

## COMBINED AUTHORITY MEETING

18 July 2025

### York and North Yorkshire's Local Growth Plan

#### Report of the Director of Economy

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#### **1.0 Purpose of the Report**

- 1.1 The report seeks formal approval of the York and North Yorkshire Local Growth Plan (see appendix) that has been developed through extensive stakeholder engagement and agreed with government and sets out the strategic priorities which will drive economic growth across the region.
- 1.2 The report also sets out how the Local Growth Plan will be realised through the use of a Delivery Plan approach model and seeks to create a budget to fund the next phase of development and provide upfront investment in our high priority growth sectors.

#### **2.0 Recommendations**

- 2.1 It is recommended that the Combined Authority:
  - 2.1.1 acknowledges the previously approved Economic Framework as the key strategic document for the Combined Authority;
  - 2.1.2 formally approves the York and North Yorkshire Local Growth Plan;
  - 2.1.3 endorses the development of a Delivery Plan for the Local Growth Plan, which will be brought back to the Combined Authority for approval on completion;
  - 2.1.4 notes that another report will be brought back to Combined Authority after the National Industrial Strategy and Sector Plans are published, as the Local Growth Plan will need to reflect on its alignment to national policy;
  - 2.1.5 approves a further budget of £500,000 from the Mayoral Investment Fund for short-term activities relating to the competitive advantage sectors of the Local Growth Plan and to support development of the Delivery Plan, with delegated authority to the Director of Economy, in consultation with the Mayor.

#### **3.0 Background**

- 3.1 All Combined Authorities were tasked with a requirement to develop Local Growth Plans. The role of the Local Growth Plan is to unlock national growth by addressing regional inequalities in productivity and provide a framework that helps inform priorities for public and private investment and interventions to drive growth. As such, it was originally proposed and approved by members that this would overwrite the Combined Authority's Economic Framework.

However, section 4 'Economic Framework' explains why the Framework should remain as a key strategic document, alongside the Local Growth Plan.

3.2 To develop the Local Growth Plan, officers have engaged with a number of key stakeholders across the public and private sector and academia. This activity has included:

- Small roundtable discussions with key private sector businesses across the competitive advantage sectors:
  - Geothermal, community energy and retrofit (linked to the development of the Routemap to Carbon Negative);
  - Further discussions on retrofit (as part of the development of the Retrofit Strategy);
  - Engineering Biology;
  - Life Sciences;
  - Food and Farming – separate discussions have taken place across Controlled Environment Agriculture, food and drink manufacturing, and farming;
  - Anchor institutions, such as Nestle and McCains;
  - Through a joint workshop with the Ministry of Housing, Communities and Local Government on the Industrial Strategy, a summary on the draft Local Growth Plan was presented to key business networks (including the Federation of Small Businesses and the Chamber of Commerce).
- Combined Authority boards/steering groups have also been utilised to test ideas and ensure the Local Growth Plan is truly representative of York and North Yorkshire:
  - Officers presented informally to Overview and Scrutiny (O&S) in November 2024 and formally in January 2025 and June 2025, with a broadly positive response. Comments from this discussion were noted and incorporated into the latest drafting.
  - Updates have been taken to the Skills and Employability Working Group to ensure that skills are embedded across the Local Growth Plan;
  - Sector Champions were agreed at the Business Board to help endorse the Competitive Advantage Sectors and ensure emerging priorities are truly representative of each sector's needs;
  - Grow Yorkshire was utilised to support development of the Food and Farming sector;
  - A Growth Board was established at the start of the Local Growth Plan process. This includes senior representation from the City of York and North Yorkshire Councils, the two national parks (North York Moors and Yorkshire Dales), and leads from the Ministry of Housing, Communities and Local Government;
  - Combined Authority members have also been engaged through regular informal updates and papers taken to formal meetings, as detailed below:

[York and North Yorkshire Combined Authority's Strategic Growth Priorities, October 2024.](#)

[York and North Yorkshire Combined Authority's Strategic Growth Priorities – Financial Requirements, November 2024.](#)  
[Approval of York and North Yorkshire's Growth Plan Consultation Draft, March 2025.](#)

- A public consultation was also made available in April 2025 to ensure the Local Growth Plan process was transparent and fair, with a wider range of stakeholders able to contribute and influence its development. Further details on this are included in Section 5 'Local Growth Plan Consultation'.
- Evidence, particularly around sectoral opportunities, has been utilised from the previous York and North Yorkshire Local Enterprise Partnership, alongside research updates from the Combined Authority on York and North Yorkshire's labour market, innovation ecosystem and internationalisation.

