

**YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE**

**19<sup>th</sup> February 2009**

**10 -12.00 hours**

**Meeting Room 2, County Hall, Northallerton**

**A G E N D A**

**Apologies and Welcome**

- 1. Minutes of the Last Meeting**
- 2. Matters Arising**
- 3. The Voluntary & Community Sector(to be circulated)**
- 4. Geographic Programmes**
- 5. SRIP Programme and North Yorkshire Geographic Programme - Monitoring and delivery.**
- 6. Partnership Unit Business Case**
- 7. The Impact of the Credit Crunch and Downturn**
- 8. Implementing the Sub-National Review (SNR)**
- 9. Private sector engagement**
- 10. Sub Regional Partnerships**
- 11. Performance Management - European Union Funding**
- 12. North Yorkshire Local Area Agreement**
- 13. Agenda for Next Meeting of the Development Board**

**Jonathan French**

*York & North Yorkshire Partnership Unit*

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# YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE MINUTES OF MEETING

15 October 2008

## PRESENT

John Marsden (NYCC- Chair)  
David Smurthwaite (Craven District Council)  
Paul Grossan (Government Office)  
Peter Simpson (Hambleton D.C. / Richmondshire D.C.)  
Nigel Avison (Harrogate Borough Council)  
Claire Suddaby (Jobcentre Plus)  
Liz Burdett (Learning & Skills Council)  
Andy Wilson (North York Moors National Park)  
Helen Black (NYFVO)  
Janet Waggott (Ryedale District Council)  
Pauline Elliot (Scarborough Borough Council)  
David Sykes (Selby College)  
Martin Connor (Selby District Council)  
Colin Mellors (University of York)  
Julie Hutton (Yorkshire Forward)

## IN ATTENDANCE

Richard Flinton (NYCC)  
Jonathan French (YNYPU)

## APOLOGIES

Bill McCarthy (City of York Council)  
Roger Ransom (City of York Council)  
Allan Stewart (David Dykes substituting)  
Wallace Sampson (Nigel Avison substituting)  
Brian Dinsdale (David Smurthwaite substituting)  
Jim Dillon (Pauline Elliot substituting)  
David Andrews (Yorkshire Tourist Board)

### 1. MINUTES OF THE LAST MEETING

1.1 These were agreed

### 2. MATTERS ARISING

2.1 – **Item 11.1 - Eco Towns:** Jonathan French reported that he had not brought forward a further report on Eco-Towns because of the new state of uncertainty in respect of this proposal. **It was agreed that the Executive would not want a further discussion on this at this stage.**

### 3. Membership of the Partnership Executive

3.1 John Marsden introduced this report which followed through from the previous meeting in terms of broadening the membership of the Executive to include the Chief Executives of District Council's. This had been largely agreed but needed to be formally approved.

3.2 Jonathan French then raised the issues in the report about the membership of the Tourist Board in relation to the Cultural Partnership and also of the Chamber of Commerce.

3.3 Peter Simpson felt that he didn't want to lose direct contact with the YTB and that it might be appropriate to have two places. The issue could be kept open for

the moment. It was also agreed to extend and continue the membership of the Chamber by inviting Gary Williamson from the Leeds, York and North Yorkshire Chamber of Commerce and Industry.

3.4 The report also referred to the issues of substitute members and John Marsden emphasised the importance of the Executive's decision making body and named substitute should be sought from the Local Authorities at Director level.

### **3.5 The Executive agreed that:**

- a) To the membership of all Local Authority Chief Executives of the Executive from this point.**
- b) To obtain the endorsement of that from the Development Board.**
- c) Continue the membership of the Tourist Board of the Executive and to explore further how the cultural partnership might be represented once its membership has been established.**
- d) Invite a representative from the new Chamber of Commerce.**
- e) Agree to the substitute arrangements set out in the report.**
- f) Agree that a draft governance agreement should be produced for the next meeting.**

## **4. Feedback from the Development Board**

4.1 Jonathan French introduced the report which was noted.

## **5. York & North Yorkshire Employment & Skills Partnership**

5.1 Liz Burdett introduced the report which was prepared by the task group set up by the Executive in March 08 in response to the changing institutional and policy environment for skills. The objective was to improve the integration of skills into the wider economic development agenda.

5.2 She went through the report which recommended that a new York & North Yorkshire Employment & Skills Partnership should be established and that support should also be given to the new Local Employment & Skills Partnerships based on district council boundaries. She emphasised the importance of links to the 14-19 agenda as well as to adults. More work was required on membership. The new partnership would take over the functions of the North Yorkshire Learning Partnership and work with the York (in terms of future shaping the Lifelong Learning Partnership.)

5.3 Peter Simpson agreed with the principles. He thought it was important to perhaps describe the diagram as a "set of relationships" and felt that in paragraph 14 of the report emphasis should be added to informing and working with LSP's as well. He thought it might be helpful to consult and involve the LSP's in the establishment of this new partnership. Local ESP's need to work very closely with their LSP's.

5.4 Colin Mellors likewise supported the paper and observed that with the appropriate employer participation it might be possible to get a strong leadership from the right individual.

5.5 Nigel Avison asked about a relationship with the Leeds City Region and felt that it needed to have a greater mention in the paper particularly the importance of skills in the MAA. It was also important to see how North Yorkshire local labour markets which were relatively buoyant could connect with worklessness and other issues in West Yorkshire.

5.6 Janet Waggott pointed out the danger of rising unemployment and the need to think about diversifying skills within the labour force as well as engaging with employers. John Shepherd felt that it was important to obtain appropriate linkages within the business support agenda.

5.7 Paul Grossan emphasised the need to connect to the emerging sub-regional groups for 16-19 collaboration which covered, in this instance York & North Yorkshire, East Riding and Hull. He also pointed out the importance of connecting to the Tees Valley as well.

5.8 In respect to the relationship with the Leeds city region, John Marsden felt that the skills agenda in York & North Yorkshire was in many ways different from that in West Yorkshire. There is a need for flexibility and for instance, the Leeds City Region would take the lead on the skills issues for the finance and business services.

5.9 Helen Black welcomed the approach and suggested that the North Yorkshire Learning Consortium should be the representative of the voluntary and community centre. They are currently undertaking a process of mapping the workforce needs for that sector.

#### **5.10 The Executive agreed**

**A, That a new York & North Yorkshire Employment Skills Partnership be established on the basis outlined in the report, with the addition of references to the need to work closely and consult with LSP's.**

**B, To support the initiative to establish local employment and skills partnerships based on district council boundaries.**

**C, To bring to the next meeting, more detail as to how the Partnership will operate.**

**D, To have a briefing on the 16-19 issues at the next meeting.**

#### **6. Geographic programme – update**

6.1 Julie Hutton introduced this report from Yorkshire Forward which set out progress from the RDA's perspective on the Geographic Programme. A range of meetings has already been held with Directorates to explore further how the policy products could be implemented in North Yorkshire.

6.2 There will be a discussion at the December Yorkshire Forward board of what will be the appropriate Yorkshire Forward element of Geographic Programmes. One of the difficulties is that delays on the response on the SNR is making the context is more difficult.

6.3 The Yorkshire Forward Executive decided that the emphasis in the Geographic Programmes should be on renaissance and aspects of inclusion with business directorate activity managed regionally. Approval had been given to rolling forward delivery team activities for the next financial year which will then provide time to plan for 2010 onwards.

6.4 Janet Waggott raised the concerns about reductions in Yorkshire Forward's budget to address affordable housing. She was concerned whether the current problems with finance and business services would also lead to further budget reductions. Julie Hutton said the impact was around £40 million which was approximately 10% of Yorkshire Forward's budget. Most of that will occur in 2010/11.

6.5 Peter Simpson said he was pleased about the proposals in respect of the delivery team and was concerned about how they would operate in the future at the right spatial level. He also raised the issue how the SRIP overall would be delivered in the Geographic Programme and how the various issues would be covered. There was a discussion on aspects of how the business directorate could be engaged with the Geographic Programme and concerns about achieving that. It was important that local priorities were reflected in the regional proposals for business support.

6.6 Nigel Avison felt that delivery teams needed to be closely linked to the risk management of projects. He asked about Tourism. Julie Hutton said that the

Tourism budget would be dealt with in the regional component of the local geographic programmes.

6.7 Colin Mellors said that our vision was critical and that we need to build on the SRIP to raise our game overall as has already been achieved with aspects of European Union Funding. Any geographic programme must not militate against our overall approach. Julie Hutton agreed that the SRIP should be embedded in what Yorkshire Forward does.

#### **6.8 The Executive noted the report**

### **7. North Yorkshire Geographic Programme**

7.1 Jonathan French introduced the report which set out the progress to date on the North Yorkshire Geographic Programme. He had circulated with the agenda information on three base documents for the programme namely the rationale, district chapters and the geographic framework document. He was not looking for any decisions at this stage but wanted to give a clear indication to the Executive of how this programme was being approached. The report however, did ask for the approval for the signing of the Partnership Agreement.

7.2 John Marsden gave feedback to the meeting on the discussions that he, Jonathan French and Martin Connor had had with the Yorkshire Forward Executive. It was viewed from Yorkshire Forward's perspective as a helpful meeting.

7.3 Nigel Avison thought the templates were very helpful but wondered whether the priority groupings from the SRIP were still relevant in the context of the district chapters?

