

York & North Yorkshire Development Board

9 March 2009

13.30 for 14.00 -16.00, Congyngham Hall, Knaresborough

A buffet lunch will be provided.

A G E N D A

- 1. Minutes of the Last Meeting (Pages 2 - 6)**
- 2. Matters Arising**
- 3. Current Economic Conditions (Pages 7 - 14)**
- 4. Implementing the Sub-National Review (Pages 15- 17)**
- 5. Geographic Programmes (Pages 18 - 24)**
- 6. York and North Yorkshire Partnership – Role and Budget(Pages 25 - 31)**
- 7. Progress report (Pages 32 - 36)**
- 8. Any Other Business**

Jonathan French

York & North Yorkshire Partnership Unit
01904 477974

YORK & NORTH YORKSHIRE DEVELOPMENT BOARD

18th June 2008 @ 13:30 pm

MINUTES of the Meeting Held at County Hall, Northallerton

PRESENT

John Weighell (North Yorkshire C.C.)(CHAIR)
Andrew Waller (City of York Council)
Keith Knaggs (Ryedale D.C.)
Mike Gardner (Harrogate Borough Council)
Brian Phillips (Hambleton District Council)
Christopher Knowles-Fitton (Craven District Council)
Melva Steckles (Richmondshire D.C.)
Tom Fox (Scarborough Borough Council)
Barry Dodd (Yorkshire Forward)
Christine Bainton (NYFVO)
Malcolm Shorney (North York Moors National Park)
Maureen Vevers (Learning & Skills Council)
Brian Cantor (University of York)
David Fraser (GOYH)

In Attendance

John Marsden (Chair – York and North Yorkshire Partnership Executive)
Julie Hutton (Yorkshire Forward)
Jonathan French (Y&NYPU)

APOLOGIES

John Goodfellow (Skipton Building Society)
David Crawford (Craven District Council) (Christopher Knowles-Fitton, attending as substitute)
Carl Lis (Yorkshire Dales National Park) (Martin Shorney attending as substitute)
Brian Percival (Selby District Council)

The Chairman welcomed Andrew Waller, Christopher Knowles-Fitton, Maureen Vevers and Malcolm Shorney to their first meetings.

1. Minutes of the Last Meeting (4th February 2008)

1.1 These were approved.

2. Matters Arising

2.1 There were no matters arising.

3. Sub-National Review of Economic Development and Regeneration – Response to the Consultation

3.1 Jonathan French introduced the report which set out a recommended response by the Partnership Executive to the consultation on the Sub National Review . The report also set out the impact of the change in landscape of Economic Development which will be discussed under various headings on this agenda. It also looked at the role of Economic Partnerships in the future and in particular considered some broader issues that the Development Board might wish to address.

3.2 Keith Knaggs said that he felt that it was important that in respect of membership of the Partnership Executive the District Council Chief Executives should be invited to join. On the consultation issue he felt that question 1 should also address the issue of delivery and the principle of subsidiarity to the most

appropriate level. He noted that some Local Authorities have difficulty in having a capacity for programme management.

3.3 Mike Gardner of Harrogate Borough Council did not disagree with the sub-regional perspective. He supported a statutory approach to economic assessments and he felt that in respect of economic assessments the District Council's should play an important role in setting out their requirements and that assessments should be based on functional economic areas. Brian Phillips supported those comments and also the involvement of all Chief Executives on the Partnership Executive.

3.4 Malcolm Shorney said in respect of the regional leader's form whether there were any national park representatives.

3.5 John Weighell set out the representation which was based on Local Authorities. He hoped that National Parks might be involved in some of the specialist sub-groups and also through this Board. John Marsden said that the Partnership Executive would be reformed to invite all District Council's to participate. There has been subsidiarity from Yorkshire Forward to the County Council and then likewise that would be past on to partners. He noted the Development Board role also needed to be enhanced.

3.5 Andrew Waller said that in respect of the Leader's Forum issues it is important that the region is clear what they are asking for. The City of York will participate in both the City region and the sub region according to the focus of the topics being discussed. There is no indication as yet, for the Minister's view on these arrangements. David Frazer said that this would unlikely to be made whilst a consultation was still in progress.

The Executive agreed to the recommendations for the response to the consultation with the addition of reference to delivery issues in question 1. It noted the need for the Development Board to develop its role.

4. Geographic Programmes

4.1 Jonathan French introduced the report and in particular referred to feedback from Yorkshire Forward on the consultation on the Corporate Plan. The substance of the issues were then addressed by Julie Hutton from Yorkshire Forward.

4.2 Julie Hutton said the report set out Yorkshire Forward's views which followed discussions with individual Local Authorities. It is intended that the Geographic Programme would be built on the sub-regional investment plan for York & North Yorkshire and there would need some amendment to make it act as an economic master-plan.

4.3 In respect of the structure of the Geographic programmes, there is no agreed solution and the Yorkshire Forward Executive therefore decided that the programme should be based on the County area. The aim was for text to be finished by December.

4.4. Yorkshire Forward would be bringing their colleagues to meet local and sub regional partners. Contract management would be with North Yorkshire County Council but decisions would be made as locally as possible with partnership arrangements for governance to be through the reformed Partnership Executive and Development Board who would have overall responsibility for the programme. The Board should have final sign off of the programme.

4.5 The Geographic programme is made up of three parts; namely Yorkshire Forward's direct contract, its contracted regional activity and the work of others. The support for delivery teams was still subject to further discussion.

4.6 Mike Gardner said that Harrogate Borough did not support these proposals and had written to Yorkshire Forward expressing their concerns. They felt that the proposals did not reflect the discussions they had had with Yorkshire Forward and that they felt that a proposal for the North Yorkshire programme did not make sense because of its lack of consistency with a decision to move to City Region investment planning and because of the nature and scale of the investment plan for Harrogate would distort a North Yorkshire programme. They had no problem with a composite programme for the rural and coastal areas in North Yorkshire, but

thought that a Harrogate programme needs to be set within a City Region context. They did however, support this partnership which works well together and he felt that there was a need for further discussion about the interpretation of the words that Yorkshire Forward had previously expressed to them.

4.7 John Weighell said that the problem has been long rehearsed, and that whilst all other sub regions neatly fit into the city region model, a split of this sub region caused problems. However, he did not think it was difficult to make the proposals for Geographic Programmes work as they all involved with the same people and it would be a plan which would work within the City Region context.

4.8 Keith Knaggs said that there was obviously a difference of view and he stressed the importance for an open process in making hard decisions about the allocation of investments and Geographic Programmes. Local Authorities had different abilities to deliver and small authorities faced capacity problems and welcomed the County Council's involvement in programme management. This question was important so there was no chance of Yorkshire Forward in doing individual contracts with Authorities. He felt that individual district chapters overcome that particular problem. He felt the investment plan was a good base for the programme. He also wanted for Ryedale to have close partnerships with York and particular for the benefits of the York economy to spread into his area. John Weighell commented that there was a real incentive to make a two-tier system work.

4.9 Tom Fox felt that any Geographic Programme had to reflect its business and inevitably, what projects come forth for Harrogate, Craven and Selby would align with the city region, but also have an affinity for the sub region. The key issues are the business objectives and not the boundaries. More information was required in respect of support for the principles of providing a sub regional delivery team,

4.10 Christine Bainton felt there was a need to be an emphasis on equalities as well as the economic issues.

4.11 Brian Phillips said that Hambleton District supported the approach, especially on capacity issues, and felt it would bring strength to the partnership. There was however, a concern about how to support delivery within each area. Merva Steckles supported the approach as well.

4.12 John Marsden said that there wasn't going to be a specific city region programme as such, as it would be made up of the Geographic programmes for the West Yorkshire districts, York and the County. The North Yorkshire Geographic Programme would focus on spatial entities such as the city region, Scarborough Town as set out an investment plan. The plan would also reflect the expectations of the seven District Council's and marry those up with the City of York. It also provided links with skills, the voluntary sector and business.

4.13 Mike Gardner felt that Harrogate Borough Council had the capacity to manage a programme itself and didn't need to go through an intermediary body. He felt the process was unduly complicated.

4.14 Julie Hutton said that in respect of delivery, funding will change and they would talk further with partners to build on what has previously been achieved. There were no final answers as to how this would be managed.

4.15 Barry Dodd said that it is important to acknowledge the city region approach to developing the economy of the region, but there were no fixed boundaries to it. He felt that it was important that North Yorkshire Partnership (which hasn't fallen out in the past) will continue that pattern. Yorkshire Forward will ensure that no one will be disadvantaged by this process.

4.16 There was discussion on what the Board has been asked to address, namely proposals to continue working on the programme whilst addressing governance issues in parallel. Mike Gardner felt that this was contradictory to the interests of Harrogate Borough.

4.17 The Chair called for a vote - there was 9 in favour and 1 against for the following proposal.

It was agreed the proposals would be developed by partners on how a programme might be managed but work would start on the programme now to be undertaken in parallel to the governance issues. Governance

issues would be discussed by the Partnership Executive which would then be recommended to the Development Board for consideration at its November meeting.

The Board also noted the response from Yorkshire Forward on the Corporate plan.

5. Reinvigorating the North Yorkshire Cultural Partnership

5.1 Jonathan French introduced the report setting out a proposal by the Partnership Executive for the restructuring of the North Yorkshire Cultural Officers group (NYCOG) and the North Yorkshire Cultural Partnership. The report proposed that a cultural partnership be established which reports formally to the Partnership Executive and through them to this Development Board, a financial contribution is sought from each Local Authority which will be included in the subscription to the partnership unit and in the sub region's tourism co-ordinating group and the existing cultural activities are integrated into a single partnership. The report set out some of the more detailed proposals.

5.2 Merva Steckles welcomed the paper and felt that there was a very strong case for linking culture with tourism.

5.3 Mike Gardner agreed that it was a very vital area but was concerned that he had been informed that officers had yet to develop a set of options and this would be discussed at an officer's meeting tomorrow, so that he felt that the discussion for the Development Board was premature.

5.4 John Marsden left the room to consult with the Chair of NYCOG, Richard Flinton. He confirmed that they had reached an agreement to move forward on this basis with only one person suggesting that the Partnership might report to the ANYC rather than the Development Board. The Partnership Executive considered this and supported the proposal for the cultural partnership to report to the sub-regional economic partnership.

5.5 Keith Knaggs felt that there was a general agreement that the partnership was not a success and it needs some reinvigorating. Although he supports the principles of the report, there is need to buy in support from those involved. Tom Fox thought that the report was un-evidenced and there was a need for further discussion of the costs and felt that it would be helpful to have some options. Mike Gardner reinforced his initial views.