3.3 Officers are seeking to finalise the Local Growth Plan now, with members of the Combined Authority formally approving the priorities set out in the Local Growth Plan. This will enable officers to begin developing delivery actions further and working with central government on opportunities for collaboration.

#### 4.0 Economic Framework

4.1 In July 2024, members of the Combined Authority approved an Economic Framework for the Combined Authority, as detailed in this [paper](#). This set out some of the initial priorities and actions for the Combined Authority, tailored around the following thematic areas:

**Figure 1: Three Overarching Ambitions and Thematic Priorities within the Economic Framework**



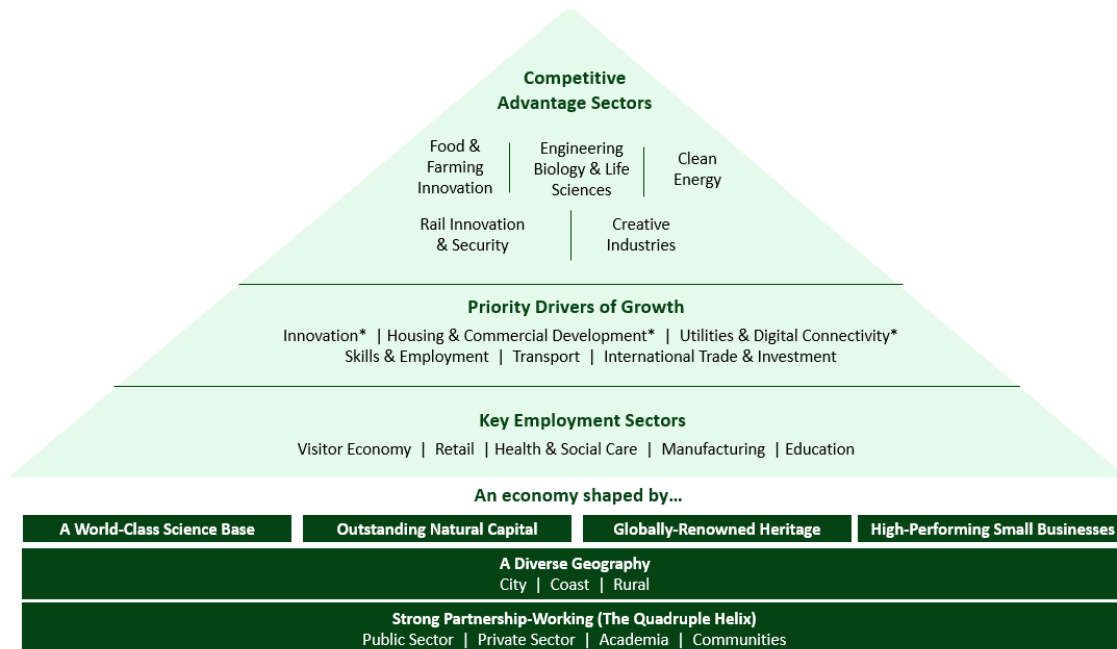
4.2 Given Government's emphasis on the growth agenda and Local Growth Plans being the key strategic documents that would speak to government departments, it was initially proposed and approved that the Local Growth Plan would replace the Economic Framework.

- 4.3 However, as the Local Growth Plan is meant to be a focussed, highly prioritised strategy on the growth agenda, there is now a recognition that this won't capture all of the local priorities that the Combined Authority would seek to address, including some of the Mayor's ambitions, such as a focus on sport and addressing mental health outcomes.
- 4.4 Consequently, it is proposed that the Economic Framework is reinstated and Combined Authority members approve its continued role as a key strategic document.
- 4.5 The Economic Framework will need to be updated, reflecting policy changes such as those announced in the English Devolution White Paper and the emerging Industrial Strategy and Sector Plans. However, a revised Economic Framework has not been submitted at this stage, as officers are not proposing any fundamental changes and the identified priorities in the Economic Framework will remain the same.
- 5.0 Consultation on the Local Growth Plan Draft**
- 5.1 As part of the Local Growth Plan, a public consultation was undertaken throughout April 2025. A draft Local Growth Plan was published on the website, alongside a survey and this was communicated via the Combined Authority's newsletter, an update on social media and shared with the Business Board.
- 5.2 Engagement through this route was relatively low, which was anticipated due to a saturation of consultations, both at a national level (National Industrial Strategy consultation) and local (various surveys with businesses to support the Combined Authority's innovation research). This is why officers also undertook targeted engagement with various businesses and hosted roundtable discussions.
- 5.3 Annex 2 provides a summary of the Local Growth Plan Draft Consultation and how this feedback has been incorporated into the final Local Growth Plan.