7.4 Jonathan French felt that it was important that we retained the outcome based approach to the structure of the programme. It had the advantage also of avoiding replication of common issues such as enterprise and skills. Andy Wilson also emphasised the importance of broad areas, for instance the issue of outdoor adventure. Likewise Colin Mellors was reluctant to lose priorities as he felt that the York and science component had important implications for Selby and Ryedale. He felt that the sub regional priorities currently expressed really helped in terms of engaging with other resources, such as EU. It was important to emphasise the need to collaborate with the York programme.

**7.5 The Executive approved the Partnership agreement draft and commended it for signature. They also noted progress on the Geographic Programme but emphasised the need for clear collaboration with the City of York.**

### **8. York & North Yorkshire Partnership Business Case**

8.1 Jonathan French introduced the report which was a summary of the complete case which had been circulated with the Agenda. It divided into two sections - namely the case for the sub-regional partnership and secondly the role of the Partnership Unit, setting its budget and potential sources of income.

8.2 Andy Wilson felt that it was important that the Unit played a key role in improving the Partnership's collective performance. He felt that that was an important role for the unit in the future, but it needed to be more focused on delivery and performance.

8.3 Martin Connor said that he had carefully read the business case and understood the issues it raised. However, with Selby District Council it did represent a major increase in subscription which may be an issue for members in what is a very tight financial situation with the Council facing significant cuts. It was important that the business case showed what the benefits of the unit were and he felt that there was some strengthening required. In particular, the business

case needed to show what were the alternatives to the Unit which might, for instance actually increase costs to the districts.

8.4 John Marsden commented that one aspect of the subscription was the cultural contribution which had already been agreed. Indeed the reductions and ending of contributions from the LSC and of Business Link had shown that in some ways Local Authorities had this service relatively cheaply. They now needed to make a more reasonable contribution.

8.5 Janet Waggott emphasised the need to demonstrate what Local Authorities get from the Unit and how that relates in particular to delivery.

8.6 Peter Simpson felt that the business case should show what might happen without the Unit which he felt would be a more chaotic situation. An important case for the unit was enhanced two-tier working. He raised the issue of the Tees Valley of the City Region and that it was felt that the York & North Yorkshire Partnership should take a broader role in understanding all relationships within it although it might delegate that to another authority.

8.7 Peter Simpson also noted the issue of the new regional strategy and the importance of effective sub regional advocacy. Whilst not suggesting any amendment to the case, he noted that there may be a need for a broader look at this issue across the partnership structure, understand the roles of other organisations and to work towards a joint approach. In respect of the costs to the District Councils he felt that in the context of total delivery costs it was a relatively small amount.

8.8 Liz Burdett supported the paper and it would be helpful to make a case with partners especially in further education. Jonathan French said that a meeting had already been planned with Further Education principals. Colin Mellors said that the University of York had considered the issue and agreed in principle to support the Unit. In many ways, Higher Education had also got a service on the cheap. David Dykes said that the FE landscape was changing and there was a need for more engagement with FE principals on partnership issues.

8.9 John Shepherd said that Business Link Yorkshire acknowledged the help the unit gave in respect of the Business Support Partnership and was now in a position to reconsider a contribution and said that they would offer £10,000 per year.

8.10 There was a discussion on the issue about the performance role of the unit and the need for joint ownership of what has been delivered. This was more achievable because of the way the Geographic programme had been structured. There was a need for understanding the impact of interventions and a greater of emphasis on evaluation and monitoring. Jonathan French said that he would look at how that could be better expressed in the business case.

8.10 Janet Waggott asked about how transport and housing issues might be brought together. Peter Simpson felt that there was a need for considered sub-regional partnership response, which might include that of the Development Board but also the need to get the arrangements right with the ANYC and was supported in that by Richard Flint

**8.11 The Partnership Executive agreed that**

- a. it should be proposed to the Development Board that the roles of the York & North Yorkshire partnership set out in the first part of the Business case should form the basis of future working.**
- b. the proposals for the role and work of the Partnership Unit set out in the latter part of the case are appropriate in respect of future business planning but that the case for the Unit needed to be enhanced in respect of understanding the role of performance and also to show clearly what might be the implications of not having a unit in place.**

**c. the proposals for financial support should be forwarded formally to partners and a report on those discussions should be brought to the next meeting.**

## **9. York Area Issues**

9.1 Jonathan French set out a report of the discussions between partners on the York Area issues.

**9.2 The Executive noted the report and agreed that the matter should also be discussed at the Development Board.**

## **10. Update**

10.1 Jonathan French introduced the report about a series of issues, not discussed elsewhere on the Agenda.

10.2 In respect of Regional Funding Advice, Richard Flinton felt that it would be helpful to have a sub-regional response on this and asked the District Councils to think of a possible housing representative. Peter Simpson suggested Colin Dales of Richmondshire D.C.

**10.3 The report was noted**

## **11. AGENDA for next Development Board**

**11.1 The Executive approved the proposed agenda**

## **12. ANY OTHER BUSINESS**

12.1 There was none.

## **13. DATE OF THE NEXT MEETING**

8<sup>th</sup> December 2008, 1400 at County Hall.

**Jonathan French**

*York & North Yorkshire Partnership Unit*  
01904 477974

**19<sup>th</sup> February 2009**

## **GEOGRAPHIC PROGRAMMES**

### **1. Purpose of the Report**

1.1 The purpose of this report is to give the Executive 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 potential role of the Partnership Executive. Yorkshire Forward will be reporting to this meeting on this issue (report to be circulated prior to the meeting).

### **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.

2.3 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.

2.4 The York Geographic Programme is the responsibility of The City of York Council and its Partners.

2.5 The Partnership Executive has a dual role in that it has both a general view of sub region's economy and its relationship to Yorkshire Forward but also specifically, to undertake certain decisions in respect of the Geographic Programme within the County of North Yorkshire.

### **3. North Yorkshire**

3.1 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).

3.2 It is not easy to do a like-for-like comparison between this programme for 2009–2014 compared to the SRIP Programme of 2004-2009. Whilst there are some gainers and losers, overall it might be construed as “a steady state” proposal, broadly in line with previous activity.

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

3.4 The areas where the Partnership Executive is expected to be asked to identify its priorities for projects and to undertake some sort of initial appraisal process (subject to the Yorkshire Forward report to be circulated ) will be in the Renaissance Market Towns, Rural Enterprise Capitals and Environmental Programmes.

3.5 It is proposed that for the next meeting of the Executive considers appropriate terms of reference for that decision making, which might be part of a wider partnership agreement for the partnership as a whole. Secondly, it is proposed that a delivery plan for those parts of the North Yorkshire Geographic Programme set out in 3.4 above are brought to the Partnership Executive at the next meeting. This is discussed further in the next item on the Agenda.

#### 4. **Conclusions**

4.1 The Executive is asked to agree that they will consider detailed working arrangements for their areas of responsibility in the North Yorkshire Geographic Programme at the next meeting. It is also recommended that the Development Board should receive details of the Geographic Programme proposals for both York and North Yorkshire.

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><b>Major development opportunities</b> (York NW, Terry's, Hungate, Castle Picadilly, Nestle and Monks Cross) <b>Policy Product Range</b> 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><b>Further develop York as a centre for leading edge, modern, knowledgeable and science based businesses</b> <b>Policy Product Range</b> Competitiveness, Enterprise &amp; 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><b>Strengthen competitive position in leisure and business visitor market</b> <b>Policy Product Range</b> 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><b>Enhance city's broad based economic structure including retail, culture and city centre</b> <b>Policy Product Range</b> 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>

<b>York's Key Economic Themes</b>	<b>Yorkshire Forward's Investment</b>
<b>Promote York and attract high value external investment</b> <b>Policy Product Range</b> International Business	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.

<b>York's Key Economic Themes</b>	<b>Yorkshire Forward's Investment</b>
<b>Support university as key economic generator</b> <b>Policy Product Range</b> 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.
<b>Enhance skill levels within York workforce</b> <b>Policy Product Range</b> 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.
<b>Translate economic prosperity into benefits for local people</b> <b>Policy Product Range</b> 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.
<b>Ensure modern sustainable transport infrastructure</b> meets needs of the economy <b>Policy Product Range</b> 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.

<b>North Yorkshire's Key Economic Themes</b>	<b>Yorkshire Forward's Investment</b>
<b>Exploiting Knowledge and Innovation</b> <b>Policy Product Range</b> 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.
<b>Stimulating and supporting enterprise and an enterprising culture</b> <b>Policy Product Range</b> 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.
<b>Developing a contemporary high quality cultural and environmental offer.</b> <b>Policy Product Range</b> 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.
<b>Attracting and developing knowledgeable and creative people</b> <b>Policy Product Range</b> 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.
<b>Ensuring a connected sub-region</b> <b>Policy Product Range</b>	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

North Yorkshire's Key Economic Themes	Yorkshire Forward's Investment
Transport; Competitiveness	and delivered through regional projects although local partners may act as deliverers.
<p><b>Significantly raising the economic performance of Scarborough Town</b>  <b>Policy Product Range</b>  Urban renaissance: Skills Economic Inclusion</p>	<p>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 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.</p>
<p><b>Addressing the problems of rurality through building a sustainable economy</b>  <b>Policy Product Range</b>  Rural Renaissance: Enterprise and Access to Finance</p>	<p>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 be 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.</p>
<p><b>Sustaining buoyant economies integral to the City Regions of Leeds and the Tees Valley (Harrogate and the Lowlands)</b>  <b>Policy Product Range</b>  Rural Renaissance: Marketing the Region through Tourism and Major Events</p>	<p>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.</p>

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
<b>Grand Total:</b>		<b>£118.1m</b>					

## **YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE ITEM 5**

**19 FEBRUARY 2009**

### **SUB REGIONAL INVESTMENT PLAN PROGRAMME and NORTH YORKSHIRE GEOGRAPHIC PROGRAMME MONITORING AND DELIVERY**

#### **Purpose of the report**

1. In light of the changing approach to Geographic Programmes within Yorkshire Forward, this report sets out 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 to be agreed and endorsed by this Executive.

