

### 3. Economic Geography and Evidence

#### In Summary

This section describes the wonderful, distinctive and sometimes challenging area that our strategy covers. It combines market towns, cities, coast and countryside. It spans county, unitary and district councils and has overlaps with two other LEP areas. It combines an overall feel of attractiveness and rurality with pronounced contrasts and local assets and opportunities.

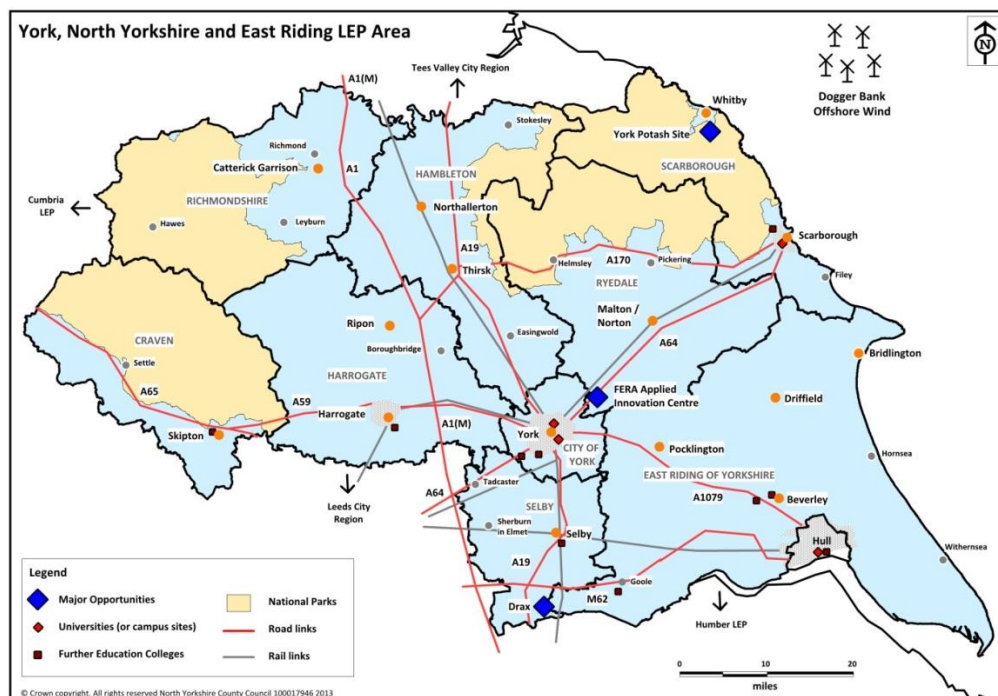
We set out the economic evidence that describes our area, its strengths and challenges, and which spans business profile, sectors, employment, skills and other statistics. The evidence and identified areas of market failure have informed our priority setting and strategic investments. A supporting document will further set out the logic chain from evidence to intervention for specific objectives, covering factors such as market failure, additionality and options analysis.

## a) Economic Geography

### Overview

The LEP area is one of the largest economies in England by land area and covers more than 10,700 square km. It has a population of around 1.14 million people and brings together an extensive and predominantly rural area running from north of Leeds up to Scarborough and Whitby. Its more southerly parts cover the districts of Harrogate, Selby, Craven and the City of York, all of which are also part of the Leeds City Region. Further north it covers the North Yorkshire districts of Ryedale, Hambleton, Richmondshire and Scarborough, with connections to the Tees Valley becoming stronger in the most northerly areas. The East Riding is the largest unitary authority in our area and extends from north of the Humber estuary to Bridlington, taking in centres such as Goole, Beverley and Driffield, it is also part of the Humber LEP area.

**Figure 1: Map of the LEP area**



Our area's economy presents a combination of strengths, assets and unfulfilled potential (as section 2b details). Employment, basic skills and business survival rates are above average and we have strong business sectors such as food and agritech/agriculture, energy and the visitor economy. Yet our productivity and GVA levels are below what we would expect given our size and skills base. There are also considerable differences at a local level that are masked by overall statistics. Our area includes localities that have surprisingly high and sometimes hidden deprivation. Elsewhere certain sectors, such as manufacturing and engineering, have localised hotspots. As our most urban area, the City Of York also has distinct features, for instance connected to its business base and university and science based assets.

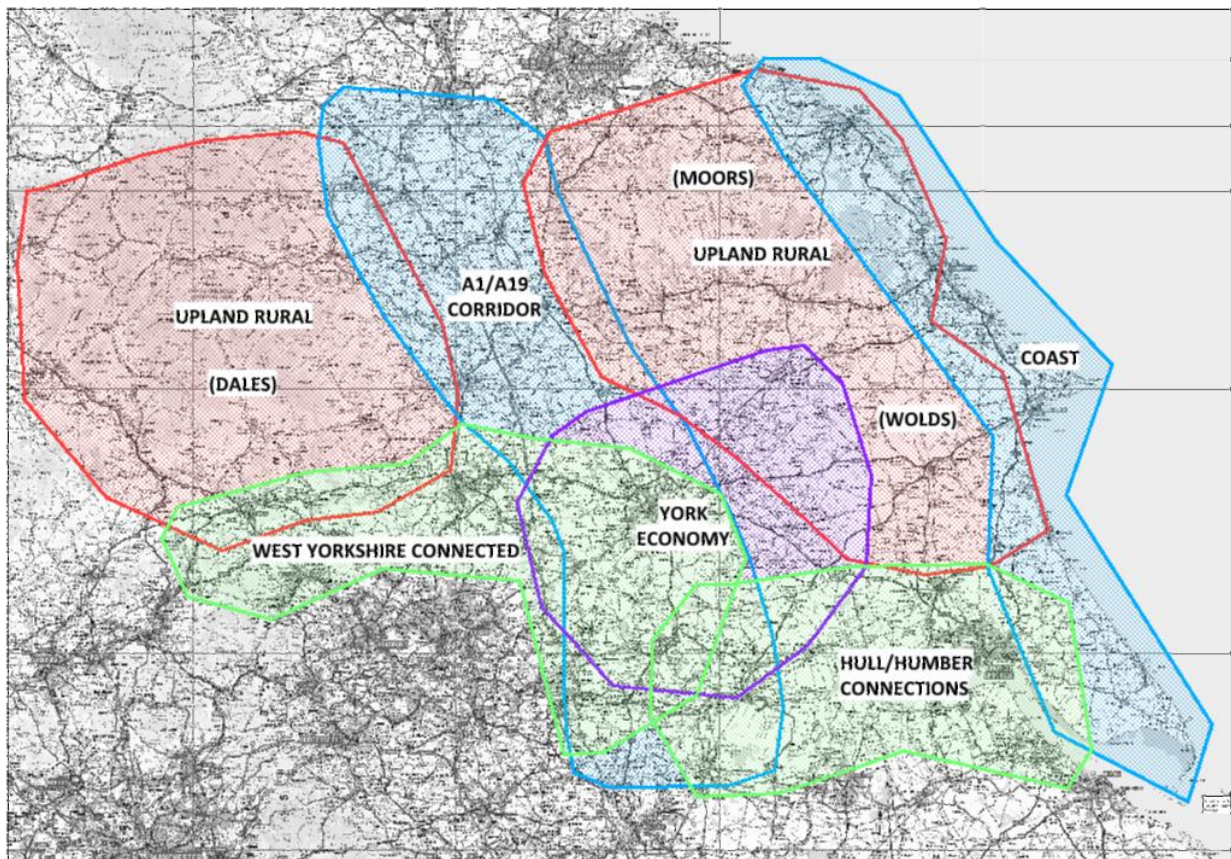
### Local Economic Areas

York, North Yorkshire and East Riding functions as a whole economic area, with similarities, shared interests and connections across our terrain. But it is far from homogeneous. Our geography combines seven local economic areas, each with its own distinctive features, assets and opportunities. These are complicated because they do not have clear boundaries, overlap with each other and often contain parts

of multiple local authority districts. Nevertheless they are real entities recognised by people and businesses based there. Understanding and working with the grain of this geography is vital if we are to get the best from it.

The schematic map and table that follow show how these areas relate to one another and set out the main towns and local authority districts within each.