5.6 Brian Phillips also expressed the view that the North Yorkshire Culture was not successful but he felt there was a need for more information on this matter.

5.7 There was a discussion about the implications of delay and also concerns to ensure there was a 'buy-in' and resolution of any financial issues.

5.8 However, there were also concerns about not delaying this piece of work.

The Board agreed that it was not able to make a decision on this matter at this meeting but it would that it would consider a re-written paper by e-mail and respond to that.

6. Integrating Skills and Employment with Economic Development

6.1 Jonathan French introduced the report which set out some of the issues around how skills and employment issues might be more closely integrated with economic development activity in the context of the changing institutional structure for delivery, particularly, the future changes to the Learning and Skills Councils.

6.2 Mike Gardner expressed reservations about the loss of the Learning & Skills Council. Barry Dodd emphasised the need to engage business on skills issues.

6.3 Brian Cantor felt that skills policy was messy and there were differences between what employers wanted and those providing skills and training trying to meet student needs. This was quite a challenge to address those issues.

6.4 Maureen Vevers said that the purpose of these changes was to try to overcome some of these issues and she felt that the Government has a vision but not a strategy and this new proposal was creating a significant pressure on FE

Colleges. Andrew Waller felt that the important issue was to ensure there was training for people on the ground and he was concerned that there was over emphasis of structures.

6.5 Brian Cantor also felt that for Higher Education, the work of Higher York and others in promoting higher level skills was in good shape. Higher York was aiming to extend its role beyond York and already had an association with Craven College. He felt that the big issue was addressing lower level skills.

6.6 The Board noted the report.

7. Business Support Update

7.1 Jonathan French introduced the report which set out progress being made by Business Link – Yorkshire, since its inception on the 1st April. It set out the scale of activity it was delivering in the sub region. Barry Dodd felt that it was important to note that Business Link Yorkshire had appointed staff on merit and many staff in the former Business Link York & North Yorkshire had been successful in obtaining key appointments.

The Board noted the report.

8. Progress in York & North Yorkshire 2008

8.1 Jonathan French introduced the report setting out a summary of the recently published Progress in York & North Yorkshire which gave details of statistical changes.

The Board noted the report.

9. Local Area Agreements

9.1 Jonathan French introduced the report which sought the Board's endorsement for North Yorkshire LAA Economic Indicators, which had already been passed to a Government Office and also gave information on the indicators by the York LAA.

The Board agreed in its capacity as the Economic Partnership for the North Yorkshire LAA to endorse the set of economic indicators.

10. Progress on Programmes and Projects

10.1 This report set out progress on the sub regional investment plan and EU Funding.

It was noted by the Board.

11. Any Other Business

11.1 There were none

Jonathan French

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YORK & NORTH YORKSHIRE DEVELOPMENT BOARD ITEM 3

9th MARCH 2009

CURRENT ECONOMIC CONDITIONS

1. Purpose of this Report

1.1 Patrick Bowes, Chief economist at Yorkshire Forward, has been invited to present to the board his current understanding of the implication and impact of current economic conditions

1.2 This report, which has been considered by the Partnership Executive, draws together some thinking around the impact of the credit crunch and the economic downturn on the sub region.

1.3 This report initially discusses data and looks at areas of potential impact on the local economy which will provide the context for the presentation. It sets out possible policy implications and seeks to promote a discussion on the overall issues which will inform partners' priorities over the next few months.

2. Economic and other Data

2.1 The primary or most up to date indicator of change is those on Job Seekers allowance. Appendix 1 provides the detailed figures. The main conclusions, comparing January 2008 and January 2009 are that

- JSA claimants have risen by 64% (54% for UK) with the largest increases in Selby (85%), Richmondshire (82%), York (72%) and Craven (70%)
- The rise in 18-24 claimants has been 70% (UK 54%) with the greatest increases in York, Selby, Ryedale and Craven (all over 87%)
- Six month claimants (i.e. long term unemployed) change is worse than the national average but lower than regional change. Overall the percentage of claimants who are long term unemployed is less significant locally but there have been larger rises albeit from a low base in areas which have traditionally been places of very low unemployment.

2.2 Overall whilst the sub region is better off in terms of the percentage of the workforce claiming JSA than regionally and nationally the pace of change is generally worse locally.

2.3 Local Authorities in the sub region have looked at possible sources of additional data which could be used to monitor change. The Partnership Executive has agreed that a monthly update will be provided on unemployment data, information on employment and job gains and losses, business activity (business rates, planning applications and tourism numbers), town centre activity (footfall, parking income) and housing (sales and new starts).

2.4 There is a danger of collecting data for its own sake and it is important to emphasize that the purposes behind this is to inform policy discussions. In particular, it is important to assist public and private bodies in ascertaining whether the situation is getting worse or better and what impact the economic downturn is having in the area.

2.5 The true measure of the impact of the current economic conditions will transpire over a longer period enabling a fuller pattern to emerge. It is an important component of the economic assessment work during 2009 which will be discussed on the next item on the agenda (Implementing the SNR).

3. Spatial Impact of the Credit Crunch

3.1 Oxford Economics in July 2008 prepared a paper on the potential spatial impact by identifying areas which are most vulnerable to the credit crunch. This was a theoretical statistical exercise based on the proportions employed in the most vulnerable sectors in financial services, business services relating to property and

financial services, construction and dependence on consumer income particularly in retailing and tourism.

3.2 408 Authorities in Britain were ranked with 1 being the most vulnerable (in this case was the City of London). For York and North Yorkshire, the rankings were as follows:

- 22 Craven
- (45 Leeds – included because of its importance in the York and North Yorkshire labour market)
- 85 Scarborough
- 103 Richmondshire
- 125 York
- 186 Harrogate
- 367 Hambleton
- 387 Selby
- 404 Ryedale

3.3 Craven and Scarborough were in the upper quartile of vulnerability (along with Leeds). Richmondshire, York and Harrogate featured high up in the second quartile. There were no sub regional authorities in the third quartile and Hambleton, Selby and Ryedale featured significantly down the lowest quartile.

3.4. This vulnerability was based upon combinations of dependence on financial services, construction, retailing and tourism. Clearly Craven appears to be particularly vulnerable although in reality, this is tempered by the knowledge that Skipton Building Society (which would cause Craven's position on the index) is actually out performing its competitors. Interestingly, Scarborough and Richmondshire feature highly because of their high dependence on retail and tourism.

3.5 If the index was being done on the downturn as a whole, a greater emphasis would be given to manufacturing industries, particularly those who are producing consumer goods (such as cars etc). In all respects, this analysis needs to be tempered by a local understanding of individual organisations, particular in financial services and how they will in reality react to the impact of the credit crunch. Similarly the fortunes of manufacturing in the sub region are more closely tied to the performance of individual companies rather than an industry as a whole. That being said the analysis does give some indication where the vulnerability may lie spatially.

4. The Impact on Employment Sectors

4.1 The following analysis seeks to look at what might be the economic impact on sectors important to York and North Yorkshire:

Agriculture/Food Processing - This sector is probably least affected although there have been some job losses in food processing but these may be more related to a change in supplier contracts by supermarkets and restructuring the industry rather than current economic conditions. Some sectors in agriculture, such as for example sheep, are actually gaining significantly in competitiveness because of currency depreciation particularly against the Euro.

Manufacturing – It is clear that some industries are vulnerable because of loss of markets but also the credit crunch is probably accelerating change and restructuring that was a long-term trend. The main impacts to date have been on printing and the paper industries and engineering industries especially those who are sub contractors in particular to the Automotive sector.

Health Care – This covers both manufacturing and research (both public and private) in the health care sector. The sector seems to be relatively buoyant.

Construction – This is the sector which is already suffering the greatest immediate consequences of the credit crunch. In particular, housing and commercial development is falling rapidly and whilst most existing schemes will be finished there is expected to be a dramatic reduction in the numbers of housing starts.

New housing in York and North Yorkshire is also an important driver of the local economy.

There are also a number of manufacturing businesses involved in construction, such as steel fabrication, whose immediate future will depend upon what orders they have achieved. If they are successful in participating in major infrastructure projects, such as for the Olympics, then there is an element of job and business security. However, if they are dependent upon housing and other property development, then problems will arise.

Retailing –It hasn't really been possible to begin to deduce the impact of retailing until the last three or four months. It is expected that employment and turnover in retailing (particular in town and city centres) will fall. But the degree to which some towns/cities will suffer compared to others is not currently clear. The closures and consolidation of national chains, in particular, has led to redundancies on the high street. However, supermarkets have not been reporting similar downturns in trade. The quality of the retailing experience is an important component of the sub region's tourism product.

Tourism - It is difficult to form a view at this point as to the impact of current economic conditions on Tourism. Currently bookings for holidays are holding up but business tourism faces challenges. Currency depreciation, against both the Euro and the Dollar may actually make the sub region more competitive and attract visitors for this season that had been previously been discouraged. However this may only be short term effect, if the pound recovers against the Euro. One of the problems is that recent weather in the last two seasons has had an impact on Tourism and there are many other variables to take account of.

Finance and Business Services –The impact of the credit crunch is potentially serious here, although it does depend on either the organisation or the role of a particular office which will determine job prospects.

Harrogate and York are to a greater extent reliant on insurance and credit card/debit card businesses, rather than the high level investment businesses which feature more in Leeds. West Yorkshire of course, is also highly dependent on the mortgage market. Building Societies, such as Skipton, have actually found renewed strength during this credit crunch. The main effect may be upon residents of the sub region who commute to Leeds and who might expect to lose jobs or see significant reductions in income.

The Public Sector – The Public Sector is an important economic driver in some areas notably Higher Education, particular expansion of the Universities, and investment by the Ministry of Defence. These should give continued strength to the York and North Yorkshire economy. However pressure on budgets for local authorities and other service providers may lead to some job losses.

Transport and Communications – Railway industries remain important to York and are not considered a particularly vulnerable sector at this time. However road transport is affected by the overall economic situation.

5. Issues for Consideration

Housing and Property

5.1 Professor Michael Parkinson, in his report "The Credit Crunch and Regeneration: Impact and Implications" to the DCLG (January 2009) states that the credit crunch is severe, long term is its effect and there are more difficulties to come. He refers to a "*Flight from Risk and a Flight to Quality.*" In the immediate term the reduction of housing activity will have a knock on effect of reducing the amount of affordable housing which is now strongly associated with the private sector housing cycle. In those areas planning on housing-led regeneration, there are some real difficulties for the future. The housing market in the sub region is probably less risky than elsewhere and revival in activity (a "Flight to Quality" perhaps) may occur earlier in York and North Yorkshire once demand starts to pick up.

