



Local Plan Working Group

29 September 2015

Report of the Acting Director for City and Environmental Services

City of York Local Plan – Economic growth

Summary

1. It is an important part of the overall National Planning Framework that we need to develop a plan that builds a strong competitive economy. As part of the Local Plan process, we need to provide an assessment of the future trends for our local economy to determine the likely scale of economic growth in the city and the appropriate level of commercial space to meet this demand.
2. It is also important that the local plan is consistent with the economic plans and strategies, including the Strategic Economic Plans for both the Leeds City Region and the York, North Yorkshire and East Riding Local Enterprise Partnerships. It will also need to be consistent with the York Economic Strategy, which is currently being refreshed by the business-led York Economic Partnership.
3. The Working Group are invited to consider this evidence of demand for employment land and the options set out at below as a starting point for determining the amount and type of employment land required to be identified in the Plan.

National Planning Policy and Practice Guidance

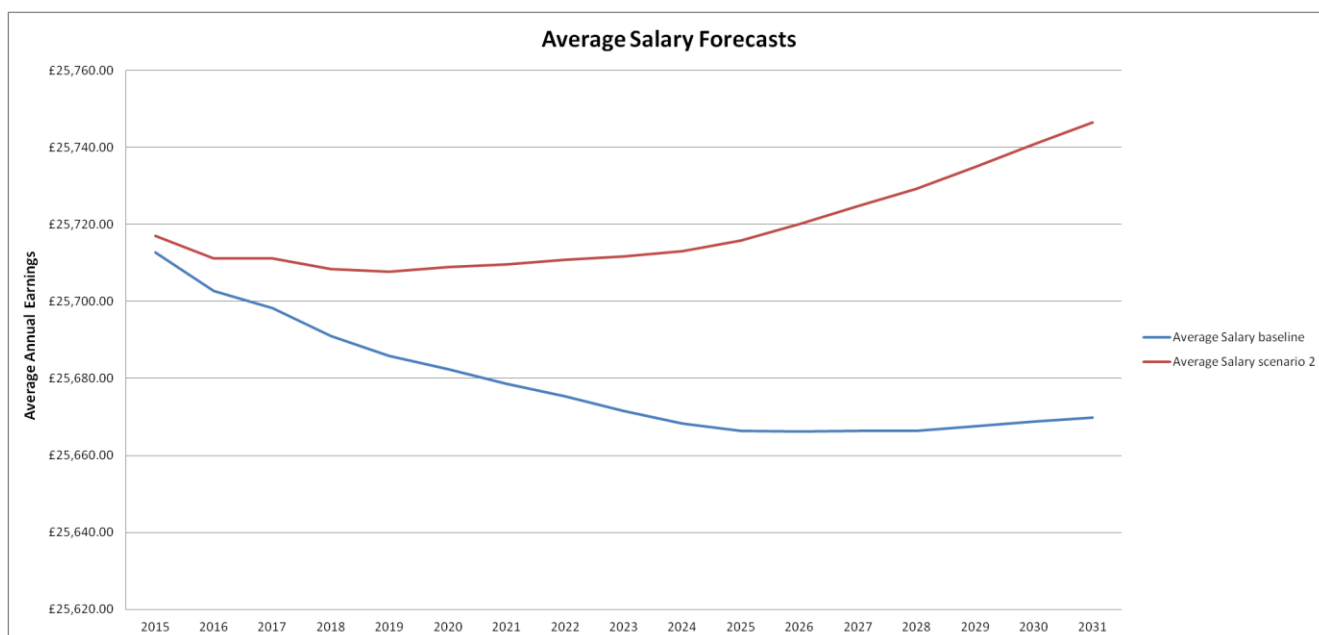
4. The National Planning Policy Framework (NPPF) provides a clear position on the need to build a strong competitive economy. In respect of Local Plans it states at paragraph 21 of the guidance the Plan should: -
 - set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth; and
 - set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period.
5. This policy reflects the overarching policy in NPPF (paragraph 14) of meeting the objectively assessed need for development in the Plan area. The NPPF also says at paragraph 180 that:

