
Meeting of the Executive Members for City Strategy and Advisory Panel

7 June 2006

Report of the Director of City Strategy

Economic Development Programme 2006/07

Summary

1. The report, and the programme set out in the more detailed schedule in the Annex, sets out key issues, priorities and actions for next year. This follows discussion at the Economic Development Board on 14 March 2006 and Members are asked to agree the programme.

Background

2. The wider, strategic, framework for the Council's economic development programme is provided by the "Thriving City" theme within the Community Plan for 2004 -14, for which the Economic Development Board has lead responsibility. The Thriving City theme has the following strategic objective:

"To support the progress and success of York's existing businesses and to encourage new enterprises in order to maintain a prosperous and flourishing economy that will sustain high employment rates.

3. However, the importance of the economy – and therefore of the economic strategy and programme – extends well beyond this particular theme within the Community Plan. A strong and successful economy, generating enhanced employment options and incomes, contributes to, defines and enables action in relation to lifelong learning, anti-poverty, social inclusion, anti-social behaviour, housing provision cultural provision, spatial planning, transport and environmental quality. There are therefore strong linkages into other themes across the Community Plan and greater integration across the different themes is a priority for the Without Walls Board. Within the Council, the creation of the Directorate of City Strategy – to include lead responsibility for the Local Strategic Partnership (Without Walls) and Local Area Agreements – is aimed at facilitating that integration across strategies.
4. Within the Council Plan, the Thriving City theme is complemented by Corporate Objective 3, "Strengthen York's economy", and the economic development programme (set out in draft in the Annex to this report) defines the actions that are focused on achieving these Community Plan and Corporate Objectives. As with the Community Plan, greater integration of strategies across the Council's functions is a priority – again, covered by the remit for the Directorate of City Strategy

5. The following paragraphs highlight a number of key issues that will be prominent over the next 12 months – and that will therefore influence the content of the economic development programme for 2006/07:

Key Issues and Priorities for 2006/07:

- a) Paragraph 3 above highlights the balance required in terms of **maintaining economic success (sustainable economic success)** while also **ensuring that local people and businesses are in a position to benefit from that success**. Continuity of action in areas such as Science City York, tourism, the city centre and key development sites is therefore essential but focus is also required on action to ensure that local people have the skills and opportunity to benefit from the jobs that are created – increasing income levels. This also meets the business agenda in terms of providing the workforce that York's future economy will need – avoiding, for example, the need to depend on importing labour with all the issues that are associated with that.
- b) This points to an increased emphasis on activity related to identifying **skills needs and supporting people into employment**. This should involve linking activity within the Thriving City and Learning City themes within the Community Plan to pull together a "Skills Strategy" for the York economy and pulling together mainstream funding to focus on priority areas. The Lifelong Learning Partnership has a key role to play in this respect – but having a clear economic/employment focus, and working with key partners such as Science City York, York College, Higher York, schools, training providers, Future Prospects, businesses and key sectors of the economy.
- c) The opportunity to contribute towards and influence agendas such as **lifelong learning, poverty, social inclusions, and anti-social behaviour** is very clear and the opportunity exists to take this forward through the more integrated approach outlined in the "Strategic Context" section above, involving the LSP.
- d) The work within the **Local Strategic Partnership** will have a particular focus on the need to develop **Local Area Agreements** and to have them in place by April 2007 – including the enterprise/economy block. This will need to be reflected in the programme for next year.
- e) The relationship between **the economy and spatial planning, environmental quality and housing objectives** is also vital and this will have a particular focus through the development and examination of both the Regional Spatial Strategy and Local Development Framework over the next 12 months.
- f) **Regional, Leeds City Region and Sub-Regional issues** will also feature prominently. The revised regional Economic Strategy is in place but Yorkshire Forward is in a period of review in terms of its investment planning framework. This links into the wider regional governance/city region debate and economic development work in the future will need to reflect – and where possible – influence these agendas. In the meantime, the Sub-Regional Investment Plan is also under review.
- g) York's position as one of **6 national Science Cities** will also provide an important focus for action during 2006/07 – working with the other cities and government to agree a joint agenda and future framework for action, feeding into the next Comprehensive Spending Review. Additional funding from the Northern Way project (potentially £2.6m) could also be available. York's role within the region,

city region and sub-region – by virtue of being the region’s “Science City” – should also be defined and developed. Science City York, while focusing on the 4 year business plan agreed with Yorkshire Forward, will be at the heart of these discussions – with the three key stakeholders (Council, University and Yorkshire Forward) directly involved. A new Science City Stakeholders Group will consider options for revised governance arrangements geared to the new national agenda.

