

Council Plan

28. The new Council Plan is to be considered by the Executive on 24 October 2019 but it is likely that Local Industrial Strategies will impact across a range of economic, housing and transport priorities.

Implications

29. There are no Financial, Human Resources, Equalities, Legal, Crime and Disorder, Information Technology, Property of other implications associated with the recommendation in this report.

Risk Management

30. There are no risks associated with the recommendation in this report.

Conclusions

31. There are no conclusions in this report as the consultation around Local Industrial Strategies is ongoing.

Recommendations

32. Members are asked to consider the contents of this report and information provided at the meeting and make constructive comments that could potentially influence the drafting of the Local Industrial Strategies.

Reason: To inform members about the development of the Local Industrial Strategies for West Yorkshire, York and North Yorkshire.

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Wards Affected:

All

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