‘Local planning authorities should take account of different geographic areas, including travel-to-work areas. In two tier areas, county and district authorities should cooperate with each other on relevant issues. Local planning authorities should work collaboratively on strategic planning priorities to enable delivery of sustainable development in consultation with Local Enterprise Partnerships.’
6. The practice guidance which accompanies the NPPF provides a framework for assessing the need for employment land. It refers to the use of both quantitative and qualitative information; and sectoral and employment forecasts to help understand the demand for land along with analysis of the supply of land. (The land supply will be dealt with in a separate paper to a forthcoming LPWG).
7. The technical work described in this report will provide a major component of the update of the 2009 Employment Land Review which will bring together the evidence on the demand for and supply of land. This work will provide the evidence to inform the choices of employment

sites and the policy approach to promoting economic growth that will be set out in the Plan.

Economic Forecast for York – Summary

8. To help build the picture of the demand for employment land the council has sought expert technical advice from Oxford Economics (OE). Some members of the LPWG may recall a presentation at the seminar for members on 1st Dec 2014 by Anthony Light from OE. Since that time we have commissioned an update of the forecasts and an assessment of how the forecast for different sectors of the economy will affect the demand for employment land.
9. The new report from OE is included as annex 1 to this report. It produces a baseline scenario and two alternative scenarios for York's economy.
10. The baseline scenario, is what the forecaster expect is likely to happen projecting forward past trends without significant change in the composition of York's economy. The baseline scenario also shows that the sectors that are most likely to grow are sectors which include sectors which pay lower wages. Analysis by colleagues working on the Council's Economic Strategy indicates that under this scenario we will see a fall in wages (based on 2015 average wage levels for sectors) of just under 1% over this period.
11. Two alternative scenarios are listed; one is based on higher migration and faster recovery, the other shows re-profiled growth, through opportunities including York Central where we have additional employment land focused on high value jobs. Using OE Forecast numbers, this would lead to a real increase (in 2015 productivity and wage terms) of 1.1%. This would have a low impact on overall housing demand as, high value sectors tend to have less intensive labour demands. The OE forecast shows that this would also lead to a very small number of additional jobs compared with the baseline scenario. A comparison on the impact of wage levels and the baseline scenario is outlined in the chart below.



Source: CYC based on ONS and OE data
 (Note – this is an ‘all other things being equal analysis’ and assumes that salary levels stay at average 2015 levels for the period)

Economic Forecast for York – Context

12. The UK’s economic recovery is well established. GDP grew by 2.8% in 2014, the strongest rate of expansion since before the recession. The labour market has performed impressively with employment now at a record high, boosted by the creation of 1,085,000 jobs – most full time – in 2014. That said, the recovery has been uneven across the UK with Yorkshire generally lagging in this respect but as the North West grew more strongly it is not a simple north south divide. However, looking forward conditions remain supportive of strong growth.

13. The Councils Strategy and Policy Group (Economy and Place) who are working on York’s Economic Strategy have indicated that although York’s economic position is strong in some areas there are notable concerns in others (particularly the growth in low wage occupations and the recent corresponding fall in average wage levels). York has significantly higher levels of skills locally and one of the lowest job

seeker claimant rates in the north of England. The local economy has significant local employment in professional services, financial services (particularly insurance), hospitality and tourism.

14. There are however some challenges for York's economy. Over the last 20 years there has been a re-profiling of sectors in York's economy away from manufacturing to the service sector. This has led to a reduction in productivity and wage levels in the city despite its considerable advantage in terms of skills. This is the key challenge for York's economy to address.
15. One barrier to addressing this challenge is availability of good quality grade A office space in the city centre. Recent reports for example (<http://www.centreforcities.org/publication/beyond-the-high-street/>) have shown that this is likely to be the areas of high growth in the future.
16. In addition colleagues from the Strategy and Policy Group (Economy and Place) have highlighted that their analysis indicates that there has long been pent up demand in York through longstanding historic lack of suitable city centre office accommodation in the city. GVA Consultants, in their 2015 report, 'City of York Key Sites: Commercial Property Case' state that in York "the overall supply of Grade 'A' space is restricted and the amount of accommodation marketed to let or for sale at any one time is limited." While one may look at city-wide availability as a headline measure, GVA suggest that "[this] figure is misleading, especially when we consider what space might in reality be available to an inward investing occupier who is looking for high quality space." It explains that "Indigenous demand for office space in York is considered to be relatively strong and the City benefits from a healthy level of inward investment enquiries; however this demand is not matched by an equivalent supply of modern space."
17. With consideration of the forecasts, without intervention to address the issues above, employment in York is forecast to grow in the baseline scenario outlined below. It is important to consider the opportunities that realistic and deliverable interventions might create.