**Figure 2: Schematic map of Local Economic Areas**



**Table 1: Local Economic Areas**

Local Economic Area	Main settlements	Main local authority areas	Connections to other LEPs
A1/A19 corridor	Northallerton, Thirsk, Richmond, Catterick Garrison, Bedale/Leeming Bar, Ripon, Boroughbridge, Easingwold, Knaresborough, Tadcaster, Sherburn in Elmet	Most of Hambleton, parts of Richmondshire, Selby and Harrogate, all of York (covered separately)	Leeds City Region, Tees Valley
York and connected	York, Malton & Norton, Pocklington, Selby, Market Weighton, Tadcaster, Easingwold	All of York, parts of East Riding, Ryedale, Harrogate and Selby	Leeds City Region, Humber
Dales	Skipton, Settle, Grassington, Ingleton, Hawes, Pateley Bridge Leyburn, Masham, Reeth, Richmond, Bedale	All of Craven, most of Richmondshire	Leeds City Region, Cumbria, Lancashire

Moors and Wolds	Pickering, Malton & Norton, Helmsley, Kirkbymoorside, Driffield, Whitby, Esk Valley, Pocklington, Market Weighton	All of Ryedale, parts of Scarborough and East Riding of Yorkshire	Humber, Tees Valley
Yorkshire Coast	Scarborough, Bridlington, Whitby, Filey, Hornsea, Withernsea	Most of Scarborough, parts of East Riding of Yorkshire	Humber, Tees Valley
West Yorkshire connected	Harrogate, Selby, Skipton, York, Tadcaster, Sherburn in Elmet	All of York and Selby, parts of Craven and Harrogate	Leeds City Region
Hull and Humber connected	Beverley, Goole, Hedon, Humber Bridge area (Hessle/Cottingham), Withernsea, Hornsea, Market Weighton	East Riding of Yorkshire	Humber

The governance structures that cover the LEP area and the Local Economic Areas are complex. The LEP area contains two unitary authorities (York and East Riding), a county council (North Yorkshire), and seven district/borough councils within North Yorkshire (Craven, Hambleton, Harrogate, Richmondshire, Ryedale, Scarborough, Selby). All three upper tier authorities and four of the district/borough councils also fall within another LEP area (The Humber for East Riding, Leeds City Region for the others). There are also separate planning areas and mechanisms for the two national parks that fall almost entirely within our area – the North York Moors and Yorkshire Dales. Whilst both have landscapes with their own outstanding qualities, the two Parks share other issues – for instance to do with remoteness, the environment, planning and housing.

There is no one easy, structural way round this complex geography. The solution lies in a shared commitment to work together and to apply common sense and flexibility in making things work. Partners across the area recognise their linkages and the advantages of working together. We will capitalise on this in the way that we develop governance and delivery structures and pool resources to maximise our impact (see section 7). At the same time, we will build on the distinctiveness of our Local Economic Areas and respond to the specific issues and opportunities in each. The following sections describe each of these areas and identify key economic roles, challenges and assets.

### **The A1/A19 Corridor**

This area is the economic spine of the LEP area, with the A1 and A19 connecting our region with Middlesbrough, Darlington and Tyneside to the north and the Leeds City and Sheffield City Regions to the south. The corridor takes in towns including Northallerton, Ripon, Richmond, Thirsk and Boroughbridge, as well as the City of York (although that is treated as a separate area of its own given its size and distinct role).

Economically this area is important for businesses that require rapid access to the trunk road and rail networks, with the two food based business parks at Leeming Bar and Melmerby (both full to capacity) a good example. There is also a concentration of public sector and defence activity in the area. This creates both challenge and opportunities. Cuts to local authorities and other public sector bodies will have significant employment impacts in the areas affected. Northallerton is a prime example, where Government Agencies are moving out, the prison is due for closure and the two local authorities based within the town, the County Council and Hambleton District Council, are shedding large numbers of jobs. In Ripon, the closure of the Royal Engineers barracks will have economic shockwaves, but it also opens up new opportunities for growth in the town. Similarly the creation of a town centre at Catterick Garrison, one of the largest armed forces base in Europe, could have sizeable benefits.

The A1/A19 will be one of the most attractive bases for new development because of its transport connections, including the East Coast Mainline Rail, and because of its predominantly flat terrain. A good example is the new £100 million five star destination 'resort' at Flaxby, which will include high quality spa, restaurant, hotel and leisure facilities and prides itself on easy access to Yorkshire's attractions, including local ones such as Knaresborough, Fountains Abbey, Newby Hall and Lightwater Valley.

### **York and connected**

The City of York is the largest centre in our area. It is in an important entity in its own right and exerts an influence over much the of LEP area. The York and connected area takes in the places where this influence is strongest – towns such as Malton & Norton, Pocklington, Selby, Market Weighton, Tadcaster and Easingwold.

The city itself is a major asset, and has been voted the nation's most beautiful and the best city to live in. It has two universities, including leading edge R&D strengths and enjoys excellent rail links to London and Scotland as well as to the coast and to Leeds and Manchester (a route where journeys will be more rapid with planned improvements). The planned HS2 rail terminal in Leeds will also connect to York. The city has important road links too, although it suffers congestion problems in the city centre and on its outer ring road. The city's economic structure differs from that of the wider LEP area. It has more large businesses, less land based industry, and more businesses in the finance and insurance, education, and professional, scientific and technical sectors. But it shares a pronounced tourism sector and, despite some high profile closures, some important engineering and manufacturing strengths.

Economically there are paradoxes - GVA per head and productivity in the city have significantly declined *relative* to averages for England and the rest of the LEP area. Yet in other respects the city is buoyant – with healthy employment levels, skills and incomes in much (but not all) of the city. The York and connected area also presents huge opportunities, including being at the heart of BioVale proposals for the biorenewables industry.

Features and developments outside of York itself include the major energy industry concentration around Drax power station near Selby, which is converting to biofuels co-firing and has leading proposals for carbon capture and storage. In Malton & Norton, there are example of excellent engineering companies and training facilities and significant proposals for local development. The Food and Environment Research Agency (FERA) site at Sand Hutton is just outside the city of York boundary, but within the wider York and connected area.

### **The Dales**

The Dales area defined here encompasses the Yorkshire Dales national park, the Nidderdale AONB, and nearby towns such as Skipton and Richmond which provide access and are connected to it. In terms of land area, the Dales are dominated by the national park, with its dramatic limestone scenery and extensive uplands. It includes famous features such as Malham Cove, Ingleborough Caves, whilst the Three Peaks Challenge walk attracts thousands of visitors annually. The population within the park is small and dispersed, and the gateway towns such as Skipton are important centres of population and employment. The southern areas of the Dales are connected to Leeds City Region centres such as Leeds, Bradford and Keighley, whilst the Dales also have connections to Lancashire and Cumbria to the north and west, as well as to Darlington to the north east.



On the surface, economic statistics for the Dales look healthy, with high employment and skills levels. However, median incomes are low and there is significant 'in-work poverty'. The heart of the economy is based on food and agriculture and tourism based businesses. Microenterprises dominate even more than average for the LEP area, and levels of self-employment are high, especially in Craven.

Strategic challenges include the pressures faced by upland hills farms, housing demand and affordability, and the need to marry together economic activity and environmental protection. The role of natural assets and sustainable local economic development in the area will continue to be important, including recognition of the role of the natural environment in functions such as water management, maintaining biodiversity and attracting 'eco-tourism'. Flood prevention is important in Skipton too and has the capacity to open up new development opportunities and business growth. In 2014, the Tour de France will weave its way through the heart of the Dales, attracting an influx of visitors and further showing off its attractions to a global audience.

### **The Moors and Wolds**

This area covers a large land area in the north east of the LEP area, and comprises the North York Moors national park, the Yorkshire Wolds and Howardian Hills AONBs, and the local areas and towns connected to them such as Whitby, Pickering, Driffield and Pocklington.

The Moors and Wolds have a markedly different landscape character to the Dales but share many of the same issues and opportunities. These include an economy with a strong agriculture, food and visitor economy focus; the pressures of integrating economic and environmental concerns; and a combination of good skills and employment levels but often low incomes.

There are also distinctive features and opportunities. These include a good number of engineering companies in parts of Ryedale, Scarborough and the East Riding, and forestry activity, where Dalby Forest is a tourism asset and a magnet for mountain bikers. The proposed Potash mine near Whitby could further stimulate considerable investment and economic opportunity.

### **The Yorkshire Coast**

The Yorkshire Coast stretches from Staithes and Whitby down to Spurn Head and the Humber estuary, taking in coastal settlements and resorts such as Scarborough, Bridlington, Filey, Hornsea and Withernsea. It overlaps with areas of the Moors and Wolds and the Hull and Humber connected areas and has links to both the Tees Valley and Humber LEP areas.

Economically, coastal areas, present some of the greatest regeneration needs in the LEP area, with unemployment, deprivation and skills issues in most towns, and most acute in the south of the Yorkshire Coast. As the tourism market has changed, so resorts need to widen and upgrade their offer, and to strengthen non tourism related aspects of their economies.

In Scarborough tourism activity is combined with a significant manufacturing and engineering base. Successful events such as the Scarborough Engineering Week and the Employability Charter are looking to help to equip a new generation with the skills needed in the industry, and at the same time

investments such as a £15m water park, and the continuing rise of the surfing scene will continue to enhance its attractiveness to visitors. Other Yorkshire Coast opportunities include potash mining and offshore wind, with potential to service turbines from Yorkshire Coast harbours such as Bridlington or Whitby. Coastal erosion and sea level rise present threats to stretches of the coast, and other areas such as Flamborough Head are important for birdlife and conservation. A long term sustainable approach to development that balances needs and looks at the future roles of settlements will be important.

### **West Yorkshire Connected**

This area includes the major centre of Harrogate and important market towns such as Selby, Skipton, Tadcaster and Sherburn in Elmet. It includes all of the local authority areas of York and Selby and much of Craven and Harrogate. All four are also part of the Leeds City Region. Links to West Yorkshire, especially Leeds and Bradford, are stronger than elsewhere in the LEP, with more and faster road and rail connections and significant commuting flows.