5.2 In respect of the “Flight from Risk” there is a real concern in respect of commercial property development. Many peripheral areas of the sub region, particularly in rural and coastal areas, only really see significant private sector development in commercial property at the very highest point of the property cycle. It is a real possibility that the coastal and rural areas will have a long-term problem in finding developers for commercial and employment space.

The Labour Market

5.3 The York and North Yorkshire labour market is complex with a reliance on ‘in and out’ commuting. Also, it has made extensive use of migrant labour, particularly in the hospitality industries and the food sector in the southern part of the sub region. Because of the large number of self-employed people in agriculture, retailing and tourism, we may see, as a result of the down turn, a reduction of their income, rather than direct loss of employment. It was notable that in rural areas that during the foot and mouth disease period that unemployment hardly changed, although clearly business income fell dramatically.

5.4 Perhaps the greatest cause of concern will be the prospects for young people leaving education aged 18-21. Though there might be some corrective factors because of the growth of programmes to support NEETs, clearly the numbers of young people aged 19+ seeking work is likely to increase.

6. Policy Response

6.1 It is suggested the potential policy response be seen as a short, medium and long-term set of issues.

6.2 For the **short-term** much support has been put in place guided by the Regional Development Group (Chaired by the Regional Minister). This includes business advice supplied through Business Link Yorkshire and support for redundant people or potentially redundant people through re-training. Advice for those in financial difficulties has been put in place as much as is practically possible.

6.3 The impact in the **medium term** may concentrate on whether particular publically funded projects and investments are capable of achieving their targets and outputs. In particular, the viability of employment programmes seeking to encourage those on incapacity and other benefits to obtain work will find it extremely difficult to achieve their targets. Other activities predicated on a more successful economy, such as moves to retain graduates in the region may need reconsideration, with a greater emphasis on work experience. Regeneration schemes and other developments (such as public sector investment) which are dependent upon selling land (particularly for housing) to fund that investment clearly face problems. Likewise, expectations to secure investment in infrastructure through planning gain must diminish.

6.4 There maybe a need to consider whether some public sector resources may have to be re-orientated to proposals which are capable of implementation and offer a direct benefit to address specific difficulties, for instance intermediate labour markets supporting and providing employment opportunities directly through environmental and other schemes. This might especially apply to young people. However it is also important not to lose touch with the longer term objectives of improving our competitiveness.

6.5 In the **Long-term** there will need to develop a response so that the sub region is in a strong position to respond to recovery when it comes. The work of economic assessments and the development of the Integrated Regional Strategy will provide the context for this. It is too early to say what type of economy might emerge but most commentators expect it to be (in some way) different from that currently operating.

7. Conclusions

7.1 The report seeks to stimulate discussion around these issues. It is still too early to necessarily be able to draw definite conclusions on both the impact on current economic conditions and also where recovery might begin to be seen. It is proposed that these broader issues are monitored and as research and information is gathered, this will enable more secure conclusions to be reached.

Jonathan French
York & North Yorkshire Partnership Unit

APPENDIX 1 JOB SEEKERS ALLOWANCE

Claimant count unemployment: January 2009

Claimant Count

Reviewing claimant counts gives a more recent picture than unemployment rates (which although the latter is a 'more encompassing' indicator, data is only available up until June 2008).

In January 2009 the number of Job Seekers Allowance (JSA) claimants in York and North Yorkshire stood at 11,269, an increase of 4,377 (or 64%¹) when compared with the same month last year. Although seasonality is an issue, the number of claimants has also increased by 3,395 since October 2008.

The Claimant Count rate for York and North Yorkshire is now 2.3% (compared to 1.4% a year ago). This is however still below the rates seen for Yorkshire and the Humber (3.9%) and the UK (3.4%).

Table 1: Number and proportions of claimants, nationally, regionally and locally

| | January 2008 | | January 2009 | | % change |
|--------------------------|--------------|------|--------------|------|----------|
| | Number | Rate | Number | Rate | |
| UK | 830,542 | 2.2 | 1,282,645 | 3.4 | 54% |
| Yorkshire and The Humber | 79,148 | 2.5 | 126,723 | 3.9 | 60% |
| York and North Yorkshire | 6,892 | 1.4 | 11,269 | 2.3 | 64% |
| North Yorkshire | 5,125 | 1.4 | 8,235 | 2.3 | 61% |
| Craven | 316 | 1.0 | 536 | 1.6 | 70% |
| Hambleton | 581 | 1.1 | 961 | 1.9 | 65% |
| Harrogate | 954 | 1.0 | 1,594 | 1.7 | 67% |
| Richmondshire | 308 | 1.0 | 560 | 1.7 | 82% |
| Ryedale | 380 | 1.2 | 592 | 1.9 | 56% |
| Scarborough | 1,855 | 3.0 | 2,637 | 4.2 | 42% |
| Selby | 731 | 1.5 | 1,355 | 2.7 | 85% |
| York | 1,767 | 1.4 | 3,034 | 2.4 | 72% |

Source: NOMIS

The number of claimants in York and North Yorkshire who were aged 18-24 in January 2009 was 3,125 (27.8% of all claimants). This compares with figures of 31.0% for the region and 29.6% for the UK. However, this masks the recent increase in the proportion of such claimants in North Yorkshire. The number of 18-24 year old claimants rose by 14% over the last month compared with 8% in the region and 10% nationally. Figures for the last 12 months also indicate a rise of 70% in the number of 18-24 year olds claiming JSA in York and North Yorkshire compared with 59% regionally and 54% for the UK.

¹ This is higher than the percentage increases seen nationally (54%) and regionally (60%)

Table 2: 18-24 year old claimants, nationally, regionally and locally

| | January 2008 | | January 2009 | | % change |
|--------------------------|--------------|--------------------|--------------|--------------------|----------|
| | Number | % of all claimants | Number | % of all claimants | |
| UK | 246,565 | 29.8 | 379,535 | 29.6 | 54% |
| Yorkshire and The Humber | 24,620 | 31.2 | 39,095 | 31.0 | 59% |
| York and North Yorkshire | 1,840 | 26.8 | 3,125 | 27.8 | 70% |
| North Yorkshire | 1,400 | 27.4 | 2,285 | 27.8 | 63% |
| Craven | 80 | 26.3 | 150 | 27.8 | 88% |
| Hambleton | 180 | 30.8 | 285 | 29.8 | 58% |
| Harrogate | 205 | 21.4 | 330 | 20.6 | 61% |
| Richmondshire | 105 | 34.1 | 165 | 30.3 | 57% |
| Ryedale | 95 | 25.2 | 185 | 31.8 | 95% |
| Scarborough | 540 | 29.1 | 790 | 30.1 | 46% |
| Selby | 195 | 27.0 | 375 | 28.0 | 92% |
| York | 435 | 24.9 | 840 | 27.9 | 93% |

Source: NOMIS

Long term unemployed

Table 3: Those claiming for over 6 months, nationally, regionally and locally

| | January 2008 | | January 2009 | | % change |
|--------------------------|--------------|--------------------|--------------|--------------------|----------|
| | Number | % of all claimants | Number | % of all claimants | |
| UK | 246,230 | 29.7 | 289,330 | 22.6 | 18% |
| Yorkshire and The Humber | 21,805 | 27.6 | 27,915 | 22.1 | 28% |
| York and North Yorkshire | 1,625 | 23.6 | 1,965 | 17.5 | 21% |
| North Yorkshire | 1,205 | 23.6 | 1,400 | 17.1 | 16% |
| Craven | 55 | 18.3 | 90 | 17.2 | 64% |
| Hambleton | 130 | 22.7 | 160 | 16.8 | 23% |
| Harrogate | 245 | 25.9 | 295 | 18.5 | 20% |
| Richmondshire | 55 | 18.5 | 75 | 13.9 | 36% |
| Ryedale | 80 | 21.6 | 120 | 20.4 | 50% |
| Scarborough | 465 | 25.2 | 480 | 18.3 | 3% |
| Selby | 165 | 22.7 | 175 | 12.8 | 6% |
| York | 420 | 23.8 | 565 | 18.7 | 35% |

Source: NOMIS

Table 4: Claiming for over 12 months, nationally, regionally and locally

| | January 2008 | | January 2009 | | % change |
|--------------------------|--------------|--------------------|--------------|--------------------|----------|
| | Number | % of all claimants | Number | % of all claimants | |
| UK | 117,390 | 14.2 | 108,555 | 8.5 | -8% |
| Yorkshire and The Humber | 9,560 | 12.1 | 9,340 | 7.4 | -2% |
| York and North Yorkshire | 720 | 10.5 | 650 | 5.8 | -10% |
| North Yorkshire | 565 | 11.0 | 455 | 5.6 | -19% |
| Craven | 30 | 9.0 | 20 | 4.1 | -33% |
| Hambleton | 55 | 9.5 | 60 | 6.5 | 9% |
| Harrogate | 110 | 11.4 | 90 | 5.5 | -18% |
| Richmondshire | 20 | 6.8 | 25 | 4.3 | 25% |
| Ryedale | 40 | 10.3 | 50 | 8.5 | 25% |
| Scarborough | 235 | 12.6 | 150 | 5.8 | -36% |
| Selby | 75 | 10.5 | 55 | 4.2 | -27% |
| York | 155 | 8.9 | 195 | 6.4 | 26% |

Source: NOMIS

YORK & NORTH YORKSHIRE DEVELOPMENT BOARD ITEM 4

9th MARCH 2009

IMPLEMENTING THE SUB NATIONAL REVIEW (SNR)

1. Purpose of this Report

1.1 In late November the Government announced the outcome of the consultation on the SNR. Since then a number of implications have started to be worked through which are the subject of this report.

1.2 It considers issues around the preparation of the integrated regional strategy and undertaking economic assessments. There are continuing discussions particularly around structures, not only for the management of the sub regional partnership but also city regions with the possible emergence of Economic Prosperity Boards.

1.3 It seeks the Board's views as to how the sub region, and especially the economic partnership, can operate most effectively in this evolving context.

2. The Sub National Review

2.1 The Government's announcement on SNR largely confirmed what was in the original document. There were, however, two other issues where there was some development or change of thinking. Firstly, no legislation will be proposed to facilitate devolvement or delegation of expenditure or resources from Regional Development Agencies to Local Authorities as had originally been proposed. This had particular implications for Yorkshire Forward's proposal for Geographic Programmes.

2.2 The SNR proposed that that consideration would be given to statutory powers to sub regional boards addressing economic issues. The Government has supported this and has adopted the concept of Economic Prosperity Boards. It is proposing to establish at least two forerunners, based on existing city regions groupings. They have invited proposals and it is the intention that city regions that have been selected would be announced in the forthcoming budget.