Economic Forecasts

18. As previously highlighted OE provides a baseline trend forecast of economic growth and two scenario based forecasts. The purpose of these scenarios is two fold; to explore the impact of an overall faster rate of recovery in the UK economy and to explore how local interventions could change the rate of economic growth. These scenarios are helpful in understanding the impact on the Local Plan of inevitable uncertainties in forecasting economic growth. This point will be returned to later in the report.
19. These three forecasts are presented as an analysis of growth by employment sector. This can then be assigned to use classes and using widely accepted assumptions about employment density it can be converted into floor space and then into site requirements.
20. Table 1 below shows the forecast sector growth using a trend based forecast. It shows strong growth in a number of sectors including; Professional scientific and technical, wholesale and retail and human health and social work. With manufacturing showing the greatest shrinkage in job numbers.

Table 1

York employment - baseline forecast				
	Level		Change 2014-31	
	2014	2031	%	level
Agriculture, forestry & fishing	669	534	-20.2	-135
Mining & Quarrying	0	0	-	-
Manufacturing	4,291	3,160	-26.3	-1,131
Electricity, gas, steam & air	92	111	19.9	18
Water supply	390	351	-9.9	-39
Construction	5,605	6,784	21.0	1,179
Wholesale & retail trade	18,347	19,922	8.6	1,575
Transportation & storage	10,914	11,929	9.3	1,015
Accommodation & food service	10,185	11,237	10.3	1,052
Information & communication	2,818	3,284	16.5	466
Financial & insurance	4,303	4,346	1.0	43
Real estate activities	1,890	2,265	19.9	375
Professional, scientific & tech	8,725	11,472	31.5	2,747
Administrative & support	6,324	8,028	26.9	1,704
Public administration & defence	6,141	5,355	-12.8	-787
Education	12,440	12,340	-0.8	-100
Human health & social work	15,861	17,073	7.6	1,212
Arts, entertainment & rec	3,020	3,836	27.0	815
Other service activities	3,364	3,914	16.3	550
Total	115,377	125,937	9.2	10,560

Source: Oxford Economics

Note: Data presented is on an annual basis

21. This forecast of job growth is lower than the previous (spring 2014) forecast. This change has arisen for two reasons, firstly the availability of more recent data from businesses about their growth and secondly the revision to the national and international economic outlook. This earlier forecast indicated job growth of 13,555 over the period 2013 to 2030. Whereas the current forecast indicates a growth of 10,560 over the period 2014-31. Part of the revision to the economic outlook is a recognition that some 700 more jobs have been already created when compared to what was forecast in spring 2014 and that the long term forecast shows slightly slower growth. That said; the key sectors for growth are unchanged from the earlier forecast but show slightly lower overall job growth.

22. Table 2 below provides a comparison of the overall and sector based growth in the two forecasts. It should be noted that this table provides a comparison over the time period 2014-31 and as a consequence shows a smaller difference between the two forecasts than the figure quoted above where the 2014 forecast is for the period 2013-30.
23. A significant point, as mentioned above, is that this sector growth projection will, without intervention, lead to a higher proportion of employment in lower wage and lower productivity sectors in York over this period. Applying these forecasts to the current average wage rates for these sectors implies that average wages in York will fall by just under 1% under the baseline scenario.

