
Meeting of the Executive Members for City Strategy and Advisory Panel

17 July 2006

Report of the Director of City Strategy

Science City York: Future Direction

Summary

1. The attached report (Annex A) was considered by the Economic Development Partnership Board on 20 June 2006 and is now brought to the Advisory Panel, together with additional information relating to the use of £2.63m Northern Way funds, to obtain endorsement for the Science City York action plan and to authorise the submission of proposals for the Northern Way funds on behalf of the Science City York partners.

Background

2. The report covers 5 areas:
 - i) The Science City York four year plan which is subject to a £2.85 million contract with Yorkshire Forward within the Sub Regional Investment Plan.
 - ii) The outputs emerging from the national Science Cities collaboration with the other five Science Cities (Manchester, Newcastle, Birmingham, Nottingham and Bristol), aiming to produce a joint agenda for action that can be fed into the Government's autumn Comprehensive Spending Review.
 - iii) The latest stakeholder discussions between the Council, University and Yorkshire Forward on whether a revised (more formal) partnership arrangement is appropriate for the future.
 - iv) Details of the British Association for the Advancement of Science (BA) Conference in September 2007.
 - v) Information on how Science City York is linking up with other service areas: lifelong learning and skills, education, culture and tourism for example.
3. Discussion at the Economic Development Partnership Board covered the following areas:
 - * Science City York plays a central role in the economic strategy to generate (in its own sector and elsewhere) quality employment opportunities for local people – addressing under-employment that exists in the workforce and providing progression routes to allow local people to enhance careers and

improve incomes (50% of the workforce within the sector is recruited locally).

- * Skills development work within schools and public awareness activity is therefore an important element of future activity and needs to be a high priority for the SCY Board.
 - * Contact with schools (including primary schools) established at the annual Festival of Science needs to be maintained and followed up through the year. Again, this should be prioritised within future activity.
 - * SCY is at the heart of economic policy for the city – aimed at strengthening the economy through its knowledge base and creating sustainable economic success around a balanced, diversified, economic base. It is recognised that some of the outputs (business growth/jobs) generated by will be located in other parts of the sub-region and city region/region – but it is important to take action that will maximise the full potential of SCY in order to retain York’s competitive advantage. The city then needs to provide accommodation for a range of business activity within the immediate area in order to avoid becoming a purely research city – which would not generate the wider employment opportunities that local people need. The Northern Way funds enhance the potential of achieving this. Benefits will, however, extend well outside the immediate York area.
 - * The stakeholder discussions will need to be brought more formally into the Council’s (and other partner’s) decision-making process – not least, in the council’s case, reflecting the strategic role SCY plays within both city (LSP) and council policy. It was confirmed that this would be taking place.
4. An outline of the proposals for the £2.63m capital funding from Northern Way was given to the Economic Development Board. This funding has been made available very recently and the development of proposals had not reached a stage where detail could be incorporated in the report to the Board. Negotiations and discussions with Yorkshire Forward/Northern Way are still in progress but it is now possible to provide more detail and seek the authorisation to progress the plans on behalf of Science City York.
5. The following extracts from the concept proposal put to Yorkshire Forward and Northern Way provide that detail:
- * The Science City York (SCY) Business ‘Hub & Spoke’ is a major innovative and integrated infrastructure project across the City of York to ensure the continued growth and development of knowledge-based businesses particularly in bioscience, digital and creative technology clusters. The SCY ‘Hub & Spoke’ will provide specialist mentoring, incubation and grow-on facilities at three key strategic business sites in order to support the realisation of SCY’s vision of generating 15,000 new jobs by 2021. The allocation of £2.63m from Northern Way will ensure that capital requirements of this model can be allocated to support high specification infrastructure within and across each strategic location as well as wider links nationally.
 - * The rationale for this model is supported through independent feasibility assessments commissioned over the last 2 years which have

demonstrated a significant business need to provide specialist dedicated facilities and support for early stage knowledge-based ventures in order to continue to maximise SCY's track record in stimulating cluster and business growth.

* The key components of the SCY Business 'Hub & Spoke' concept includes:

1. **SCY 'Business Hub'** –providing specialist business mentoring and support services to nurture early stage businesses - supported through a North Yorkshire Sub Regional Investment Plan (SRIP) £2.85m programme over the next 4 years which is currently underway.
2. **'Spoke Centres'** which include three strategic site locations:
 - Digital & Creative Technologies Centre of c. 40,000 sq ft, at Terry's, the "Chocolate Works"
 - Knowledge Venture Centre (again, around 40,000 sq ft), at Vangarde
 - Innovation & BioCentre Central, at York Science Park

* The central part of the 'Hub' will be to embed a supportive culture, business development and mentoring provision through SCY services based from the city centre and at each 'Spoke'. This has already a proven track record and successful programme of intervention which is geared to meet the needs of knowledge based businesses through each stage of company growth – proof of concept funds, technology growth packages, technical and business mentoring and all aspects of workforce development. This is being scaled up through SRIP investment with £2.85m to further develop the SCY model and deliver services within York and North Yorkshire, and extend links into the Leeds City Region.

* The concept for the Northern Way funding will be to offer in-depth services on site at each 'Spoke', with specialist business 'surgery' space and to use each facility as part of integrated model to gear business space requirements at each site to support specific cluster needs. Each SCY business 'Spoke' will incorporate high quality specification facilities, linked virtually across the city, with scope for shared management infrastructure and also having the potential to link with other Northern Way Science City proposals.

* The SCY Business 'Hub & Spoke' will be able to provide:-

- Bespoke specialist SCY mentoring services for early stage businesses
- Flexible high specification business space appropriate for creative and knowledge based companies from hot desking services to flexible space between 800-3,000 sq. ft.
- Meeting Room, Conference Room, Gallery and Networking facilities with high specification broadband and IT services.
- Informal meeting space with catering facilities to be a focal point to stimulate knowledge and collaboration between cluster businesses and with Higher York partners.

- * Each building will have due regard for environmental and sustainability requirements as a key feature of their concept design.
- * Developers are on board with the proposals, and detailed discussions have been taking place to enable a more detailed submission to be made to Yorkshire Forward.
- * A possible fourth component may yet emerge, linked to the University, but no details are yet available on this.

Consultation

6. Consultation within Science City York is built into the way that decisions are taken through its Strategy Board, Committees and Cluster Groups. This ensures that business and community interests are taken into account. The Economic Development Partnership Board's comments will also be fed back to the Science City York Strategy Board.
7. The Northern Way proposals have the agreement of the SCY Strategy Board.

Options/Analysis

8. Again, this forms an integral part of the Science City York process – engaging with partners through the cluster and networking activity to keep a clear focus on demand and need.

York Corporate and LSP Objectives

9. See attached report.

Implications

10. 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

11. See attached report.
12. The Northern Way proposals will involve a risk management assessment as part of the business planning framework required by Yorkshire Forward. All costs will be covered within the Science City York project budgets.

Recommendations

13. Members are asked to:
 - i) Give comments/advice on the issues covered in the report, to be fed back to the Science City York Strategy Board.
 - ii) Support and endorse the actions being taken.

- iii) Give authorisation for the submission of the Northern Way proposals on behalf of the Science City York partnership.
- iv) Await a further report on the stakeholder discussions.

Reason: To ensure that SCY delivers and addresses both Council and Local Strategic partnership objectives.

Contact Details

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Report Approved**Date** 3 July 2006**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:

Annex – Report to Economic Development Board 20 June 2006