

YORKSHIRE DALES NATIONAL PARK AUTHORITY

30th May 2006**YORK AND NORTH YORKSHIRE INVESTMENT PLAN REVIEW:
STRATEGIC ECONOMIC ASSESSMENT – ‘FIRST THOUGHTS’ PAPER****Purpose of report**

To consider and comment on a ‘first thoughts’ discussion paper that has been prepared to assist review of the Sub-Regional Investment Plan for York and North Yorkshire.

Strategic Planning Framework

The information and recommendation(s) contained in this report are consistent with the Authority’s statutory purposes and its approved strategic planning framework:

- **National Park Management Plan**
“The National Park is important in regional economic thinking and is a recognised asset to the regional economy.”
- **Best Value Performance Plan**
“Promote ‘sustainable development’ within the National Park as the basis for long-term social and economic well-being of local communities...”
- **Policy Statement on Supporting Sustainable Economic and Community Development in the Yorkshire Dales National Park**
“Ensure the needs of the National Park and its communities are recognised and understood and assist the area in contributing to the delivery of local, regional, national and European social development and regeneration policies and programmes.”

Background

Investment Plans set out how Yorkshire Forward’s Regional Economic Strategy will be delivered at sub-regional level. They identify key priorities, aligned with regional and national economic objectives, and seek to focus and co-ordinate investment on these. Preparation of the Investment Plan in this sub-region is led by the York and North Yorkshire Partnership Unit and involves sub-regional partners but requires Yorkshire Forward’s approval.

The first Sub-Regional Investment Plan (SRIP) for York and North Yorkshire was adopted in July 2004, with a ‘light touch’ review last year. From now on the Plan will be reviewed in the year following review of the Regional Economic Strategy. As the Strategy was reviewed last year a more fundamental review of the SRIP is now being carried out. The Plan, to be completed by December 2006, will cover the five year period from 2007/08 to 2012/13.

The review process has started with preparation of a Strategic Economic Assessment, using available evidence to help determine the focus and priorities for the Plan. This phase will be completed by next month. In order to involve partners in drawing conclusions from the assessment and laying the foundations for developing the Plan, a 'First Thoughts' paper has been produced by the Partnership Unit to which responses are invited by the end of May at the latest.

'First Thoughts' Paper

After introductory sections the paper starts with setting out the regional policy context of the Investment Plan and gives a summary economic and demographic context in which key features and issues are picked out. Commentary on the six Regional Economic Strategy objectives from a sub-regional perspective provides the main part of the paper, with 'areas for debate' suggested in relation to each of these. This is followed by a section, 'Towards an Economic Strategy', that begins to lay the foundation for development of a long-term framework. This argues that by having in place a 10-20 year sub-regional strategy a consistent basis will be provided for developing this and subsequent Investment Plans.

The key sections of the paper are appended to this report.

Comments on the Paper

The Challenge Ahead

The opening sentence of this introductory section of the paper links economy and society. For completeness it could be argued that environment should be added. It also begs the question as to what is at the heart of the challenge, economy or society (or environment). The economy of the sub-region should be regarded as one of a number of factors helping to deliver and support a society that offers quality of life for all its residents and the type of society wanted. Investment planning should be for the long-term benefit of the sub-region and its residents, including its environmental assets.

The paper asks if the sub-region can offer the package of quality jobs and culture to provide the lifestyle opportunities wanted in today's society. Taking the sub-regional as a whole York and North Yorkshire has sufficient diversity to be able to meet a wide range of desires and expectations. However, at a more local level, whilst the opportunities shouldn't be underestimated, there needs to be acceptance of the inevitable limitations on what is possible that are imposed by small threshold populations, sparsity and commercial reality.

This introductory section also refers to demonstrating an intention to be ambitious and to make actions 'transformational'. Whilst innovation and more radical change will provide a way forward to tackling some issues in some situations, the focus on making major changes in direction shouldn't ignore opportunities for building on current strengths and successes.

RES Objective 1: More Businesses that Last

The 'areas for debate' identifies a need to convert self employment to an enterprise culture. Certainly past evidence has revealed higher than average new business start-ups in North Yorkshire, suggesting an enterprise culture already exists. The issue to be addressed is ensuring these new businesses survive and flourish, which comes down to local business

support services. This is especially important in areas such as the Dales where the economy is and will remain dependent on small scale entrepreneurial activity.

