

Annex A- Further update on implementation of recommendations arising from External Funding Scrutiny Review

Review Recommendations	Update on Implementation 28 January 2014	Further Update on Implementation 23 July 2014
<p>(i) The Economic Development Unit to develop and publish on the web an ‘Investment Plan’ that will highlight key growth priorities for CYC and wider City, and identify specific projects to take these priorities forward, and match them to the most relevant sources of finance (with an appropriate forward scanning function to achieve this). To be completed by December 2013.</p>	<p>A draft Investment Plan has been produced. The development process has initiated the specific identification of the key investment priorities required to realise the city’s economic vision – it begins to detail the critical ‘Actions for Growth’, linking them clearly to the funding needed to support their delivery. The plan also seeks to fulfil a horizon scanning function, identifying future priorities and investigating new and emerging forms of economic funding and investment that have potential to support the delivery of identified priorities. Whilst good progress has been made further work is still required to ensure that key priorities are reflected accurately and that all confidential and commercially sensitive information is appropriately considered.</p>	<p>We continue to develop the priorities in the Investment Plan in light of future organisational changes and to reflect ongoing and emerging opportunities. In particular, the plan has been used to inform the development of the LEP Strategic Economic Plans (see below for further information) and the development of an ‘Investment Prospectus’ which was published ahead of the MIPIM event earlier this year. This sets out the city’s investment ambitions with a particular focus on the major sites and opportunities brought forward via the local plan process.</p> <p>Further work is underway to further develop the pipeline of development opportunities identified in the Investment Plan, including York Central, BioVale and major Solar PV Farm opportunities at two sites in the city.</p>

<p>(ii) To apply suitably ambitious measurable targets as part of the development of the investment plan in order to gauge its impact, these targets, based on the investment plan, to be confirmed by the end of December 2013.</p>	<p>There are many planned and existing schemes and initiatives in the City that contribute to the broad economic objectives identified within the draft Investment Plan. However, the critical step is to devise an assessment framework against which these individual programmes and initiatives are measured and clearly prioritised.</p> <p>i.e. in other words setting out the precise schemes, areas and initiatives where external investment is needed the most – but also prioritising these schemes in order of importance to the City</p> <p>The draft Investment Plan goes some way to addressing this but further work is required. To undertake this task successfully requires detailed feedback and input from teams / directorates across CYC, who need to ‘buy into’ and fully engage with the Investment Plan.</p>	<p>A report to Cabinet in March 2013 identified a headline figure of approximately £1bn in infrastructure and site development monies, which over time will be comprised of public and private sector monies. The exact figure will be confirmed at a further Cabinet report in the Autumn following due diligence on this pipeline of development opportunities.</p> <p>As a key effort to achieving this investment, there has been work to bid to the LEPs for funding; over £13m in York-specific projects, over£1m in business finance, and an amount to be confirmed from the transport part of the LGF monies announced as successful in the LGF announcement in early July. In addition, the city will benefit from certain city-wide programmes for skills and innovation, the details of which will be confirmed shortly.</p>

<p>(iii) The priorities of the City to be aligned with broader regional priorities, particularly those contained within the Leeds City Region LEP Investment Plan.</p>	<p>The driving force behind all funding accessed through the Leeds City Region will be the Leeds City Region LEP Strategic Economic Plan. Leeds City Region LEP recently published a draft version of their Strategic Economic Plan up to 2020/21 although no overarching financial / spend profiles have yet been published beyond 2015/16. Beneath this plan sits the proposal to create a Single Investment Fund combining and aligning a variety of different monies and income streams (including Single Local Growth Fund, Growing Places Fund, Regional Growth Fund, European monies etc.) under one single ‘fund of funds’. Most importantly this will in turn lead to a Single Assessment Framework for programmes / projects across the City region.</p>	<p>The draft Investment Plan has been further developed and used to inform the development of the LEP Strategic Economic Plans. The Growth Plans produced by both LEPs contain clear reference to York’s immediate and longer-term priorities. The final Local Growth Deals were announced on Monday 7th July. York has received funding for a number of its key priorities through this process and the plans provide a platform for further discussion about the city’s longer term ambitions.</p> <p>Funding secured through Local Growth Deal includes:</p> <p>£8 million for the development of BioVale</p> <p>£1.7 million for York Central</p> <p>£1.6m for the development of Agri-Tech and Engineering centres of excellence at Askham Bryan</p>