Table 2 comparison of 2013 and 2014 forecasts

York employment							
Oxford Economics' forecasts comparison Feb 2014 and May 2015	Level - Feb 2014		Level - May 2015		Level change 2014-31		
	2014	2031	2014	2031	Feb 2014	May 2015	Diff
Agriculture, forestry & fishing	568	471	669	534	-95	-135	-40
Mining & Quarrying	0	0	0	0	0	0	0
Manufacturing	4,202	2,923	4,291	3,180	-1,279	-1,131	149
Electricity, gas, steam & air	137	60	92	111	-77	18	96
Water supply	369	340	390	351	-28	-39	-10
Construction	5,268	6,291	5,605	6,784	1,023	1,179	155
Wholesale & retail trade	17,550	19,174	18,347	19,922	1,624	1,575	-49
Transportation & storage	10,937	12,290	10,914	11,929	1,353	1,015	-338
Accommodation & food service	10,158	10,918	10,185	11,237	761	1,052	291
Information & communication	2,964	3,861	2,818	3,284	697	466	-231
Financial & insurance	5,168	5,391	4,303	4,346	224	43	-181
Real estate activities	1,243	1,786	1,890	2,265	543	375	-168
Professional, scientific & tech	8,796	11,885	8,725	11,472	2,890	2,747	-143
Administrative & support	6,232	7,978	6,324	8,028	1,746	1,704	-43
Public administration & defence	5,536	5,170	6,141	5,355	-366	-787	-420
Education	11,779	11,902	12,440	12,340	122	-100	-222
Human health & social work	18,987	18,573	15,861	17,073	1,586	1,212	-374
Arts, entertainment & rec	3,742	4,735	3,020	3,836	992	815	-177
Other service activities	3,096	3,613	3,364	3,914	518	550	32
Total	114,729	126,961	115,377	125,937	12,232	10,560	-1,672

Source: Oxford Economics

24. Having set out the overall trend based forecasts for growth and examined the reasons for the differences between the May 2015 forecast and the spring 2014 forecast we now need to consider the two scenario based forecasts. As stated previously these scenario forecasts help to quantify the degree of uncertainty inherent in economic forecasting. However care needs to be taken in using these forecasts as

Local Plan Examinations have been suspended to enable further consideration of the efficacy of using non trend based economic forecasts. It is generally recognised that trend based forecasts are more certain; as the use of a non trend forecast has to be backed by evidence that shows how the changes in the trends to move the economy to the scenario envisaged in the forecast can be achieved. For example, how clearly funded local interventions to promote job growth can make a scenario reality.

Scenario 1: Higher migration and faster recovery

25. The OE report explores two scenarios, the first being one which considers the impact on York of higher migration and faster recovery in the wider United Kingdom economy. This is not a policy based scenario as such, in that it considers how wider national and international economic circumstances could impact on York. This is an important consideration as the depth of the 2008 recession and the subsequent recovery has been outside the normal parameters of economic forecasting. Exploring the likely additional job growth in York arising from scenario will help in considering the degree of flexibility needed in the supply of employment land to enable the Local Plan to adequately respond to increasing economic activity brought about by a faster national recovery without the need to review the Plan.
26. This scenario forecasts an additional 4,900 jobs above the baseline growth of 10,560 jobs. The professional scientific and technical sector is expected to see the largest gain of 3,160 jobs followed by wholesale and retail with a growth of 2,400 jobs.
27. Table 3 below shows in detail the sectoral breakdown of the growth forecast in this scenario.