RES Objective 2: Competitive Businesses

'Creative industries', defined to include business sectors such as film and video, design and fashion, television and radio, visual arts and music, already have sub-regional associations and fit well with the area's character and image. Interventions should help attract and develop these industries further and realise the sub-region's full potential. High profile areas such as the Dales and Moors would be obvious candidates for selective, targeted intervention activity. Businesses would benefit from high quality, inspirational environments and many are likely to be of a scale that could be easily accommodated. They have the potential to bring to these areas the sort of higher quality, better paid and more diverse employment needed. As for the type of intervention, an initiative has been running in Cumbria, funded through Rural Regeneration Cumbria, providing revenue funding and business support to creative industries. Lessons could be learnt from this experience.

With regard to tourism, the paper is right to acknowledge the industry's importance to the sub-region and to suggest there are challenges ahead. From a National Park perspective the challenges are in balancing demands for new recreational and business opportunities and for improved quality in the industry with maintaining accessibility and affordability for all and the overriding need to safeguard the National Park's special qualities. The Authority's input into the Tourism Marketing Strategy developed by Yorkshire Tourist Board, and the Yorkshire Dales Area Tourism Plan will seek to ensure an acceptable balance is struck.

The Area Tourism Plan will have a life of approx 3-5 years and will be funded from a combination of Yorkshire Forward start-up funding and bids into the SRIP. The Plan for the Yorkshire Dales has been developed by a partnership and covers topics such as infrastructure, quality, product development, visitor management, signage, rights of way and training. The report will receive final consideration by partners on the 2nd June 2006.

RES Objective 5: Transport Infrastructure and Environment

Transport issues are complicated because many are not exclusive to or can be resolved or influenced within the sub-region. However, investment planning has the potential to generate or exacerbate traffic and transport issues so need to be considered. When the RES includes a commitment for the region to "be at the leading edge of action to reduce greenhouse gas emissions" the SRIP should be seeking to play its part in reducing emissions from transport as well as from other sources. There are a variety of actions that could be taken, from encouraging businesses to prepare and implement green travel plans to encouraging shortening of supply chains and more efficient use of transport of goods.

The RES also commits to taking "firm and imaginative action to encourage use of renewable energy and 'resource productivity' in business..." and the paper asks how business performance in relation to environmental impacts can be improved. As with transport it's important for the sub-region to commit to this and there are initiatives and networks, such as the Business Environment Forum, that could provide a basis for enhanced activity.

The paper asks how the sub-region might enhance its contribution towards sustainable approaches to economic development, using environmental assets. Underlying this is a

need to better understand these assets and their influences on the economy so that business/product opportunities and sensitivities can be identified. The current CNP 'Prosperity and Protection Project' could have relevance here. There is also a fundamental need to invest in these assets so that their potential in supporting a sustainable economy does not diminish.

The RES also refers to climate change and to land based activities. Water and land management will be ever-more crucial in minimising flood risks, ensuring there are reliable water supplies in future and in safeguarding the region's environmental assets. Management of the sub-region's resources raise issues and opportunities that should be considered by the SRIP.

RES Objective 6: Stronger Cities, Towns and Rural Communities

The 'areas for debate' asks whether there should be different approaches to tackling the issues of upland and lowland rural economies. Because constraints and opportunities are very different between the upland and lowland parts of the sub-region, greater intervention is generally needed in the more remote, upland areas, despite a strong spirit of self-reliance in these areas. If priority was to be given to increased public investment to encourage upland economies, this should recognise and build on the specialness and strengths of these areas. The Dales' particular status needs to be respected but can be exploited sustainably, making use of its high profile, strong image, varied interest and supportive public interest to develop products and markets.

Linked to comments above, the RES proposes "supporting sustainable approaches to farming, tourism and land management to assist the economy in (more remote rural areas) and secure a long term future". By this statement it clearly has the York and North Yorkshire sub-region primarily in mind. How these are approached and supported has implications for environmental assets and upland economies. Surprisingly the 'First Thoughts' paper makes no specific references to them. As they have relevance to debates under both this objective and RES Objective 5 they should be considered.

Towards an Economic Strategy

Whilst the value of having a long-term strategy, behind the SRIP, to give a consistent context for successive reviews of the Plan, is understood, the timescale proposed would bring problems. Because of frequent political and policy changes in approaches to economic development it will be difficult to put in place a strategy that could remain relevant and appropriate for such a long period. A vision, on the other hand, setting our aspirations for the sub-region, would be more likely to remain valid.

Even then the vision must acknowledge changes that are already happening. Under the Modernising Rural Delivery proposals Yorkshire Forward is taking on socio-economic programmes delivered previously by the Countryside Agency and DEFRA's Rural Development Service. Whilst these are unlikely to survive long into the future as separate funding programmes, with the money becoming part of Yorkshire Forward's single pot, some recognition of Yorkshire Forward widening interests needs to be reflected in any longer-term context for the SRIP.

The diagram, which seeks to encapsulate a vision, identifies 'quality of space' as a core value but fails to acknowledge environmental quality and assets as attributes.

