
MEETING	DECISION SESSION - EXECUTIVE MEMBER FOR ECONOMY AND STRATEGIC PLANNING
DATE	20 OCTOBER 2021
PRESENT	COUNCILLOR WALLER

16. DECLARATIONS OF INTEREST

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

17. MINUTES

Resolved: That the minutes of the previous meeting held on 28 September 2021 be approved as a correct record and signed by the Executive Member.

18. PUBLIC PARTICIPATION

It was reported that there was no registrations to speak under the Council's Public Participation Scheme.

19. QUARTERLY ECONOMIC UPDATE

The Executive Member considered a report which provided him with a quarterly economic update. The Head of Economic Growth was in attendance to present the report and respond to questions.

Key points raised during the presentation of the report included:

- That York had seen a strong summer in trading terms and was one of the best economically performing local authorities in the UK.
- At the end of August, there were around 3,000 employees still furloughed.
- There were almost 3,500 job vacancies within 5 miles of the city centre, of which 1/3 were in the hospitality sector.

- A sector based work academy had been launched with the hospitality sector in order to support those who wish to enter that industry.
- Many businesses were facing significant challenges in recruiting staff and in the supply chain, with officers observing a high level of volatility in prices of various goods.
- There was some concern about the level of Covid-19 infections in the city and the importance of refining messaging around mask wearing and hand washing was emphasised as important for maintaining customer confidence.
- The Business Week organised by the Council's Economic Growth team was discussed, which had sessions on sustainable buildings, skills, mental health and decarbonising business.
- Certification for York's Good Business Charter, which the Council had signed up to in the summer had been received.

The Executive Member noted that:

- Information on city centre footfall during the York Food and Drink Festival had justified the Additional Restriction Grant funding invested to ensure it went ahead.
- Not all anticipated changes at the end of furlough had yet come about, but he thanked officers for the work done on the Jobs Fair, and spoke on the importance of making jobs more flexible and easing the transition from unemployment to filling available jobs.
- York's economic information should be collated and used to lobby for changes to government schemes.
- Work was being done to retain graduates from York's universities, for example investments from ETAS, a subsidiary of Bosch.
- LNER were developing messaging for Covid-19 etiquette on their train services.
- He considered York to be the ideal location for Great British Railways and thanked officers for their work on the city's bid.
- It was important to ensure that York gets its share of green jobs.
- The effects of the UK's exit from the European Union were still being felt.

Resolved:

- i. That the contents of the report be noted.

Reason: To support York's economic response to the COVID-19 pandemic.

20. ECONOMIC STRATEGY PROGRESS UPDATE

This report provided the Executive Member with an update on the development of a new, inclusive Economic Strategy for York. Widespread engagement with York's residents, workers and businesses took place over the summer through the Council's Our Big Conversation, with a coherent approach to engagement undertaken to address the overlapping themes of York's economy, carbon reduction and transport. The Economy Growth Manager was in attendance to present the report and respond to questions.

Key points raised during the presentation of the report included:

- Over 2000 residents and 100 businesses in the city had been consulted on the Economic Strategy over July. The key findings of these consultations were attached at Annex 1, but some key points included:
 - That the majority of residents supported a move towards net-zero carbon emissions by 2030.
 - Two fifths of residents expected to work from home more in the future.
 - Two thirds of residents were interested in learning new skills.
 - One fifth of residents felt worse off financially than they had 12 months previously with half of these respondents falling within the 25-39 age category.
 - 40% of those working part time did so for a better work-life balance.
 - A large issue for businesses was a lack of available and affordable land and property.
- The Council had engaged with the Citizens' Advice Bureau, who had interviewed 200 residents. They had found that the majority of clients of working age were confident about their employment prospects, and that the impact of the Covid-19 pandemic on mental health had been greater than on employment.

- Phase II of engagement would focus on addressing gaps in insight.
- The Economic Evidence Base had been regularly updated and its key headlines were:
 - GVA/productivity in York was strong, with over 20,000 high paid jobs being created since 2005.
 - Pay in the city was close to the national median and higher than most of Yorkshire and the Humber.
 - York had high skill levels.
 - Employment and GVA growth forecasts were positive.
- The importance of inclusive growth to ensure that all York residents can share in economic success was emphasised, as well as the need to create more high paying part time jobs.
- There will be a renewed focus on continuous learning and social mobility within the Council's forthcoming Economic Strategy.
- York's position as the UK's first Good Business Charter city was emphasised, with 4% of total business membership across UK in the city.

The Executive Member noted that:

- It was important to utilise Business Week to help with engagement efforts and improving the evidence base.
- Good progress had been made on analysing existing data, but in some areas there were no clear conclusions, so it was necessary to continue gathering data to make clear what steps needed to be taken locally to support York's economy.
- It needed to be ensured that everybody could benefit from additional high value jobs in the city, for example by raising aspirations for young people and getting more women in to STEM subjects.
- 73% of people stated that their broadband connection was good, however it was not clear how sufficient internet connectivity was from a business perspective. The Executive Member requested more exploration of how to address the concerns of the 23% were not satisfied with their connection.
- The Council should continue to work with the Citizens' Advice Bureau to endeavour to understand what proportion of those residents who worked part time did so by choice.