Table 3: Sector growth scenario 1

York employment							
Oxford Economics' forecasts comparison May 2015 & Scenario 1	Level - May 2015		Level - Scenario 1		Level change 2014-31		
	2014	2031	2014	2031	May 2015	Scenario 1	Diff
Agriculture, forestry & fishing	669	534	669	555	-135	-114	21
Mining & Quarrying	0	0	0	0	0	0	0
Manufacturing	4,291	3,160	4,291	3,294	-1,131	-997	134
Electricity, gas, steam & air	92	111	92	116	18	23	5
Water supply	390	351	390	366	-39	-24	15
Construction	5,605	6,784	5,605	7,039	1,179	1,434	256
Wholesale & retail trade	18,347	19,922	18,347	20,755	1,575	2,408	833
Transportation & storage	10,914	11,929	10,914	12,415	1,015	1,501	486
Accommodation & food service	10,185	11,237	10,185	11,683	1,052	1,498	446
Information & communication	2,818	3,284	2,818	3,413	466	595	129
Financial & insurance	4,303	4,346	4,303	4,546	43	244	201
Real estate activities	1,890	2,265	1,890	2,340	375	450	75
Professional, scientific & tech	8,725	11,472	8,725	11,885	2,747	3,160	413
Administrative & support	6,324	8,028	6,324	8,334	1,704	2,010	306
Public administration & defence	6,141	5,355	6,141	5,556	-787	-585	201
Education	12,440	12,340	12,440	12,765	-100	325	425
Human health & social work	15,861	17,073	15,861	17,718	1,212	1,857	645
Arts, entertainment & rec	3,020	3,836	3,020	3,983	815	962	147
Other service activities	3,364	3,914	3,364	4,081	550	717	167
Total	115,377	125,937	115,377	130,842	10,560	15,464	4,904

Source: Oxford Economics

Scenario 2: Re-profiled sectoral growth

28. This scenario considered the impact of faster growth in professional services, financial & insurance, and information & communication accompanied with lower growth within wholesale & retail trade and accommodation & food services. This combination of factors was chosen to reflect the economic policy priorities of the Council which are to drive up the skill levels of the workforce, encourage growth in businesses which use higher skilled staff; and the investment proposals in the LEP Growth Deals agreed with Government. (see the next section of the report)
29. This scenario shows a small overall increase of 490 in the number of jobs forecast in the sectors identified in the economic priorities of the Council (and unlocking the barriers to growth including providing significant grade A office accommodation in the city centre proposals for which are included in the Growth Deals), with fewer jobs in retail and tourist related businesses. This will lead to a growth in the average wages in the city by just over 1%. Table 4 below shows in detail the sectoral breakdown of the growth forecast in this scenario.

Table 4: Sector growth scenario 2

York employment							
Oxford Economics' forecasts comparison May 2015 & Scenario 2	Level - May 2015		Level - Scenario 2		Level change 2014-31		
	2014	2031	2014	2031	May 2015	Scenario 2	Diff
Agriculture, forestry & fishing	669	534	669	534	-135	-135	0
Mining & Quarrying	0	0	0	0	0	0	0
Manufacturing	4,291	3,160	4,291	3,160	-1,131	-1,131	0
Electricity, gas, steam & air	92	111	92	111	18	18	0
Water supply	390	351	390	351	-39	-39	0
Construction	5,605	6,784	5,605	6,808	1,179	1,203	25
Wholesale & retail trade	18,347	19,922	18,347	19,759	1,575	1,412	-163
Transportation & storage	10,914	11,929	10,914	11,950	1,015	1,037	21
Accommodation & food service	10,185	11,237	10,185	11,132	1,052	947	-105
Information & communication	2,818	3,284	2,818	3,387	466	569	103
Financial & insurance	4,303	4,346	4,303	4,355	43	52	9
Real estate activities	1,890	2,265	1,890	2,273	375	384	8
Professional, scientific & tech	8,725	11,472	8,725	12,020	2,747	3,295	548
Administrative & support	6,324	8,028	6,324	8,057	1,704	1,733	30
Public administration & defence	6,141	5,355	6,141	5,355	-787	-787	0
Education	12,440	12,340	12,440	12,340	-100	-100	0
Human health & social work	15,861	17,073	15,861	17,073	1,212	1,212	0
Arts, entertainment & rec	3,020	3,836	3,020	3,843	815	822	7
Other service activities	3,364	3,914	3,364	3,921	550	557	7
Total	115,377	125,937	115,377	126,428	10,560	11,050	490

Source: Oxford Economics

Developments in regional economic policy and Local Enterprise Partnership Strategies

30. In addition to the technical work on forecasting economic growth carried out by OE there are a number of premises about economic growth which are associated with the Local Enterprise Partnership Growth Deals and Strategic Economic Plans.
31. Currently, York is in two Local Enterprise Partnership areas (Leeds City Region and York, North Yorkshire and East Riding) and, following the Chancellor's announcements on devolution earlier in the year, there is an ongoing discussion on regional devolution which will have an impact on regional economic plans and intervention. As part of this work, both Local Enterprise Partnerships are currently revising their Strategic Economic Plans.
32. It is important to explore the degree of alignment between the technical work by OE and forecast economic growth associated with those currently being revised by both LEPs. In the current Strategic Economic