With regard to sub-regional themes, focussing on a need to "continuously re-invent a competitive tourist industry" should not overlook the fact that some types of tourism in which there's growing interest - heritage, cultural and eco-tourism - are capable of further development in North Yorkshire and of bringing economic and environmental benefits. The potential extends to more than just 'culture'.

The 'areas for debate' asks if a separate sub-regional vision can be developed when there are a number of well established brands already. Reference to 'branding' here is confusing as generally this would be different from the development of a vision. If an additional brand was to be developed potentially it would cause confusion and dilute the impact of all. Agreeing a single sub-regional vision, on the other hand, would be desirable if this was achievable, although it is unclear how this would be used.

As for the structure of a strategy, because of the geographic and economic diversity of the sub-region, having this spatially based would allow sub-regional themes to be tailored to the particular needs, circumstances and characteristics of each sub-area. A suggestion for a sub-regional theme would be maximising the economic value of natural and cultural environmental resources through their sustainable use.

The Challenge for Local Strategic Partnerships

The paper poses particular issues for each of the sub-region's LSPs to address, but there is a wider issue concerning the role of LSPs in relation to the SRIP. It is not clear if Yorkshire Forward views the LSPs as offering a means of promoting and helping to deliver the SRIP priorities at a local level. From the LSPs' perspectives there may be questions about the linkages between the Community Strategies and the SRIP and the extent to which they influence one another. Whilst the issue is raised here, it is more a matter for the LSPs to debate.

RECOMMENDATION

That the York and North Yorkshire Partnership Unit be thanked for the opportunity to comment on the 'First Thoughts' Paper and asked to consider the comments contained in this report.

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Background documents: None

12th May 2006

**EXTRACTS FROM
YORK AND NORTH YORKSHIRE INVESTMENT PLAN
2006 REVIEW**

**THE STRATEGIC ECONOMIC ASSESSMENT
A 'FIRST THOUGHTS' PAPER FOR PARTNER DISCUSSION**

York and North Yorkshire Partnership Unit

THE CHALLENGE AHEAD

This paper is about what sort of economy and therefore society we want to see in the York and North Yorkshire sub region in 10 to 20 years time.

Compared to other parts of Yorkshire and the north of England we appear prosperous and successful. But that is not the case compared to the south and to many European regions.

Our young people achieve the highest results nationally, yet the skills of our workforce are no better than the average.

The coast and many rural areas are characterised by severe economic underperformance and may be slipping further behind. We still need to address the impact of significant economic change in York and Selby.

The country's major cities have raised their game moving from concerns of an 'inner city crisis' to becoming engines of economic change. Metropolitan life is more and more attractive to the most qualified and the most ambitious.

Is the sub region, or parts of it, in danger of becoming ever more suburban? Will cities so improve their environment, their cultural offer and even their educational attainment that even the traditional migration of thirty and forty year olds to the sub region may be a phenomenon of the past?

Some say that the sub region is a good place to finish your career but not to start. Is this the inevitable case for the future?

York and North Yorkshire offer innumerable attractions to live and work here and many would like to do so. Not every body wants to live in a big city. The scale of York is just right for some. Our towns offer a good way of life. The rural idyll remains a strong draw. But people want quality jobs and to be able to fulfil their potential not just at work but also culturally whether in the arts or sports. Can we offer that package for those who would prefer to live here?

This paper is about agreeing what is the direction we want to go in and what is the evidence that says that is realistic. Some might say we do not need to change? Does the evidence back that up? Is no change in effect a recipe for decline?

We will need investment if we want to change and capitalise on our opportunities which are many. This will come from both the public and private sectors. Private money backs success. Public money starts us on that road showing what could be done and by supporting the more adventurous.

We need to make our case for public money. That means we need to be clear on our priorities. We need to show that what we are planning to do is truly transformational. Many of our plans in the past have been 'fair shares for all', often the easiest route to go for the short term but perhaps not if we want to achieve ambitious long term goals.

Again we need the evidence to back up our case and increase the level of public investment.

This paper raises many issues and a response is not possible to them all. We need focused responses based areas of expertise or local interest.

But your response to this paper and the contribution that all organisations and peoples can make to a set of common objectives is vital.

REGIONAL ECONOMIC STRATEGY OBJECTIVES - THE SUB REGION'S RESPONSE

RES Objective 1: More Businesses that Last

Its sub objectives are

(A) Encourage more people to start a business

(B) Improve support to help new businesses start up

(C) Increase, retain and embed business investment in the region

Business formation rates (VAT registrations per 10,000 popn.) and levels of self employment are above the regional average, although the age profile of business owners is older. The number of businesses formed between 1998 and 2003 has increased by 25%, which is above the regional figure (12%). The sub region accounts for nearly 20% of all new VAT business registrations across the region although there are a large number of low growth businesses

The level of people thinking of starting a business is lower than the regional figure - only 4.4% of households were thinking about starting a business in 2004 compared to 5.1% for the region. Forecasts suggest only a small increase is expected in self employment, significantly lower than the forecast for the region as a whole.