Nevertheless the area does not look wholly to the south. It is its own place and has much in common with the rest of North Yorkshire – including a rural landscape, attractive market towns, high levels of self-employment and a pronounced food and agriculture sector. The combination of a North Yorkshire base and good access to Leeds is a winner for many, resulting in high demand to locate in the area, high house prices and some of the highest earnings in the LEP area.

Opportunities and challenges include tackling the congestion which restricts growth in Harrogate (including through better rail links to Leeds and sustainable transport policies), making the most of the International Conference and Exhibition Centre, taking advantage of low carbon energy opportunities, and development potential at sites in Skipton and Selby.

### **Hull and Humber Connected**

This area includes East Riding settlements with a connection to the Hull economy, including a ring of places just outside the Hull boundary (e.g. Beverley, Hedon, Cottingham, Brough), some of them close to the Humber Bridge. It stretches out to include the towns of Goole, Market Weighton, Hornsea and Withernsea and has overlaps with the Moors and Wolds, York and connected, and Yorkshire Coast economic areas. It contains a mixture of flourishing settlements and areas of high unemployment and regeneration challenges – notably in coastal settlements such as Hornsea and Withernsea.

Many of the area's economic opportunities relate to the Humber LEP, its ports and growth of the renewable energy industry around them, especially offshore wind. Wider energy opportunities such as in biorenewables also connect to the land area, the ports, and the chemicals industry.

### **Connections between Local Economic Areas**

Whilst the seven areas are all distinct entities, there are also similarities between some of them which can be taken advantage of in planning programmes of action. Notably, the seven areas can be sandwiched into four areas which are the basis for core activities as described in Priority 4. These four areas are:

**A1/A19 Corridor** – widened to include the York Connected area which it encompasses

**The Dales, Moors and Wolds** – which combines the Dales to the west and Moors and Wolds to the east

**City Links** – combining the West Yorkshire Connected and Hull and Humber Connected areas

**The Yorkshire Coast** – as described with no changes

## b) Statistical Economic Evidence

As well as the qualitative evidence described in the sections on local economic areas, statistics are available about the economic performance of the LEP area. These are often (if not always) available down to local authority district level, but rarely at a more tailored or detailed level, such as for rurality, local wards and neighbourhoods, or the local economic areas that have been discussed.

The statistical economic evidence is broken down into the following areas;

i	Population and Land Area
ii	Growth Productivity and Economic Forecasts
iii	Business Profile – stock and size profile, self-employment and start-up and closure rates
iv	Sectoral Profile
v	Innovation, Exports and investment
vi	Employment, Inclusion and incomes
vii	Skills and Qualifications
viii	Low Carbon performance
ix	Transport and Connectivity
x	Housing

### i) Population and Land Area

York, North Yorkshire and East Riding is the largest LEP area in England by land area (10,718 sq km) but also has lower population density than most – 106 people per sq km. Its population is 1.14m. Table 2 shows how this is spread across local authority areas, forecasts for population growth, and ageing population statistics.

**Table 2: Population trends, projections and age profile by area**

Area	Population			Population growth (%)		% aged 65+	
	2005	2012	2021 (projected)	2005-2012	2011-2021	2011	2021 (projected)
East Riding of Yorkshire	329,400	335,900	358,600	2.0%	7.1%	21.6	26.1
York	189,200	200,000	213,000	5.7%	7.6%	17.0	19.4
Craven	54,700	55,500	57,000	1.5%	1.8%	22.9	29.1
Hambleton	85,300	89,700	93,000	5.2%	3.3%	21.7	27.2
Harrogate	154,000	158,600	166,000	3.0%	4.4%	19.6	23.7
Richmondshire	49,300	53,900	54,000	9.3%	1.9%	17.2	22.0
Ryedale	52,500	52,100	54,000	-0.8%	3.8%	23.4	28.1
Scarborough	108,200	108,600	111,000	0.4%	1.8%	23.5	27.7
Selby	78,500	84,100	93,000	7.1%	10.7%	17.0	20.8
North Yorkshire	582,500	602,600	628,000	3.5%	4.5%	20.7	25.2
<b>Total LEP area</b>	<b>1,101,100</b>	<b>1,138,500</b>	<b>1,199,600</b>	<b>3.4%</b>	<b>5.8%</b>	<b>20.3</b>	<b>24.4</b>
<b>England</b>	<b>50.47m</b>	<b>53.50m</b>	<b>57.69m</b>	<b>6.0%</b>	<b>8.6%</b>	<b>16.4</b>	<b>18.7</b>

(Source: Interim 2011 based Subnational Population Projections, ONS)



Key points are that:

- Just over a half of the LEP area's population is in North Yorkshire, with the remainder split between East Riding and York. The most populated districts within North Yorkshire are Harrogate and Scarborough.
- The LEP area's population is forecast to grow by 8.6% between 2011 and 2021, with the highest rate of growth by some way being in Selby, the only area forecast to see growth above England average. Projected growth is next highest in York and the East Riding and lowest in Scarborough and Craven.
- Just over 20% of the LEP population is 65+, four percentage points (and 25%) higher than the England average. This gap is expected to grow with the LEP area 65+ population rising by four percentage points – not far off double the national increase. The LEP areas with the highest proportion of people aged 65+ now, and the greatest projected rises in this group in the future, are the Dales, Moors and Wolds and Yorkshire Coast areas. The lowest proportions are in York and Selby.
- More widely the age profile of the population in the LEP area is older than nationally. In England, 13.7% of the population is aged 20-29, and 20.6% is aged 30-44. In the LEP area, these proportions are 11.3% and 18.1% respectively, whereas our proportion of people in the 45-64 and 65+ age bands is higher than England average.

## ii) Growth, Productivity and Economic Forecasts

The tables show total GVA (output) and GVA per head for the LEP area as a whole and the three upper tier local authority areas within it. They are based on national statistics which are not broke down to local area (modelled growth forecasts do that in the following subsection).

**Table 3: Total GVA (£million) – 2005-2011**

	2005	2006	2007	2008	2009	2010	2011
England	947,218	997,356	1,056,933	1,080,363	1,063,683	1,099,713	1,124,881
<b>LEP area</b>	<b>16,689</b>	<b>17,522</b>	<b>18,353</b>	<b>18,652</b>	<b>18,231</b>	<b>18,856</b>	<b>19,336</b>
North Yorkshire	8,692	9,192	9,680	9,877	9,659	10,006	10,322
York	3,843	3,943	4,098	4,134	4,026	4,098	4,134
East Riding	4,154	4,387	4,575	4,641	4,546	4,752	4,880

**Table 4: £GVA per head – 2005-2011**

	2005	2006	2007	2008	2009	2010	2011
England	18,769	19,647	20,681	20,992	20,531	21,054	21,349
<b>North Yorkshire</b>	<b>14,922</b>	<b>15,708</b>	<b>16,429</b>	<b>16,643</b>	<b>16,161</b>	<b>16,685</b>	<b>17,148</b>
York	20,309	20,647	21,288	21,212	20,253	20,242	20,103
East Riding	12,611	13,238	13,701	13,809	13,488	14,030	14,349

Key points are:

- The LEP economy was worth £19.3 billion in 2011, a rise of 15.9% on 2005 compared to a rise of 18.8% in England. However the LEP area grew marginally faster than the England average between 2009 and 2011.
- Below the headline LEP level data there are marked differences across the LEP area. GVA growth in North Yorkshire and East Riding were actually on a par with national trends with a rise of 18.8% in North Yorkshire and 17.5% in East Riding. Those figures are more than double the equivalent rise in York – 7.6%.
- GVA per head data is not available for the whole LEP area, but the same trends are evident as for total GVA in the three upper tier areas. Rises of 13.8% and 14.9% between 2005 and 2011 in East Riding and North Yorkshire respectively were slightly above national average (13.7%). The same figure fell by 1.0% in York.

Productivity statistics are only available at upper tier local authority level and are shown based on GVA per hour worked (for those in work) compared to an England average index of 100.

**Table 5: Productivity**

GVA per hour worked	2005	2006	2007	2008	2009	2010	2011
East Riding of Yorkshire	94.4	93.4	92.0	91.0	89.9	88.9	88.0
York	101.9	100.1	98.1	95.0	92.2	89.0	87.4
North Yorkshire CC	84.8	83.9	83.0	82.9	82.0	81.6	81.5

(Source: nominal GVA per hour worked, by NUTS 3 subregions, ONS)

Key points are:

- Productivity is significantly below England average across all three parts of the LEP area, just over 80% of England average in North Yorkshire, and nearer to 90% in York and East Riding.
- Productivity has declined consistently between 2005 and 2011 relative to England average. It is unclear how much that is due to economic structure and lower value sectors compared to national average, or to efficiency in the workplace. The decline has been particularly pronounced in York.
- Productivity per worker figures (not shown above) which also take into account hours worked are also well below national average and declining.