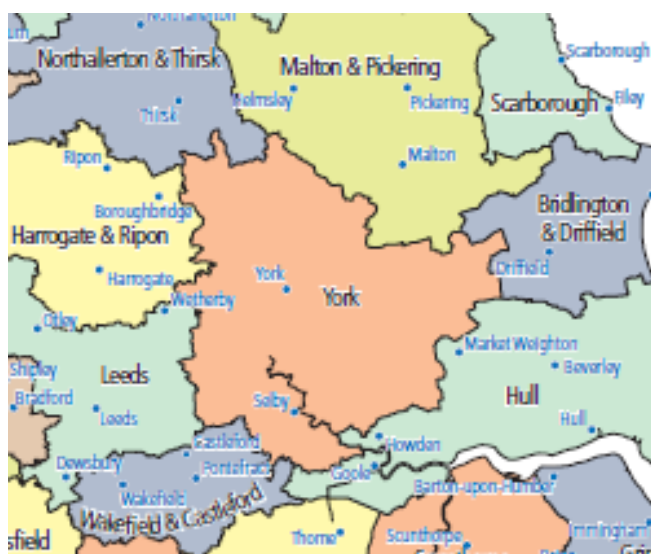
Plans, York is identified as a key economic growth hub. York Central is a key investment priority for each plan.

33. The analysis in this paper focuses on the current Strategic Economic Plans, but the Local Plan Working Group should be aware that both are currently under review and may be affected by further decisions and announcements in the coming months on devolution.
34. The two LEPs which share an overlapping geography are collaborating on the development of investment proposals to promote growth. These Growth Deals include forecasts of likely job growth that will be achieved if the public and private investment proposed in the Strategic Economic Plans is forth coming. Effectively these economic plans set out the additional economic success (measured by job and GVA growth) that can be levered by public and private investment particularly public investment that is controlled by central government. The Local Plan will need to consider the likely impact of the Growth Deals on the demand and need for employment land; growth scenario 2 set out above helps to do this.
35. Also currently under review is York's Economic Strategy. This review is being led by the business community. However, a key focus of this review is what is required to unlock current barriers to high value jobs in the city.

Duty to Cooperate

36. The Local Plan is being prepared for the York UA area. However, it is important to keep in mind how the Plan will interact with the Plans of our neighbouring authorities and how such interactions are addressed through discharging the legal requirements of the Duty to Cooperate.

Figure 1: York travel to work area



Source ONS 2001 TTWA

37. One important piece of evidence on the economic relationship that York has with its neighbours is patterns of travel to work. ONS are expecting to publish shortly the new geography of travel to work from the 2011 census in the form of Travel to Work Areas (TTWA). This analysis is published for each census and provides a helpful geography of the labour market for York.
38. The current TTWA as shown on figure 1 above extends well beyond the York UA boundary particularly to the south into Selby District. This geographic analysis requires joint working with neighbouring authorities particularly Selby to determine what economic relationships should be addressed through the Local Plans that each authority prepares. For example, in relation to the market for employment land and the supply available.
39. To ensure we have a clear understanding of the future trends in the York economy we need to be able to compare forecasts of growth across the travel to work area. The neighbouring authorities in the TTWA use a different forecasting model to that used by York – the Experian/Regional Economic Model – usually referred to as the REM. This model is also used by the Local Economic Partnerships.