There is a mixed pattern on firm formation and enterprise across the sub region. Harrogate and Ryedale have had high levels of firm formation and forecasts on starting business are good. The forecasts in York are also good although the City has historically had a lower rate of firm formation. Craven and Hambleton have a good historic record but forecasts do not suggest this will continue. Selby is in a similar position. Scarborough has a poor record on firm formation and this is expected to continue. Richmondshire takes an average position.

Y & NY inward investment makes up 16.6% of regional investment. Inward investment is general focused in York, Harrogate and Selby. Scarborough has the greatest difficulty in achieving economic growth relying on indigenous businesses and requires an effective inward investment strategy. Selby encounters similar problems but is better located and has growth potential.

Areas for debate

We need to understand further what we mean by enterprise culture and what our strengths, weaknesses and opportunities are and how these are differentiated spatially.

We have high levels of self employment especially in rural areas and on the coast but do we need to convert that self employment culture to an enterprise culture?

How can we convert the high levels of aspiration in York into new businesses? Can we create that aspiration in Selby?

Do we need to intervene to sustain the existing high levels of firm formation in the rest of the Sub region?

What is the long term role of inward investment activity for the sub region?

RES Objective 2: Competitive Businesses

Its sub objectives are

- (A) Foster innovation to develop new markets and products – including good links between business and higher education institutions**
- (B) Grow business and employment in knowledge based regional clusters**
- (C) Boost key sectors of regional significance**
- (D) Improve business support to support growth and cut red tape**
- (E) Apply best practice for business success and to help recruit and retain good staff**
- (F) Help businesses to win and expand markets through supply chains, trade and procurement**

The sub region overall performs slightly worse than the rest of the region in terms of businesses actively innovating. However businesses based in York spend significantly more per head of population on R&D than anywhere else in the region. North Yorkshire businesses also spend more than the regional average but this is half that of York.

The University plans to grow by around 70% within the next decade. Science City York has helped to create new technology businesses with close collaboration with all sectors of education. York has been designated one of six national science cities.

The situation for the sub region in respect of long established clusters is that

- The Digital Industries sector is a growing sector, outperforming the region between 1998 and 2003. The creative industries sector employs 11,600 people.
- It contributes 25% of the regions employment and output in the Food and Drink cluster and is the base for the Central Science Laboratory.
- For Advanced Engineering and Metals it has 10% of the regions employment and output and for Chemicals and Bioscience 8%. However there are more than 50 bioscience organisations which employ more than 3700 people in York.

In respect of the new clusters of Environmental and Healthcare Technologies the sub region has research strengths at York University. For healthcare there is a high level of expertise and knowledge within the Sub Region as well as major companies based here.

Tourism is a key sector for the sub region. It has five of the top visit attractions within the region. The visitor market is dominated by domestic visitors (55%) with day visitors a significant part of the market representing 36% of the value of all visitor spend across the sub region. The proportion of overseas visits is low at 7%.

The visitor age profile is getting older and is less likely to be from the wealthiest socio-economic groups. In York overseas visitor numbers have recovered slightly from a reduction. In general the region and sub region are out performing England as a whole. In

York, but also reflected across the sub region, expenditure by visitors is down. Overall long term trends, over the past 10 years have been positive.

42% of business surveyed in the sub region quoted red tape as an inhibiting growth, a similar figure to the region as a whole.

The sub regions businesses were slightly below the regional average in terms of having formal statements about improving impact on the environment and a mission statement on responsible business practise, but above average in respect of impact on the local community.

6% of the sub region's firms export and make up 9.6% of the region's exports. This is a proportionately low figure.

Areas for Debate

The success in York on innovation and links to Universities for bioscience and healthcare, IT and digital, and creative technologies has considerable further potential to develop. What form should that take?

How can innovative companies be supported and Higher education links be developed elsewhere in the sub region? What might be the contribution of York's national Science City position to increase prosperity across the sub-region as well as within the city?

The concentration of digital activity is greatest in the area covered by the Leeds City Region and small and medium sized food firms in the A1 corridor. Should interventions be concentrated in those areas to achieve greatest impact?

The creative industries are more broadly defined than in the digital (which includes media) cluster. Should there be a set of interventions for this sector and is this also to be spatially specific? If so , where?