2.3 The SNR is also about a wider process of devolvement to Local Authorities and local communities and that includes the transfer of responsibilities for 16+ education from the Learning and Skills Council to upper tier Local Authorities. Likewise there is a general expectation that Local Authorities should take a much greater lead in identifying the skills and business support issues in their area.

2.4 The legislative actions from this announcement are encapsulated in the Local Democracy, Economic Development and Construction Bill which is now before Parliament. There elements of the Bill relevant to the report are: -

- A new duty on Local Authorities to prepare an assessment on the economic conditions on their area.
- A joint duty on Regional Development Agencies and Local Authorities, through a new Local Authorities Leaders forum, to produce a Single Regional Strategy.
- Allow the creation of Multi-Area Agreements with statutory duties (statutory duties to be available for existing MAA's)
- Permit the creation of Economic Prosperity Boards.

3. Taking the SNR Forward

Integrated Regional Strategy

3.1 Since the joint submission by Local Government Yorkshire & Humber (LGYH) and Yorkshire Forward in July 2008 as part of the response on the Governments consultation to the SNR, there has been a general agreement on how the new

regional strategy might be prepared within Yorkshire and Humber. A new Leader's Forum (involving LGYH and Yorkshire Forward members) would be responsible for the production of the strategy which would be drafted by Yorkshire Forward but working closely with the LGYH. Four thematic partnerships are proposed to build on the existing regional partnership arrangements to develop the respective components of the regional strategy. These include Housing and Regeneration, Planning (both to be led by LGYH), Work & Skills and Transport (to be led by Yorkshire Forward). The local government representation on the Board and the thematic partnerships will be based on equal participation from the four functional sub – regions, namely the City Regions of Hull and Humber ports, Leeds and Sheffield and they York and North Yorkshire Sub Region.

3.2 There will also be an Independent Board, also known as a Sustainable Development Board, which would be where social, economic and environmental (SEE) partners would find their voice. This would be facilitated by Yorkshire Futures. There are succession arrangements for the Yorkshire and Humber Assembly which winds up at the end of March 2009. It is intended that work will start on the strategy at the beginning of 2010.

Economic Assessments

3.3 There has been some initial thinking within the region as to how economic assessments can be most effectively and efficiently prepared. Yorkshire Forward has convened meetings of the four functional sub regions, LGYH and Yorkshire Futures to begin to scope how this might be taken forward. It is also expected that the Government will issue a consultation paper on what will be the statutory guidance for preparing such assessments. The guidance is expected to emphasize the importance of collaboration between Authorities and the need to consider economies from a functional point of view rather than being tied to administrative boundaries.

3.4 It is intended that this process will be part of developing the evidence base for the new regional strategy and therefore will need to be substantially complete by the end of 2009. We will need to undertake a review of policy locally towards the end of 2010 to take account of the new assessments and the regional strategy. Whether that will be a review of the Sub Regional Investment Plan (SRIP) or through another vehicle depends on what might be the regional view on the future role of investment planning.

Regional Improvement and Efficiency Strategy

3.5 A bid, led by the Partnership Unit, has been made to LGYH for resources to support the sub region to build capacity to enable it to respond effectively to both the development of the Integrated Regional Strategy and to start work on economic assessments. This bid is to the Regional Improvement Efficiency Programme. LGYH has proactively sought bids from each of the four functional sub regions to address these priorities and engaged Leeds Metropolitan University to support this work. Bids have been submitted from the Leeds and Sheffield city regions as well and it is intended that the Hull and Humber ports will be submitting some form of bid in the summer.

3.7 The bid has been prepared closely with the City Regions and it is particularly expected that a close working relationship between York & North Yorkshire and Leeds City Region will be necessary to avoid duplication and to ensure added value. It is expected we will build on the existing arrangements for joint working between the two sub regions around Yorkshire Futures Research contracts and ERDF technical assistance.

3.8 The bids are now being considered by LGYH and a final decision should be made by the end of March.

4 Challenges for the Sub Region

4.1 The following challenges were identified by the Partnership executive.

Influencing Regional Strategy

4.2 It is important that the sub region, working with the Leeds City Region has a very clear perspective on its needs and opportunities. These then need to be effectively promoted to ensure they are reflected in the regional thematic boards work and ultimately in the regional strategy. In addition, the growing concentration of resource allocation at regional level (e.g. RDA, EU, LSC) and in many circumstances its delivery through regionally contracted projects, also requires effective identification and advocacy of the sub regions objectives.

4.3 For this economic partnership, it is important that we engage effectively with the emerging Work and Skills Board and also Housing and Regeneration, particularly in respect of the regeneration aspects of its work. A closer relationship with the North Yorkshire Housing Forum will be important. Working with the Sustainable Development Board would also be an important part of the economic agenda.

Economic Assessments

4.4 The challenges we face in preparing an assessment are not only about developing effective collaborative arrangements but also to begin to address new issues. These will include the impact of climate change and how the economic agenda will operate within the concepts of sustainable development, bearing in mind, the stretching targets to significantly reduce carbon emissions. Secondly, there will be a need to consider what sort of economy that will emerge from the current economic downturn and what are therefore the appropriate strategies and actions we need to put in place.

Sub Regional Partnership

4.5 The Association of North Yorkshire Councils (ANYC) is currently considering the structure within the sub region for providing effective Partnership arrangements across all of those areas that will be addressed in the regional strategy. This could lead to some changes in how both the Partnership Executive and perhaps the Development Board might work, but this is a matter that is still under consideration.

Economic Prosperity Boards

4.6 A proposal for the Leeds City Region to be managed by an Economic Prosperity Board is being considered by the City Region Leaders Board as this agenda is being prepared. York and North Yorkshire Partners would need to consider the implications of such a move.

5. Conclusions

5.1 The Board is requested to consider the issues in this report and especially to discuss how the sub region might maximise its influence

Jonathan French

York & North Yorkshire Partnership Unit

YORK & NORTH YORKSHIRE DEVELOPMENT BOARD ITEM 5

9th MARCH 2009

GEOGRAPHIC PROGRAMMES

1. Purpose of the Report

1.1 The purpose of this report is to give the Board information on the proposals by Yorkshire Forward for Geographic Programmes in both York and North Yorkshire.

1.2 It goes on to look at the particular issues within the County of North Yorkshire in terms of the governance of the Geographic Programme and the possible role of the Partnership Executive and potentially this Board. The Board and the Partnership Executive have a dual role in that they have both a general view of the sub region's economy and its relationship to Yorkshire Forward but also specifically, undertake certain decisions in respect of the Geographic Programme within the County of North Yorkshire, acting as the economic partnership within the County.

1.3 The Partnership Executive will be considering how these issues may be managed and will bring a proposition to the next meeting of the Board. This report gives an opportunity for the Board to have an early view.

2. Geographic Programmes

2.1 At the beginning of February, Tom Riordan, Chief Executive of the RDA, wrote to Local Authority Chief Executives with details of the Geographic Programmes that would operate in their area. He stated the following points:

- The work to develop Geographic Programmes – effectively business plans for local economies – is a significant step forward.
- Geographic Programmes with the inclusion of Geographic Financial forecasts give us a way of truly working together.
- Geographic Programmes build on the strength of the previous investment planning approach. It also addresses the weaknesses, particularly as they now give transparency across all of Yorkshire Forward's spend and understand how regional programmes impact in local areas.
- He noted that the programmes can't be set in stone, particularly in the rapidly changing circumstances currently affecting the economy.

2.2 The proposals for the separate Geographic Programmes in York and North Yorkshire are attached to this report. They show both the proposed financial forecast to be contracted locally and what might be delivered via Yorkshire Forward's Regional contracts. It is intended to make available lists of regional projects in the near future and it will be possible for partners to understand the impact of those Programmes and perhaps scrutinise the outcomes.

3. The York Programme

3.1 The York Geographic Programme is the responsibility of The City of York Council and its Partners, so only the general content is given here. Yorkshire Forwards Board has agreed a forecast spend for York of circa £54m into the city. £28m of this will be available for local projects with the balance of approximately £26m being invested in York through regional projects

4. The North Yorkshire Programme

4.1 At its meeting in January, Yorkshire Forwards Board agreed forecast spend of £118m into the North Yorkshire Geographic Programme. This total figure represents a figure of around £35m forecast for local projects and a share of about £84m, which the sub-region can expect to receive from regional projects. Final figures will be agreed at the board meeting in March following a period of consultation with the Assembly and LGYH about the overall balance of spend across regional and policy areas.

4.2 The proposals in North Yorkshire include the following:

- Scarborough Renaissance – £11 million ; a continuation of the Renaissance programme but with some additional economic inclusion resources.
- Selby Renaissance – £1 million ; a continuation of the Selby Renaissance Programme which includes a rolling over activity from the past SRIP into a programme timetable.
- Harrogate Conference Centre – £6.5 million
- Renaissance Market Towns – £8 million
- Rural Enterprise Capitals – £3 million ; a regional managed programme for private sector investment in property in rural areas.
- Environmental Projects and Low Carbon Rural Capitals – £2.2 million . (A regional project but subject to local influence).

4.3 The decisions on individual projects within the Scarborough and Selby Renaissance Programmes are made by local processes within those Councils and with Town Teams who are working with Yorkshire Forward. The Harrogate Conference Centre would be separately contracted with Harrogate Borough Council.

4.4 The areas where the Partnership is expected to be asked to identify its priorities for projects and to undertake some sort of initial appraisal process will be in the Renaissance Market Towns, Rural Enterprise Capitals and Environmental Programmes.

4.5 Yorkshire Forward have set out that it has been clear from the government's response to the SNR that accountability for RDA funds will remain with RDA's and that there will not be a formal delegation of funding to local partners,. Given this, they will not now be developing Accountable Body agreements with any Geographic Programme partners. Whilst there will be no formal accountable body role for the Geographic Programme Yorkshire Forward wish to develop with the Partnership Executive an enhanced way of working and decision making, which will build on the partnership working and co-operation that was developed through the SRIP process.

4.6 Yorkshire Forward are proposing that for the management of the Geographic Programme the Partnership Executive take greater responsibility for both decision making, on which projects and activities are recommended for support and in monitoring the performance of both local and regional projects in the sub-region.

4.7 Their proposal is that the Partnership Executive takes on a more active role in the endorsement of projects before they are submitted for appraisal through Yorkshire Forward's Performance Management Framework (PMF) appraisal system. Previously, under SRIP, the Partnership Executive had no had a formal role in approving projects submitted by partners. This proposal is major change in how projects seeking Geographic Programme funding are endorsed.

4.8 Post project approval, the RDA is advocating an increased role for the Partnership Executive in the monitoring of Geographic Programme performance. For local projects, this would involve some analysis of projects spend and output performance and where performance is felt to be unsatisfactory recommending to Yorkshire Forward changes to projects or programmes.