	<p>The Strategic Economic Plan identifies the major strategic priorities of the City Region moving forward and key potential areas of spend for 2015-16, largely driven by the availability of Single Local Growth Fund monies.</p> <p>York's key priorities have been reflected to Leeds City Region LEP, and there is some mention of York's longer-term priorities within the document. Immediate term transportation schemes in York are included in Leeds LEP's 2015-16 short term spend calculations. Whilst there is still considerable uncertainty over the overall amount of European funding Leeds City Region will receive and how those monies will be allocated, an opportunity has arisen to express advance interest in one element of European funding - Community Led Local Development.</p>	<p>And £2.3m for the development of the Sand Hutton Innovation Campus (Formerly known as FERA)</p> <p>The city will also share in some £420m announced for transport projects.</p> <p>In addition a further £8m has been secured by the LCR for extension of its Business Growth Programme. To date we have helped 8 York Businesses make investments worth over £1m supported by grants of c£225k through the LCR and YNYER LEP business growth programmes, with investments expected to create 51 jobs.</p> <p>We are awaiting details of funding secured for LEP skills, innovation and housing programmes which will additionally be open to York businesses.</p>
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	<p>York has taken full advantage of the opportunity to ringfence resources at an early stage, and was the first City in the region to submit a CLLD request (of £1.2 million).</p>	<p>Our priorities are also reflected in the LCR/YNY LEP European strategies and we continue to work closely with them as they develop the processes for accessing this funding.</p>
<p>(iv) The Council to be proactive in engaging the Leeds City Region and other potential partners to ensure that York's key investment targets are prioritised effectively in regional and national investment plans by formally:</p> <p>a) Submitting the council's Investment Plan to Leeds City Region LEP so that it may be included in their strategic Assessment Framework.</p> <p>b) Developing the relationship between officer and Members at Leeds City Region level.</p>	<p>There has been proactive engagement with Leeds City Region LEP over the last six months at both an officer/member level. York has strong representation on the many officer and member groups. There is also strong business representation from York on various LEP groups and boards.</p> <p>Whilst Leeds City Region LEP has an overarching strategy already in place, the key point to note is that what sits beneath the current corporate plan is emerging and constantly changing.</p> <p>Leeds City Region LEP are refining their approach in response to the new European funding programme 2014-2020 and emerging Government initiatives such as the single local growth fund.</p>	<p>Proactive work continues to be undertaken at both an officer and member level. York has strong representation on the many officer and member groups. There is also strong business representation from York on various LEP groups and boards.</p> <p>This proactive, behind-the-scenes work undertaken by both officers and members had already yielded positive results. Considerable effort has resulted in York's priorities being reflected prominently within both Leeds City Region and YNYER LEP strategic plans and spending priorities in the immediate term.</p>

	<p>As a result it is imperative that City of York Council moves with, and keeps track of, these changes - ensuring continuous alignment between the strategic priorities of the City and the wider LEP.</p> <p>This is where the evidence base of the York Investment Plan is critical i.e. defining the priorities of the City, <i>in order of strategic importance</i>. This will be used as the evidence base to demonstrate to LCR LEP where they have and have not reflected their priorities adequately in their draft Single Economic Plan - and future funding allocations emanating from that plan.</p>	<p>Stronger relationships have also been developed with key partner organisations such as Leeds and Partners, and UKTI to develop a solid inward investment proposition and attract new companies to the area.</p>
<p>(v) Provide regular bi-annual updates to the Economic & City Development Overview & Scrutiny Committee on York's key investment priorities, including progress with specific bids to be communicated to Leeds City Region, Science City York and other relevant partners who either need or wish to be informed of specific bids.</p>	<p>In terms of specific bids to Leeds City Region, please see the answer above to identify the strategic process through which this will take place.</p> <p>Since key citywide partners will input significantly into the York Investment Plan (in fact the plan is being drawn up in conjunction with them) relevant partners will be therefore kept updated and appraised of any bid(s) for financial resources submitted to</p>	<p>Following recent announcements a detailed update is being prepared and officers will try to make this available to members ahead of the meeting, pending resource availability.</p>

	the City Region from the City of York.	
(vi) CYC to continue to subscribe annually to the Regional Econometric Model (REM) licence and budget for it as a core expenditure, in order to utilise the REM to evidence the overall economic impact of every project or initiative (where a clearer understanding of the broader economic impact forms part of the bid criteria) thereby clearly articulating and strengthening the evidence base for all funding applications.	CYC continues to subscribe to the REM, and the economic modelling tool continues to prove a useful resource in terms of understanding the overall economic impact of key pipeline projects and initiatives. The REM has already been used to articulate and strengthen the evidence base for proposals such as York Central. It will continue to be utilised in such a manner on an ongoing basis.	CYC continues to subscribe to the REM, and the economic modelling tool continues to prove a useful resource in terms of understanding the overall economic impact of key pipeline projects and initiatives. The REM has already been used to articulate and strengthen the evidence base for proposals such as York Central. It will continue to be utilised in such a manner on an ongoing basis.
(vii) CYC to explore, under the licence agreement the benefit of, using the REM and sharing the data produced by the REM – and how we involve/engage citywide partners in making the most of the modelling software. Aim to produce an agreed REM user plan by December 2013.	A specific REM user plan still to be developed. Irrespective of this REM software remains available to be used on behalf of Citywide partners. More work will be undertaken around the sharing of REM data, and performing REM economic analysis on partners' behalf over future months.	Under licence agreements it is not possible to provide direct access for city partners, however, CYC is able to use the software on behalf of partners and we continue to make this available to them.