Do the Advanced Engineering and Chemicals clusters need any specific sub regional interventions or is this adequately covered by regional activity?

How will Bioscience work be taken forward? How could we build job opportunities on the back of our research strengths in environmental and healthcare technologies?

On tourism we clearly have a challenge to secure the future of this key industry and ensure its competitiveness for the long term. The key question is whether the emerging Area Tourism Plans that are now being drafted will rise to this challenge. We also need to determine what is the relationship between the work on tourism and the development of culture as an economic driver. (See RES 6).

What are the key interventions we need to support our large stock of diverse businesses? What are the practical measures to reduce red tape that could be carried out in the sub region?

Businesses face significant challenges in the future. Labour markets will be tighter and the competition from globalisation will continue apace. What are the best measures to raise productivity? How do we raise management best practise?

How can we improve overall business performance in key areas such as international trade and supply chain development? Can local firms take more advantage of procurement opportunities in the public sector?

RES Objective 3: Skilled People Benefiting Business

Its sub objectives are

(A) Create a new enthusiasm for learning and increase attainment

(B) Improve basic skills and skills for everyday work

(C) Improve skills for technicians, crafts people and managers

(D) Improve the skills of people already in work and the potential workforce

(E) Improve higher level skills to capture the potential of people with degrees

(F) Use research and evidence on skills needs and business demand to guide action

There is a high level of educational attainment at Key Stage Two(aged 11) and Key Stage Four(aged 16) with the sub region exceeding national and regional averages.

5% of young people aged 16-19 in the sub region are in the Not involved in Education, Employment of Training group (NEET), the highest percentages were in York and Scarborough at 6%. Ryedale has the lowest percentage.

58.6% of economically active adults in the sub region are qualified to NVQ level 3 and 37% of economically active adults in the sub region are qualified to NVQ level 4. 21% of households in the sub region have at least one adult with a degree; this is slightly higher than the national average and also exceeds the regional average. The populations aged 16-74 who have no qualifications are mainly in the remoter rural areas, southern Selby District and the coast but there are concentrations of individuals in the urban centres of York and Harrogate.

Overall academic achievement is high with achievement in Level 2 at age 19 at the highest level nationally. But the skills level of the workforce is only on a par with the national average.

In respect of Skills for Life over 20% of the population lack skills but on the other hand the levels of Level 4 attainment is quite good. Lack of basic skills is concentrated in Scarborough and urban centres.

Areas for Debate

The main challenge is to increase qualifications and the skills of the workforce and they need to be more vocational. How can effort be devoted to achieving higher numbers of people on level 3? What are the skills required for future opportunities?

How do we reach and raise the aspirations of young people who are not in education, employment or training?

Can active measures be pursued to encourage more qualified young people to seek work locally? Can we increase the level of graduate employment?

What is the potential of higher education to raise and sustain the talent of the population outside the areas where there are active institutions?.

How can spatial differences in skill levels be best addressed? What is the role of Local strategic Partnerships?

RES Objective 4: Connecting People To Good Jobs

Its sub objectives are

(A) Devise and deliver a regional inclusion framework

(B) Develop programmes and projects to tackle worklessness and get more people into good jobs

(C) Use local area agreements to target resources to improve performance in the most deprived areas

(D) Utilise the voluntary sector to reach local people and improve service delivery

(E) Improve childcare and remove barriers that prevent people accessing work

In York and North Yorkshire a Social Inclusion Partnership has been in existence since 2004, bringing together the key agencies and LSPs and a Social Inclusion Framework for the sub region was developed in 2004.

Generally unemployment (i.e. people claiming Job Seekers Allowance) is low in the sub region compared with other sub regions and the region as a whole. Percentages of people receiving Incapacity Benefit are lower than the regional average, however they mask large variances where in some wards the percentage is almost 10% more than the regional average. Barriers faced by people in the sub region to accessing work are many and varied including age, health, caring responsibilities, skill levels and qualifications, access and transport issues. Scarborough often features worst on many of these measures.

The New Deal for Welfare green paper outlines major reforms in the benefits system and an emphasis on local consortiums coming together to tackle worklessness, with some funding available, through Pathways to Work, to support these actions.

Scarborough is the only district in the sub region with Super Output areas (SOA) in the top 10% of worst SOAs nationally. The other key concentrated areas of deprivation in the sub region are found along the coastal strip, parts of York and Selby. It is also important to note that many social inclusion issues in the sub region are widely dispersed across rural areas. The main issues in rural areas are access to services.

Voluntary sector are seen as key providers in delivering successful outcomes particularly on the workless agenda and with other hard to reach groups. Change Up initiative has involved both capital and revenue investment across the sub region and will continue to offer opportunities to strengthen the voluntary and community sector. Social Enterprise

development work is important in the sub region and is currently delivered through NYFVO, Business Link and Scarborough CVS.

