

York Economic Strategy 2016-2020

Summary

1. York's existing economic strategy has come to an end and priorities for the local economy need to be re-evaluated. The Council have been working with the York Economic Partnership, to create a new economic strategy for York to cover 2016-2020. The draft strategy is attached as Annex 1.
2. The strategy represents the culmination of a year's work involving a wide range of partners in the city. A full outline of the approach taken to develop the strategy can be found in Annex 2.
3. The strategy has tried to focus on the overall strengths and challenges for York's economy. An overview of the data underpinning our economic strategy can be found in Annex 3. On strengths, York has distinct advantages in terms of local skill levels, connectivity and quality of life.
4. However, the city is not without its challenges; principally, stagnant productivity and falling wage levels. If York's economy is to thrive, all partners in the city need to work together to address the underlying reasons. These include the availability of high-quality office space, the promotion of entrepreneurial talent and the need to ensure that talent remains in the city, with the aim of rebalancing employment towards high-value jobs.
5. The overall strategy focuses delivery in a number of priority areas:
 - a. Deliver York Central.
 - b. Deliver a Local Plan that supports a high-value economy.
 - c. Take practical steps to develop and retain talent in the city.
 - d. Drive real University and research led growth in high-value sectors.

- e. Lobby for investment in future transport networks.
- f. Use local business rates freedoms to drive economic growth.
- g. Make a positive statement of York's cultural identity to drive economic growth.
- h. Bring businesses together in low cost ways.

Recommendations

6. The Executive are recommended to:
 - i. Note the overall economic strategy document and narrative, as a city document developed by the York Economic Partnership.
 - ii. Adopt and publish the draft economic strategy deliverables and priority areas as included at Annex 5.

Reason: To enable the delivery of the Economic Strategy for the city.

Background

7. An economic strategy for York should help York businesses, Higher and Further Education and skills providers, City of York Council, Make it York, and any other relevant parties, identify (a) the key challenges and opportunities for the future and (b) a prioritised action-based approach for the city to address this.
8. The strategy is intended to be owned by the city as a whole, rather than it being the Council's responsibility alone to deliver. Many of the ambitions for the city can only be delivered with all sectors fully on board, so it is important that the assessment of challenges, opportunities and priorities is led by the business community, working in partnership with the Council and other bodies.
9. Whilst the focus of the strategy is on developing the economy of York, there is a clear need to be mindful of other strategies being developed in the city. Therefore, in developing the strategy we have been mindful of how the strategy fits with the Council's overall priorities. In particular, there is a strong read across in the approach of this strategy to the skills strategy, One Planet York and developing future options for the Local Plan. The strategy also shows awareness of the need to develop our children and young people as well as retain graduate talent in the city in order to drive economic growth.

10. The strategy has also been produced drawing on lessons learned from the previous strategy. A summary of performance against the last Economic Strategy can be found in Annex 4.

Member involvement in developing the strategy

11. A number of Council Members contributed to the development of the strategy, by attending workshops and other partnership events (**see Annex 2 for a full outline of the strategy development process**). A report was also produced by the Economic Development and Transport Policy and Scrutiny Committee which recommends the overall strategy to Executive, (included as Annex 3).

Next steps

12. Once approved, the Council will play its part in delivering the strategy alongside other partners. Annex 5 outlines our suggested approach to take the Economic Strategy forward.
13. We also need to learn from the lessons from the previous Economic Strategy and allow the time and resource to evaluate success or failure so that we can refine and refocus the strategy in future years based on what works.

Council Plan

14. The proposals for a new Economic Strategy relate closely to the Prosperous City for All and a Council That Listens to Residents elements of the Council Plan.

Implications

15. The following implications arising from the recommendations in this report have been identified. Implications arising from the draft economic strategy itself will be identified and addressed in a separate report.
 - **Financial** – No additional implications.
 - **Human Resources (HR)** – There are no implications for HR contained in the report as it is a general report to develop the Economic Strategy across the City.

Once the strategy is further developed and the Council has identified what specific actions it needs to take to contribute to

it, any Human Resource implications will need to be considered at that time.

- **Equalities** – There are no equalities implications
- **Legal** – There are no legal implications
- **Crime and Disorder** – There are no crime and disorder implications.
- **Information Technology (IT)** – There are no IT implications.
- **Property** – There are no property implications.
- **Other** – There are no other known implications associated with the recommendations arising from this review.

Risk Management

16. Whilst it is not essential for any city to have an economic strategy, there are many risks associated with not having such a document. Without an economic strategy, there is a risk that there is inadequate co-ordination with partners across the city to deliver robust economic development. For example, as outlined in the document above, the shortage of available high quality business space runs the risk of leading to a continuation in the long run decline in local wage levels. Without a coherent economic strategy, there is also a risk that key policy decisions such as commercial requirements in the Local Plan will not reflect the economic needs of the city.

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Report Approved

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Specialist Implications Officer(s)

Not applicable

Wards Affected:

All

Background Papers:

Annex 1-York Economic Strategy 2016-20: Presenting a Better Story

Annex 2- Refreshing the York Economy Strategy for 2016-2020: The Processes

Annex 3- An Overview of York's Economy

Annex 4 - Review of the City of York Council Economic Strategy 2011/15

Annex 5- Delivery of the Economic Strategy

Annex 6- Development of York's Economic Strategy report to Economic Development and Transport Policy and Scrutiny Committee 16 March 2016

Annex 6a- Key suggestions from Economic Development Strategy workshops