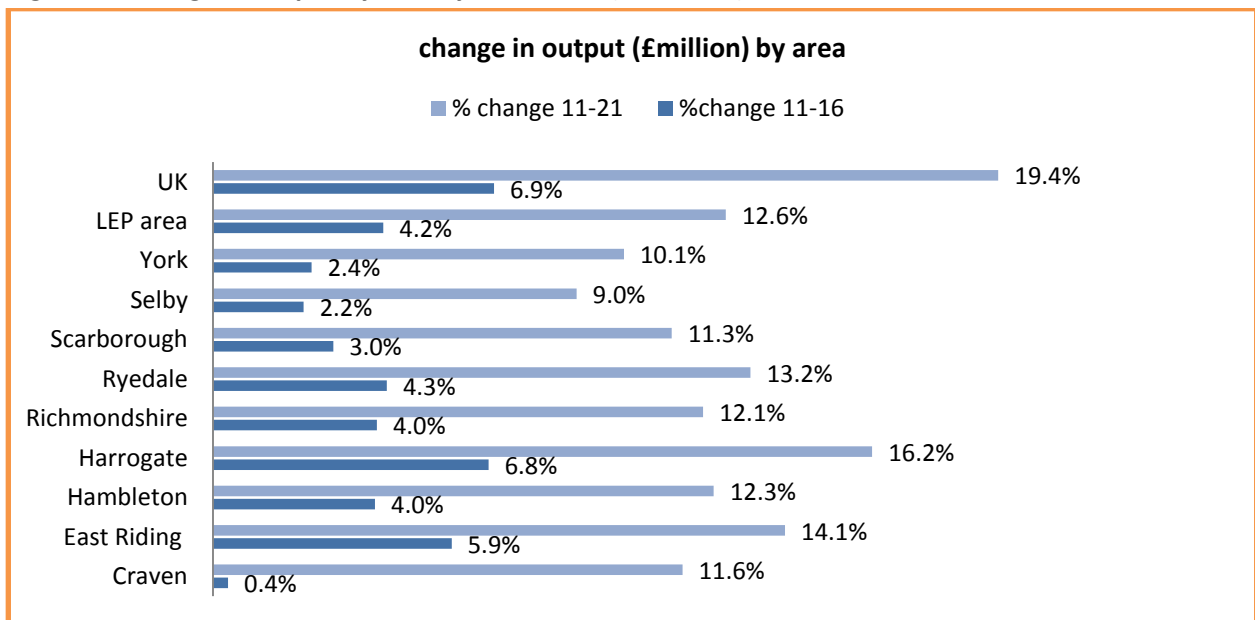
The Regional Econometric Model (REM) uses calculations, assumptions and trend data to estimate how GVA output data varies by local authority area and makes forecasts for future growth. Table 5 shows the modelled data for 2011 (output for all industry sectors) and forecasts for 2016 and 2021, whilst Figure 3 shows the forecast percentage change over time compared to UK average based on this data. Forecasts do not take into account local interventions and policies that may enhance growth, such as major Regional Growth Fund projects or investments in the pipeline.

**Table 6: Growth Forecast by Area**

Area	Output £million		
	2011	2016	2021
Craven	1,101	1,105	1,228
East Riding	4,695	4,972	5,357
Hambleton	1,541	1,602	1,731
Harrogate	3,111	3,322	3,617
Richmondshire	663	690	743
Ryedale	855	891	968
Scarborough	1,538	1,584	1,712
Selby	1,254	1,282	1,367
York	3,970	4,066	4,372
<b>LEP area</b>	<b>18,728</b>	<b>19,515</b>	<b>21,095</b>

(source: Regional Econometric Model, provided by Experian for REIU, September 2013)

**Figure 3: Change in output by locality 2011-2021 (REM data)**



Key points are that:

- Growth forecasts for the LEP area are positive but modest and significantly below UK average
- Growth is expected to be slow to 2016 but to pick up between 2016 and 2021
- Within the LEP area, the highest growth forecasts are for Harrogate, East Riding and Ryedale, with the lowest forecasts for Selby and Craven

### iii) Business Profile – stock and size profile, self-employment and start-up and closure rates

**Table 7: Businesses by size profile**

Area	Micro (<10)		Small (10-49)		Medium (50-249)		Large (>250)		Total
	No.	%	No.	%	No.	%	No.	%	No.
<b>Craven</b>	2,850	90.2	260	8.2	40	1.3	10	0.3	3,160
<b>Hambleton</b>	4,330	90.7	390	8.2	45	0.9	10	0.2	4,775
<b>Harrogate</b>	7,155	90.0	650	8.2	120	1.5	25	0.3	7,950
<b>Richmondshire</b>	2,295	91.4	195	7.8	20	0.8	0	0.0	2,510
<b>Ryedale</b>	2,975	90.3	275	8.3	40	1.2	5	0.2	3,295
<b>Scarborough</b>	3,340	87.5	425	11.1	45	1.2	5	0.1	3,815
<b>Selby</b>	2,865	90.8	250	7.9	35	1.1	5	0.2	3,155
<b>York</b>	5,045	86.8	630	10.8	110	1.9	30	0.5	5,815
<b>East Riding</b>	10,960	90.1	1,035	8.5	150	1.2	20	0.2	12,165
<b>Total LEP area</b>	<b>41,815</b>	<b>89.7</b>	<b>4,110</b>	<b>8.8</b>	<b>605</b>	<b>1.3</b>	<b>110</b>	<b>0.2</b>	<b>46,640</b>
<b>England</b>	1.63m	88.7	170,430	9.2	30,140	1.6	7,680	0.4	1,842,680

(source: IDBR, 2012)

Key points are that:

- The vast majority of businesses in the LEP area (90%) are micro-businesses with less than 10 employees. 98.5% are small or micro in the LEP area.
- Proportionately, the LEP area has less medium and large businesses than England, with around four fifths as many medium businesses and only a half as many large businesses as national average.
- The size profile of businesses varies. York has more medium and large businesses than elsewhere. Parts of the West Yorkshire connected area (Harrogate and Craven) have the next highest proportions of larger businesses, but both are still below national average. In most other areas 1.2%-1.5% of businesses are medium or large, with that figure falling to 0.8% in Richmondshire.

There are similarities between self-employment and running a business, with self-reliance, enterprise and the ability to bring in income fundamental to both. Moreover, self-employment can be a step towards running a business.

**Table 8: Self-employment levels (April 2012 - March 2013)**

Area	Number self-employed	Rate (%)
<b>East Riding of Yorkshire</b>	19,800	9.5
<b>York</b>	12,900	9.2
<b>Craven</b>	4,500	13.2
<b>Hambleton</b>	7,600	14.4
<b>Harrogate</b>	13,400	13.6
<b>Richmondshire</b>	2,100	6.6
<b>Ryedale</b>	3,200	9.5
<b>Scarborough</b>	7,400	11.8
<b>Selby</b>	8,400	15.9
<b>North Yorkshire</b>	46,600	12.7
<b>Total LEP area</b>	<b>79,200</b>	<b>11.1</b>
<b>England</b>	3,274,500	9.7

(Source: Annual Population Survey Resident Analysis)

Key points are:

- Self-employment is significantly above national average, especially in North Yorkshire. It is highest in Craven, Selby and Hambleton, all of which have a predominantly rural character. Rates are low in Richmondshire, and that may in part reflect the large number of armed services personnel stationed within the district who clearly cannot be self-employed.
- With some exceptions, self-employment tends to be higher in the more rural areas, where the proportion of businesses that are micro-enterprises is often also higher. Four districts stand out as above average on both counts – Hambleton, Selby, Harrogate and Craven - pointing to a concentration in the West Yorkshire connected area excepting York.

### Business Start-up and Survival rates

**Table 9: Business Stock, Birth, Death and Survival Rates**

Area	Active businesses	Births rate (per 10,000 pop aged 16+)	Births rate (% of stock)	Deaths rate (% of stock)	Net % change: births - deaths	Survival Rate	
						1 year (2010)	3 year (2008)
<b>Craven</b>	2,770	48.7	8.1	7.0	1.1	91.1	63.3
<b>Hambleton</b>	3,970	45.0	8.4	7.9	0.5	91.9	65.5
<b>Harrogate</b>	7,905	60.4	9.9	8.7	1.3	87.3	62.0
<b>Richmondshire</b>	2,085	43.2	9.1	7.9	1.2	89.2	62.9
<b>Ryedale</b>	2,615	44.9	7.5	8.8	-1.3	89.5	65.3
<b>Scarborough</b>	3,840	37.7	9.0	8.9	0.1	82.8	55.3
<b>Selby</b>	3,075	43.2	9.6	9.3	0.3	89.1	62.2
<b>East Riding of Yorkshire</b>	12,050	39.4	9.1	9.4	-0.3	89.5	60.4
<b>York</b>	6,470	39.5	10.1	9.5	0.6	88.7	61.9
<b>Total LEP area</b>	<b>44,780</b>	<b>43.8</b>	<b>9.2</b>	<b>8.9</b>	<b>0.4</b>	<b>88.7</b>	<b>61.6</b>
<b>England</b>	2,040,980	54.0	11.4	9.9	1.5	86.8	57.9

(source: Business Demography, year is most recently available for each field - 2011 unless stated otherwise)