Areas for debate

Should the responsibility for social inclusion issues be the responsibility of Local Strategic Partnerships? As LSPs are at varying levels of development does this impact on their ability to take forward the social inclusion agenda? Are there specific sub region wide issues which should be tackled at this level?

Is there enough information available on needs and provision? What should be the process for determining where limited resources are targeted where there are many competing needs? Is it agreed that tackling deprivation and overcoming barriers to work will require the development of innovative models particularly in rural areas?

RES Objective 5: Transport, Infrastructure & Environment

Its sub objectives are

(A) Ensure government commitment to the regions long term transport priorities

(B) Deliver initial transport schemes of economic priority

(C) Ensure effective energy, utilities and broadband investment

(D) Protect, enhance and utilise the environment and natural resources

The Sub region is generally well connected with the exception of the distance from Scarborough to national and international markets, and access to and from the remoter rural areas. The Rail network suffers from capacity and speed issues and the capacity and grade of the A64 is not up to the standard of other major regional road links.

Data suggests that travel to work patterns in the sub region seem to be either very short journeys characterised in York and Scarborough or very long journeys, usually out of the sub region. There is a high level of commuting out of Selby and from the north of the county to Tees Valley.

Traffic congestion is a major issue for York, and parts of Harrogate and Scarborough. Rural traffic congestion tends to be concentrated on the tourist 'honey pots' e.g. Malham, Reeth, Hutton Le Hole, Whitby and Pickering.

Current generation broadband now has 100% coverage of exchanges. The more remoter parts of the sub region will continue to suffer from an investment lag of up to five years in getting the most advanced telecommunications connections.

There are some capacity issues regarding utilities, particularly in the rural areas, adding significant costs to developments.

There is currently a high level of activity in piloting alternative energy projects. The Sub Region is well placed to take advantage of the growing trend in renewable energy.

Areas for debate

What is role of Investment planning in addressing transport issues? Can economic priorities have a significant influence on Local transport Plans and investment in other transport infrastructure such as railways?

Where are the areas where capacity in utilities is effecting economic development?

Can we optimise the potential for the sub region to be a leading player in alternative and renewable energy/technology? How can we improve the energy and resources efficiency of businesses?

What are the options for next generation Broadband?

What would strengthen the role of the Sub region in contributing to sustainable approaches to economic development, utilising the high quality environmental assets?

RES Objective 6: Stronger Cities, Towns and Rural Communities

Its sub objectives are

(A) Boost the role of city regions as economic drivers

(B) Deliver integrated renaissance programmes in major cities and towns

(C) Secure a strong and diverse rural economy

(D) Capitalise on housing and health and other public sector investment to support renaissance

(E) Use culture to contribute to the economy, renaissance and profile

The influence of the City Region of Leeds on the sub region is extensive as it covers Selby, York, Harrogate and Craven. Tees Valley has less impact extending to northern parts of Richmondshire, Hambleton and Scarborough. This is due to the weakness of its economy. However if it improves then its influence will spread.

York is an economic driver in its own right and this is reflected in the Regional spatial Strategy where it is both part of the Leeds city region but also is the focus for its own sub area. It is expected to be a growth point for the Leeds City region for the next ten years. It requires and is planning for major capital investment in both the City centre and on the York central site. It has effectively adopted a renaissance approach without having that formal status in terms of the Regional Economic Strategy.

Harrogate is not going through the same level of structural change as York and its physical growth is more constrained. However as the most prosperous part of the Leeds City Region it needs to maintain the competitiveness of its businesses in digital and financial services as well as its conference business.

Scarborough is formally an Urban Renaissance town and has substantial issues in terms of restructuring its economy and overcoming the effects of isolation. It requires substantial capital investment to address its under performing economy and social exclusion issues. It has opportunities in the cultural and creative sectors, higher education and the development of new employment areas.

Selby District also has a formal Urban Renaissance programme. The area has gone through and continues to require significant economic restructuring. It does require major capital investment but it is also well positioned, adjacent to the A1/M62 junction, Leeds and York. Its topography can accommodate large scale development as the granting of planning consent for the site that the European Spallation Source might be attracted to. It is expected to be the main growth area for the Leeds city region after 2016.

Rural areas characterised by low income levels and lower productivity. This becomes more apparent in remoter rural areas where structural changes in the economy are happening because of a reliance on traditional sectors which are in decline. Market towns also face difficulties in finding a new role. Analysis suggests these may divide into two broad groups those with high market failure, generally the more remote, and those with low market failure, generally in the lowlands.

