



Economy and Place Directorate

West Offices
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Our Ref: NJF/SB

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York, North Yorkshire and East Riding
Enterprise Partnership
The Lodge,
2 Racecourse Lane,
Northallerton.
North Yorkshire
DL7 8AH

Dear Recipient,

I am writing on behalf of City of York Council to formally respond to York, North Yorkshire and East Riding LEP's consultation on its Local Industrial Strategy.

Given the central focus on boosting productivity and raising earning power, the Local Industrial Strategy (LIS) is an important document for the City of York. While York benefits from higher levels of productivity (measured by output per hour worked) and full-time workplace earnings than the rest of the region, these are still lower than the UK average. City of York Council is supportive of York, North Yorkshire and East Riding LEP's approach to transform productivity by prioritising "good growth" for the people of York and North Yorkshire, i.e. growth that is both sustainable and inclusive.

The LIS priorities for York and North Yorkshire strongly align with the City of York Council Plan 2019-2023, the Council's strategic framework which aims to ensure that all residents in York enjoy the best quality of life. We also support the LEP's place-based approach, with the strategy clearly articulating York's global brand appeal, innovation and knowledge strengths, growth potential (York Central EZ site) and digital infrastructure assets. We believe that the three priorities outlined in the LIS consultation document, if followed through, will enable the LEP to achieve its strategic ambitions.

One particular gap however, is the development of a fast and reliable rail network across York and North Yorkshire. While York is situated in an enviable position at the heart of the UK's rail network with fast rail connections to the UK's major cities, connections to nearby towns in North Yorkshire are slow and infrequent with the network suffering from capacity constraints and poor reliability. This poor connectivity acts as a barrier to people accessing employment, training and education opportunities, particularly from more deprived communities, and acts as a disincentive to sustainable travel.

Given that investment in infrastructure is at the heart of the LEP's three LIS priorities, improving rail connectivity across York and North Yorkshire would achieve the LEP's strategic ambitions - from transforming local communities to achieving its zero-carbon ambitions and unlocking business and productivity growth. City of York Council welcomes the LEP's intention to develop an Infrastructure Investment Plan to deliver the actions identified in the LIS, and we suggest that improving York and North Yorkshire's rail connectivity should be a priority if the LEP is to achieve its productivity, inclusivity and sustainability ambitions for the sub-region.

With regards to unlocking constrained growth and realising the sub-region's productivity potential (LIS Priority 2), we welcome the LEP's thinking around how it can use its business support programmes to more effectively support better businesses and workplaces so that every employee in York and North Yorkshire can realise their potential. It is also important to recognise that while LEP-funded business support programmes are well received by beneficiaries, the vast majority of businesses receive support from private sector providers. We therefore encourage the LEP to continue to promote the take-up of business support provided through such channels and to work with business networks such as the FSB and Chambers of Commerce to engage with businesses.

Whilst it is crucial that the LEP's business support offer addresses issues such as access to finance, innovation capacity, and driving better business practices, it is also important that issues such as the quality, affordability and availability of business premises across the sub-region are also addressed. Ensuring the supply of high-quality workspace is a key concern locally. Especially in maintaining the critical mass of rail employment in the city, with York home to 5,000 jobs – 10% of the national rail industry and two-thirds of all rail jobs in Yorkshire and the Humber. York Central is key to this, and that development is rightly at the heart of the Council's economic strategy. The Council is pleased to see that support for this nationally-significant development is also included in the LIS. Finally, if the LEP is to achieve its ambition for York and North Yorkshire to become a carbon negative circular economy, it is also important that businesses not only have access to finance to scale-up, but

also to transition to low-carbon methods, positively addressing climate change.

While the LIS rightly prioritises investment in skills to support growth, emphasising the need to address skills shortage vacancies in key sectors (ICT and Digital, Manufacturing, Construction and Utilities) as well as ensuring that those outside the labour market have access to opportunities and those in employment have access to ongoing training and development, we feel that the LEP could be more ambitious in terms of its range of interventions. Ensuring that all funding for apprenticeships is spent locally and that businesses benefit from more effective utilisation of the Apprenticeship Levy are two key issues that would have a transformative impact on the skills landscape if addressed. In supporting the above, the Council would encourage the LEP to fully embed skills into its wider business support offer, delivering a joined-up skills brokerage service across York and North Yorkshire that not only supports skills provision, but also strengthens local supply chains.

The LIS also recognises that future mega-trends such as automation and digitisation have the potential to transform productivity in traditional businesses, changing the way that people work, both now and in the future. Supporting workers to adapt to technological change with better and creative skills is crucial if we are to support workers to transition into well-paid jobs, and develop an inclusive economy. As a result, there is a strong need for high quality careers and retraining services, for young people and adults alike, as well as ensuring that education and training provision meets the needs of local people and businesses. This requirement needs to be clearly articulated in the LIS, with a plan for how this will be achieved.

City of York Council agrees with the LEP's identification of the significant contribution that the sub-region's natural resources and innovation expertise can make to address the Government's Clean Growth challenge. The LIS quite rightly recognises York's role as the hub for the region's bio-economy cluster with key assets such as the University of York, FERA Science, the Biorenewables Development Centre and BioVale innovation cluster all located in the local authority area. These innovation strengths offer inward investment, circular/clean growth and job creation opportunities for the city and wider sub-region while tackling global challenges, including carbon-zero and finding value from waste.

We also welcome the LIS focus around enabling the shift to a carbon negative circular economy (LIS Priority 3), especially given the Council's declaration of a Climate Emergency and target to be Net Carbon Neutral by 2030. York has history of taking the lead on improving environmental sustainability, with a series of past measures implemented to reduce both

Council and city-wide emissions. Our new Council Plan places emphasis on “a greener and cleaner city”, with a series of immediate actions and projects underway to address the climate emergency. Continued support and collaboration with the LEP on this agenda is required.

In addition to the above, the Council is committed to developing zero carbon developments which will support inclusive and sustainable communities. The Council’s Housing Delivery Programme will see over 600 new homes delivered to low carbon/passivhaus standards and York Central, the Council’s flagship mix-use regeneration site, will adopt exemplar standards of design and construction. We support the LEP’s identification of clean construction as being an important area of future growth in York and North Yorkshire, however there is a need to understand the demand and capacity within industry and local supply chains around clean construction skills. Given the scale of housing growth planned over the next 20 years coupled with the urgent need to reduce carbon emissions, we suggest that the LEP co-ordinates activity between further education colleges, local authorities and industry in the sub-region to better understand the skills requirements for clean construction and accelerate demand amongst industry.

City of York Council supports York, North Yorkshire and East Riding LEP’s LIS priorities which strongly align with Council priorities for York. We believe that these priorities, along with our suggested additions, will enable the LEP to achieve its ambitions, ensuring that everyone across York and North Yorkshire can benefit from a strong economy. It is important that the LIS is underpinned by a series of robust performance indicators in order to measure outcomes and evidence results. We look forward to continuing to working with the LEP to realise the economic potential that exists across York and North Yorkshire.

Yours sincerely



Neil Ferris
Corporate Director, Economy and Place