

Strategic Economic Assessment

The following are some headline issues from the Strategic Economic Assessment (SEA).

- The Regional Economic Strategy emphasises supporting business start up, fostering competitive businesses, developing skills and connecting people to jobs, the importance of transport and infrastructure and finally stronger communities. It does place greater emphasis on 'place' as a key component of economic success
- The Regional Spatial Strategy is especially important for us as we divide into five sub-areas, Leeds City Region, York area, coast, Vales and Tees links and the Coast. Each has its own economic objectives.
- Many parts of the sub region are economically successful in terms of the North but perhaps are only at average levels against national comparators. Other areas especially the coast and remoter rural areas under perform.
- There is a mixed pattern on firm formation and enterprise across the sub region. Harrogate and Ryedale have had high levels of firm formation and forecasts on starting business are good. The forecasts in York are also good although the City has historically had a lower rate of firm formation. Craven and Hambleton have a good historic record but forecasts do not suggest this will continue. Selby is in a similar position. Scarborough has a poor record on firm formation and this is expected to continue. Richmondshire takes an average position.
- Overall business performance varies between sectors and areas. We are well represented in some growth areas in digital and science based but this is concentrated around York and the Leeds city region. Tourists are getting older and spending less. Our business strengths are diverse and only partially relate to regional clusters.
- The skill levels of our workforce are average whilst our educational attainment levels are high. The opportunities for young people are limited.
- Our main area of deprivation is Scarborough Town.
- The sub region may be well placed to develop environmental technologies and new sources of renewable energy.
- There are strong spatial differences across the sub region with areas of growth, areas where development is constrained and areas where there is significant market failure.
- Culture appears to offer significant potential for the future.

In respect of York the following issues were highlighted

- York is forecast a significant increase of 5% in its labour force over the next 10 years.
- Predicted GVA growth outlines a 26% increase over the next 10 years which is relatively low.
- Productivity levels within York are high, above the sub regional average and are forecast to continue to remain so.
- York's employment rate is in line with the York and North Yorkshire average.
- However forecasts in employment show a 4.7% increase in employment.
- There are localised concentrations of deprivation within the city.
- York has one of the lowest average household incomes across the sub region at £26,978.
- The Regional Spatial Strategy identifies that the City is the key component of the York sub area, which includes Malton and Selby, but also has an overlapping relationship with the Leeds City region.

From the initial work on the SEA a 'First Thoughts' paper was prepared to promote discussion with partners. It suggested some areas of debate for the City of York as follows.

- The Regional Spatial Strategy suggests that the City, as part of the York sub area, will be the major growth point for the Leeds city region up to 2016. There after growth might concentrate in the Selby area. Are these implications fully understood?

- Is there a case for a 20 year plan for the York Sub Area showing what investment is required to enable York and Selby meet the growth requirements of the region? What do we need to understand further about the relationship between York and its intermediate hinterland including Selby and Malton?
- Can the City substantially increase the historically low levels of firm formation and convert the high levels of enterprise aspiration in York into new businesses?
- The success in York on innovation and links to Universities has considerable further potential to develop. What form should that take? How will Bioscience work be taken forward? How can the City's other strengths in key clusters be developed.?
- How could we build job opportunities on the back of research strengths in environmental and healthcare technologies?
- The 6 national Science Cities are working on a joint agenda for action that will be submitted to next Comprehensive Spending Review. How might Science City York change as it takes on this wider, national role? Likewise what is its role within the Northern Way?
- What is required to secure the investment in the University of York's expansion and how can the benefits of that investment be spread widely?
- Will the Area Tourism Plan address the need to increase visitor spend, enhance the tourism product and sustain the industry in a more competitive environment? Is developing culture central to those plans and will they contributing to a more dynamic image?
- Is the LSP taking up the challenges on skills and social inclusion issues faced by the City? Can the low level of incomes be increased?
- Is there a case for public sector investment in the City centre? Is the case for support for York Central still strong?