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

2. This report therefore seeks the Partnership Executive's endorsement of the proposal to prepare a SRIP Programme and specifically for North Yorkshire an approach to monitoring the Geographic Programme and preparing a Delivery Plan for rural renaissance and environmental projects.

#### **Sub Regional Investment Plan Performance Framework**

3. The Sub Regional Investment Plan (SRIP) sets out the transformational themes and objectives for the Sub region. It provides the strategic economic partnership vision for York and North Yorkshire, but how well are we performing against this vision? It is therefore proposed that a performance framework document is prepared that sets out clearly and develops further 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. This will build on previous work undertaken and reported to this Executive last year but incorporating elements of the Geographic Programmes, European funding programmes and other programme activities.
4. It is not the intention that this will be a comprehensive detailed plan or programme of activity but a framework in which to measure the performance and progress of the sub region in achieving its agreed outcomes. It is proposed that this framework is prepared over the next few months for consideration at the Partnership Executive meeting in June.

#### **Monitoring the North Yorkshire Geographic Programme**

5. It is proposed that the Yorkshire Forward Geographic Programme for North Yorkshire is overseen and monitored by this Executive. This will involve receiving monitoring statements 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.

6. 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.

### **North Yorkshire Delivery Plan**

7. It is expected that the Yorkshire Forward report on the Geographic Programme and its governance, will propose that the Partnership Executive has a role in approving North Yorkshire rural renaissance and environmental projects. This will be on a project by project basis and to assist with this process it is proposed that the Partnership Executive take a view on the overall programmes prior to considering individual projects. This Delivery Plan would form the basis for this approach.
8. The 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 Executive decision.
9. This Delivery Plan would set out clearly the proposals/projects for each of these programme areas against the forecast allocation and their contribution to achieving the outcomes. The Partnership Executive will be asked to consider and then endorse in principle the set of projects contain within this Plan. Once agreed, lead delivery partners will then be asked to work up the proposals and bring the individual projects back to the Executive through the governance structure expected in the Yorkshire Forward paper (item 3).
10. This approach will include the following programme areas:
  - Environmental Projects in North Yorkshire including a pilot for a Low Carbon Rural Capital;
  - A Delegated fund for Renaissance Market Towns
  - Major Investment in Catterick/Richmond, Skipton, Northallerton/Bedale, Malton, Whitby and Knaresborough.
  - Workspace development under the Rural Enterprise Capitals.
11. The work already undertaken in the preparation of the Geographic Programmes will be used as a basis for this Plan. This includes the District Chapters and the detailed programme framework presented to the previous Executive meeting.
12. This Delivery Plan will be produced over the next few months and will be presented to the June Partnership Executive meeting.

### **Recommendation**

- 13. To consider and endorse the proposal set out above as a way forward in responding to the both the delivery of the Geographic Programme and the performance management of the Sub Regional Investment Plan.**

Andrew Leeming  
York and North Yorkshire Partnership Unit

## **YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE ITEM 6**

**19<sup>th</sup> February 2009**

### **York & North Yorkshire Partnership Business Case**

#### **1. Purpose of the Report**

1.1 This report concerns the outcome of discussions and responses from York and North Yorkshire partners in respect of the partnership case that was considered at the last meeting of the Executive.

1.2 The financial proposals for the Partnership Unit which were set out within the case are generally supported by partners and the resources have been made available. There are however, some decisions need to be made in respect of individual sponsors so that the Partnership Executive can approve the subscriptions for the next year which would also need to be endorsed by the Development Board.

#### **2. Partnership Unit Subscription Income**

2.1 There are some very positive developments in respect of income for the Partnership Unit compared to that presented to the business case in October. This includes:

- Yorkshire Forward has indicated that it would wish to support the unit with a contract of £50,000. The business case was working on the basis of £30,000.
- No commitments were sought from the Business Link Yorkshire in the case, but they have decided they can contribute £10,000.

2.2 The business case suggested that approaches should be made to Higher Education Institutions in York & North Yorkshire to support the unit and this was accounted for in the business case (at £10,000). The University of York has already committed £5,000 and the University of York St. John and the University of Hull have both agreed to contribute £3,000.

2.3 There have been further discussions with Further Education Colleges and there is the possibility that the full amount of nearly £20,000 in the business case might not be achieved. For working purposes the business case assumes that FE Colleges might contribute £15,000. The small NY Police contribution has yet to be confirmed. The National parks have confirmed their support.

2.4 There are no substantial amendments proposed for the business case considered at the last meeting. It is however proposed to apportion half of the new Business Link Yorkshire subscription to add to the budget for the Business Support Partnership. This will in effect will increase the overall partnership Unit budget by £5,000.

2.5 It is also proposed that in respect of the North Yorkshire activity there is some need for re-balancing between the amount of work done on the Geographic Programme and that on economic assessments with greater emphasis to be given to economic assessments. It is not proposed that this changes the overall expenditure in the unit.

2.6 Appendix 1 sets out a revised tabulation showing the budget, the subscriptions or income from partners and the apportionment of that income to the business objectives.

### **3. North Yorkshire Local Authority Subscriptions**

3.1 The business case in October proposed that Local Authorities, particularly those in North Yorkshire, would face the responsibility of meeting the increase in cost particularly around providing capacity to support the Skills Partnership and work on the North Yorkshire Geographic Programmes.

3.1 It is proposed that, as in the business case, the City of York Council subscription will remain unchanged, except with the addition of an amount, previously agreed, to support the Cultural Partnership.

3.2 It stated in the business case that the North Yorkshire Local Authorities would be responsible for the increase in the budget but that if additional funds could be made available then this should be reflected in a revised subscription. On the basis of the revised sources of income set out above it is possible to reduce the amount sought from North Yorkshire Local Authorities. Districts are now being asked for £7850 including the support for the cultural partnership (previously £8500) and the County Council for £95950 (previously £110,500). The details are set out in appendix 2.

3.3 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, it is proposed 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 £2400 which could be met from the reserves. Any further deficiencies from other sources of income will also be met from reserves.

### **4. Other Activity**

4.1 The Partnership Unit also contracts for other activity. Currently this includes the 2012 staff and the Leeds City Researcher . These are budgeted for separately. They make a contribution to the overhead and this is shown in the tabulation. Bids are have been made for support from RIEP funds, as discussed elsewhere on the agenda, and there is also a small bid to Yorkshire Forward for support for the Rural Partnership, a resource which Partners wish to place within the Partnership Unit. These are not allowed for yet in the financial budget. They will be self financing, but if successful will also make some contribution to overheads.

### **5. Conclusion**

**The Executive is asked to approve the revised subjective expenditure budget, the proposed subscriptions and to recommend these to the Development Board.**

**Jonathan French**

*York & North Yorkshire Partnership Unit*

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

	BUDGET	Partner contributions												
		NYCC	CYC	DCs	NP	HE	NYPOL	FE	BLY	YF-gen	YF-res	OH inc	ESF TA	ERDF TA
<b>SUB REGIONAL</b>														
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		
<b>NORTH YORKSHIRE</b>														
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

Fjfgjf

APPENDIX 2 COMPARISON OF LOCAL AUTHORITY CONTRIBUTIONS 2007-2009

	2007/08			2008/09			2009/10 October Report			2009/10 February report			Two year increase 2009/10 core over 2007/08 total
	Core	O2	Total	Core	O2	Total	Core	Culture	Total	Core	Culture	Total	
DISTRICTS													
Craven	2704	5410	8114	2842	1386	4229	7815	685	<b>8500</b>	7165	685	<b>7850</b>	-12%
Hambleton	2704	1041	3745	2842	267	3109	7815	685	<b>8500</b>	7165	685	<b>7850</b>	91%
Harrogate	2704	2185	4889	2842	560	3402	7815	685	<b>8500</b>	7165	685	<b>7850</b>	47%
Richmondshire	2704	5931	8635	2842	1520	4362	7815	685	<b>8500</b>	7165	685	<b>7850</b>	-17%
Ryedale	2704	2185	4889	2842	560	3402	7815	685	<b>8500</b>	7165	685	<b>7850</b>	47%
Scarborough	2704	11341	14045	2842	2906	5749	7815	685	<b>8500</b>	7165	685	<b>7850</b>	-49%
Selby	2704	0	2704	2842	0	2842	7815	685	<b>8500</b>	7165	685	<b>7850</b>	165%
CITY OF YORK	16500	0	16500	16900	0	16900	16700	3300	<b>20000</b>	16600	3300	<b>19900</b>	1%
NYCC	52800	28000	80800	77300	7200	84500	105700	5200	110500	90750	5200	95950	12%
			144321			128495			190000			170800	

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

## YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE ITEM 7

19<sup>th</sup> February 2009

### THE IMPACT OF THE CREDIT CRUNCH AND THE DOWNTURN ON YORK AND NORTH YORKSHIRE

#### 1. Purpose of this Report

1.1 This report seeks to draw together some thinking around the impact of the credit crunch and the economic downturn on the sub region. It also looks at some of the data issues and suggests what figures which might be collected from local sources. It notes the difficulty of getting an accurate data position at this point because many of the key indicators are on a longer time series.