**Table 10: Change in business start rate and business stock over time**

	Births rate (per 10,000 pop aged 16+)				Net % change: births - deaths			
	2005	2007	2009	2011	2005	2007	2009	2011
Area								
<b>Craven</b>	70.5	71.0	53.1	48.7	1.2	2.6	-0.9	1.1
<b>Hambleton</b>	54.5	59.1	44.3	45.0	0.7	2.0	-2.2	0.5
<b>Harrogate</b>	63.4	69.1	58.3	60.4	1.0	2.7	-1.1	1.3
<b>Richmondshire</b>	59.2	58.3	34.6	43.2	3.3	3.9	-2.9	1.2
<b>Ryedale</b>	62.6	61.6	46.1	44.9	1.5	1.9	-1.1	-1.3
<b>Scarborough</b>	50.3	47.1	33.6	37.7	0.6	-0.1	-2.5	0.1
<b>Selby</b>	58.0	57.1	48.0	43.2	1.7	2.8	0.2	0.3
<b>East Riding of Yorkshire</b>	57.5	52.2	39.8	39.4	3.2	1.6	-2.9	-0.3
<b>York</b>	48.3	43.2	33.9	39.5	1.1	1.6	-0.9	0.6
Total LEP area	56.7	54.9	42.3	43.8	1.8	1.9	-1.8	0.4
<b>England</b>	59.2	59.5	49.6	54.0	2.1	2.4	-1.9	1.5

(source: Business Demography)

Key points are:

- Business start rates declined markedly between 2005 and 2011 in the LEP area, with the drop off in start rates coinciding with the economic downturn and recession in 2008/9. The rate did though start to creep upwards in 2011. Business closures also outnumbered starts in 2009; in other years the balance has been positive.
- The overall rate of business starts in the LEP area is well below national average, with the England business birth rate 23% higher than that for the LEP area in 2011. This gap has increased sharply over time; the national figure was only 4% higher than that for the LEP in 2005. The biggest single factor in this gap appears to be business start rates picking up sharply nationally in 2011, but much more modestly in the LEP area.
- At a local level, Harrogate stands out as having had the best performance on business formation over time, with start-up rates holding up much better over time than elsewhere, and now well above England average. The lowest business formation rates are in the east of the LEP area – York, East Riding and Scarborough. Craven appears to have had a notable drop in business starts but this is in part compensated for by a low business death rate.
- One and three year business survival rates in the LEP area are above average – so overall less businesses start, but those that do are more robust than average. That trend is true across most local areas with little variation – although survival rates are highest in Ryedale and Hambleton, and significantly lower in Scarborough than elsewhere.

Other sources<sup>1</sup> conclude that activity to promote new business start-ups can succeed, but that progress is not quick, easy or guaranteed. They stress dual approaches around enterprise education and culture,

<sup>1</sup> Les Newby with Kate Parry, Bea Jefferson and Alex McWhirter, Enterprise – helping new business to start and survive, Learning Legacy Module 5, Yorkshire Forward, July 2011



and start-up support and that enterprise promotion is a long term game that is about the type of economy that is sought as well as its scale.

#### iv) Sectoral Profile

**Table 11: Number of businesses by sector and local area within the LEP**

2012 IDBR enterprises	LEP area	Craven	H'ton	H'gate	R'mond	Ryedale	S'boro	Selby	York	E.Riding
Agriculture, forestry & fishing	7,945	715	1,280	1,025	700	1,020	615	465	240	1,885
Production	2,700	160	265	410	120	210	210	210	280	835
Construction	5,535	365	460	835	275	320	470	380	725	1,705
Motor trades	1,535	80	160	245	75	115	105	135	190	430
Wholesale	1,990	140	215	410	75	125	135	175	190	525
Retail	3,950	290	320	675	170	240	455	240	530	1,030
Transport & storage	1,480	95	115	180	70	70	95	170	145	540
Accommodation & food services	3,425	220	270	460	195	225	565	185	520	785
Information & communication	1,810	115	125	435	60	80	75	120	370	430
Finance & insurance	720	35	70	175	15	25	35	40	160	165
Property	1,595	105	145	340	90	75	120	85	260	375
Professional, scientific & technical	5,945	330	620	1,365	225	300	265	425	1,005	1,410
Business admin & support services	2,710	195	255	515	145	165	180	210	375	670
Public admin & defence	215	15	25	30	20	10	20	20	15	60
Education	640	30	60	120	35	25	40	45	115	170
Health	1,620	85	140	265	60	85	180	90	270	445
Arts, entertainment, recreation, other services	2,815	185	250	465	175	205	245	160	425	705
<b>TOTAL</b>	<b>46,630</b>	<b>3,160</b>	<b>4,775</b>	<b>7,950</b>	<b>2,505</b>	<b>3,295</b>	<b>3,810</b>	<b>3,155</b>	<b>5,815</b>	<b>12,165</b>

(source: IDBR, 2012)

**Table 12: Location Quotients – concentration of industry sectors within local areas**

	LEP area		Craven	H'ton	H'gate	R'mond	Ryedale	S'boro	Selby	York	E.Riding
	%	LQ	LQ	LQ	LQ	LQ	LQ	LQ	LQ	LQ	LQ
Agriculture, forestry & fishing	17	3.4	4.6	5.4	2.6	5.6	6.2	3.2	3.0	0.8	3.1
Production	6	0.9	0.8	0.9	0.8	0.8	1.0	0.9	1.1	0.8	1.1
Construction	12	1.0	0.9	0.8	0.9	0.9	0.8	1.0	1.0	1.0	1.1
Motor trades	3	1.0	0.8	1.1	1.0	1.0	1.1	0.9	1.4	1.0	1.1
Wholesale	4	0.9	0.9	0.9	1.0	0.6	0.8	0.7	1.1	0.7	0.9
Retail	9	1.0	1.1	0.8	1.0	0.8	0.8	1.4	0.9	1.0	1.0
Transport & storage	3	1.0	1.0	0.8	0.7	0.9	0.7	0.8	1.7	0.8	1.4
Accommodation & food services	7	1.3	1.2	1.0	1.0	1.3	1.2	2.5	1.0	1.5	1.1
Information & communication	4	0.5	0.5	0.3	0.7	0.3	0.3	0.2	0.5	0.8	0.4
Finance & insurance	2	0.7	0.5	0.7	1.0	0.3	0.3	0.4	0.6	1.2	0.6
Property	3	0.9	0.9	0.8	1.2	1.0	0.6	0.8	0.7	1.2	0.8
Professional, scientific & technical	13	0.7	0.6	0.8	1.0	0.5	0.5	0.4	0.8	1.0	0.7
Business admin & support services	6	0.8	0.9	0.8	0.9	0.8	0.7	0.7	1.0	0.9	0.8
Public admin & defence	1	2.1	2.2	2.4	1.7	3.7	1.4	2.4	2.9	1.2	2.3
Education	1	0.8	0.6	0.8	0.9	0.9	0.5	0.6	0.9	1.2	0.9
Health	4	0.8	0.7	0.7	0.8	0.6	0.6	1.2	0.7	1.1	0.9
Arts, entertainment,	6	0.9	0.8	0.7	0.8	1.0	0.9	0.9	0.7	1.0	0.8

recreation												
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(source: IDBR, 2012)

A Location Quotient score of 1.0 means a sector has the same representation locally as national average; higher numbers show sectors to be more pronounced locally than nationally, with the converse true for scores below 1.0. For example a score of 3.0 would mean a sector is three times more concentrated locally than national average, and indicate a degree of local clustering and concentration.

Key points are:

- The agriculture, forestry and fishing sector stands out as having by far the highest LQ across the LEP area, with three and a half times as many businesses in the sector as would be expected based on national average. For the Moors & Wolds and Dales areas, that figure is notably higher and around five or even six times national average. Only in York is the sector's LQ below national average. Even in less remote areas such as the A1/A19 corridor and West Yorkshire connected areas, the LQ is likely to be in the region of 3.0-4.0.
- Public administration and defence also has a high LQ at 2.1 across the LEP area, which presents some risks given a declining public sector. The sector's LQ rises to 3.7% in Richmondshire – reflecting the impact of Catterick Garrison on its economy. Other notable local figures include Selby, Scarborough, and Hambleton – where there is a concentration of public sector jobs in North Yorkshire County Council and the prison, which are set for cuts and closure respectively.
- No one industry sector describes tourism related activities explicitly, but the accommodation and food services sector provides a reasonable proxy. This has an LQ of 1.3 across the LEP area, showing it is above national average but not considerably so. This figure is fairly consistent across the LEP area except in York where it rises to 1.5, and in Scarborough where it is 2.5. That illustrates the importance of the sector to the Yorkshire Coast.
- Manufacturing and engineering most closely correlate to the 'production' sector in the table. Overall, the LEP area has an LQ of 0.9 for the sector, just slightly below national average. That figure does not vary greatly across the LEP area, but does rise to around 1.1 in some of the more eastern parts of the area, notably East Riding, Selby and Ryedale.
- It is hard to get reliable sector data for Energy overall, or for its low carbon components such as biorenewables and wind energy, because of the relatively small size of the sector. However, data for York and North Yorkshire<sup>2</sup> shows the 'Energy and Water' subsector to have an LQ of around 1.5 – the second highest of those it described. East Riding analysis<sup>3</sup> also notes the importance of the sector and its concentration in the Goole and Selby area especially, where it accounts for 2.5% of jobs compared to 0.4% in England. The BioVale proposal (see section 5, Priority 2) makes clear the concentration of biorenewables assets and expertise in the LEP area, with valuable connections also to the Humber and Leeds City Region.
- There are local concentrations of some sectors, but these tend to be modestly pronounced and limited to a single area, such as transport and storage in Selby and retail in Scarborough. The LEP

<sup>2</sup> York and North Yorkshire Economic Assessment, YNYP, October 2010

<sup>3</sup> East Riding of Yorkshire Local Economic Assessment (data from 2008)

area is underrepresented in the financial and insurance; information and communication; and professional, scientific and technical sectors everywhere except Harrogate and York.