4.9 For regional projects delivering in North Yorkshire, they are suggesting the Partnership Executive may wish to take on a more active role in ensuring that these regional projects are delivering on the priorities identified in the SRIP .

4.8 The Partnership Executive have decided that they will consider at their next meeting proposals as to how this might be managed, which would in turn need to be endorsed by the Development Board. This would also set out any potential role for the Board on these matters.

5. Sub Regional Investment Plan Programme and North Yorkshire Geographical programme Monitoring and Delivery.

5.1 In light of the changing approach to Geographic Programmes within Yorkshire Forward, the Partnership Executive agreed a series of proposals that will take forward the York and North Yorkshire SRIP and the Geographic Programme in North Yorkshire. This will include: -

a) For York and North Yorkshire, the preparation of a Programme that will provide a performance management framework for the Sub Regional Investment Plan.

b) For North Yorkshire, specifically: -

- A monitoring framework for the North Yorkshire Geographic Programme; and
- The production of a Delivery Plan for rural renaissance and environmental projects.

The York Geographic Programme will be monitored by the York Economic Partnership and the City of York Council Executive.

5.2 The Sub Regional Investment Plan Performance Framework will set out the outcomes of the SRIP and how and who is responsible for their delivery. This will then form the basis of future performance reports to the Executive and the Board.

5.3 In respect of monitoring the North Yorkshire Geographic Programme, it is proposed that reports are prepared on a regular basis, scrutinising activity against agreed outcomes and ensuring that North Yorkshire delivers effectively its part of the Geographic Programme. This will include all aspects of the Geographic Programme including direct local Yorkshire Forward investment and also regional Yorkshire Forward activity and its impact on North Yorkshire. The Scarborough Town Renaissance package, Selby Urban renaissance and the Harrogate International Centre would be part of the monitoring of the North Yorkshire Geographic Programme but would not be part of this Delivery Plan proposed in the section below.

5.4 The North Yorkshire Delivery Plan will set out the proposals which will form part of elements of the direct Yorkshire Forward Geographic Programme proposals for North Yorkshire that need a Partnership decision. This should facilitate decision making by establishing an early list of priorities, subject to the agreement on processes as required in section 4 above.

6. Recommendation

6.1 The Board is requested to note the report and that proposals on the process will be brought to the next meeting for agreement.

Jonathan French
York & North Yorkshire Partnership Unit

York Geographic Programme: 2009/2014

York's Economic vision is that over the next 5 years is to be at the forefront of innovation and change within prosperous and thriving economy, whilst being world class for education and learning for all, celebrating the economic past, whilst creating a successful and thriving future, a leading environmentally friendly city in the context of confident creative and inclusive communities. York and Yorkshire Forward are jointly committed to a shared set of outcomes for the economic prosperity of York. York and Yorkshire Forward are jointly committed to a shared set of outcomes for the economic prosperity of the City. The overall long term outcomes are articulated in the York and North Yorkshire SEA and District summary and in York's Sustainable Community Strategy 'York a city making history'. The initial 3 year LAA and 5 year YF priorities are reflected in the following targets: NI117 – '16-18 year olds who are not in education training or employment' (to be reduced from 3.9% to 3.3%), NI152 – 'Working age people on out of work benefits' (to be reduced from 7.4% to 6.4%), NI163 – 'working age population qualified to at least NVQ level 2' (to be increased from 73.3% to 80.8%), NI164 – 'Working age population qualified to at least NVQ level 3'(to be increased from 53.9% to 60%), NI165 – 'Working age population qualified to at least NVQ level 4'(33.8% be increased to 36.8%), NI171- VAT registrations (target yet to be agreed). The GP will deliver outcomes in line with Yorkshire Forwards contribution to the Regional Economic Strategy in terms of businesses supported, places developed and people in to jobs. Individual targets for LAs will be developed as GPs develop and in line with changing economic circumstances.

| York's Key Economic Themes | Yorkshire Forward's Investment |
|---|---|
| <p>Major development opportunities (York NW, Terry's, Hungate, Castle Piccadilly, Nestle and Monks Cross) Policy Product Range Property and Urban Renaissance</p> | <p>Strategic Development and Property activity using selected land and property assets in key locations to support sustainable economic growth. YF will be investing in capacity support and in support of the delivery of key sites in the City; e.g. York Central circa - £14.7M; e.g. Terry's circa - £2M.</p> |
| <p>Further develop York as a centre for leading edge, modern, knowledgeable and science based businesses Policy Product Range Competitiveness, Enterprise & Access to Finance</p> | <p>Increasing regional business competitiveness amongst primarily SME's. Business Improvement and Innovation are key to this. Stimulating an Enterprising Culture, Business Start up programme providing business support to individuals and SME's plus Access to Finance. Investments in York to support businesses will continue to be made primarily through regional projects delivered locally, the impact of which will be reported annually e.g. Business Link Yorkshire programmes circa - £5.7M. YF will support York to promote business creation, business growth and survivability, and the provision of appropriate start up and growth finance.</p> |
| <p>Strengthen competitive position in leisure and business visitor market Policy Product Range Marketing the Region through Tourism and Major Events</p> | <p>YF will be investing in this priority through our Major Events and Tourism, Policy Products. Our Major Events Team will be looking at opportunities to bring events to York but funding will only be allocated when suitable events have been identified. York will be a beneficiary of the investment agreed into the Visitor economy in the Region. The exact level of investment will be determined through the Business Plan.</p> |
| <p>Enhance city's broad based economic structure including retail, culture and city centre Policy Product Range Marketing the Region through Tourism and Major Events</p> | <p>Our Major Events Team will be looking at opportunities to bring major events to York but funding will only be allocated when suitable events have been identified. York will be a beneficiary of investment agreed into the Visitor economy in the Region. The exact level of investment will be determined through the Business Plan; e.g. visitor economy – Minster circa - £1M; e.g. National railway Museum circa - £2M.</p> |
| <p>Promote York and attract high value external investment Policy Product Range International Business</p> | <p>Investor development through Key Account Management Programme. YF investment under this theme will include local key account management support e.g. Key Account Management circa - £.04M.</p> |

| York's Key Economic Themes | Yorkshire Forward's Investment |
|---|--|
| Support university as key economic generator Policy Product Range Competitiveness | Increasing regional business competitiveness amongst primarily SME's. Business Improvement and Innovation are key to this. Yorkshire Forwards investments under this theme wick include ERDF support University of York, CSL and Science City. |
| Enhance skill levels within York workforce Policy Product Range Skills | York has identified as a priority the importance of demand-led skills provision, which meet the needs of employers. Yorkshire Forward is committed to supporting York to develop higher level skills, targeted at growth sectors and raise aspirations. Yorkshire Forward will work to ensure that businesses and individuals have the skills they need to compete in Europe and the World, through raising the aspirations of individuals, stimulating business demand and developing skills solutions; e.g. York Higher Level circa - £1.5M. |
| Translate economic prosperity into benefits for local people Policy Product Range Economic Inclusion | Increasing the numbers of people in employment, local economic development in deprived areas, supporting the changing labour market and creating opportunities for all are a priority for York e.g. York Employment circa – £0.4M by targeting particular areas in York. |
| Ensure modern sustainable transport infrastructure meets needs of the economy Policy Product Range Property and Transport | Investment in transport will be determined by the Regional Transport Partnership. The focus of YF transport policy is to secure influence and our approach is to work to influence key agencies and organisations with the aim of addressing regional priorities. Some of these needs will be addressed through property solutions on particular sites within York. |

York Local Authority is committed to raising the aspiration of those living within its boundary seeing this as crucial to its long term economic success. Yorkshire Forward shares this aspiration and recognises the complexity of this task. This long term aim runs alongside the shorter term urgent need to respond appropriately to the economic down turn and to keep confidence high ensuring that ambition and aspiration can continue to develop. YF will be making money available to ensure that both the short term and long term aims of the LA can be taken forward to tackle this complicated area.

Proposed Financial Allocation:

| Non-regional activity | | | | Regional activity | | | |
|-----------------------|---------------------------|------------------|-----------|----------------------|---------------------------|------------------|-----------|
| Approved & Committed | Currently under Appraisal | Future Proposals | Sub Total | Approved & Committed | Currently under Appraisal | Future Proposals | Sub Total |
| £1.2m | £14.0m | £12.9m | £28.1m | £9.6m | £6.2m | £10.2m | £26.1m |

| | |
|---------------------|---------------|
| Grand Total: | £54.1m |
|---------------------|---------------|

North Yorkshire Geographic Programme: 2009/2014

North Yorkshire's vision is to have a sustainable and prosperous economy where its people are able to Aspire, Achieve and Enjoy. To help achieve this vision the sub-regional partnership has developed five transformational themes. The themes reflect the priority areas identified through the Strategic Economic Assessment of North Yorkshire undertaken in 2006. Specific local interventions and projects in local authority areas are described in district chapters. The priorities outlined in the Geographic Programme are reflected in the North Yorkshire LAA both through National and Local Indicators. These include NI 152 reducing the number of working age people on out of work benefits by 5% by 2010/11 ; NI164 - Increasing the proportion of the population aged 19-64 for males and 19-59 for females qualified to at least level 3 or higher from a baseline of 48% to 57% by 2010/11: NI171- increase the number of new businesses registered and the local indicators L36 - To grow the Creative Industries Sector by 120 new business by 2010/11 and L37- To increase the value of tourism earnings in North Yorkshire by £78m by 10/11. YF will work with partners in North Yorkshire to meet these targets and the aspirations in the vision. The GP will deliver outcomes in line with Yorkshire Forwards contribution to the Regional Economic Strategy in terms of businesses supported, places developed and people in to jobs. Individual targets for LAs will be developed as GPs develop and in line with changing economic circumstances.