<p>(viii) CYC to draw upon relevant officer expertise, and ensure that sufficient officer time and resource is made available to build and develop business cases of suitable robustness and probity around the major flagship projects featured in the Investment Plan, in order to maximise significant funding and investment into those schemes.</p>	<p>Whilst the finalised Investment Plan is still taking shape, the process of putting together robust 'project teams' from across directorates to build and develop robust business cases around major flagship projects (likely to feature heavily in the Investment Plan) has already begun. York Central is prime example of cross directorate working. York's Community Led Local Development bid is another prime example of a cross Council project team being rapidly drawn together to produce and submit an outline bid at short notice. This process also effectively drew-in wider partner agencies into the project planning process.</p>	<p>Resourcing remains a significant issue. Efforts to put in place 'project teams' from across directorates have stalled due to ongoing restructuring.</p> <p>The primary focus over recent months has been the creation of a new, wholly owned company for delivering marketing and business development for the city of York (following Cabinet decision July 2014) and moves towards the creation of a strategic approach to investment to help bring forward key strategic sites and projects (following Cabinet decision March 2014).</p> <p>Once operational these mechanisms will provide the focused resources necessary to drive forward the attraction of investment into the city be that investment into priority business sectors (life sciences related industries, high-tech industries and business services) or investment into key strategic sites (York Central, Terry's, British Sugar etc).</p>
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<p>(ix) CYC to develop a plan for the 'yorkmeansbusiness' website in order to fully integrate it into York's business network.</p>	<p>An officer has recently been recruited to the Economic Development Unit whose remit includes the further development of the website by summer 2014.</p>	<p>A light touch (but significant) redevelopment of the existing York Means Business website has been undertaken. Key developments include an updated homepage, a shared/more integrated events calendar, monthly access to business finance funding bulletin, and a regular e-newsletter.</p> <p>Further redevelopment work will be undertaken as part of the development of the new company for marketing and business development.</p>
<p>(x) CYC to develop a clear inward investment menu or offer on the 'yorkmeansbusiness' website, setting out the various support services available to potential investors. This should draw on the support made available as part of recent successes in attracting inward investment e.g. Hiscox. The development of an initial webpage to be completed by October 2013.</p>	<p>An inward investment offer has been prepared in draft and will be included in the newly refreshed website when ready.</p>	<p>A renewed Inward Investment Strategy has been endorsed by the York Economic Partnership. This sets out a proactive approach to Inward Investment - targeting key businesses operating in target sectors including Bio/Agri Technology, Finance and Insurance, Rail and related industries, and IT and Digital. A new inward investment prospectus detailing the York 'Offer' has been produced and is available on the York Means Business Website.</p>

		<p>Further development of the York Means Business Website is planned in line with the developments related to new company for marketing and business development for the city, which is being developed following Cabinet decision July 2014.</p>
<p>(xi) CYC to maintain a presence at prestigious international events to attract developer and investor finance for key sites in the City. Every lead from such events should be followed up and invited to York to meet with relevant senior CYC officers.</p>	<p>The City of York will have a strong presence at the next MIPIM global property fair, joining forces with Leeds and Partners to present a co-ordinated and dovetailed investment approach alongside the three other Cities within the Leeds City Region - namely Leeds, Bradford and Wakefield. The city will be presenting a city wide offer for investment in key and strategic sites at this event.</p>	<p>CYC attended MIPIM 2014 as part of the Leeds City Region Delegation. The primary goals were to:</p> <ul style="list-style-type: none"> - Increase awareness/exposure of York's offer to a National/International Investor/ Developer audience. - Promotion and "Soft market testing" of three major projects - York Central, Guildhall, and Biovale. - Promotion and "Soft market testing" of broader emerging pipeline of development opportunities in the city.

		<ul style="list-style-type: none">- Generate new Investor and Developer leads for key development opportunities and build on existing contacts generated at last years event - The event provided a valuable opportunity for “soft market testing” and detailed conversations took place with a number of Investors, developers, and agents with regard to individual projects and the overall York/LCR proposition. The feedback we received will be invaluable in shaping our activity over the next 12 months as we seek to further engage with investors/developers and begin delivery of key projects. - The event generated 34 new contacts with specific follow up work taking place or scheduled with 10 key contacts. The event also facilitated specific follow up with three strategic leads generated at last year's event and importantly, contacts made
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		<p>with investors made last year have led to further introductions to investors and potential partners this year.</p> <p>Following contacts made at MIPIM 'Built Environment Networking' held an event promoting the development opportunities in York at the Guildhall on the 18th June, attended by c100 national and regional developers.</p>
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