## 6.0 Local Growth Plan Summary

6.1 The full Local Growth Plan is attached at annex 1. The diagram below provides a summary of the key priorities within the Local Growth Plan:

**Figure 2: Summary of the Local Growth Plan**



\*Shared Priorities with HMG

6.2 The key messages of the Growth Plan include:

- York and North Yorkshire will be a trailblazing City Region Rural Powerhouse, driving growth for the UK in the North. We will build on our high-performing economy to raise productivity further and deliver transformative economic growth. This will create opportunities at a local level, including higher quality and more secure jobs, increased investment and ensuring that York and North Yorkshire is home to healthy and thriving communities.
- York and North Yorkshire is starting from a strong economic baseline – we are one of the strongest performing economies in the North. However, there is an opportunity to raise productivity further.
- Our leading competitive advantage sectors include:
  - Food and Farming Innovation
  - Engineering Biology and Life Sciences
  - Clean Energy
  - Rail Innovation and Security
  - Creative Industries
- To unlock growth within York and North Yorkshire, the following are critical: innovation, housing and commercial development, utilities and digital connectivity, which are a shared priority with central government, alongside skills and employment, transport and international trade.
- The York and North Yorkshire economy does not rely on one singular industry. Our key employment sectors (e.g. Visitor Economy, Health and Social Care, Manufacturing, Retail and Education) are also critical to growth.

- York and North Yorkshire's economy is shaped by a world-class science base, outstanding natural capital, globally renowned heritage, high-performing small businesses, and a diverse geography.
- Strong partnership working through 'The Quadruple Helix' (public sector, private sector, academia and communities) will be embedded in the delivery of the Local Growth Plan.

6.3 For each of the priorities within the Growth Plan, emerging actions have begun to be highlighted. Officers would like to develop these actions further and ensure the Local Growth Plan turns into tangible action. At this stage, we are not seeking approval from the Combined Authority to fund or deliver these ideas, officers are seeking endorsement to develop them further in close collaboration with partners.

6.4 In recognition of the Mayor's priorities to create healthy and thriving communities, as set out initially in the Economic Framework, inclusive growth underpins the Local Growth Plan. It is proposed that the Delivery Plan will contain a specific strategic theme focused on delivering and driving inclusive growth. This will draw together a whole range of activity focussed on community wealth building and other models, good business practices, local procurement strategies, and the role of cooperatives in shaping an economy that is founded not just on growth, but on good growth.

6.5 At this stage, it is recommended that the Combined Authority approves the strategic context of the Local Growth Plan.

## **7.0 Next Steps**

7.1 Officers recommend that a detailed delivery plan should be established for the Local Growth Plan as a next step. This will ensure that the strategy transitions into tangible outcomes. It is also a requirement from government, as part of Local Growth Plans, to set out a pipeline of interventions. Some emerging ideas are referenced in the Local Growth Plan, but these need to be tested further and undergo fair and transparent assurance processes before they are implemented.

7.2 Establishment of the delivery plan should take into key consideration the following stakeholders, alongside ongoing engagement with members of the Combined Authority:

- The Business Board should be utilised to provide a private sector and academia perspective;
- Creation of an Investor Panel to test ideas and better understand the potential appetite from the private sector to invest;
- Ongoing usage of the Growth Board, which was originally established to engage the public sector on the emerging Growth Plan. This includes representation from the following: City of York and North Yorkshire Councils, North York Moors and Yorkshire Dales National Parks, and the Ministry of Housing, Communities and Local Government.