40. Table 5 below is a comparison of the most recent trend based forecasts from the two models

Table 5 Comparison of OEF and REM Forecasts

York employment							
Oxford Economics' May 2015 and REM Mar 2015 forecast comparison	Level - OE May 2015		Level - REM Mar 2015		Level change 2015-31		
	2015	2031	2015	2031	OE	REM	Diff
Accommodation, Food Servs & Rec	16,815	18,986	13,958	12,830	2,171	-1,128	3,299
Agriculture, Forestry & Fishing	642	534	745	472	-108	-273	164
Construction	5,628	6,784	5,841	6,160	1,156	319	837
Extraction & Mining	0	0	2	1	0	-1	1
Finance & Insurance	4,296	4,346	5,655	4,990	49	-664	714
Information & communication	2,867	3,284	2,733	2,321	416	-412	829
Manufacturing	4,303	3,160	4,298	3,475	-1,143	-822	-321
Professional & Other Private Servs	17,142	21,765	22,781	24,832	4,622	2,051	2,571
Public Services	34,416	34,768	35,909	46,903	352	10,994	-10,643
Transport & storage	11,101	11,929	8,479	9,522	828	1,043	-215
Utilities	485	462	407	421	-23	14	-37
Wholesale & Retail	18,434	19,922	17,709	17,747	1,487	38	1,449
Total	116,130	125,937	118,516	129,675	9,807	11,160	-1,352

Source: Oxford Economics, REIU

41. This comparison shows very similar levels of overall job growth, with a difference of only 1,352 jobs over the period 2015-31, the REM forecasting the slightly higher growth rate. However there are significant differences between the models when comparing how different sectors perform. In particular the REM assumes a significant growth in public services employment and lower growth in professional and other private services.

Options Appraisal

42. This report has set out the main considerations in determining the objectively assessed need for employment. These considerations lead to the options that are set out below.

Option 1

43. Use of trend based economic forecast to determine objectively assessed need for employment land.

44. This option reflects the experience of Plan examinations across the country where Inspectors have supported trend based forecasts because they are the most likely to come to fruition. Consequently this is the option with least risk associated with it.
45. This option will lead to a change in the sectoral employment in York's economy which will effect a slight fall in wage levels compared to the current situation.

Option 2

46. Use of scenario 1 forecast (Higher migration and faster recovery economic) to determine objectively assessed need for employment land.
47. This option concerns understanding the implications of the volatility in the economic recovery and what could happen if the pace of national recovery increased. Such a change in the economic fortunes of the city is not dependent on local policy interventions. It is a greater risk than option 1 and is more appropriate as a mechanism to help quantify the scale of uncertainty in determining the demand for employment land.

Option 3

48. Use of scenario 2 economic forecast (Re-profiled sectoral growth) to determine objectively assessed need for employment land. This scenario explores the likely impact on future economic growth of local policy interventions. As such it is important to provide evidence that the policy interventions are funded and will be implemented.
49. This scenario will help address the current challenges of low wages and low productivity in the city and is expected to deliver a slight increase in real wages compared to the current position.
50. Based on experience of Local Plan examinations elsewhere the use of this scenario is a higher risk than option 1, unless it is possible to satisfactorily evidence the probability of the investments required to deliver the scenario coming to fruition.

51. The GVA evidence outlined above of pent up demand in York for Grade A office accommodation and national policy developments including Growth and Devolution Deals and the potential impact of York Central help support this as a realistic option.

Option 4

52. Scenario 2 would have significant benefits for the York Economy and there is emerging evidence that could support this at a Local Plan Examination. This includes work on the delivery of the York Central site and the implications of the reviews of the Strategic Economic Plans being prepared by the LEPs and any additional funding tied to devolution deals. In developing the Local Plan it is possible to do additional work both on the Baseline and Scenario 2. This would include an evaluation of any spatial and delivery implications. This would be reported back to the Local Plan Working Group in due course. It should be noted that neither of these scenarios requires an up lift over and above the DCLG housing projections.
53. Under this option Members would effectively be instructing Officers to develop work around both the baseline and scenario 2 at this stage.

Council Plan

54. The information in this report accords with the following priorities from the Council Plan
- Create jobs and grow the economy
 - Get York moving
 - Build strong communities
 - Protect the environment

Implications

55. The following implications have been assessed.
- **Financial** – The work highlighted within the report will be met within existing dedicated resources.