- h) The economic strategy is founded on indigenous business growth, **working with the existing business base and increasing the rate of new start-ups**: the delivery of the new managed workshops at Clifton and monitoring the regional review of business support (ensuring that provision is locally-based) will be key areas of work for 2006/07.
- i) The introduction (by Yorkshire Forward and Yorkshire Tourist Board) of a **new regional framework for tourism** will also be a key influence on activity in 2006/07. This will involve the development of a long-term Area Tourism Plan that will define future priorities for investment (and feed into the Sub-Regional Investment Plan). At the same time, sustaining activity to maintain York’s competitiveness is a constant priority. First Stop York will take on formal responsibilities as an Area Tourism Partnership (as defined in the regional framework). Major investment priorities such as the Minster East End and the cultural Quarter also need to be progressed.
- j) The emergence of the **City Centre Partnership** in 2005/06 and the **strengthening of the Council’s City Centre Operations team** will also be a key feature – the Partnership’s business plan and development of Business Improvement District proposals complemented by a review of city centre events and action to improve standards in operational areas.
- k) **Major developments** will also feature prominently: Heslington East (University of York) enquiry starting in April, York Central master planning, and progress on key sites such as Castle Piccadilly, Hungate, Terrys, the Barbican and Vangard (Monks Cross).

Consultation

6. A draft programme was considered at the Economic Development Board in March, resulting in the following main points:
 - * Consider whether it is practicable to measure Science City York jobs in terms of the percentage taken by existing York residents and by socio-economic groups.
Incorporate within future survey work – every 3 years.
 - * Explore options for promoting sustainable practices among businesses, including the development of technical skills in sustainability, and renewable energy options, within businesses.

Potential to explore through the Green Business Club and business support services.
 - * Consider the potential for a general performance indicator that relates to the number or percentage of jobs generated going to York residents.
Specific surveys would be required to identify this.
7. Other issues discussed at the Board were the potential for a general workforce survey (likely to be covered by work on a skills survey), the use of imported employees

(especially from EU countries), and information on workforce migration (in and out of the city).

8. The Board agreed the programme subject to additional examination of performance indicators relating to the number of jobs going to York residents (probably involving periodic one-off surveys).

Options and Analysis

9. The economic development programme forms part of a sustained strategic approach to developing the York economy and meeting the employment needs of both businesses and the community. Action is therefore reviewed on the basis of responses to annual shifts in emphasis and changes in the policy framework for economic development. The issues set out in paragraph 5 represent the key influences/options for 2006/07.

Corporate Objectives

10. See paragraph 4.

Implications

11. Financial, HR, equalities, legal, and crime and disorder implications are covered through the Council budgeting and service planning processes. There are no IT implications.

Risk Management

12. Risk management processes cover all aspects of the programme, highlighted in the Service Plan that has already been agreed.

Recommendations

13. The Advisory Panel is asked to advise the Executive Leader to approve the Economic Development Programme for 2006/07, and the Executive Leader is asked to approve the Programme.

Reason: For effective delivery of activity and achieving corporate objectives

Contact Details

Author:

Tony Bennett
Assistant Director Economic
Development, and Group
Management Team
Phone No: 01904 554420

Chief Officer Responsible for the report:

Bill Woolley
Director of City Strategy

Report Approved

Date

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

All

For further information please contact the author of the report or Bryn Jones, Head of Economic Development

Background Papers: Report to Economic Development Board 14 March 2006

Annexes

Annex 1 Economic Development Programme 2006/07