| North Yorkshire's Key Economic Themes | Yorkshire Forward's Investment |
|--|--|
| Exploiting Knowledge and Innovation Policy Product Range Competitiveness | The sub-region will benefit from regional projects designed to improve innovation in business and to help businesses develop and expand. Yorkshire Forward will support regional business competitiveness, primarily in SMEs. Activity will focus on business improvement, via Business Link Yorkshire, Technological Improvement & Innovation The impact of these projects will be reported to the sub-regional partnership on an annual basis. |
| Stimulating and supporting enterprise and an enterprising culture Policy Product Range Enterprise & Access to Finance | Through the Business Link Yorkshire Network, Yorkshire Forward will support the sub region to encourage business promotion, business creation, business growth and survivability, and the provision of appropriate start up and growth finance. Over the five years of the Geographic Programme this will see investment from Business Link's regional programmes into the sub-region e.g. circa - £29M. Yorkshire Forward will work with partners to develop a strong culture of enterprise across the region. The work of Business Link Yorkshire in the sub-region will be reported to sub-regional partners on an annual basis. |
| Developing a contemporary high quality cultural and environmental offer. Policy Product Range Marketing the Region through Tourism and Major Events; Rural Renaissance: Lower Carbon Economy | Yorkshire Forward will be investing in this sub-regional priority through our Major Events, Tourism, Renaissance and Environmental Policy Products. Our Major Events Team will be looking at opportunities to bring major events to the sub-region but funding will only be allocated when suitable events have been identified. The sub-region will be a beneficiary of the investment agreed into the Visitor economy in the Region. The exact level of investment will be determined through the Business Plan. Investment of e.g. circa - £2.2M will be made from regional funds into Environmental projects in the sub-region, including a pilot project for Low Carbon Rural Capitals. |
| Attracting and developing knowledgeable and creative people Policy Product Range Skills | Yorkshire Forward will contribute to this sub-regional priority through investment in High Level Skills and Graduate Entrepreneurship programmes. This investment will be channelled through the local delivery of regional programmes. |
| Ensuring a connected sub-region Policy Product Range Transport; Competitiveness | Yorkshire Forward will continue to support NYNET to provide next generation broadband to the sub-region. Support for local transport solution to help people access work or training will be developed and delivered through regional projects although local partners may act as deliverers. |
| Significantly raising the economic performance of Scarborough Town Policy Product Range Urban renaissance: Skills Economic | The 2007 SRIP review identified three priorities for the development of Scarborough: Developing a contemporary and vibrant Scarborough renaissance programme; Develop Scarborough as a Learning Town; Connecting local people to Local Jobs. To help meet these priorities, Yorkshire Forward will invest in Scarborough Town through an additional investment into the renaissance process e.g. circa - £11M. As well |

| | |
|--|---|
| North Yorkshire's Key Economic Themes | Yorkshire Forward's Investment |
| Inclusion | as investment to encourage people off benefits and back into work through the Jobs Match programme and a potential investment in skills development to assist with the redevelopment of the Hull University Scarborough campus. |

| | |
|---|--|
| North Yorkshire's Key Economic Themes | Yorkshire Forward's Investment |
| Addressing the problems of rurality through building a sustainable economy Policy Product Range Rural Renaissance: Enterprise and Access to Finance | Yorkshire Forward will continue to support major investment in selected North Yorkshire market towns of Catterick/Richmond, Skipton, Northallerton/Bedale, Malton, Whitby and Knaresborough. A delegated fund will be available to support smaller activity in Settle, Boroughbridge, Helmsley and Kirkbymoorside. Yorkshire Forward will invest in the sub-regions renaissance market towns e.g. circa - £8M. Additional investment will be made in market towns, to encourage workspace developments, e.g. Rural Enterprise Capitals programme circa - £3M. Rural communities and businesses will continue to be able to access funding support from the Rural Development Programme for England or through the LEADER programme. Further investment is planned for the Selby District renaissance programme e.g. circa - £1M. |
| Sustaining buoyant economies integral to the City Regions of Leeds and the Tees Valley (Harrogate and the Lowlands) Policy Product Range Rural Renaissance: Marketing the Region through Tourism and Major Events | Support for the buoyant economies bordering the Leeds and Tees Valley City Regions will come through continued investment through the RMT programme into lowland market towns close to the Tees Valley and through an investment into the first phase of the redevelopment of the Harrogate International Centre to ensure it remains the regions conference centre e.g. circa - £6.5M. |

North Yorkshire partners are committed to raising the aspiration of those living within its boundary seeing this as crucial to its long term economic success. Yorkshire Forward shares this aspiration and recognises the complexity of this task. This long term aim runs alongside the shorter term urgent need to respond appropriately to the economic down turn and to keep confidence high ensuring that ambition and aspiration can continue to develop. YF will be making money available to ensure that both the short term and long term aims of the North Yorkshire partners can be taken forward to tackle this complicated area.

Proposed Financial Allocation:

| Non-regional activity | | | | Regional activity | | | |
|-----------------------|---------------------------|------------------|-----------|----------------------|---------------------------|------------------|-----------|
| Approved & Committed | Currently under Appraisal | Future Proposals | Sub Total | Approved & Committed | Currently under Appraisal | Future Proposals | Sub Total |
| £5.6m | £0.0m | £29.1m | £34.7m | £48.5m | £17.8m | £17.1m | £83.6m |
| Grand Total: | £118.1m | | | | | | |

YORK & NORTH YORKSHIRE DEVELOPMENT BOARD ITEM 6

9th MARCH 2009

York & North Yorkshire PARTNERSHIP - ROLE AND BUDGET

1. Purpose of the report

1.1 This report sets out the future role of the York and North Yorkshire Partnership and the proposed responsibilities, budget and sources of income for the York and North Yorkshire Partnership Unit. The Partnership refers to the economic partnership led by the Development Board.

1.2. This report is based on a business case considered by the Partnership Executive in October and circulated to all partners for their consideration. The recommendations result from the feedback from partners which was considered by the Partnership Executive in February.

1.3. The business case very clearly differentiates between what will be delivered for the sub region and what applies to the county of North Yorkshire and shows the distribution of partners' funds accordingly.

1.4. The report seeks the approval of the Development Board for the role of the partnership and the budget and subscriptions for the Unit.

2. The Role for the Sub Regional Partnership

2.1 Because of the uncertainties in how economic development would be managed in the region in the light of the emergence of city regions, the York and North Yorkshire Partnership is operating on a transitional basis for 2008/09. Now there is more clarity on the way ahead, the report seeks to set out the rationale, role and costs for the York and North Yorkshire Partnership and its Unit.

2.2 The main rationale underpinning the importance of the Partnership is that much of local economic development activity relies on national and European funding which is mainly delivered through regionally based agencies. Local partners need to work together to evidence and present the case for investment in their priorities. An important second rationale is that partner working is required to co-ordinate service provision and increase the effectiveness of public and private investment.

2.3 The operating context is largely set by the Sub National Review of Economic Development (SNR), discussed in a previous agenda item. The SNR does not prescribe what is provided sub regionally, between the regional and the local levels of governance. That is in the hands of local partners.

2.4 The general case for sub regional working in that context is

- Working across functional economic areas
- Influence and advocacy
- Economies of scale for specialist activity

2.5 Specifically for the York and North Yorkshire sub region the issues that need to be addressed are

- Effective advocacy at regional level
- The County of North Yorkshire where two tier working requires the techniques and structures of sub regional working
- The alignment of boundaries with a wide range of other service delivery organisations
- The need for York to plan in the context of the wider York area for a wide number of issues, to work with North Yorkshire on Tourism and

culture and for North Yorkshire to benefit from and support the York economy.

- To provide a vehicle for collaboration between smaller authorities for both advocacy and technical support

2.6 Collaboration with Leeds City Region is however critical and needs to focus on

- Ensuring the North Yorkshire geographic programme helps deliver city Region objectives
- facilitating collaboration between York and North Yorkshire on those objectives

2.7 The case for a York and North Yorkshire Partnership based on the tasks below.

Regional interface - The sub region needs to ensure that the economic objectives of the sub region are reflected in the new integrated regional strategy and in the deliberations of the relevant regional thematic Boards. Secondly regional funding through regional institutions and regional delivery projects need to reflect the sub regions needs and opportunities.

Sub regional coordination - York has its own mechanisms for determining its economic policies and actions so the sub region will concentrate on coordination and collaboration including joint work on:

- Implementing the Investment Plan
- Coordinating activity on skills, Business support and Culture and tourism
- Facilitating EU and other sources of funding
- Complementing Leeds city region activity
- Research including support for economic assessments
- Coordination for the York sub area

County of North Yorkshire - The Sub Regional Partnership performs the role of the decision making body in respect of collective decision making between the local authorities in North Yorkshire and partners and acts as the economic thematic partnership for the North Yorkshire Strategic Partnership. This directly involves:

- Signing off the geographic programme
- approving and monitoring LAA targets
- agreeing a North Yorkshire economic assessment

3. York & North Yorkshire Partnership Unit

3.1 The business case set out a detailed rationale for the specific roles for the unit. It proposed that the differentiation between sub-regional (including regional interface work) and County activity is even more clearly delineated than in the past. These roles are set out in Appendix 1.

3.2 It proposes that the Partnership Unit addresses these activities with a core staff level of 6 with a budget of £332,000 for 2009/10. This is an increase on the budget £280,000 in 2008/09 principally reflecting the £18,000 identified to take on the Cultural Partnership and £30,000 to support skills activity in the North Yorkshire County area. The budget in 2007/08 was £390,000 but that was reduced by nearly 30% for 2008/09 to reflect loss of EU technical assistance funds for Objective 2, European Social Fund and from the LSC.

3.3 The unit derives income from partners, contracts and EU technical assistance. The opportunity has been taken to recast how sponsor income is allocated to particular activities. It is important that sponsors see explicitly where their funding is going and also to draw a clear line between sub regional and county activity. This is set out in Appendix 2, along with details of the subscriptions and other income.

3.4 Yorkshire Forward and National Parks have agreed to continue their support at current levels. Not all FE Colleges have given final agreement as yet so the budget assumes that five or six of the seven will contribute. For the first time Higher Education Institutions have been approached for support and all three have agreed to become sponsors. Business link Yorkshire has agreed support.

3.5 For local authorities, clear ratios of contribution for the sub regional work have been recommended by the Partnership Executive whereby the City of York contributes 25% of the local authority share (i.e. broadly pro rata to the population) and NYCC and the total District Council contribution share equally 75%.

3.6 Because of the skills issues in North Yorkshire, with the ending of funding for the North Yorkshire Learning Partnership by the LSC, the net effect of these changes is that the funding gap arises in the North Yorkshire component of the unit's work. NYCC have always given a larger amount to the Unit and this has historically supported specific North Yorkshire activity. However the increase would be substantial if it fell alone on the County Council and it is proposed that the increase is broadly shared between the Districts and NYCC but that a principle is established that NYCC pays 75% of the County element of the Unit's work and the Districts 25%.

3.7 Appendix 3 sets out the recommended local authority subscriptions. For York it is proposed that the core subscription remains unchanged with an additional contribution of £3300 for the Cultural partnership. The proposal for NYCC is an increase of £11,450 including £5200 for culture. For individual Districts, the subscription would be £7850 (including £685 for culture). This does represent an increase of the average District contribution but this varies from District to District especially compared to two years ago where some paid more than others because of Objective 2.