- **Human Resources (HR)** – The production of a Local Plan and associated evidence base requires the continued implementation of a comprehensive work programme that will predominantly, although not exclusively, need to be resourced within CES.
- **Community Impact Assessment** - A Community Impact Assessment (CIA) has been carried out as the plan has developed and will be undertaken again at the next stage of production.
- **Legal** – The procedures which the Council is required to follow when producing a Local Plan derive from the Planning and Compulsory Purchase Act 2004 (as amended) and the Town and Country Planning (Local Development) (England) Regulations 2012. The legislation states that a local planning authority must only submit a plan for examination which it considers to be sound. This is defined by the National Planning Policy Framework as being:
 - **Positively Prepared:** based on a strategy which seeks to meet objectively assessed development and infrastructure requirements;
 - **Justified:** the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;
 - **Effective:** deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and
 - **Consistent with national policy:** enable the deliver of sustainable development in accordance with the policies in the Framework.

56. The Council also has a legal duty to comply with the Statement of Community Involvement in preparing the Plan. (S19(3) 2004 Act). Planning Inspectorate guidance states that “general accordance” amounts to compliance.

57. The Council also has a legal “Duty to Co-operate” in preparing the Plan. (S33A 2004 Act).

58. In due course Council will be asked to approve the publication draft Local Plan which will be subject to examination by a member of the Planning Inspectorate before being finally adopted.

- **Crime and Disorder** – The Plan addresses where applicable.

- **Information Technology (IT)** – The Plan promotes where applicable.
- **Property** – The Plan includes land within Council ownership.
- **Other** – None

Risk Management

59. In compliance with the Council's risk management strategy, the main risks in producing a Local Plan for the City of York are as follows:
- The need to steer, promote or restrict development across its administrative area:
 - The potential damage to the Council's image and reputation if a development plan is not adopted in an appropriate timeframe;
 - Risks arising from failure to comply with the laws and regulations relating to Planning and the SA and Strategic Environmental Assessment processes and not exercising local control of developments; and
 - Financial risk associated with the Council's ability to utilise planning gain and deliver strategic infrastructure.
60. Measured in terms of impact and likelihood, the risks associated with this report have been assessed as requiring frequent monitoring.

Recommendations

61. It is recommended that the Local Plan Working Group accept the analysis as presented and endorse Option 4 highlighted above.

Reason: To provide a basis for undertaking further work on the development of an NPPF compliant Local Plan. This will include a further assessment of both scenarios covered by the recommendation and the development of a potential portfolio of sites. All this will be presented to the working group at a future meeting.

Contact Details

Author:

Martin Grainger
Head of Planning &
Environmental
Management
Tel: 551317

Chief Officer Responsible for the report:

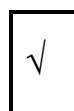
Mike Slater
Assistant Director of CES
Tel: 551448

Andy Haigh,
Development Officer
Planning & Environmental
Management
Tel: 552973

Executive Member Responsible for the Report:

Cllrs C Stewart & K Aspden

Report
Approved



Date 18/09/15

Specialist Implications Officer(s):

Phil Witcherley, Strategy and Policy Group Manager (Economy and Place)

Patrick Looker, Finance Manager

Alison Hartley, Senior Solicitor, Planning

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

 All

For further information please contact the author of the report

Annex

City of York Economic Forecasts Final Report May 2015 Oxford
Economics

Background Papers

Centre for Cities, Beyond the High Street, City Centres not just the High Street are important to support jobs of the future (2013)

Abbreviations:

ABI	Annual Business Inquiry
AES	Annual Employment Survey
ASHE	Annual survey of hours and earnings
BRES	Business Register and Employment Survey
DCLG	Department for Local Government
ELR	Employment Land Review
GDP	Gross Domestic Product
GVA	Gross Value Added
LEP	Local Economic Partnership
LPWG	Local Plan Working Group
MYE	Mid Year Estimate
NES	National Earnings Survey
NOMIS	ONS Labour Market Statistics
NPPF	National Planning Policy Framework
NUTS	Nomenclature of Territorial Units for Statistics
OE	Oxford Economics – Consultants
OEF	Oxford Economics Forecasting
ONS	Office for National Statistics
REM	Regional Economic Model
REIU	Regional Economic and Intelligence Unit
TTWA	Travel to work area
WFJ	ONS Workforce Jobs
UA	Unitary Authority