Report to Economy and Place Scrutiny and Policy Committees Cllr Keith Aspden, Executive Member for Economic Development

Major Developments

Castle Gateway:

Work is progressing to prepare detailed planning applications for work package 1 of the Castle Gateway masterplan, with the intention to submit applications for a multi-storey car park at St George's Field and a new apartment building on the site of the former Castle Mills car park in the autumn. The council is currently in the pre-application advice period with Historic England and planning officers. We are also working with the Environment Agency to ensure the plans respond to flood issues, and are about to undertake the required archaeological investigation works. In the meantime the demolition of the poor quality buildings at Castle Mills has begun to prepare the site ready for development.

In preparation for planning applications for work package 2 we are in the process of designing the next stage of public engagement through My Castle Gateway. This will help define the brief for the public spaces to replace Castle Car Park and create a new riverside walkway and bridge at the rear of the Castle Museum. The intention is to submit planning applications for this work package in Spring 2019.

York Central:

'Project development works are ongoing, with outline application and full planning application for phase 1 infrastructure programmed for submission in August and September 2018 respectively. The mixed-use masterplan is well progressed, informed by community and stakeholder consultation. Procurement activity for infrastructure works is in its early stages. Partners will sign a Memorandum of Understanding relating to the partnership following Executive on 21.6.18. Co-development work for the £57m Housing Infrastructure Fund bid will commence shortly, with a submission from September 2018.'

The Local Plan:

The draft plan has now been submitted for formal adoption. The plan if approved will provide a sustainable, managed framework for providing the homes and business space that York needs, alongside providing protection for communities and the greenbelt, and regeneration and development opportunities.

Updates, including investment and partnerships

Investment examples include that the York Station frontage master planning is underway, the University of York has just completed its £27m Piazza Learning Centre as a central part of the plans for Campus East, the National Railway Museum will be investing £50m in a major upgrade, and Handlesbanken now occupy 3,000sq ft at Clifton Business Park.

We are working to strengthen partnership working with local businesses and key stakeholders such as the Universities, and regional working with the LEP. For example, with the opportunities offered by the Local Industrial Strategy, and positioning ourselves with the region as centre for biotech and digital excellence.

We will work with London North Eastern Railway (LNER), which is taking over the running of East Coast Mainline services from 24 June 2018, to ensure that journeys won't be affected. We understand that tickets, timetables and train services will all stay the same even though a different operator will be in charge and that there will be a short transition period.

Continuing to support the work of the Business Improvement District (BID). Their impact is really being felt by the City now that they are entering their third year, and particular successes include the Street Rangers, Taxi Marshals and of course, the Christmas lights. They are beginning to work on new projects such as reducing utility bills for levy payers, as well as larger projects in partnership with the council, such as pay on exit parking and way finding.

As of the 6th June 2018, there are no empty Council-owned shops in the city centre, reflecting our active approach to finding tenants.

Events and festivals, working in partnership with Make It York (MIY), showcase the City, such as the Shakespeare's Rose Theatre, Bloom!, York Festival of Ideas. Mediale and Aesthetica.

We encourage pockets of creativity on the high street, with new quarters springing up and new groups of people working together, such as the Fossgate Traders Association.

We will seek opportunities to promote a 'business friendly' council, including by taking an active role in York Business Week (November 12th – 16th 2018). In addition related events are planned by the skills team, such as on how York Central can become a focus for an exchange of learning and skills in July, and #talentmatchyork, a skills event in November.

Digital connectivity in the City has never been better, and is improving all the time with the expansion of our ultrafast fibre optic broadband which is expected to be high on the tick list of new businesses looking to move to the City. York is also one of four pilot areas where businesses can apply for 'gigabit' and 'connectivity' vouchers to upgrade their broadband.

York was named as 'the best place to live in Britain' according to a Sunday Times article earlier this year. They stated that York had a "perfect mix of heritage and hi-tech" and described us as a "minimetropolis with cool cafes, destination restaurants, innovative companies - plus the fastest internet in Britain".