#### v) Innovation, Exports and Investment

There are data difficulties with all of these headings, with no standard data and comparable national data sets available that cover the LEP or local authority geographies within it. However there is regional level or national data around innovation and some survey based data on exports.

##### Exports

- Business surveys in the LEP area (as part of skills research) and conducted elsewhere suggest that around 11% of businesses are likely to export<sup>4</sup> and more expect to do so in the future. Specific skills needs arise in relation to export, for example researching market opportunities or overseas contacts.
- Based on national trends and those observable from surveys in Leeds City Region, it is likely that a significantly higher proportion of businesses will export if they are larger sized, foreign owned, members of business networks or manufacturers.

##### Innovation

- The preliminary findings of the Witty Review<sup>5</sup> put forward the proposition that understanding of sectoral strengths, including local competitive advantage and clusters of associated activity, should be a key element of regional or local growth policy. This strategy adopts that approach and the principle of working in partnership with other localities and with universities that the review also recommends. The evidence makes clear that both local collaboration with universities (and other centres of expertise) and engagement with centres elsewhere is important to ensure businesses are connected to the expertise that can best help them to innovate and grow.
- The Witty Review findings chime with the central tenets of the Smart Specialisation approach, which is based on *“a process of developing a vision, identifying competitive advantage, setting strategic priorities and making use of smart policies to maximise the knowledge-based development potential of any region”*<sup>6</sup>. In essence it is about economic development through *targeted* support for research and innovation rather than ‘spreading the jam too thinly’.
- The UK lags behind its major competitors in terms of business investment in Research and Development (R&D). UK business spends 1.09% of GDP on R&D, compared with 1.42% in France, 1.89% in the US, 1.94% in Germany and 2.61% in Japan.
- Within the UK, Yorkshire and Humber has historically had one of the lowest levels of innovation based on R&D investment – business R&D has been around 0.5% of GVA<sup>7</sup> (compared to 1.5% for England overall) and it has had less patents granted than all but two other English regions. Figure 4 backs this up with statistics on the share of ‘innovation active businesses’ across the countries and regions of the UK - Yorkshire & Humber shows one of the lowest innovation levels of all UK regions

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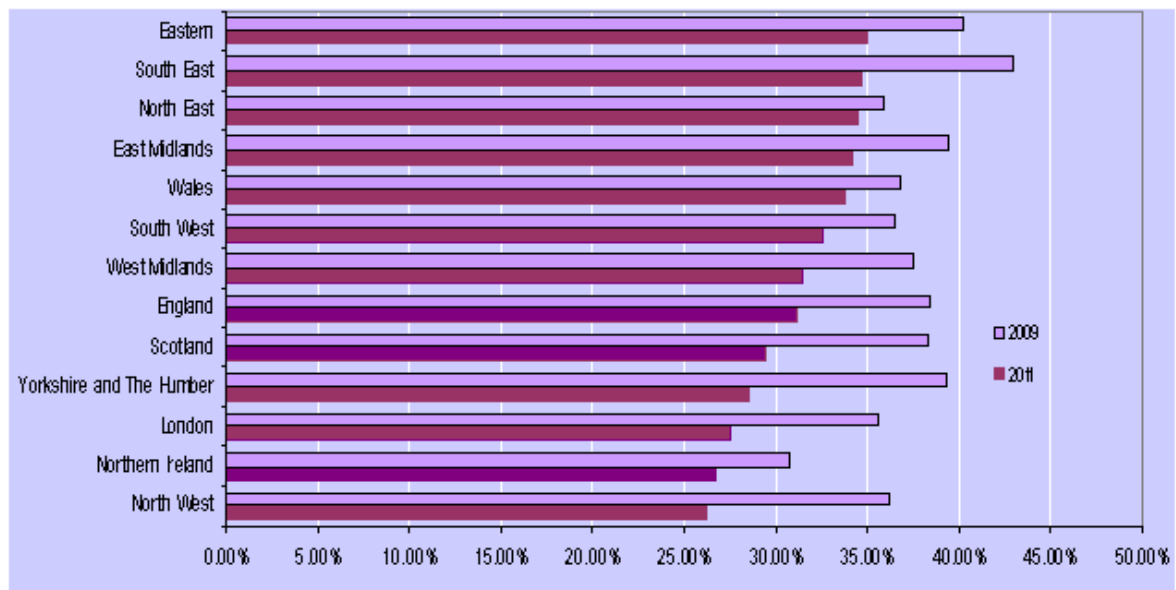
<sup>4</sup> Leeds City Region Trade and Investment Strategy, 2013

<sup>5</sup> Independent Review of Universities and Growth: preliminary findings, July 2013

<sup>6</sup> <http://s3platform.jrc.ec.europa.eu/home?CFID=7d41ff53-1a73-41f1-86f5-0cad9583f1d9&CFTOKEN=0> (accessed 10/9/2013)

<sup>7</sup> From BIS, Regional Performance Indicators, 2009 (data referred to spans from 1998-2007)

**Figure 4: Proportion of Innovation Active Businesses in UK Nations and Regions**



- Within innovation active businesses in the region, the proportion of expenditure on in-house R&D activity (56%) is much higher than any other English region (typically it is less than 40%), while expenditure on external R&D (0.9%) and external knowledge (0.5%) is well below average. At least 7% of innovation expenditure is spent on these two areas combined in most UK regions, and in some it is above 50%. This implies a reluctance or inability to easily access external expertise.
- Around 40% of businesses do not innovate because they feel previous innovations make it unnecessary or they see no need for it in current market conditions. For the 30% of business who don't innovate because of factors constraining innovation the key barriers highlighted are cost, availability of finance and economic risks.

Whilst some of these statistics are dated and not LEP area specific, they do suggest we are likely to face a major innovation challenge, and to have the potential to perform much better. The fact that the LEP area has some pronounced areas of R&D excellence and assets, not least linked to the University of York, points to a potential solution for technically focused areas of innovation. There is a particular concentration of expertise in the fields of agritech and biorenewables and this is further reviewed in the detail of Priority 2 of this strategy (Section 5).

vi) **Employment, Inclusion and Incomes**

**Table 13: Economic Activity Rate**

	Apr 2004 - Mar 2005		Apr 2012 - Mar 2013	
	Number	Rate (%)	Number	Rate (%)
East Riding of Yorkshire	152,800	75.1	151,600	72.8
North Yorkshire	276,400	77.7	286,800	78.4
York	95,900	77.0	104,700	75.1
Craven	26,600	81.2	27,600	81.0
Hambleton	42,200	79.8	42,000	79.4
Harrogate	77,300	82.4	81,000	82.3
Richmondshire	21,300	74.3	23,800	75.3
Ryedale	25,200	79.3	26,000	77.7
Scarborough	46,100	70.2	44,400	71.2
Selby	37,800	75.2	42,100	79.4
LEP area	<b>525,100</b>	<b>76.8</b>	<b>543,200</b>	<b>76.1</b>
England	23,435,300	72.9	24,017,000	71.1

Key points are:

- Economic activity rates in the LEP area are generally well above national average – five percentage points higher.
- Rates vary significantly, with the Yorkshire Coast areas having lower figures than the best performing areas of Harrogate and Craven – but still not below national average. Nevertheless there are likely to be areas with much lower employment at a local level.
- Current rates are generally similar to those in 2004/5, although with modest reductions in York, Ryedale and in East Riding, and the most notable increase in Selby.

**Unemployment and Youth Unemployment**

**Table 14: JSA Claimant Unemployment Rate (% of working age and 18-24, resident population)**

Area	Unemployment (all working age)					Unemployment (aged 18-24)				
	2005	2008	2011	2012	2013	2005	2008	2011	2012	2013
East Riding of Yorkshire	1.7	1.5	3.1	3.3	2.7	3.9	3.5	7.5	8.6	6.7
York	1.3	1.3	2.4	2.5	1.9	1.5	1.7	3.1	2.9	2.0
Craven	0.7	0.9	2.0	2.1	1.7	2.0	2.0	4.7	4.9	3.3
Hambleton	0.8	1.0	1.8	1.8	1.4	2.1	2.8	4.3	3.8	2.7
Harrogate	0.8	0.9	1.9	1.9	1.3	1.6	1.7	4.4	3.8	2.3
Richmondshire	0.9	0.8	1.6	1.7	1.4	1.6	1.5	2.2	2.5	2.0
Ryedale	0.9	0.9	1.9	1.9	1.5	2.2	2.0	4.6	5.3	4.0
Scarborough	2.0	2.2	3.6	4.0	3.6	3.8	4.1	6.2	7.6	5.6
Selby	1.4	1.3	2.8	2.8	2.3	3.7	3.6	6.6	6.6	4.9
North Yorkshire	1.1	1.2	2.3	2.4	1.9	2.5	2.6	4.7	4.9	3.5
LEP area	<b>1.3</b>	<b>1.3</b>	<b>2.6</b>	<b>2.7</b>	<b>2.2</b>	<b>2.6</b>	<b>2.6</b>	<b>5.0</b>	<b>5.2</b>	<b>3.9</b>
England	2.1	2.1	3.6	3.7	3.4	4.3	4.2	6.7	7.1	6.0

Key points are:

- Overall, unemployment rates are notably lower than (around two thirds of) England average. They remain well above the rate in 2005-2008 period, but fell between 2012 and 2013.