- 7.3 It is proposed that thematic focus areas will be identified as part of the delivery plan, including:
- Competitive advantage sectors;
  - Access to finance and investment;
  - Inclusive growth.
- 7.4 Housing and Commercial Development, Work, Skills and Health, and Transport will be developed through the Housing Investment Plan, Local Get Britain Working Plan and Local Transport Plan.
- 7.5 Officers may also be required to amend the Local Growth Plan once the National Industrial Strategy and Sector Plans are published, so the following activity is proposed:

Deadline	Activity
Autumn 2025	A review of the Local Growth Plan, post the publication of the Industrial Strategy and Sector Plans, will be undertaken then presented to the Combined Authority. At this stage, officers will also present short-term delivery that can start to take place.
Spring 2026	A detailed 10-Year Delivery Plan will be presented to the Combined Authority, focused on medium and long term activity.

## 8.0 Financial Implications

- 8.1 Approval of the Local Growth Plan does not have any direct financial implications. However, officers are seeking approval from the Combined Authority for a further allocation to support development and delivery of the Local Growth Plan.
- 8.2 In November 2024, the Combined Authority approved a £500k budget to support the development of the Local Growth Plan (further details are within the paper [here](#)). The below table sets out progress on that spend to date:

Activity	Cost
Farming research commission (also supported via SPF)	£ 58,000
Development of an Investment Strategy, alongside a Prioritisation Tool and Investment Prospectus	£ 80,000
Research into York and North Yorkshire's capabilities to deliver an Innovation Accelerator (this model has now been announced in the CSR as an Innovation Partnership)	£ 61,910
Development of York and North Yorkshire's submission to the Comprehensive Spending Review	£ 52,000
Total	£251,910
Budget Remaining	£248,090



8.3 Officers are requesting an additional £500,000 from the Mayoral Investment Fund to kickstart early delivery opportunities and pilots across the competitive advantage sectors and start building momentum. It is recommended that delegated authority is provided to the Director of Economy, in consultation with the Mayor, to decide individual projects.

8.4 The remaining budget in the current allocation will be utilised for business case development and refinement of long-term activity. Combining these budgets will help to bridge a gap until clarity is provided from Government on a funding settlement. The Comprehensive Spending Review made reference to a Local Growth Fund, but what this means in reality and the implications for the Combined Authority is not yet clear. Alongside public sector investment, officers are also seeking to test private sector appetite and opportunities to scale-up activity.

## **9.0 Legal Implications**

9.1 There are no direct legal implications from approval of the Local Growth Plan.

## **10.0 Equalities Implications**

10.1 Approval of the Local Growth Plan itself will have positive equalities implications, as the focus is on inclusive growth.

## **11.0 Environmental Implications**

11.1 Approval of the Local Growth Plan will be complimentary to our ambition for carbon negativity, as set out in the Economic Framework, so it will not have any detrimental impacts.

## **12.0 Combined Authority Areas Impacted (Council Areas/Wards/Divisions)**

12.1 The Local Growth Plan covers the whole of York and North Yorkshire. Delivery activity may require targeted areas, particularly where there are cluster opportunities for certain sectors. This is not determined within the Local Growth Plan.



### 13.0 Recommendations

- 13.1 It is recommended that the Combined Authority acknowledges the previously approved Economic Framework as the key strategic document for the Combined Authority;
- 13.2 It is recommended that the Combined Authority formally approves the York and North Yorkshire Local Growth Plan;
- 13.3 It is recommended that the Combined Authority endorses the development of a Delivery Plan for the Local Growth Plan, which will be brought back to the Combined Authority for approval on completion;
- 13.4 It is recommended that the Combined Authority note that another report will be brought back to Combined Authority after the National Industrial Strategy and Sector Plans are published, as the Local Growth Plan will need to reflect on its alignment to national policy;
- 13.5 It is recommended that the Combined Authority approves further budget of £500,000 from the Mayoral Investment Fund for short-term activities relating to the competitive advantage sectors of the Local Growth Plan and to support development of the Delivery Plan, with delegated authority to the Director of Economy, in consultation with the Mayor.

### 14.0 Reasons For Recommendations

- 14.1 Approval of the Local Growth Plan will enable the Combined Authority to now embed growth priorities within future decision-making, particularly around investment. This will also enable officers to move towards a tangible delivery plan now.
- 14.2 Approval of further investment will enable officers to start building momentum and delivering impact.

### 15.0 Contact Details

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#### Appendices:

Appendix 1: York and North Yorkshire's Local Growth Plan

Appendix 2: Summary of the Local Growth Plan Consultation