1.2 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.

1.3 This report initially discusses data to monitor change which has been requested by Local Authority Chief Executives and then seeks to promote a discussion on the overall issues which will provide the context for a presentation by Yorkshire Forward's Chief Economist at the Development Board.

#### 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 less significant and the only figure below the regional average, but with strong differences in the sub region with below average change in Selby and Scarborough but substantial increases in Craven, Ryedale , Richmondshire and York

2.2 Overall whilst the sub region is better off in terms of the percentage of the workforce claiming JSA that regionally and nationally the pace of change is generally worse locally. . This is set out in the table below showing whether local percentage changes are better or worse than UK percentage changes

	JSA year on year change			
	JSA (total)	JSA: 18-24	JSA:claiming for 6+ months	JSA:claiming for 12+ months
York and North Yorkshire	Worse	Worse	Worse	Better
Craven	Worse	Worse	Worse	Better
Hambleton	Worse	Worse	Worse	Worse
Harrogate	Worse	Worse	Worse	Better
Richmondshire	Worse	Worse	Worse	Worse
Ryedale	Worse	Worse	Worse	Worse
Scarborough	Better	Better	Better	Better
Selby	Worse	Worse	Better	Better
York	Worse	Worse	Worse	Worse

Source: NOMIS (January 2008 – 2009 comparisons)

2.3 Local Authorities in North Yorkshire have looked at possible sources of additional data which could be used to monitor change. These are set out in Appendix.2. 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.

2.2 In some ways it cannot tell us all the answers but will be a useful tool in monitoring the situation, both identifying further issues and highlighting areas of recovery.

2.3 The gathering and preparation of this information is reliant on data gathered from the usually national statistic websites and more importantly from local authorities in terms of local intelligence and the cooperation of various departments will be required.

2.4 It is proposed that the attached list of indicators form the basis of monthly reports. These will be produced by the Partnership Unit and distributed widely to all partners and will be uploaded on to the Partnership Unit website.

2.2 In reality 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 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 is a theoretical statistical exercise that looked at the most vulnerable sectors in financial services, services relating to property and financial services and dependence on consumer income particularly in retail and tourism.

3.2 408 Authorities in Britain were ranked according to their dependence upon industries vulnerable to credit crunch, which was itself weighted according to those sectors which might face the greatest difficulties. (1 was the most vulnerable and 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 (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, retail 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) and construction. 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. 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 two to three 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.

*Tourism* - It is difficult to form a view at this point as to the impact of current economic conditions on Tourism. 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. It is difficult to ascertain whether UK residents are more likely to take holidays at home because of the currency issues and to what extent they might reduce the numbers of holidays they take. 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.

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

## 5. **Issues for Consideration**

### *Housing and Property*

5.1 Professor Michael Parkinson in his report 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”?) 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. 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. 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.

**7.2 It is proposed these matters should be discussed by the Development Board.**

**7.3 The Executive is also asked to note the Appendix in respect of the gathering of additional data from local sources and to encourage partners to respond to requests for data as quickly as possible so that these monthly reports are as up to date as possible.**

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%<sup>1</sup>) 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.

<sup>1</sup> 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

[North Yorkshire County Council's Economic Statistics webpage](#) also includes a very detailed analysis / report of claimants. On-going analysis by the Partnership Unit will also review other claimant data, e.g. incapacity benefit numbers, although this information is only available six months in arrears.

## APPENDIX 2

### Economic Downturn – Impact on North Yorkshire Potential indicators

Below is a list of potential indicators to be reported on a monthly basis, to include trends over time and year on year comparisons.

<b>National and Regional Picture</b>			
	<i>Does it exist?</i>	<i>Frequency/up to date</i>	<i>Source</i>
GDP figures Overall GDP growth by Sector.	Yes	Quarterly Released in the month after the quarter end. Latest release 23 <sup>rd</sup> January covering Q4 2008.	Weekly YF bulletin <a href="http://www.statistics.gov.uk/cci/nugget.asp?id=192">http://www.statistics.gov.uk/cci/nugget.asp?id=192</a>
Inflation figures	Yes	Monthly Released around 20 <sup>th</sup> of each month for previous month. Latest release 20 <sup>th</sup> January for December 2008 figures.	Weekly YF bulletin/ONS <a href="http://www.statistics.gov.uk/instantfigures.asp">http://www.statistics.gov.uk/instantfigures.asp</a>
Business Registrations	Yes	Monthly National figures available.	VAT registrations and deregistrations <a href="http://www.uktradeinfo.com/index.cfm?task=bulletvat">http://www.uktradeinfo.com/index.cfm?task=bulletvat</a>
Will also outline and report on any current trends and national or regional reports relevant to the sub region.			
<b>Local Indicators</b>			
	<i>Does it exist?</i>	<i>Frequency/up to date</i>	<i>Source</i>
<b>Employment:</b>			
Is employment growing or declining?			
Latest job loses within North Yorkshire	yes	Monthly To be provided as a list.	Local press/ Local Authority intelligence (see below) Also Regional jobs database <a href="http://www.yorkshirefutures.com/cb.aspx?page=6538E388-8D9E-4566-9FE3-EE58F7586F0E">http://www.yorkshirefutures.com/cb.aspx?page=6538E388-8D9E-4566-9FE3-EE58F7586F0E</a>
Latest job gains	yes	Monthly To be provided as a list.	Local press/ Local Authority intelligence Also Regional jobs database <a href="http://www.yorkshirefutures.com/cb.aspx?page=6538E388-8D9E-4566-9FE3-EE58F7586F0E">http://www.yorkshirefutures.com/cb.aspx?page=6538E388-8D9E-4566-9FE3-EE58F7586F0E</a>
Job vacancies Total numbers. as a percentage of the workforce as a ratio to claimant numbers.	Yes – LA District level	Monthly (one month behind) e.g. January release December figures.	NOMIS
<b>Unemployment:</b>			
Is unemployment growing?			
Overall claimant Count	Yes	Monthly (two months behind) e.g. January release – November figures.	NOMIS

Claimant counts in specific areas (e.g. most deprived wards, main towns)	Yes	Monthly (two months behind)	NOMIS
Claimant counts in specific groups (e.g. young people)	Yes	Monthly (two months behind)	NOMIS
<b>Business activity:</b> How are our businesses doing?			
Measures of business confidence	Limited	adhoc	YF Business survey Local surveys
Number of businesses defaulting on NNDR payments	Yes	Monthly	Local Authorities (Revenues)
Business requests for re-profile of NNDR	Yes	Monthly	Local Authorities (Revenues)
Number of businesses seeking support and advice from the support agencies	Yes	Monthly	Business Link Yorkshire – monthly enquiry figures. Local Authorities
Value of commercial developments/ Rateable values	Yes	Not sure	Valuation Office
Nos of planning applications for commercial developments	Yes	Some L.A.s Quarterly others annual.	Local Authorities (Planning) <a href="http://www.communities.gov.uk/planningandbuilding/planningbuilding/planningstatistics/livetables/livetablesondevelopmentcontrolst/">www.communities.gov.uk/planningandbuilding/planningbuilding/planningstatistics/livetables/livetablesondevelopmentcontrolst/</a> May need to define categories – check what is currently produced.
Tourism figures Visitor numbers to main attractions and occupancy levels	Yes	Mixed	Area Tourism Partnerships Local Authorities Yorkshire Tourist Board. Need to further define what figures are required.
<b>Town Centre activity</b> How are our main towns and market towns doing?			
Footfall in towns	Yes (not all towns)	Quarterly	Local Authorities Some towns do measure footfall – York, Scarborough, Harrogate, Ryedale.
Shop Unit Occupancy (Vacant/charity shops etc.)	Yes (not all)	Some quarterly	Local Authorities However mixed.
Car parking figures	Some	Quarterly/ monthly	Local Authorities (Use volumes rather than income) Most LA's where charges are made.
<b>Housing</b> What is happening to the local housing market?			
House completions/ starts	Not sure	Not sure	Local Authorities Building Control
House price index	Yes	Monthly (2 to 3 Months)	Land Registry
House sales	Yes	Monthly (2 to 3 Months)	Land Registry
Planning	Yes	Monthly/	Local Authorities

applications for major housing development		quarterly Quarterly figures upto Sept 08 available in Dec 08 next release Mar 09 for Dec data.	(Planning) <a href="http://www.communities.gov.uk/planningandbuilding/planningbuilding/planningstatistics/livatables/livetablesondevelopmentcontrolst/">www.communities.gov.uk/planningandbuilding/planningbuilding/planningstatistics/livatables/livetablesondevelopmentcontrolst/</a>
Re-possession/ Mortgage arrears?	Not sure	Not sure	Needs further investigation
<b>Benefits</b>			
Is there an increase in benefit dependency?			
Number of additional claims made for council tax/housing benefit	Yes	Monthly	Local Authorities (Benefits)
<b>Need for Advice</b> (these all need further investigation)			
Number of clients of CAB	Not sure	Not sure	Local CABs
Types of advice sought??	Not sure	Not sure	Local CABs
Local voluntary sector activity?	Not sure	Not sure	NYFVO
Client referrals (ACS)	Not sure	Not sure	ACS NYCC

## **YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE ITEM 8**

**19<sup>th</sup> February 2009**

### **IMPLEMENTING THE SUB NATIONAL REVIEW (SNR)**

#### **1. Purpose of this Report**

1.1 Since the last meeting of the Executive in October, there has been the Government's announcement on the outcome of the consultation on the SNR. This was in late November and since then a number of implications have started to be worked through.