- Scarborough has the highest unemployment rates in the LEP area, although these are still only around England average. Unemployment is below 2% nearly everywhere else in North Yorkshire.
- Youth unemployment follows largely the same trends as total unemployment and has consistently been around double the overall unemployment rate. However, it varies more, with rates highest in East Riding of Yorkshire and lowest in York and Richmondshire. There is a substantial difference between the number of unemployed people in East Riding (around 1,600) and smaller North Yorkshire districts (barring Scarborough and Selby) where the figure is typically 100-200 people.

Analysis of young people who are not in employment, education or training sheds further light on potential exclusion issues, which could stretch over generations if unchecked.

**Table 15: Proportion of young people Not in Employment, Education or Training ('NEET')**

	2005	2006	2007	2008	2009	2010	2011	2012
<b>North Yorkshire</b>	4.9	4.8	3.8	4.8	4.4	4.4	4.5	4.8
<b>York</b>	5.2	5.9	3.8	4.2	4.3	3.7	5.6	4.3
<b>East Riding</b>	n/a	n/a	n/a	n/a	5.6	5.5	n/a	n/a
<b>England</b>	10.9	7.7	6.7	6.7	6.35	n/a	n/a	n/a

Key points are that:

- Overall, NEET levels are below national average. However, they have reduced little over time compared to notable falls nationally. Levels appear to be highest in East Riding and broadly similar in York and North Yorkshire, but with variation in individual years.

## Incomes and Rurality

Research published by JRF<sup>8</sup> shows that people living in rural areas typically spend 10-20% more on everyday requirements than in urban areas, with transport and domestic fuel the major elements of additional cost.

Whilst nationally, rural incomes are slightly higher than in urban areas<sup>9</sup> the same is not true in the LEP area or Yorkshire and Humber more widely. Rural incomes locally are more variable, complex, and often lower than the headline statistics suggest. Districts such as Harrogate and Selby, which combine towns and rurality, and have good access to Leeds, do have some of the highest average earnings in the region (although they still have significant numbers who are low paid or not in work). However, more intensively rural and remote rural districts such as Craven, Hambleton, Ryedale and Richmondshire have some of the lowest *median* incomes in Yorkshire. These are typically in the region of £340-£355 per week, lower for instance than in every district in South Yorkshire and all but one in West Yorkshire.

<sup>8</sup> Noel Smith, Abigail Davis and Donald Hirsch, A minimum income standard for rural areas, Loughborough University Centre for Research in Social Policy, published by Joseph Rowntree Foundation, November 2010

<sup>9</sup> Data from <http://www.poverty.org.uk/r09/index.shtml> (accessed July 2013) and based on source data from: DWP, Households below average income, updated September 2010.



These median figures indicate the earnings of a typical worker, as they are the mid-point of the earnings range in an area. However, they can be overshadowed by reporting of *mean* (often described as average) earnings which can be distorted by very high earnings at the top end. Districts such as Craven, Hambleton and Ryedale are broadly in line with regional mean earnings, and reporting of this data rather than medians can hide the relatively low earnings that are the reality for most people living and working there. Four of the five local authority districts with the lowest earnings in Yorkshire and Humber are in North Yorkshire (based on 25<sup>th</sup> percentile earnings – see below).

Table 16 shows mean and median earnings for those in paid employment<sup>10</sup> and includes all of Yorkshire and Humber to allow comparison of areas within our LEP area with comparators. The 25<sup>th</sup> percentile figures show what somebody would earn if they were a quarter of the way up from being the lowest paid person in their district.

**Table 16: Gross Weekly Pay (£ for all employee jobs (2012) – mean, median and 25<sup>th</sup> percentile**

Area	Weekly pay – <i>median</i> (£) (and rank 1=highest)	Weekly pay – <i>mean</i> (£) (and rank 1=highest)	Weekly pay - lower earner (£ 25 <sup>th</sup> percentile)
LEP area districts			
<b>York</b>	387 (8)	486 (3)	239 (8)
<b>Craven</b>	354 (15)	441 (11)	198 (15)
<b>Hambleton</b>	356 (14)	445 (8)	188 (18)
<b>Harrogate</b>	408 (3)	513 (1)	254 (4)
<b>Richmondshire</b>	353 (16)	421 (14)	157 (21)
<b>Ryedale</b>	343 (18)	444 (9)	189 (17)
<b>Scarborough</b>	334 (20)	399 (19)	183 (20)
<b>Selby</b>	424 (1)	507 (2)	259 (2=)
<b>East Riding of Yorkshire</b>	398 (6)	481 (4)	240 (6=)
Regional comparators			
<b>Kingston upon Hull</b>	319 (21)	361 (21)	194 (16)
<b>North East Lincolnshire</b>	341 (19)	392 (20)	184 (19)
<b>North Lincolnshire</b>	404 (5)	473 (5)	249 (5)
<b>Barnsley</b>	387 (7)	434 (13)	240 (6=)
<b>Doncaster</b>	362 (12)	409 (17)	228 (11)
<b>Rotherham</b>	360 (13)	417 (16)	227 (12)
<b>Sheffield</b>	376 (9)	441 (12)	225 (13)
<b>Bradford</b>	362 (11)	419 (15)	231 (9)
<b>Calderdale</b>	415 (2)	465 (7)	267 (1)
<b>Kirklees</b>	371 (10)	442 (10)	230 (10)
<b>Leeds</b>	408(4)	473 (6)	259 (2=)
<b>Wakefield</b>	345 (17)	402 (18)	212 (14)
Yorkshire and Humber	375	442	231
England	412	499	249

<sup>10</sup> Data source: Annual Survey of Hours and Earnings, ONS, 2012 (provisional results)

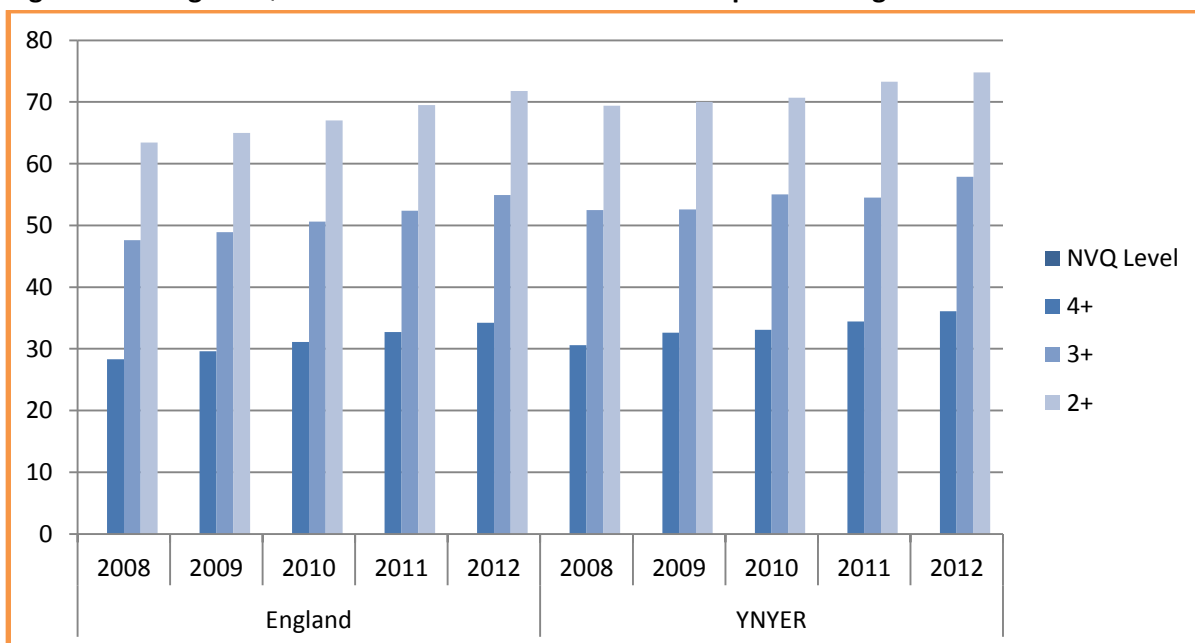
The data makes clear that sizeable areas of the LEP area have good skills and employment levels but low wages – there is extensive ‘in-work poverty’. This is especially the case in more remote areas such as the Dales and Moors. Low wages are confounded by higher living costs and a lack of local support services and facilities.