- A strategic view on the regional need to properly insulate Victorian brick terraces was needed, which was a key opportunity for creating green jobs. However, it was necessary to work with the construction industry in investing in training and concerns over profitability.
- Askham Bryan College's agricultural courses were a key advantage for the city.
- York Minster's plans to become a Centre of Excellence for heritage craft skills combined with modern technology would also be a key asset for York.

Resolved:

- i. That the contents of the report be noted.
- ii. That Executive Member's comments on engagement findings, the draft economic evidence base and headline commitments for a new, inclusive Economic Strategy be noted and minuted.

Reason: To support the development of a new, inclusive Economic Strategy for York.

21. APPRENTICESHIP UPDATE

The Executive Member considered a report which provided him with an update on apprenticeships in the city. The Skills Team Manager was in attendance to present the report and respond to questions.

Key points raised during the presentation of the report included:

- Recovery in terms of numbers of apprenticeships since the pandemic began was on track slightly higher than the national average, but figures were still well below pre-pandemic levels at 82% of previous numbers.
- However, there had been a surge in apprenticeship vacancies since July, with over 200 per week, up from 20 at its lowest point during the pandemic.
- 50% vacancies were in retail, hospitality and tourism sectors, which was an increase on the pre-pandemic figure of around 30%.
- There were over 2000 apprenticeships currently undertaken in York.
- Officers spoke on the work of the Impartial Apprenticeships Hub, which included regular weekly mailing, Facebook events and business engagement.

- There were 53 apprentices at the Council, of which 17 had started within the last 6 months and 10 were new to CYC.
- £519,000 had been spent on supporting apprenticeships since the inception of the Apprenticeship Levy, of which £119,000 had been spent in the last 6 months. The vast majority of this money was spent supporting apprentices working for the Council.
- Work was being done to ensure the least amount of levy as possible expires each month, with around £10,000 less expiring each month compared to the same period in 2020.
- Levy transfer had been well received, and there had been 6 requests representing £75,000 and 6 other active enquiries e.g. from software developers, digital marketing and in the early years sector. Should these be approved their funding would be £117,000.
- An update on the Education and Skills Funding Agency was given. Officers noted that apprenticeship incentives had been extended until January 2022 and a bulk levy transfer system was available, and that the Council had applied to be a member of the Flexible Apprenticeship scheme, but would not know whether they were successful until December 2021.

The Executive Member noted:

- He thanked officers for their work and for focusing on spending apprenticeship levy money locally.
- It was important to emphasise that the levy was not a simple 3% flat tax, since the unallocated apprenticeship levy money could be accessed by businesses in the city.
- That the Council should promote the Kickstart Scheme as a valuable asset, especially for 18-24 year olds who may have found it harder to gain experience over the pandemic.

Resolved:

- i. That the contents of the report be noted.

Reason: To continue to encourage the creation of apprenticeship opportunities in York, by supporting local businesses to access available funding and to support routes to employment for local residents.

22. GOVERNMENT CONSULTATION ON SUPPORTING DEFENCE INFRASTRUCTURE AND THE FUTURE OF TIME-LIMITED PERMITTED DEVELOPMENT RIGHTS

The Executive Member considered a report on the Department for Levelling Up, Housing and Communities' consultation which is inviting submissions with regard to a series of questions concerning proposed changes to Permitted Development Rights. These focus on two key areas.

a) The future of time limited permitted development rights; and
b) The expansion of permitted development rights, specifically with regard to supporting the delivery of defence infrastructure on defence sites. The Development Manager was in attendance to present the report and respond to questions.

Key points raised during the presentation of the report included:

- That the Government changes included making two of the temporary permitted development rights introduced during the Covid-19 pandemic permanent, namely the right for local authorities to hold markets for an unlimited number of days and a provision for movable structures within the curtilage of pubs, cafés, restaurants or historic visitor attractions.
- Limitations proposed in the consultation around moveable structures related to their height, size and duration they were to be erected for.
- On supporting defence infrastructure, the proposals were to allow new or extended single living accommodation developments and to allow for new development of work and training facilities. This would allow the amount of floor space within a barracks to be extended by up to 25% and 35% respectively.

The Executive Member noted that:

- This item was important to consider due to York's unique heritage.
- The Shambles market traders should be engaged with on the consultation to ensure they are kept updated on any potential changes.
- He expressed concerns about the potential impact of the provisions for defence infrastructure on the completion of the Local Plan.
- Moveable structures had been very useful during the pandemic, but such structures would inevitably not be of the highest quality.

- The PDR around markets was solely for or on behalf of local authorities, and it was noted that any decisions around that would be considered at a public decisions session.
- That the Council's response to the consultation should include concerns around the potential delays to the Local Plan.

Resolved:

- i. That the contents of the report be noted.
- ii. That prior to the submission of City of York Council's response, engagement on the section of the consultation on 'Rights for markets by or on behalf of local authorities' with the traders of the Shambles Market be undertaken.
- iii. That authority be delegated to the Head of Planning and Development Services to submit a response to the Department for Levelling Up, Housing and Communities' consultation on Supporting defence infrastructure and the future of time limited permitted development rights.

Reason: To allow a submission to be made to the consultation in a timely manner and allowing the Council to make representations in respect of the proposed changes to permitted development rights.

CLLR A WALLER, EXECUTIVE MEMBER

[The meeting started at 3.00 pm and finished at 3.59 pm].