1.2 This report considers issues around the preparation of the integrated regional strategy, undertaking economic assessments and bidding for resources to the Regional Improvement and Efficiency Programme. 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 concludes that the issues raised should be taken forward for discussion at the next meeting of the Development Board.

#### **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 and that has already been discussed on this agenda.

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. Discussions are continuing within the Leeds City Region as to whether they wish to put forward a proposal.

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. Matters for Consideration

#### Integrated Regional Strategy

3.1 Since the joint submission by Local Government Yorkshire & Humber (LGYH) and Yorkshire Forward in July as part of the response on the Government's 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 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).

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 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.

3.6 The York & North Yorkshire bid proposes the appointment of a Manager who will primarily liaise with the team preparing the Regional Strategy, two Programme Officers, one for economic and the other for Sustainable Development and spatial matters. It also proposes to appoint a Policy and Research Officer and will have a budget for supporting research and in particular for enabling the sub region to play its part in joint regional efforts to prepare an economic assessment. A range of outcomes have been identified and it would be intended that individual appropriate partners or partnerships would lead on those, using the capacity in the team. Other resources have been sought for communications work and also to provide capacity

to the North Yorkshire Forum for Voluntary Organisations to facilitate the participation of the Voluntary sector in the development of the regional strategy.

3.7 The bid has been prepared closely with other city regions and it is particularly expected a close working relationship between York & North Yorkshire and Leeds City Region on the implementation of this work. It will therefore 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. I hope that an update on the current position will be supplied verbally to the Partnership Executive.

#### **4 Matters for Discussion**

4.1 The following are suggested as matters for discussion which may be taken forward to the Development Board for further consideration.

##### *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

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 to be considered by City Region Leaders Board. York and North Yorkshire Partners would need to consider the implications of such a move.

#### **5. Conclusions**

**5.1 It is recommended that a paper on broadly similar contents to that set out above is presented to the Development Board as a part of the process of discussion and engagement. The paper would be prepared in the light of comments and issues raised at this Partnership Executive.**

**Jonathan French**

*York & North Yorkshire Partnership Unit*

**19<sup>th</sup> February 2009**

**WORKING WITH THE PRIVATE SECTOR**

**1. Purpose of this Report**

1.1 This short report seeks to initiate a discussion about how we might develop objectives in this area.

**2. Background**

2.1 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.

2.2 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.

2.3 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.

2.4 One of the components of developing relationships are in direct liaison with private sector organisations and individual businesses through key account management, which in York & North Yorkshire is principally managed by York-England.com but with Local Authorities also involved.

2.5 The private sector can also make an important contribution to community life by adopting corporate social responsibility principles and good working relationships with the public and voluntary sectors can ensure that there is an efficient use of that commitment.

**3. Matters for consideration**

3.1 The merger of the York and North Yorkshire 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.

3.2 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 being considered as part of the establishment of the York & North Yorkshire Employment & Skills Partnership, as discussed on the next agenda item. It is important to note that

employer engagement is a broader concept than private sector engagement as it would involve major public sector bodies as well.

3.3 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.

3.4 There are many quite localised relationships and between industry sector organisations with appropriate public bodies. At a certain level these may be performing satisfactorily, but perhaps much intelligence and information is lost to the wider partnership.

#### **4. Conclusions**

**4.1 This report is seeking to start a discussion around these issues and determine what might be the immediate priorities in this area of activity. A more detailed view and an initial action plan could be brought back to the next meeting. It would also be appropriate to promote a similar discussion at the Development Board.**

**Jonathan French**

*York & North Yorkshire Partnership Unit*

## **YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE ITEM 10**

**19<sup>th</sup> February 2009**

### **SUB REGIONAL PARTNERSHIPS**

#### **1. Purpose of this Report**

1.1 This report provides an update on progress on the development of the York and North Yorkshire Skills Partnership and seeks endorsement for some critical next steps. The report also gives an up date on the other key partnerships for culture and business support.

#### **2. York and North Yorkshire Skills Partnership(YNYESP)**

2.1 The attached appendix is the progress report from the LSC. The purpose of this paper is to set out the framework for the YNYESP, as discussed and agreed by partners. This includes the Partnership's aims, terms of reference, membership, employer engagement policy, initial priorities and relationships with local ESPs.

2.2 In respect of the chair, it is suggested that he or she must 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 could 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.

2.3 For membership it is proposed that representatives on the Partnership should be at the level of director or assistant director in public sector bodies or chief executive in other sub regional bodies.

2.4 The newly formed Leeds, York and North Yorkshire Chamber of Commerce is keen to explore the option of a 'Skills Board' and an immediate task for the Partnership would be to explore how such a Board might be an appropriate vehicle to secure employer input into the skills agenda. This sub regional Skills Board, operating in parallel to the YNYESP, would provide a strong and representative sounding board and network for employers.

2.5 The Partnership Executive is asked to endorse:

- the Partnership's aims
- proposals on the position of chair of the Partnership
- the proposed membership of the Partnership
- proposals on private sector engagement

The Partnership Executive is also asked to note the initial priorities identified for the YNYESP and its draft terms of reference (attached at appendix a).

2.6 The last meeting of the Executive asked for an update on 16+ activity and appendix 2 is a progress report from the North Yorkshire perspective

#### **3. York and North Yorkshire Cultural Partnership Update.**

3.1 At previous meetings of this Executive reports have been presented and endorsed regarding the restructuring and reinvigorating the cultural partnership in York and North Yorkshire. To reiterate:-

- 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 this Executive 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.

3.2 Progress on these is as follows: -

- A small task and finish group set out and agreed an initial structure for the Partnership. This was followed by a request to all Chief Executives for nominations to sit on the Cultural Partnership Executive, in addition to an invite to key regional cultural agencies and the Area Tourism Partnerships. A first meeting of this Executive is scheduled for 12<sup>th</sup> March 2009.
- The Partnership Unit has now taken on the role of Secretariat and have built this into the Units Business Plan;
- This report provides the first update in reporting directly back to this Executive;
- The 2012 Team to be based within the Partnership Unit have been recruited. The two officers are to take up their roles on the 2<sup>nd</sup> 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 12<sup>th</sup> March.

3.3 Further updates will be provided to this Executive on a regular basis, this will include in particular reports on 2012 and also the refreshed cultural prospectus/strategy.

#### **4. Business Support Partnership**

4.1 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.

4.2 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

4.3 It is also working with YNY Ltd the successor board to Business Link York and North Yorkshire on the priorities for the utilisation of the unspent reserves for the benefit of the sub region's businesses.

#### **5. Conclusions**

5.1 The Executive is asked to note the report and agree to the proposals in para 2.2.

**Jonathan French**

*York & North Yorkshire Partnership Unit*

## **APPENDIX 1 York and North Yorkshire Employment and Skills Partnership**

Progress report to the York and North Yorkshire Partnership Executive, February 2009

### **Background**

1. At its October meeting the York and North Yorkshire Partnership Executive agreed to the establishment of a York and North Yorkshire Employment and Skills Partnership (YNYESP), to report to the Partnership Executive, to ensure that the skills agenda is integrated in economic development and to ensure continued direction and purpose on skills and employment strategy and co-ordination in the sub region.
2. The Executive also agreed to support current initiatives to establish local Employment and Skills Partnerships (ESPs) based on the District Council boundaries.
3. Further, it tasked appropriate partners to undertake relevant activities to set up the YNYESP and asked for a report on progress at a future meeting.

The purpose of this paper is to set out the framework for the YNYESP, as discussed and agreed by partners. This includes the Partnership's aims, terms of reference, membership, employer engagement policy, initial priorities and relationships with local ESPs. The Partnership Executive is asked to endorse:

- the Partnership's aims
- proposals on the position of chair of the Partnership
- the proposed membership of the Partnership
- proposals on private sector engagement

The Partnership Executive is also asked to note the initial priorities identified for the YNYESP and its draft terms of reference (attached at appendix a).

### **Aims of the Partnership**

The 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 of 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

### **The Chair**

The chair must 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 would 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.

### **Membership of the YNYESP**

Membership of the new Partnership must reflect the strategic importance of the Partnership and its position within sub regional structures. Representation should be at a senior level in order to give the necessary weight to discussion of employment and skills issues and assure appropriate action can be taken on the

direction of the Partnership. It is proposed that representatives on the Partnership should be at the level of director or assistant director in public sector bodies or chief executive in other sub regional bodies.