Culture is now recognised as having tangible and significant impact on the economy. The sub region has an excellent asset base to build from including Festivals, Outdoor activities, Heritage and landscape.

Areas for debate

Is there a case for a 20 year plan for the York Sub Area showing what investment is required to enable York and Selby meet the growth requirements of the region and for York's special role as a science city? What do we need to understand further about the relationship between York and its intermediate hinterland including Selby and Malton?

To what extent do we understand the relationship between the sub region and the Leeds City Region especially as it applies to Harrogate and Skipton? What is the future role of those towns?

What are the appropriate connections we should seek to build with the Tees Valley City Region?

What is the scale of intervention required to turn around the economy of Scarborough town? How can we capitalise on the opportunities that the town is bringing forward to address its economic underperformance? Should Scarborough town have a twenty year investment plan?

Is the differentiation between market towns with low and high market failure appropriate and how does that influence the policy response?

Likewise is there a clear difference in approaching the issues of the rural economy between the lowlands and the uplands? Should the priority be the remoter rural areas? If so, what are the outcomes we wish to achieve in this area over the next 20 years? What would be a sustainable economic structure in areas of higher environmental quality?

Is the evidence in place that shows that culture is an important economic driver? What is the evidence for interventions? Can cultural interventions help create a more dynamic image of the sub region?

TOWARDS AN ECONOMIC STRATEGY

Proposals for an Economic Strategy

The SEA will conclude with a statement of priorities for future investment. It is intended that for the sub region this will be based on a 10-20 year strategy that will provide a context for both the next investment plan but also for those that follow it. It will be monitored and reviewed every three years but it is expected that it will seek to provide a consistent context for intervention over the long term.

The strategy will be based on a rationale, building from the SEA. Once a strategy is under discussion there will need to be some modelling as to the appropriate outcomes and how these relate to other strategies.

The sub region does need to sell itself. There is a general consensus that we need a 'five point pledge card' (or thereabouts) that easily encapsulates what we want to do. It should be sufficiently memorable so that we can deliver a simple message to funders and movers and shakers which can also be articulated by a broad range of partners.

A Vision

There is a need for a vision that encapsulates where we will want to be. This might be characterised as about positioning the sub region and developing our brand. This is not necessarily a brand that is used to market ourselves to businesses and visitors (although it might perform that function for parts of the sub region that lack a strong future identity), but might express how we want to be perceived both by our population and by Government. The diagram on the next page seeks to encapsulate a vision by looking at what might be our key audiences for the future— mobile entrepreneurs, young people and graduates, under 35s, creative/knowledge workers, skilled people, growth business and investors in high technology businesses and consider what would be the attributes that an area would need to attract them.

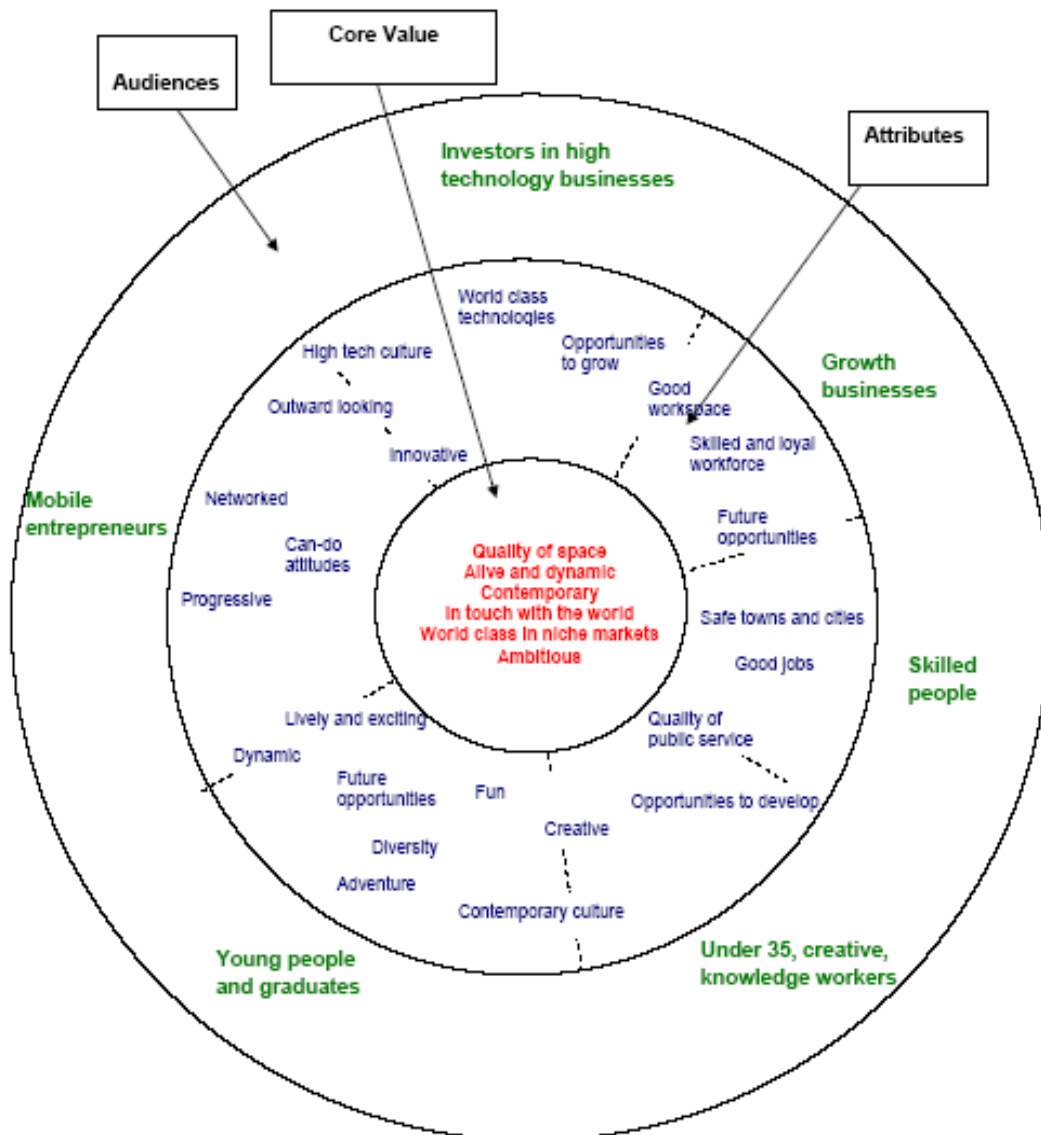
It then postulates that we would need to adopt core values that are