3.8 Selby District Council is still facing the largest increase in subscription and following discussions with that Authority who wish to maintain their support for the Unit, the Partnership Executive recommends that a transitional subscription increase of 100% should be agreed. This would still be the largest increase in percentage terms for any local authority. The District would pay the full subscription in 2010/11. This creates a cost of £2200 which could be met from the reserves.

3.9 It is expected that the Unit will have reserves of £130,000 at the end of March. These have been built up from savings and additional income gathered over the last 8 years. These reserves have been retained to avoid any further urgent calls on partners for financial support and to iron out fluctuations. They include provision of £50,000 for any wind up costs, £40,000 to cover deficiencies in planned income and the remaining sum to support the budget in future years. (£20,000 was used in 2008/09). Any sums left over should the Unit wind up will be returned to partners pro rata to their financial support.

4. Recommendations

4.1 The Board is recommended to

- a. agree that the roles of the York and North Yorkshire partnership as set out in the report should form the basis of future working**
- b. Agree that the proposals for the role and work of the Partnership unit are appropriate and the basis for future business planning**
- c. Agree that the proposed levels of financial support should be sought from partners.**

Jonathan French,
York and North Yorkshire Partnership Unit.

APPENDIX 1 ROLES FOR THE PARTNERSHIP UNIT IN 2009/2010.

| SUB REGIONAL(including regional interface) | | |
|---|--|--|
| Activity | Rationale | Description |
| Sub regional partnership - secretariat | The Sub Regional Partnership requires an independent capacity to manage its business | To provide both secretariat and policy advice to the Development Board and Partnership Executive |
| Sub regional partnership - Strategy and advocacy | The partnership need to ensure its policies and priorities are both kept up to date and reflected principally in the new integrated regional strategy. | To undertake reviews of strategies or ensure relevant partners are doing so. To orchestrate effective partner involvement and engagement in the regional strategy. |
| Business Support Partnership | The sub region requires a mechanism to develop its business support priorities and interface with Business Link Yorkshire and Yorkshire Forward. | Facilitating the long established sub regional partnership, agreeing policy and liaison with regional deliverers. |
| Culture Partnership | The sub region has agreed that it wants to establish arrangements to draw together cultural and Tourism work. | Facilitating the sub regional partnership, agreeing policy and coordination of activity |
| Skills Partnership | The sub region needs a mechanism for high level co-ordination and alignment of skills and employment issues across labour markets in light of changes to the delivery infra- structure, and to provide the means for the sub region to define its needs to regional funders. | Facilitating the sub regional partnership, identifying priorities, liaison with regional deliverers and coordination of partner activity. (part funded by ESF Technical assistance) |
| Research | There is a need for a research capacity to support development of strategy, case making and the preparation of economic assessments, linking to Yorkshire Futures. | To produce 'progress in the sub region', promote interchange on research between partners and provide data and information, (part funded by Yorkshire Futures) |
| ERDF advice and advocacy | To provide the capacity for advocacy for sub regional priorities at regional level, increasing ERDF awareness and supporting individual project development. | To participate in regional decision making and provide appropriate expertise to partners (part funded by ERDF Technical assistance) |
| ESF advice and advocacy | To provide the capacity for advocacy for sub regional priorities at regional level, and co-ordinate with other skills and employment activities. | To participate in regional decision making and provide appropriate expertise to support partners (part funded by ESF Technical assistance) |
| YNYPU admin and management | To provide an effective Unit | To provide resources for administrative and management support not attributable to other objectives (sub regional share) |
| NORTH YORKSHIRE | | |
| Activity | Rationale | Description |
| Geographic Programme | The arrangements for geographic Programmes require plan preparation and decision making through arrangement based on sub regional partnership structures. | Undertake role agreed by RDA, NYCC and District Councils to produce the programme and performance manage at strategic level. |
| North Yorkshire Skills Support | The County area requires co-ordination in respect of skills and employment issues ensuring effective two tier working, avoiding | To provide strategic support and advice to local Employment and Skills Boards and the NY strategic Partnership (part funded by ESF |

| | | |
|-----------------------------------|--|---|
| NY Local Area agreement | <p>duplication of effort and addressing gaps in activity.</p> <p>The sub regional partnership acts as the economic (including skills issues) thematic partnership for the North Yorkshire Community strategy.</p> | <p>Technical assistance)</p> <p>To participate in NY LAA activity, preparing and monitoring targets and contributing to strategy development.</p> |
| Rural Partnership/ LEADER | <p>The rural Partnership seeks independent advice, support on developing linkages to the economic agenda, preparation of contribution to geographic programmes and assistance on taking forward LEADER programmes.</p> | <p>To provide policy support to rural partnership and LEADER partnerships.</p> |
| Economic Assessment | <p>It is expected that it will be a statutory duty from NYCC to produce an assessment in 2010. NYCC would want to produce this through close partnership working.</p> | <p>Undertake role agreed by NYCC, working with District Councils and other partners to begin to prepare 2010 North Yorkshire Economic assessment.</p> |
| YNYPU admin and management | <p>To provide an effective Unit</p> | <p>To provide resources for administrative and management support not attributable to other objectives. (NY share)</p> |

Appendix 1 Partnership Unit Objective Budget for 2009/10 showing partner contributions

| | BUDGET | Partner contributions | | | | | | | | | | YF- gen | YF- res | OH inc | ESF TA | ERDF TA | |
|--|--------|-----------------------|-------|-------|------|-------|-------|-------|-------|-------|-------|------------|------------|-----------|-----------|------------|-------|
| | | NYCC | CYC | DCs | NP | HE | NYPOL | FE | BLY | | | | | | | | |
| SUB REGIONAL | | | | | | | | | | | | | | | | | |
| Sub regional partnership - sec | 16000 | 3350 | 2300 | 3350 | 1000 | 1000 | 1000 | 1000 | 1000 | | 2000 | | | | | | |
| Sub regional partnership - Strategy and advocacy | 26000 | 5200 | 2600 | 5200 | 1000 | 1000 | | 1000 | 1000 | | 9000 | | | | | | |
| Business Support Part. | 21000 | 2600 | 1800 | 2600 | | 2000 | | 1000 | 5000 | | 6000 | | | | | | |
| Culture 2012 Part. | 18000 | 5200 | 3300 | 5200 | 1300 | 1000 | | | | | 2000 | | | | | | |
| Skills Part. | 22000 | 3600 | 2500 | 3600 | | 2000 | 300 | 5000 | | | | | | | | 5000 | |
| Research | 28000 | 2600 | 1800 | 2600 | | | | | | 1000 | | 20000 | | | | | |
| ERDF advice and advocacy | 26000 | 1900 | 1200 | 1900 | | 2000 | | | | 1000 | 8000 | | | | | | 10000 |
| ESF advice and advocacy | 21000 | 2300 | 1500 | 2200 | | | | 5000 | | | | | | | | | 10000 |
| YNYPU admin and man. | 21000 | 4300 | 2900 | 4300 | | | | | | | | | | 9500 | | | |
| NORTH YORKSHIRE | | | | | | | | | | | | | | | | | |
| Geog. Prog. | 35000 | 15000 | | 5000 | | | | | | | 15000 | | | | | | |
| NY Skills | 30000 | 16000 | | 5000 | | 2000 | | 2000 | | | | | | | | 5000 | |
| NY Local Area agreement | 12000 | 9000 | | 3000 | | | | | | | | | | | | | |
| Rural Partnership | 7000 | 4300 | | 1400 | 1300 | | | | | | | | | | | | |
| Economic Assessment | 32000 | 16000 | | 5000 | 1000 | | 1000 | | 1000 | 8000 | | | | | | | |
| YNYPU admin and man. | 17000 | 4600 | | 4600 | | | | | | | | | | 7800 | | | |
| | 332000 | 95950 | 19900 | 54950 | 5600 | 11000 | 2300 | 15000 | 10000 | 50000 | 20000 | 17300 | 20000 | 10000 | | | |

Information on income

Local Authorities - see appendix 3

NP – National Parks - £2800 from North York Moors and Yorkshire Dales

HE - Higher Education. University of York £5,000, Universities of York St. John and Hull (Scarborough campus) £3,000

NYPOL – NY Police £2300 (to be confirmed)

FE - Further Education Colleges £2700 each – assumes five or six out of seven contribute

BLY - Business link Yorkshire - £10000

YF-gen – Yorkshire Forward £50000

YF- res – Yorkshire Futures for research £20000

OH inc – Overhead contribution from 2012 Delivery Officers and the Leeds City Region researcher (separate contracts – non core)

ESF TA and ERDF TA - EU technical assistance income.

APPENDIX 3 COMPARISON OF LOCAL AUTHORITY CONTRIBUTIONS 2007-2009

| | 2007/08 | | | 2008/09 | | | 2009/10 February report | | | Two year increase 2009/10 core over 2007/08 total |
|---------------|---------|-------|--------|---------|------|--------|-------------------------|---------|--------------|---|
| | Core | O2 | Total | Core | O2 | Total | Core | Culture | Total | |
| DISTRICTS | | | | | | | | | | |
| Craven | 2704 | 5410 | 8114 | 2842 | 1386 | 4229 | 7165 | 685 | 7850 | -12% |
| Hambleton | 2704 | 1041 | 3745 | 2842 | 267 | 3109 | 7165 | 685 | 7850 | 91% |
| Harrogate | 2704 | 2185 | 4889 | 2842 | 560 | 3402 | 7165 | 685 | 7850 | 47% |
| Richmondshire | 2704 | 5931 | 8635 | 2842 | 1520 | 4362 | 7165 | 685 | 7850 | -17% |
| Ryedale | 2704 | 2185 | 4889 | 2842 | 560 | 3402 | 7165 | 685 | 7850 | 47% |
| Scarborough | 2704 | 11341 | 14045 | 2842 | 2906 | 5749 | 7165 | 685 | 7850 | -49% |
| Selby | 2704 | 0 | 2704 | 2842 | 0 | 2842 | 7165 | 685 | 7850 | 165% * |
| CITY OF YORK | 16500 | 0 | 16500 | 16900 | 0 | 16900 | 16600 | 3300 | 19900 | 1% |
| NYCC | 52800 | 28000 | 80800 | 77300 | 7200 | 84500 | 90750 | 5200 | 95950 | 12% |
| | | | 144321 | | | 128495 | | | 170800 | |

The increase is compared to 2007.08 as 2008.09 was a transitional year.

** Contribution for 2009/10 £5650 on an transitional basis.*

YORK & NORTH YORKSHIRE DEVELOPMENT BOARD ITEM 7

9th MARCH 2009

PROGRESS REPORT

1. Purpose of the report

1.1 This report to the Board provides a brief update on matters discussed at the Partnership Executive that will have an influence on future work but do not require any decision making.