Detailed below is an initial list of organisations which might be appropriate members of the Partnership. It is proposed that a small executive group is established to drive the Partnership's work and inform the work of the wider Partnership, and that a small number of appropriately constituted task and finish groups are convened to focus on specific Partnership priorities.

- NYCC Economic Development
- City of York Economic Development
- Local Authority Districts
- Local Employment and Skills Partnerships
- City of York Lifelong Learning Partnership
- Yorkshire Forward (Sub region and Skills)
- Further Education Colleges
- Higher Education
- North Yorkshire Learning Consortium (to represent the Third Sector)
- Learning and Skills Council (then successor bodies)
- Leeds and North Yorkshire Chamber of Commerce
- Jobcentre Plus, North, East Yorkshire and the Humber District
- Children's Services, North Yorkshire County Council
- Adult Education, City of York Council
- York and North Yorkshire Partnership Unit
- Providers in Partnership (to represent the WBL network)
- Trade Unions
- Business Link

#### **Private sector/employer engagement**

It is important that employers are at the forefront of the drive around skills and employment. Direct employer representation on the Partnership would probably be via the Chamber of Commerce and other key representative bodies.

The Partnership will also investigate ways of wider business involvement on relevant issues. Work/Employment and Skills Boards, led by employers, are a feature of some other regions. The newly formed Leeds, York and North Yorkshire Chamber of Commerce is keen to explore the option of a 'Skills Board' and an immediate task for the Partnership would be to explore how such a Board might be an appropriate vehicle to secure employer input into the skills agenda. This sub regional Skills Board, operating in parallel to the YNYESP, would provide a strong and representative sounding board and network for employers.

Structures that have already been established in York to provide employers and business with a forum to discuss wider economic development, employment and skills issues must be recognised in this context and it is recommended that ways of working with these existing structures are explored, rather than pursuing new and different solutions.

## **Appendix 1a**

### **Initial priorities for the YNYESP**

- Ensuring that the skills priorities for the sub region as established in the SRIP and taken forward in the Geographic Programmes are addressed in delivery planning
- Ensuring that strong and productive relationships are established with appropriate regional employment skills bodies.
- Ensuring the effective engagement of the partnership with employers and business
- Agreeing and taking forward a sub regional strategy for an integrated response to the current economic situation, ensuring that there is awareness and take up of appropriate sources of public funding.
- Engaging with the Universities of North Yorkshire proposals to establish a better understanding of them and the potential contribution of Higher Education and to progress implementation of the plans.
- Developing amongst partners a better understanding of and strategy to address the needs of the York labour market.

One of the initial priorities of the Partnership would be to establish the framework for working with local ESPs in the North Yorkshire County area. We will want to build on what has worked well with the NYLP and ALPs. Issues to consider include:

- Spatial coverage of each ESP
- Terms of reference/ core aims
- Identification of local needs, issues and priorities
- Private sector/employer engagement and alignment with sub regional approach
- Alignment with the YNYESP priorities
- Embedding of ESPs with LSPs
- Linkage of ESPs with 14-19 partnership consortia
- Local skills champions
- Resourcing and support for ESPs
- Coordinating local response to economic situation/redundancies etc

### **Terms of Reference**

The York and North Yorkshire Employment and Skills Partnership will be a sub regional partnership which will have an additional and separate role as a partnership for the County of North Yorkshire. Reporting to the Partnership Executive and through the Executive to the Development Board, the Partnership will:

- inform the York and North Yorkshire Development Board on a regular basis of critical issues and progress in employment and skills in the sub region
- provide the strategic overview, direction and drive to the skills strategy for the sub region
- work with employers and employer representatives to ensure that business is at the forefront in integrating employment, skills and the economy by:
  - including in the Partnership organisations that represent the views and demands of employers, for example the York and North Yorkshire Chamber of Commerce

- sharing an agenda with a parallel sub regional Skills Board, providing a strong, representative sounding board and network for employers
- ensure that considerations of skills needs, workforce development and skills development opportunities are integrated in local authorities' and other agencies' economic development strategy and plans;
- ensure that the challenges of raising aspirations, worklessness, inclusion and employability are addressed in close alignment with skills and economic development strategy and planning
- ensure that the skills needs of the sub region are represented and integrated in the work of the Leeds City Region and the Tees Valley Region, as appropriate
- review and advise appropriately on alignment of investment in learning and skills
- support the City of York Lifelong Learning Partnership in its work in York's Without Walls Partnership
- support and advise other York economic, employment and educational partnerships as required and facilitate engagement between them and County based organisations

for the North Yorkshire County area the Partnership will:

- provide a framework for the work of local ESPs ensuring the skills and employment priorities in localities are identified and addressed, and there is alignment with the work of local strategic partnerships (LSPs)
- lead on and monitor the relevant LAA skills related indicators ensuring coordination and cooperation to achieve shared priorities and targets
- lead and inform the North Yorkshire Strategic Partnership on skills and employment matters

provide economic input and labour market information to the Children and Young Peoples Strategic Partnership in NY and provide support on employer engagement

**19 JANUARY 2009**

**RAISING EXPECTATIONS: ENABLING THE SYSTEM TO DELIVER / MACHINERY OF GOVERNMENT – UPDATE**

**1.0 Key Points**

This report provides a summary of progress made since the last report to the CYPSPB in relation to this issue (on 15 September 2008). It then describes some of the work still to do and seeks comments in relation to the Transfer / Transition Action Plan.

**2.0 Recommendations**

That CYPSPB notes progress to date, work still to do and offers any comments it sees fit in relation to the Transfer / Transition Action Plan.

**3.0 Background and Update**

3.1 The report to the CYPSPB on 15 September 2009 described some of the major changes underway nationally and locally to improve learning, training and skills for 14-19 year olds. In summary:

- The Statutory Framework is being changed so that by 2013 all young people will continue learning or training when they are 17, and the options available to them will have to include all the 17 diplomas proposed. The objective is to have good quality provision which meets learners' and economic needs. The recognised challenge is to achieve that in an affordable, sustainable way.
- The Government is making changes to the arrangements for planning, funding and monitoring provision for learning and training for 16-19 year olds. The changes are referred to as the Machinery of Government (MOG). The changes to legislation are being taken forward in the Children, Skills and Learning Bill.
- Under the changes, Local Authorities will become responsible for commissioning learning and training provision for all 16-19 year olds and young adults with Learning Difficulties and Disabilities (LDD). Authorities will work collaboratively with providers locally, and with one another sub-regionally, to achieve the balance of provision required.

The pace of change will be quite fast. Full implementation is expected by September 2010, but the programme of change has begun already and will accelerate over the next few months. The proposals outlined in the report to the CYPSPB on 15 September 2008 for a sub-regional grouping including North Yorkshire, York, East Riding and Hull have been accepted in principle by Government Office / DCFS but much more detailed proposals need to be submitted by the end of February.

3.2 Within the Children and Young People's Directorate of North Yorkshire, it has been decided that this new area of responsibility will lie within the Learning, Youth and Skills Service Group and be lead by the Assistant Director, Chris McGee. Clearly, there are significant capacity issues that need to be progressed as a matter of urgency to ensure that the work that needs to be done can be moved forward in an efficient and effective manner. Discussions with the LSC continue about the potential for the early transfer of some key staff.

3.3 The first draft of a MOG Transfer / Transition Action Plan has been produced under five key headings (which are also being used as part of the sub-regional groupings planning processes):

- Governance Structures and Planning Mechanisms
- Data, Communication and Management Information Systems.
- Resources and Capacity including Personnel, Finance and Support Services.
- Policy and Planning Processes and protocols including links to Joint Commissioning Activities
- Quality Assurance and Monitoring Systems and Procedures

The Action Plan is attached as Appendix 1 and will need to be developed and improved into a much more detailed document identifying who should lead on particular issues so that more specific tasks, targets and milestones can be determined and monitored. However, any comments from CYPSPB members even at this stage would be welcomed.

3.4 As previously agreed, the 14-19 Partnership has been reconfigured and is now constitutionally a sub-group of the CYPSP Board. Our local decision to adopt that arrangement has now become a statutory requirement. The Children, Skills and Learning Bill includes changes to Children's Trust requirements to accommodate the MOG changes, but North Yorkshire's CYPSP Governance already reflects the new requirements.

3.5 A conference is to be held on 6 February 2009 to give stakeholders across the county (and beyond) the opportunity to be involved shaping the arrangements to be put in place in North Yorkshire and the wider sub-region. A copy of the programme is attached as Appendix 3. Invitations have been sent to a wide range of stakeholders including:

- The Heads of all Secondary Schools in North Yorkshire
- The Principals of all FE and 6th Form Colleges in North Yorkshire and York and Darlington
- NYBEP
- DCSs in Neighbouring LAs

3.6 Regular progress reports will be made to the CYPSPB over the next year.

Report prepared by Chris McGee, Assistant Director (Learning Youth and Skills).  
Cynthia Welbourn  
Corporate Director  
January 2009

**19 FEBRUARY 2009**

**PERFORMANCE MANAGEMENT - EUROPEAN FUNDING IN THE SUB REGION**

**1. Purpose of the Report**

1.1 This report aims to:

- Inform the Executive about the progress of EU funding in York and North Yorkshire
- Highlight issues relating to the delivery of EU-funded projects in York and North Yorkshire
- Report in detail on sub-regional performance in respect of ESF and ERDF

1.2 The details are given in the appendix but the main points are 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 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. Management of ESF and ERDF Funding**

2.1 The EU Competitiveness and Employment Programme for Yorkshire and the Humber (2007-2013) incorporates funding from both the European Social Fund (ESF) and the European Regional Development Fund (ERDF). The majority of the European Social Fund is co-financed by the DWP/Jobcentre Plus and the Learning and Skills Council. ERDF is managed by Yorkshire Forward.