- Alive and dynamic
- Contemporary
- In touch with the world World Class in niche markets
- Ambitious
- Quality of space

Clearly we want to retain what is good in the area, but this suggests we want a vision that makes us more

- Outward looking, open the world, networked?
- Dynamic, ambitious, exciting, vibrant?
- Contemporary, cosmopolitan, global, confident?
- Enterprising, innovative, stimulating, creative?

POTENTIAL FUTURE POSITIONING OF YORK AND NORTH YORKSHIRE

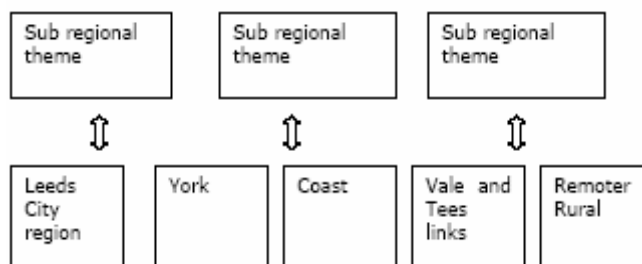


Sub regional/Spatial

This sub region covers five of the Regional Spatial Strategy’s geographical areas. This places it in quite a significantly different position from the rest of Region. East Riding has two and Barnsley relates to two areas. We also have the complication of the degree of overlay between the Leeds City region and the York sub area. The strategy also needs to be sufficiently flexible so if there is a greater emphasis given to city regions in future planning processes, then the contents need to be readily transferable. This all suggests that the strategy needs be based on the Regional Spatial Strategy’s geographical areas

Yet like other sub regions we have a series of interventions that are best addressed at sub regional level because they share a common policy platform and delivery mechanisms. They also provide the bridge between the objectives in the Regional Economic strategy and local delivery. They might also more effectively fulfil our ‘Five point pledge card’ objective.

For York and North Yorkshire, the relationship between the spatial and the sub regional poses a special challenge. Would we see a strategy that has this sort of structure as illustrated here?



Sub Regional Themes

What might those sub regional themes be? Work to date suggests that the following may encapsulate them. If agreed they need to be presented in memorable strap lines.

- The need to increase the level of enterprise and the creation and support of high value added businesses.
- Addressing the relatively poor level of skills in the workforce and the mis-match with the high levels of educational attainment.
- Raising the aspirations of the sub-region and developing a more diverse and youthful culture.
- Addressing the issue of the need to continuously reinvent a competitive tourism industry and the role of culture to develop as an economic driver in its own right.

Areas for Debate

Does the analysis provide a basis for a set of values for the sub region? To what extent can we develop a separate sub regional vision having regard to other brands already in place?

Should the strategy be based on the five spatial areas working with sub regional themes?

How might this be managed?

What might be the sub regional themes? Are there any inspired strap lines?