Skills Plan

York's second all age Skills Plan, sets out two simple priorities to focus how City of York Council and its partners will work together to contribute towards ambitions set out in both the York Economic Strategy, 2016 – 2020 and City of York Council Plan 2015 - 2019:

- Developing, Retaining and Attracting Talent in York:
 To support the growth of local businesses as well as those within commuter distance of York across the wider city region
- Making sure no one is left behind:

Where local businesses can thrive, residents have the opportunity to get good quality and well paid jobs and everyone in York is supported to achieve their full potential.

The Skills Plan has been developed at an important time for the city as it sets out to deliver an ambitious economic growth vision to 2030 and beyond, and I would like to thank the Skills Team for their ongoing work. It is also a time of major change for employment and skills support in England, with real shifts in policy and funding at a national, Local Enterprise Partnership and city level.

The Skills Plan sets out 5 'Essential To-Dos / Objectives' to deliver the priorities:

- 1. Support the transition of all young people from learning to earning
- 2. Connect more adults to jobs, self-employment & career progression
- 3. Grow the Apprenticeship Offer
- 4. Make better use of HE talent, resources & learning
- 5. Tackle Skills Shortages

Apprenticeships

The Council-led 'York Apprenticeship Hub' has continued to work closely in partnership with employers (large and small), training providers, schools and LEPs to raise the awareness and take-up of apprenticeships for young people (16-24) and to develop existing staff with apprenticeship training.

2014-2015 - the 30% growth in all age apprenticeship 'starts' in 2014-15 to 1700 (ranking York has the 6th highest ranking LA in the UK for growth) was maintained in 2015-16 with an all age start level at 1720.

In 2016/17 - there has been a drop off in apprenticeship starts at a local, regional and national level.

- data for York shows 1420 starts (across all ages) v 1720 in 2015-2016
- ➤ 18% year on year change versus 4.4% regionally and 3.6% nationally.
- York's data demonstrates a market place that is more sensitive to national policy changes.

- ➤ the biggest drop in starts is shown in the over 25s (-18%), which was balanced by an increase in adult learner loans as employers and employees opted for stand alone NVQ and Diploma training programmes, rather than full apprenticeship training programmes.
- ➤ Take-up of Higher apprenticeships, however, has grown from 52 starts in 2014/15 to 120 in 16/17; with the highest growth amongst the 25+ age range ie: existing staff.

The council-led and LCR funded SME Brokerage Service that created 250 apprenticeship jobs for 16-24 year olds by the end of the contract in October 2016 (highest performing district against original targets), is awaiting the outcome of a collaborative European bid led by WYCA in partnership with other LCR LA partners to re-launch a proactive independent brokerage service for employers (of all sizes) and to better support young people into apprenticeships / employment.

More recent activity, led by the council-led York Apprenticeship Hub includes:

- York Apprenticeship Recruitment Events March 2017 (with record attendance from employers, young people and parents - 500); next targeted event planned for July 2018, for those employers still looking to fill vacancies and those young people still looking for apprenticeship jobs)
- York Apprenticeship Graduation & Awards Ceremony 8th event scheduled for November 27 2018 (Grand Opera House)
- York Offer to Schools & Young People workshops, Facebook & weekly E-vacancy bulletins
- Apprenticeship Levy Development of an approach and support package for maximising the benefits of the Apprenticeship levy for CYC, LA maintained schools and larger employers across the city.

Challenges for the year to come

The health of the high street, and how we tackle the nationwide picture of decline in use and expenditure. Although York is currently performing better than most, understanding how global changes in retail will affect York is crucial.

Issues identified by partners, including the BID, including visible drug use, which requires a multi-partnership approach to combat, safety and

security. We must ensure that we focus on not just on the city centre, but also our neighbourhood employment and business locations.

Low wage sectors, graduate retention and creating attractive employment opportunities, as well as affordable housing and the cost of living.

Lack of Grade A office space and industrial space for our growing firms.

Getting the voice of the business community heard as part of our business friendly and 'City that listens' approach.

Getting York's unique economic message – 'high tech ancient City' – recognised in both LCR and YNYER Local Industrial Strategies.

Developing a fresh statement of York's identity, and ensuring it is done in a collaborative fashion so it is used by all.

June 2018.