2.2 ESF provides revenue funding focused on skills, training and workforce development, and ERDF provides capital and revenue funding for business premises and development, along with targeted support for economic development in the most disadvantaged parts of the region.

2.3 The alteration in the exchange rate with the euro has resulted in additional ESF and ERDF funding, and this is proving a continuing challenge to the management of the programme. It may be comparatively easy for extra funding to be absorbed by ESF, where projects outputs can be increased and match funding is already available, but this is more of a challenge in relation to ERDF expenditure.

**3. Specific Issues on ESF and ERDF programmes**

*ESF*

3.1 Regarding those LSC ESF projects delivering solely in York and North Yorkshire, these contracts represent an investment by the LSC of up to £3.175m. This is 12% of the total amount allocated to all the sub-regions i.e. West Yorkshire, the Humber, and York & North Yorkshire (but excluding South Yorkshire).

3.2 The York and North Yorkshire share of the working age population is 19%. However, compared with the other sub-regions, York and North Yorkshire has a lower share (12%) of workless people, who are the target population for ESF. The sub-regional LSC ESF allocation is therefore in line with this figure. It is not possible to draw conclusions on LSC regional projects or Jobcentre plus activity until information is made available on actual delivery spatially. It is intended to provide this at some future date.

3.3 For sub regional projects, there is a need to:

- Ensure alignment of delivery by LSC ESF providers with other projects sharing similar objectives
- Understand the sub-contracting arrangements for projects and disseminate information on local deliverers

For regional LSC ESF projects, there is a need to:

- Understand which organisations are actually, or potentially, delivering in York and North Yorkshire, and work with these organisations to promote delivery in the sub-region
- Align delivery of regional projects with local skills strategies

## *ERDF*

3.4 Over £24m 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, 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. Again it is only possible to measure this retrospectively, but may be around £3-5 million could come from that source.

3.5 Excluding South Yorkshire, the regional ERDF allocation from 2007 to 2009 is c.£129m. Based on relative population share, the sub-region should work towards an ERDF investment of c.£26m during this period. We may achieve something slightly in excess of that figure.

3.6 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 no projects in the pipeline and there may be real difficulties in bringing forward sufficient activity to enable us to claim our 'fair' share.

3.7 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 North Yorkshire Geographic Programme
- Look at how objectives could be achieved e.g. social enterprise – through development of regional projects – or by local schemes

## **The Executive is asked to note the report**

Jonathan French  
York and North Yorkshire Partnership Unit

## Appendix

### EUROPEAN UNION FUNDING – PERFORMANCE IN YORK AND NORTH YORKSHIRE

This report looks at the current and potential impact of EU funding on the sub region. In particular it looks at European Social Fund, European Regional Development Fund and Framework 7. It notes that further work is required on other EU funding sources.

#### European Social Fund

The Learning and Skills Council have awarded contracts for a number of ESF projects; some of these are for delivery in specified sub-regions, others are to be delivered throughout the whole region (excluding South Yorkshire where different arrangements apply).

To date, five ESF contracts have been awarded by the LSC for delivery specifically in York and North Yorkshire. These are aimed at assisting workless people to return to employment or training; work with young people not in education, employment or training (NEET); delivering Information, Advice and Guidance to ESF participants; and providing learning and skills for offenders.

The contracts are:

- **Adult Engagement Fund** (contract value up to £400K): aimed at 'harder to reach' workless people, with a focus on Scarborough, York and remote rural areas. This fund is managed by Craven College and activity will be delivered by the College and a number of local training providers
- **Skills for Jobs Fund** (up to £1m): aimed at workless people nearer the labour market. Guidance Services (VT Enterprise) is the lead partner for this project which also involves a number of other delivery partners from the sub-region. Project details have yet to be finalised with the LSC
- **NEET Fund Manager** (up to £1m): aimed young people 'not in education, employment or training'. This fund is managed by Guidance Services (VT Enterprise) and will be delivered by Guidance Services, Craven College and the North Yorkshire Learning Consortium, which has the largest share of delivery and will be using a range of voluntary sector providers.
- **Information, Advice and Guidance** (up to £500K): This contract has been awarded to IGEN (Leeds) and will provide IAG services to participants on the Adult Engagement and Skills for Jobs projects. Delivery will be via existing York and North Yorkshire 'Next Step' providers
- **Offender Learning and Skills** (up to £275K): to be delivered by a partnership of York, Craven and Harrogate Colleges and the North Yorkshire probation Service

These contracts represent an investment by the LSC, specifically in the York and North Yorkshire sub-region, of up to £3.175m. This is 12% of the total amount allocated to all the sub-regions i.e. West Yorkshire, the Humber, and York & North Yorkshire (but excluding South Yorkshire).

Using the same comparison, the York and North Yorkshire share of the working age population is 19%. However, compared with the other sub-regions, York and North Yorkshire has a lower share (12%) of workless people, who are the target population for ESF. The sub-regional LSC ESF allocation is therefore in line with this figure.

In addition to the projects described above, an LSC ESF Community Grants programme has been established to provide small grants to VCS organisations. In York and North Yorkshire, this fund is being managed by the North Yorkshire Learning Consortium.

An ESF Technical Assistance project for the sub-region has also been set up, involving YNYPU and the two Learning Partnerships for North Yorkshire and York. The TA project will link ESF with the delivery of sub-regional skills strategies and work with the Employment and Skills partnerships, the VCS and other groups.

Regional LSC ESF contracts have also been awarded to 7 projects which will be delivering in York and North Yorkshire, as well as in West Yorkshire and the Humber. These are:

- **IT Skills Development in the Workforce:** a contract of up to £1m awarded to Leeds College of Technology
- **Provision Capacity Building** for delivering ESF: West Yorkshire Learning Providers, up to £750K
- **Top Team Workshops Programme:** Huddersfield Textile Training Ltd, up to £800K
- **Team Leader VRQ's:** Not known, up to £ 750,000
- **Train to Gain Enhancement Fund:** Calderdale College, up to £ 20m
- **Employer Engagement with Offenders & Ex-Offenders:** South Yorkshire probation Service, up to £140K
- **Job Skills for Offenders in Custody:** City College Manchester, up to £250K

Jobcentre Plus ESF contracts have also been awarded for 2 large-scale projects that cover the Humber and East Yorkshire as well as York and North Yorkshire. Both projects aim to help workless people into employment and training. These projects are:

- **Initial Steps:** contract held by 'Intraining'
- **Employment Skills Vocational Routeway:** contract held by 'Working Links'

Because of the size and scope of these projects, it is not possible to estimate the amount of activity or expenditure in the sub-region. However, Jobcentre Plus are looking to report on this in the future, on a post-code basis.

### European Regional Development Fund

A number of ERDF projects in sub-region have been approved, or are nearing approval. These projects are:

Sponsor	Project	ERDF Requested
Science City York	SCY Embedded Workspace	19,500,000
Science City York	SCY Specialist Business Services	1,500,000
Hambleton DC	Hambleton Managed Workspace	2,500,000
SBC	Scarborough Jobs Match	581,741
Leeds City Council	Create and Innovate (ERDF Technical Assistance project, includes YNYPU)	366,670
TOTAL		24,448,411

The largest of these is the York Science City "Embedded Workspace" project which is seeking nearly £20m of ERDF funding to provide facilities for the development of new high technology businesses. Other "early win" ERDF projects in the sub-region include managed workspace in Hambleton, and the Scarborough Jobmatch project which will provide a job brokerage service for employers in the town.

- Over £24m ERDF has been committed to the sub-region, including nearly £20m for York Science City. This represents 35% of the total amount committed to date in the programme, 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

- Excluding South Yorkshire, the regional ERDF allocation from 2007 to 2009 is c.£128.66m; based on relative population share, the sub-region could work towards an ERDF investment of £25.7m during this period
- During the lifetime of the programme, which ends in 2013, the sub-region could look for a total ERDF investment of c.£62.5m

#### *ERDF regional projects*

Regional ERDF projects are now being developed which should benefit the sub-region. These include:

- Innovation hubs to encourage and develop business innovation, in areas such as creativity, design, leadership, financial management and regulation
- Support for R&D and product development
- Support for business development in the food sector

To date, ERDF has been committed to the following regional projects (which have been identified to have potential to deliver in this sub region) and work is now taking place to link with project sponsors, to identify intentions and opportunities for delivery in York and North Yorkshire.

