

<b>Meeting:</b>	Economy, Place, Access, and Transport Policy and Scrutiny Committee
<b>Meeting date:</b>	28/11/2023
<b>Report of:</b>	Neil Ferris, Corporate Director Place
<b>Portfolio of:</b>	Councillor Pete Kilbane – Executive Member for Economy & Transport

## Scrutiny Report: Economic Strategy and Tourism Strategy Update

This purpose of this report is two fold:

(1) to update Scrutiny on progress to date with implementation of the York Economic Strategy, 12 months after adoption; and

(2) to give Scrutiny members an opportunity to see and comment upon the draft York Tourism Strategy, prior to a report to the Council's Executive in January 2024.

### Policy Basis

1. The York Economic Strategy was adopted in November 2023.
2. The development of a new Tourism Strategy for York is a recommended outcome in the York 2032 10-year strategy, the Economic Strategy and the Climate Change Strategy. All highlight the need to focus on regenerative green tourism, to develop the value of tourism, rather than its volume, and the importance of employment in the visitor economy to York's residents.
3. The Council Plan 2023-27 – One City, for all, includes two specific commitments on tourism:
  - to work with the tourism and hospitality sector to explore new revenue streams and a 'green' tourist levy to benefit residents and the hospitality sector.
  - to work with the Tourism Advisory Board to promote York as a

sustainable destination, updating the 10-year Tourism Strategy to include green tourism and sustainable travel.

4. The Council Plan also states that *“being clear on our priorities now will help us over the decade ahead as we continue to build a supportive and collaborative relationship with our local and regional partners”*. Strong partnership working will be critical to the successful delivery of the Tourism Strategy and to progressing collaborative work with neighbouring authorities and the emerging York & North Yorkshire Mayoral Combined Authority.
5. In developing the Tourism Strategy, stakeholders have considered the key Council commitments of Equalities, Affordability, Climate & Environment and Health. The Key Priorities of the Strategy are well aligned to these Council commitments as follows:

Equalities and Human Rights - are a big component of the Strategy, featuring in both the Culture and Residents and Localhood Key Priorities. There are commitments to broadening participation and access, celebrating inclusion, and providing more opportunities for marginalised groups.

Affordability and the importance of tourism and hospitality businesses as employers is addressed in the Skills and Recruitment and Localhood Key Priorities. The Strategy seeks to broaden access to fair and rewarding job opportunities for all.

Climate & Environment - the Strategy has a strong focus on reducing the environmental impacts of tourism and promoting York as a world-leading city in its commitment to environmental sustainability. Key outcomes of the Strategy, summarised under the Green York Key Priority, include commitments to grow the use of public transport and increase green accreditation of tourism and hospitality businesses.

Health and Wellbeing is addressed through the Strategy, with the health and wellbeing benefits of cultural participation, access to rewarding jobs and a greener city all highlighted.

## **Recommendation and Reasons**

That Economy, Place, Access, and Transport Policy and Scrutiny Committee:

(1) note the progress made to date with implementation of the York Economic Strategy, 12 months after adoption

(2) comment upon the draft York Tourism Strategy

Reason: To keep the committee updated on these key strategies for the city and to feed in comments ahead of a report to the Council's Executive in January 2024

## Background

6. The York Economic Strategy was adopted by the Council in November 2022, on behalf of the city. At the same time an Economic Partnership was formed to give partner oversight to the delivery of the strategy.
  
7. Appendix A to this report is a copy of a presentation given to a recent meeting of the York Economic Partnership, which outlines the progress been made against the 10 year York Economic Strategy, one year since its launch. At the Partnership meeting, Officers gave an overview of the three headline targets of the strategy, which regard labour productivity, resident earnings and skill levels, and then showed how York is performing against these targets, as summarised below:
  - On productivity, York has historically been above or close to UK levels, but from about 2017 a gap has opened with productivity levels stagnating locally. Statistics on productivity lag, so the most recent available data is for 2021 and this shows that York has fallen 12 places in the local authority league table from a year ago, sitting 102<sup>nd</sup> out of 180 ITL3 subregions, highlighting the need to increase productivity.
  
  - On earnings there had been positive news on wages for people working in York, with data showing that worker wages are the highest in the Y&H region for 2023. However, the strategy target is on resident wages, for which there has not been much change, with York only rising one place in the local authority league table, sitting 232<sup>nd</sup> out of 340 local authorities.
  
