

Cabinet

5 November 2013

Report from the Economic & City Development
Overview and Scrutiny Committee

External Funding Scrutiny Review - Cover Report

Summary

1. This report presents the final report arising from the External Funding Scrutiny Review – see Appendix 1, and asks Cabinet to approve the review recommendations.

Background to Review

2. At a meeting of the Economic and City Development Overview and Scrutiny Committee (ECDOSC) held in September 2012 Members received an initial briefing note on a potential scrutiny review that had been put forward by Councillor Semlyen. The basic premise for the suggested review was to unlock the potential of external funding for economic development and regeneration projects. The Committee agreed that this review should proceed and set up a Task Group to carry out the review on their behalf.
3. In January 2013 the Task Group reported back on their initial findings and ECDOSC agreed a remit for the review together with a number of objectives. However, as work on the scrutiny review progressed, ECDOSC were asked to agree some minor changes to the objectives set, to allow the Task Group slightly more flexibility within their review. Work on the review then progressed based on the following remit and objectives:

Aim

To be more effective and systematic in securing external funding and investment for York

Key Objectives

- i) To assess how Leeds City Region are articulating investment priorities, including looking at the case of the Local Enterprise

Partnership (LEP) European Regional Development Funding Programme and broader funding priorities.

- ii) To assess what resources are available to City of York Council (CYC) to effectively identify and successfully secure funding (resources in this instance including CYC staff, additional or temporary staff, partnership staff, ability to provide match funding, up-skilling and training)
- iii) To develop a plan for presenting a strong case to attract funding for York's top investment priorities.

4. Over a series of meetings the Task Group gathered the evidence set out in the final report and its associated annexes and in September 2013 ECDOSC considered the Task Group's draft final report and agreed to make the following recommendations to Cabinet:

Review Recommendations

Overall Strategic Recommendations:

- (i) The Economic Development Unit to develop and publish on the web an 'Investment Plan' that will highlight key growth priorities for CYC and wider City, and identify specific projects to take these priorities forward, and match them to the most relevant sources of finance (with an appropriate forward scanning function to achieve this). To be completed by December 2013.
- (ii) To apply suitably ambitious measurable targets as part of the development of the investment plan in order to gauge its impact, these targets, based on the investment plan, to be confirmed by the end of December 2013.

Objective (i) Recommendations:

- (iii) The priorities of the City to be aligned with broader regional priorities, particularly those contained within the Leeds City Region LEP Investment Plan. CYC needs to be proactive in engaging the Leeds City Region and other potential partners to ensure that York's key investment targets are prioritised effectively in regional and national investment plans.

- (iv) The Council to be proactive in engaging the Leeds City Region and other potential partners to ensure that York's key investment targets are prioritised effectively in regional and national investment plans.
- (v) Regular updates on York's key investment priorities, including progress with specific bids to be communicated to Leeds City Region, Science City York and other relevant partners who either need or wish to be informed of specific bids.

Objective (ii) Recommendations:

- (vi) CYC to continue to subscribe annually to the Regional Econometric Model (REM) licence and budget for it as a core expenditure, in order to utilise the REM to evidence the overall economic impact of every project or initiative (where a clearer understanding of the broader economic impact forms part of the bid criteria) thereby clearly articulating and strengthening the evidence base for all funding applications.
- (vii) CYC to explore, under the licence agreement the benefit of, using the REM and sharing the data produced by the REM – and how we involve/engage citywide partners in making the most of the modelling software. Aim to produce an agreed REM user plan by December 2013.

Objective (iii) Recommendations:

- (viii) CYC to draw upon relevant officer expertise, and ensure that sufficient officer time and resource is made available to build and develop business cases of suitable robustness and probity around the major flagship projects featured in the Investment Plan, in order to maximise significant funding and investment into those schemes.
- (ix) CYC to develop a clear inward investment menu or offer on the 'yorkmeansbusiness' website, setting out the various support services available to potential investors. This should draw on the support made available as part of recent successes in attracting inward investment e.g. Hiscox. The development of an initial webpage to be completed by October 2013.

- (x) CYC to maintain a presence at prestigious international events to attract developer and investor finance for key sites in the City. Every lead from such events should be followed up and invited to York to meet with relevant senior CYC officers.

Consultation

- 5. Work on this review, included meeting with external partners from Network Rail and Leeds Local Enterprise Partnership, alongside colleagues from CYC Development Control and the Economic Development Unit.

Options

- 6. Having considered the scrutiny final report attached, the Cabinet may choose:
 - (i) To approve the recommendations
 - (ii) Not to approve some or all of the recommendations listed above.

Analysis

- 7. The final report attached at Appendix 1 contains a full analysis of the information gathered in support of the review.

Council Plan 2011-15

- 8. The work on this review and its arising recommendations supports the *'create jobs and grow the economy'* priority within the Council Plan 2011-15.

Implications

- 9. The implications associated with the recommendations arising from the review are listed within the final report at Paragraphs 66 to 75 - see Appendix 1.

Recommendations

- 10. The Economic & City Development Overview and Scrutiny Committee recommends the Cabinet:
 - (i) Notes the content of the final report at Appendix1

- (ii) Approves the recommendations as shown in Paragraph 4 of this cover report.

Reason: To conclude the Scrutiny Review in line with CYC Scrutiny procedures and protocols

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

All



For further information please contact the author of the report

Background Papers: N/A

Annexes:

Appendix 1 – Final Report