<b>Sponsor</b>	<b>Project</b>	<b>ERDF Requested</b>
Leeds University	Instit of Product Development	3,192,000
YF	R&D Grants	1,087,000
YF	Large Company R&D Scheme	4,687,500
Sheffield Hallam	Innovation Futures	318,483
Bradford Uni	Surprise Bradford Uni	2,990,000
BL	Designing Demand	1,014,300
YF	Regional Healthcare technologies	1,203,385
YF	Access to Markets (sectors)	3,381,000
Leeds Coll of Art	Creative Enterprise Centre	1,610,000
YFM	Manu Advisory Service	2,242,500
National metals tech Centre	AEM Network	606,440
Sustainable Futures	Resource Efficiency Progs	2,936,479
Key Fund Yorkshire	Key Fund Yorkshire	616,108
YF	Yorkshire Biorefinery	5,715,000
<b>TOTAL</b>		<b>31,600,195</b>

#### **University of York's involvement in the EU Research Framework Programme (FP)**

Grants from the FP projects are currently worth around £4.5 million per year to the University. There has been a steady growth in income which has meant that their overall position, as a very active participant in these programmes, has been maintained. Participation is spread over nearly all programme areas, with particular strengths in the Marie Curie research training programme, Environment, ICT (Information and Communications Technology) and Life Sciences related programmes.

The University are currently involved in just over 100 different projects in FP6 (2002-2006) and FP7 (2006-2013), and in 12 as the lead partner. Last year they were awarded 2 grants in the new European Research Council (ERC) programme, one was a "Starting Independent Research Grant" (StG) and another "Advanced Researcher Grant". These grants are both highly competitive (with success rates lower than 3 per cent for StG) and highly prestigious, as ERC *laureates* are seen as world leaders in their respective fields.

Going forward, the University hopes to be able to take advantage of the fact that, unlike most other funding sources, the overall budget for FP7 will increase by around 40 per cent in real terms during the final 4 years of the programme.

Examples of successful projects, where the University is either a main partner or the coordinator, include:

- CAPANINA: Communications from Aerial Platform Networks delivering Broadband Communications for All <http://www.capanina.org/>
- GIANT: An FP6 project investigating the use of gene therapy in the clinical treatment of prostate cancer.  
<http://www.york.ac.uk/depts/biol/units/cru/giant/introduction.htm>
- OSTEOCORD: A project which is researching ways of utilising Mesenchymal stem cells (MSCs), found predominantly in the bone marrow, for novel tissue engineering applications <http://www.bonefromblood.org/>
- RTN-LAB, a Marie Curie network focussing on research into the brain and learning [http://www.york.ac.uk/admin/ero/Projs/MC\\_RTNLAB.htm](http://www.york.ac.uk/admin/ero/Projs/MC_RTNLAB.htm)
- SUSTOIL, a large coordination network which is helping to to develop advanced biorefinery schemes to convert whole EU oil-rich crops (rapeseed, olive and sunflower) into energy (fuels, power and heat), food and bioproducts (chemicals and/or materials). <http://www.sustoil.org/>

### **Other EU funding streams**

In 2008, a national funding round was held for additional ESF (not co-financed by the LSC or Jobcentre Plus) to fund regional Innovation and Transnational projects. Further opportunities to access this funding may arise in the future.

The sub-region is within the eligible areas for the North Sea and North West Europe Interreg Programmes. The North Sea Region Programme supports transnational co-operation projects in innovation, the environment, accessibility and sustainable and competitive communities. The North West Europe programme aims to improve territorial development and cohesion, through management of natural resources and natural areas; innovation; improved connectivity and strong and prosperous communities at transnational level.

The Partnership Unit has been attending meetings of the regional Interreg Group (convened by Yorkshire Forward) and is facilitating the development of a potential project from the sub-region.

Further work needs to be done on other EU funded activity especially for the Environment and Agriculture and this will be incorporated in future reports.

York and North Yorkshire Partnership Unit  
February 2009

## YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE ITEM 12

19 FEBRUARY 2009

### NORTH YORKSHIRE LOCAL AREA AGREEMENT – PROGRESS REPORT

#### Purpose of the report

1. To provide this Executive, in its role as 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.
2. To seek the endorsement, of this Executive, to the refreshed economy and enterprise target for the North Yorkshire LAA2 relating to NI171 the rate of new business registrations.

#### Progress on current targets

3. Set out below is a brief report outlining the progress on each of the LAA2 economy and enterprise indicators. This also highlights any areas of concern or critical issues.

#### DESIGNATED INDICATORS

4. **NI 152 - 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. It should also be stressed that this indicator is heavily influenced by the economic downturn.

##### Overview

The latest available data (year average to May 08 - the first data to include any time period covered by this LAA programme) shows 13.4% of working age people in Scarborough Borough were on work related benefits. The indicator has shown a positive (albeit small, but continuing) downward trend.

However more recent supporting data (up to December 2008) shows claimant counts and rates have increased significantly, albeit broadly following the national trend. These more recent increases will begin to 'feed through' into quarter 4 data for this indicator. As claimant counts / Job Seeker Allowance claimants currently account for around a fifth of the 13.4% of people on work-related benefits, this will have a significant impact. **So, whilst there are a number of initiatives to tackle worklessness (see Actions below), 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.**

##### Actions addressing the areas of concern

LSC/ESF worklessness projects are both contracted and delivery in Scarborough should start in quarter 4 (January-March 2009). The Jobs Match project should also begin delivery during this quarter. However, there are concerns about prospects for the Scarborough economy in a recession. Over 350 redundancies have been announced since July 2008. New jobs created from expansion of the Scarborough Business Park may not materialise in the near future. Scarborough Borough Council has however formed an Economic Issues working group with partners including JobCentrePlus and Yorkshire Forward. A close watching brief is required regarding this LAA Indicator in the future.

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

**Overview**

The latest available data (2007) showed that in North Yorkshire 51.1% of the working age population achieved a level 3 qualification (compared to 48.7% in 2006). Data relating to the LAA2 period will not be available until Aug 2009. In the absence of any interim data, the LSC are aiming to look at internal data from providers about the take up of Level 3 courses as a general indicator of how we are progressing against this ambitious target in the current economic climate.

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

6. **New businesses - N171**

No targets have previously been set for this indicator as data has been unavailable. Further details regarding the setting of the target is set out below.

**Local indicators**

7. 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.

Whilst a range of actions continue to be delivered and reported on under these themes, it is reported that:

**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.**

**Target for NI 171 New Business registrations**

8. As part of the Local Area Agreement 2 (LAA2) process for 2008-2011 it was agreed that North Yorkshire would include National Indicator:171 (NI171) new businesses. The first data for this indicator only became available in December 2008, so this is the first opportunity to review baselines and to set targets. This will form part of the refresh of the North Yorkshire LAA. However these latest figures are for 2007 are so as yet do not take into account any impact of the economic downturn. It has therefore proved difficult to set a proxy baseline for 2008 and also to set a realistic and achievable target.

9. To do this, however, we have examined a series of other intelligence, including VAT registrations over time and nationally where figures go up to 2008, what happen during the last economic downturn in the early 1990's, and other comparisons and trends. This has resulted in proposing the following:-

10. All indications are that there is likely to be a significant drop in business registrations per 10,000 people of working age, from 2007 to 2008, with a further potential drop predicted for 2009 and 2010. The 2007 figure for

North Yorkshire is 62.0 new business registrations per 10,000 working age population, with an average over the preceding three years of 58.1. It is therefore proposed that a proxy baseline for 2008 is set on the assumption that if North Yorkshire follows the National VAT registration trend, North Yorkshire will experience a fall from 2007 to 2008 of 22%, giving us a baseline figure of just 48.3. This proxy baseline has then been used to set a target for North Yorkshire for the LAA 2 period up to 2010/11. Government Office advice on this is that we should try to be as ambitious as possible and so with this in mind it is proposed that the target be set as follows: -

11. To achieve a rate of **58.1 new business registrations per 10,000 working age population in 2010/11** – therefore a target to return to the average levels pre-economic downturn. This also shows an increase of 17% on the proxy baseline.

#### **Recommendation**

12. To receive this report noting the concern regarding indicator NI 152 – work related benefit and the actions being taken in Scarborough.
13. To set a New Business Rate North Yorkshire LAA target of 58.1 new business registrations per 10,000 working age population by 2010/11 as set out in paragraph 9 above. However once the actual 2008 baseline figure is known this target should be reviewed and a revised target presented to this Executive.

Andrew Leeming  
York and North Yorkshire Partnership Unit

## **YORK & NORTH YORKSHIRE PARTNERSHIP EXECUTIVE ITEM 13**

**19 FEBRUARY 2009**

### **AGENDA FOR NEXT DEVELOPMENT BOARD MEETING**

#### **Purpose of the report**

This report sets a proposed agenda for the next meeting of the Development Board for approval by the executive.

Much of the agenda is based on the discussions at this executive

#### **Proposed agenda**

Current economic situation – A presentation from the Chief Economist of YF with a report based on today's discussions.

Implementing the Sub National review – to take forward the report at today's meeting

York and North Yorkshire partnership – to present aspects of the business case considered at the last meeting on the future role of the Partnership and to seek endorsement of the budget for the Unit.

Geographic Programmes – overview on current position in York and North Yorkshire and to consider specific responsibilities of the Board and Partnership executive re the North Yorkshire Programme.

Engagement and role of the Private and Voluntary sectors – arising from today's discussions

York area – to set out the issues discussed at the last meeting of the executive in October

Update on Partnerships – specifically Skills, Culture and Business support

Performance Management – EU funding and North Yorkshire LAA

#### **The executive is asked to approve this draft agenda**

Jonathan French  
York and North Yorkshire Partnership Unit.