  - On skills, York is the most highly skilled local authority area outside of London and Scotland, with 60% of its working-age

population qualified to at least RFQ level 4. Officers stressed that whilst this is a positive story, we should aim to maintain this and explore why this highly-skilled workforce does not necessarily translate into higher levels of productivity and resident earnings.

8. In terms of the activity that has been undertaken under the five strategy themes over the last twelve months:
- For the ‘York as a global city’ theme, CYC has a reinvigorated inward investment team with the appointment of a Head of Inward Investment & Business Growth, a new tourism strategy is soon due to be published (detailed later in this same report to Scrutiny), the UNESCO City of Media Arts status has been reenergised and York’s key developments, such as York Central, are progressing. Statistical indicators for this theme are encouraging with 8.9 million visitors in 2022 and a £256m trade surplus.
  - For the ‘greener economy’ theme, CYC was investing in free decarbonisation support for businesses and in green skills with UK Shared Prosperity Fund (UK SPF) funding, a Green Business Forum has been launched and a report that delineates the green economy in York has been delivered.
  - For the ‘thriving workforce’ theme, the Local Skills Improvement Plan (LSIP) has been agreed, free skill bootcamps and mental health & wellbeing support has been provided, a supported employment forum had been launched and there will be investment from York’s UK SPF in skills. Simon presented some of the statistical indicators for this theme, showing that over 25,000 high-skilled jobs have been created in York since 2005, that York has more employees than ever before, record low inactivity and low unemployment.
  - For the ‘thriving business’ theme, UK SPF funding has been invested in free services to support start-ups, social enterprises, innovation and business growth, along with new sector leads for the bioeconomy, rail, creative and professional services, tourism and retail in the Business Growth Team.
  - For the ‘an economy powered by good business’ theme, the Council has co-produced a marketing plan to increase sign-

ups of the Good Business Charter (GBC), established a York Community Fund, is supporting the Voluntary, Community & Social Enterprise (VCSE) sector with UKSPF funding and committed to Inclusive Equal Rights UK. He noted that 96 organisations were GBC accredited in York and 153 were living wage employers.

9. At the same meeting, officers introduced a proposal to adopt a 'task and finish' approach to future delivery of the Economic Strategy, which was unanimously agreed by the Partnership. The Task & Finish approach is summarised in the diagram below:



10. As the diagram shows, this picks up the key themes of the Economic Strategy as well as a specific Task & Finish group linked to the 'Our City Centre' vision, agreed by Executive in October 2023. The focus of this group is likely to be centred around two priorities: (1) to produce a shared and prioritised Delivery Strategy for the 'Our City Centre' vision; and (2) to shape and develop plans for capital investment in York City Centre, to inform future propositions to the Mayoral Combined Authority and other funding bodies.
11. The Partnership agreed that each of the Task & Finish groups would identify a realistic number of achievable tasks (most likely between one and five, but varying by group depending on capacity, resources and task complexity) to work on together and

deliver over the next 12-18 months. It was acknowledged that there needs to be a shared responsibility for 'doing' – volunteers on the groups will need to be willing and able to take on and complete prioritised actions. The Partnership agreed that the groups needed to focus on realistic and practical delivery priorities, not a just a 'talking group' or something that sets unachievable ambitions. The first meeting of the groups will be in January 2023, with the aim of reporting back priorities and clear outputs/ outcomes to the next meeting of the Partnership Board in May 2023.

12. The development of a new Tourism Strategy for York is included as an objective in the Service Level Agreement between the Council and Make It York, with specific reference to the work taking place through the Tourism Advisory Board.
13. The draft Tourism Strategy has recently been prepared by Tourism Advisory Board through a series of consultation workshops, and with the support of York St John University. Its starting point was a report developed by Group nao for Make It York in 2019. The draft strategy is attached as Appendix B for consideration by Scrutiny members, prior to a report to Executive in January 2024.

## **Consultation Analysis**

14. Residents, businesses and key stakeholders all helped to inform the York Economic Strategy through their input into multiple consultations, roundtable sessions, workshops and meetings. The strategy was devised in parallel with the 10 year strategies and plans for Climate Change, Health and Wellbeing and Skills. Consultation for each of these documents also fed into the development of the Economic Strategy.
15. The Tourism Strategy has been developed by the Tourism Advisory Board through a series of consultation workshops, and with the support of York St John University. Its starting point was a report developed by Group nao for Make It York in 2019.

## **Contact details**

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## Background papers

[York 10 Year Strategies \(including York Economic Strategy\) - Executive 22 November 2022](#)

## Annexes

- A. York Economic Strategy Update
- B. Draft York Tourism Strategy