1.2 The areas covered are

- EU funding
- The role of the Voluntary sector
- Private sector engagement
- The York area
- Sub regional partnerships for Skills, Culture and business Support
- North Yorkshire Local Area Agreement

2.0 EU funding

2.1 A review of performance on EU funding concluded that

- we need to more involved and informed of the impact of what are a large number of regional projects delivering in our area,
- it appears that we currently on track to receive a 'fair' allocation of investment in the short term
- the pipeline for future projects for European Regional Development Fund (ERDF) investment is weak
- the University of York is successfully taking advantage of R and D funding
- We need to develop our knowledge of other funding streams for inclusion in future reports.

2.2 Over £24m of ERDF has been committed to the sub-region, including nearly £20m for the expansion of the University of York and related projects. This represents 35% of the total amount committed to date in the programme regionally, excluding South Yorkshire. A further £64.5m of ERDF expenditure is in the Yorkshire Forward "pipeline" for projects from the rest of the region – but no further projects are currently being considered from York and North Yorkshire. Around half of these projects may deliver some activity in North Yorkshire

2.3 During the lifetime of the programme, which ends in 2013, the sub-region could look for a total ERDF investment of c. £62.5m. Currently the sub region has hardly any projects in the pipeline and there may be real difficulties in bringing forward sufficient activity to enable us to claim our 'fair' share.

2.4 Immediate actions include working to:

- Maximise opportunities arising from the inclusion of Scarborough town in Priority 3 of the programme.
- Encourage enterprise in disadvantaged areas, particularly Scarborough
- Consider collaborative projects which could link initiatives in disadvantaged areas across the region
- Assess the ERDF potential of projects in the York and North Yorkshire Geographic Programmes
- Look at how objectives could be achieved e.g. social enterprise – through development of regional projects – or by local schemes

3.0 The role of the Voluntary sector

3.1 The NYFVO and its partners have prepared a report on the voluntary sector. The Third Sector makes an important contribution to the economy of York and North Yorkshire. It employs more than 10,000 people, has revenue of £270m, delivers volunteering activity valued at £103m and contributes 1.5-3% to the sub-regional GDP. The Third Sector works in partnership with others, for example to help deliver LAA targets; to regenerate neighbourhoods; to deliver public services and to promote social enterprise. There are opportunities to strengthen this partnership working, to contribute to creating an environment for a thriving Third Sector and to invest in the Third Sector to improve its impact and effectiveness.

3.2 The report is a part of a series being presented to each of the thematic partnerships across the North Yorkshire Strategic Partnership (NYSP). The purpose of the series is to enable NYSP partners to explore the contribution and value of the Third Sector and seeks to enable each of the thematic partnerships to lend support and commitment to the creation of an 'environment for a thriving Third Sector'.

4.0 Private sector engagement

4.1 Private sector engagement with economic development processes has always been an important objective but has often been quite difficult to achieve. There are some examples of good practice, particularly in Renaissance Town Teams, York-England.com (inward investment and key account management), business associations formed around industrial estates and work on the future of the York economy.

4.2 Private sector engagement also tends to be more effectively achieved in urban locations where the private sector might be a more cohesive group and where the numbers of the public sector participants is in itself limited in numbers.

4.3 However, there are very real benefits from achieving a much greater and a more efficient dialogue with the private sector. These are:

1. **Improved service delivery** – ensuring coherent and relevant public funded services aimed at the private sector.
2. **Active representation** – ensuring that the views of the private sector are represented fully in public policy development.
3. **Efficient consultation** – facilitating private sector input into community and governance issues.
4. **Clearer research** – providing an agreed and widely accepted evidence base of business needs, whether for investment, skills, transport or other issues.

4.4 The merger of the York and North Yorkshire and Leeds Chambers of Commerce has provided a vehicle with a much stronger capacity to facilitate engagement with the private sector, although there are some sensitivities in parts of North Yorkshire where membership of that Chamber is more limited.

4.5 It does however provide a vehicle for engagement with the private sector beyond its membership. For instance, the Chamber has promoted the idea of a "Skills Board" to articulate the skills needs of employers and this is being considered as part of the establishment of the York & North Yorkshire Employment & Skills Partnership, as discussed further down this report. In moving forward with private sector engagement it would look as if the skills dimension is the appropriate lever or initial priority to see if new working relationships can be established.

5.0 The York area

5.1 The York area is defined in both the Strategic Economic Assessment which led to the identification of the York area in the Investment plan and the parallel work on the Regional Spatial Strategy which identified the York sub area as one of its six spatial sub areas. Besides York it includes most of Selby district, a substantial part for Ryedale including Malton and the area around the A64, parts of Hambleton especially Easingwold and southwards and the easterly fringes of Harrogate district. Parts of the East Riding especially Pockington should also be included.

5.2 It is defined by the extent the City is a focus over a wide area for employment, education (especially FE but also HE), retailing and culture. The economic development of smaller towns in the catchment area is also increasingly dependent on opportunities spinning out from or seeking close proximity to York.

5.3 The Partnership Executive has started to identify the key issues that may need to be considered. These include

- City Centre masterplanning and the impact beyond the City's boundaries
- Science City York – integrated with the vision for Selby and Malton and the wider North Yorkshire economy as it develops its regional role.
- Sites and Premises strategy – to develop a strategy for business property across the York area
- Labour Market – to draw up priorities for investment in skills across the labour catchment area.
- Education- To integrate labour market information and wider York area issues into the collaboration required around the 16-19 cohort and the changes in responsibilities for commissioning FE and Sixth form provision. The importance of Higher Education is also being discussed but in the context of a the wider North Yorkshire area.
- Leeds City region – to set out what might be the priorities for City Region activity relevant to the sub area e.g. Finance and Business Services.
- Spatial Planning – put in place mechanisms to discuss transport, Housing and Infrastructure development
- Tourism and Culture – This has an impact of York extending significantly beyond the York area and might be best undertaken by the Cultural Partnership

5.4 Actions to take these forward are included in the bid for LGYH resources under the REIP programme (see agenda item 4)

6.0 Sub regional partnerships for Skills, Culture and Business Support

Skills

6.1 It is proposed that the new York and North Yorkshire Employment and Skills Partnership will lead and champion the skills agenda for the sub region, promoting engagement with employers to build business driven demand for skills in order to support the sub region's economy and improve aspirations and opportunities for all. It will:

- maintain and develop as the focus of action the sub regional priorities for skills through raising aspirations, engaging employers in renewing skills and sustaining the high level knowledge base for competitiveness
- champion skills within the wider partnership structures in the sub region
- develop and ensure the delivery of an integrated employment and skills strategy

6.2 A critical issue is the chair. The ambition is to find someone who will be able to champion skills sub regionally and regionally. Ideally they should be in a non-executive capacity and would have a position at Development Board level. The chair might already have or would be entitled to membership of a regional body dealing with employment and skills strategy and they would be expected to represent the sub region's position and needs on skills at that level.

Culture

6.3 At the last meeting of this board a report regarding the restructuring and reinvigorating the cultural partnership in York and North Yorkshire was considered and an amended report subsequently agreed by email. It endorsed that

- That a newly formed higher level Cultural Partnership should be established, in particular bringing together culture and tourism;
- That this new Partnership reports directly to the Partnership Executive and this Board and that the Partnership Unit acts as its secretariat;
- That a 2012/cultural team should be recruited to support the work of the Partnership and assist in the delivery of cultural related projects and to maximise the opportunities for York and North Yorkshire from the 2012 Games;
- That the current North Yorkshire cultural prospectus/strategy should be refreshed.

6.4 Progress on these is as follows:-

- A small task and finish group set out and agreed an initial structure for the Partnership. The Cultural Partnership Executive involving local authorities, key regional cultural agencies and the Area Tourism Partnerships will have its first meeting on 12th March 2009.
- The Partnership Unit has now taken on the role of Secretariat and have built this into the Units Business Plan;
- The 2012 Team to be based within the Partnership Unit have been recruited. The two officers are to take up their roles on the 2nd March 2009.
- Work is ongoing regarding the development and refresh of the strategy. Through the Partnership Unit a paper, including an initial scoping, reflection on what has previously been achieved and a look to future issues is being prepared for the meeting on the 12th March.

Business Support Partnership

6.5 The Business Support Partnership brings together local partners and Business Link Yorkshire and Yorkshire Forward. It has sought to concentrate on those areas of business support set out in the SRIP that are not necessarily part of mainstream programmes or where there is a particular local relevance. It will also seek to ensure that regional based ERDF schemes are delivered in the sub region.

6.6 The main areas of activity are

- Enterprise in disadvantaged areas - ascertaining what is being provided and what could be provided additionally in areas of deprivation especially in Scarborough and York
- Social enterprise- working with the voluntary sector and others to ensure that a package of support is available
- Tourism and the visitor economy – ensuring that the support for this sector is integrated and the opportunities for assistance are properly disseminated

7.0 North Yorkshire Local Area Agreement

7.1 The Board has the role of the Economic Thematic Partnership for the North Yorkshire Strategic Partnership. A report on the progress to date of the Economy and Enterprise Local Area Agreement 2 (LAA2) targets for North Yorkshire, covering the period April 2008 to Dec 2008 has been considered by the Partnership Executive. This reviewed progress on current targets.

1. **NI152 - Working age people on out of work benefits (designated indicator)**

For North Yorkshire this Indicator aims to reduce the proportion of working age people in Scarborough Borough on out of work benefits. This indicator is heavily influenced by the economic downturn. Whilst there are a number of initiatives to tackle worklessness, it is seen as very unlikely that the target for 2008/09 will be met as the job gains potentially achieved will be outweighed by other losses.

2. **Level 3 – NI 164: working age population qualified to level 3+ (designated indicator)**

At present there appears to be no areas for concern but the impact of the economic downturn on this target will be closely monitored.

3. **New businesses - N171**

No targets have previously been set for this indicator as data has been unavailable. Discussions are being held with GOYH on this issue and proposals have been sent to them.

Local indicators

4. There are also two local indicators, namely to:

- Grow the Creative Industries sector (to increase the number of businesses in the Creative Industries sector by 2010/11) - Local Indicator 36
- Increase the value of tourism earnings - Local Indicator 37

In relation to measuring the principal outcomes for these indicators (e.g. the actual number of businesses in the Creative Industries sector), the methodologies for producing more recent data are being developed.

The primary spend in tourism (accommodation) appears to be holding up. There is also some optimism that the weak pound will increase both domestic and foreign trips to North Yorkshire destinations.

8.0 Conclusions

The Board is asked to note this report

Jonathan French
York and North Yorkshire Partnership Unit