## vii) Skills and Qualifications

Skills are a driver of productivity and there is extensive evidence linking higher levels of skills to economic performance<sup>11</sup>. Skilled people, including leaders and managers, enable businesses to get started, to perform better and to innovate. The reverse is also true – unskilled workers can hold companies back. For instance in UK manufacturing, lower skill levels were found to have a direct and negative effect on labour productivity and on the types of machinery chosen, the way that machinery was used and the introduction of new technology. Some studies<sup>12</sup> suggest that a year’s additional education can raise productivity by 5%-9% and 6%-12% in the manufacturing and service sectors respectively.

The following chart and table describe skills levels across the LEP area over time compared to England average and how skills vary by locality and level.

**Figure 5: Change in Qualification over time in LEP area compared to England**



<sup>11</sup> For a summary of studies on the connection between higher skills and productivity, see:

<https://almanac.ukces.org.uk/productivity/What%20is%20the%20impact%20of%20productivity%20on%20company%20perf/Fo rms/AllItems.aspx> (accessed 6/9/2013)

<sup>12</sup> Lynch and Black, Beyond the incidence of training, evidence from a national employers survey, NBER working paper 5231, 1995

**Table 17: Qualifications by Area and Skills Level**

Area	% of the working age population with qualifications levels (Jan 2012-Dec 2012) <sup>13</sup>			
	NVQ level 4+	NVQ level 3+	NVQ level 2+	No qualifications
Craven	44.2	65.6	82.5	4.9
Hambleton	41.2	55.8	71.9	9.1
Harrogate	39.4	56.6	76.8	10.4
Richmondshire	35.4	60.2	79.5	5.5
Ryedale	35.6	51.7	68.2	7.9
Scarborough	23.3	49.8	65.2	21.1
Selby	41.0	67.1	78.0	6.4
North Yorkshire	36.9	57.5	74.2	10.3
East Riding of Yorkshire	31.3	53.6	72.6	10.0
York	41.3	65.6	79.8	6.4
YNYER LEP	36.1	57.9	74.8	9.5
England	34.2	54.9	71.8	9.5
GAP: YNYER % - England%	1.9%	3.0%	8.0%	0.0%

A number of messages emerge from analysis of current skills levels across the LEP area:

- Overall skills levels in the LEP area compare favourably to national average at all levels. However, the extent to which the LEP outperforms England average is greater at lower skills levels – eight percentage points at NVQ Level 2 (five good GCSEs or equivalent) compared to two percentage points at NVQ Level 4 (degree equivalent).
- Skills levels in the LEP area have improved over time at all levels. For instance, the proportion with NVQ4+ has risen from 30.6% to 36.1% between 2008 and 2012. However, skills at all levels have improved at a faster rate in England, meaning the LEP area's skills advantage is gradually eroding.
- Qualifications vary considerably across the LEP area. Areas such as Selby, Craven and York stand out as having the highest skills levels and perform well above national average. Skills in Hambleton, Harrogate and Richmondshire are also often above the LEP average, although that varies by skill level. Performance is weakest and below national average in Scarborough, with East Riding also having skills that are slightly below national average at NVQ Levels 3+ and 4+. In terms of the Local Economic Areas, it is the West Yorkshire connected area, the Dales and York that do best on skills, whilst Yorkshire Coast faces the greatest challenges.
- The proportion of people without any qualifications was highest in Scarborough in 2012 (although this data is 'spiky' in nature and variable by year, so should be treated with caution).

Qualifications levels are not the only aspect of skills that affect performance. Employability skills are frequently cited by employers as their key requirement, and are sometimes a major frustration. Discussion about employability skills and work experience dominated the workshops on skills held at consultation events on this strategy. Recent skills research in the LEP area<sup>14</sup> also found employability skills to be a key issue, and the CBI cite it as a key issue for business success in a changing world. Whilst

<sup>13</sup> Source is Annual Population Survey Resident Analysis

<sup>14</sup> Ekosgen, Skills Strategy Research and Les Newby Associates et al., Skills Research in York, North Yorkshire and East Riding, SFA/Skills Enhancement Fund, August 2012

there is wide agreement about the importance of employability skills, interpretation of what they actually are varies. Based on consultation and in line with CBI thinking<sup>15</sup>, we identify three main aspects to employability skills:

- Attitude skills such as ambition, desire to work, and ability to turn up and complete tasks on time
- Basic skills required in the workplace such as English and Maths
- 'Soft' skills such as teamwork, creativity, communication, customer skills and emotional intelligence

There are good examples of projects to enhance employability in the LEP area in Scarborough as well as in Hull and the Humber area. These adopt slightly different approaches but have both gained very positive responses and there is scope for further roll out of these or similar initiatives, building on national good practice and taking into account the extent of gaps in employability skills provision.

A major piece of skills research in the LEP area<sup>16</sup> was undertaken in 2012 and this identified business skills issues and potential economic needs based on forecast data.

Key Points from this skills research were that:

- Significant future employment demands will present skills needs, based on a combination of baseline economic growth, major initiatives, and 'replacement demand'. In total 30,000 recruits were forecast to be required between 2011 and 2015, with that figure rising to 91,000 by 2020.
- Replacement demand (i.e. replacing workers who have retired) accounts for the bulk of the expected employment needs, - 20,000 workers by 2015 and 67,000 by 2020. It will involve a mixture of upskilling needs within businesses and recruitment of new employees with the right skills. The largest volume of replacement demand needs is in large sectors such as health, business services, retail and education. Other sectors with a high proportion of over 55s in the workforce (e.g. metals, transport equipment) have a more concentrated but smaller scale need.
- Survey results showed that 17% of businesses currently employ apprentices – but 22% planned to employ one in the next three years. Apprenticeships and other models that combine learning and practical work experience were popular with employers and expected to grow. The main reasons for not employing apprentices were lack of business need or that the business was too small.
- Only 17% of firms said they employed graduates, with another 4% expecting to do so in the next three years. That is a low figure and suggests application of high level skills could be improved.
- 30% of firms said they did not plan to provide any formal training – a higher figure than in neighbouring LEP areas - and suggesting that business could be more aware of the value of skills.
- Specific, sector based skills gaps did not emerge strongly in the research, although in other areas specialist engineering and software development skills emerged as needs. However, employers did stress the importance of job-specific and ICT skills, work readiness and generic employability skills.

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<sup>15</sup> <http://www.cbi.org.uk/business-issues/education-and-skills/in-focus/employability/> (accessed 6/9/2013)

<sup>16</sup> Skills Research in York, North Yorkshire and East Riding, Ekosgen, Skills Strategy Research and Les Newby Associates et al for SFA/Skills Enhancement Fund, August 2012

Further data and analysis of apprenticeship take up and skills levels will be added to the final strategy.

### viii) Low Carbon Performance

**Table 18: Per capita carbon emission by source and locality**

Area	Total Emissions (tonnes CO <sub>2</sub> /person)			Emissions breakdown by source (2011)		
	2005	2011	% reduction 05-11	industrial	domestic	road transport
East Riding	11.3	9.1	19.5%	4.4	2.2	2.4
Craven	9.3	7.8	16.1%	2.5	2.4	2.8
Hambleton	11.8	10.2	13.6%	2.9	2.3	4.7
Harrogate	9.9	8.6	13.1%	2.7	2.4	3.4
Richmondshire	10.7	9.1	15.0%	2.3	2.2	4.6
Ryedale	11.5	10.1	12.2%	3.7	2.5	3.3
Scarborough	7.6	6.4	15.8%	2.5	2.3	1.6
Selby	15.5	11.6	25.2%	5.6	2.2	3.8
York	7.0	5.3	24.3%	1.9	1.9	1.4
Yorkshire & Humber	10.3	8.2	20.4%	4.1	2.0	2.0
England	8.5	6.7	21.2%	2.7	2.0	1.9

(source: Local CO<sub>2</sub> emissions estimates, Ricardo-AEA for DECC, July 2013)

Total CO<sub>2</sub> emissions from the LEP area in 2011 were 9,488 Kt CO<sub>2</sub>, a 15% reduction on the 2005 level. Emissions were fairly evenly split between industrial, domestic and road transport, meaning that all three sources need to be targeted to secure the continuing and sizeable reductions required to contribute to national carbon reduction targets. CO<sub>2</sub> per capita is not available for the whole LEP area, but local estimates are.

Key points are that:

- CO<sub>2</sub> per capita has reduced in all areas between 2005-2011, typically between 12-25%. In most places, reductions have been significantly below the national and regional averages. The main exceptions are York and Selby which have both cut CO<sub>2</sub> by around a quarter.
- In more rural areas, the main reason for higher than average CO<sub>2</sub> emissions is road transport – that is particularly notable in Hambleton and Richmondshire. Domestic emissions are consistently just above national average everywhere but York. Industrial emissions vary significantly. They are highest in Selby and East Riding, reflecting concentrations of heavy industry in the Hull and connected area, and Ryedale also has relatively high levels.
- Concerted CO<sub>2</sub> reduction will require emissions reduction to be factored into business operations (e.g. through resource efficiency), housing (e.g. domestic retrofit) and transport decisions (e.g. promotion of public transport and cycling based options where feasible).

## ix) Housing

The LEP area is a very attractive place to live, with outstanding countryside and coast, the historic centres of York and Harrogate, and many delightful market towns. This creates pressure from commuters, retirees and second and holiday homes owners wishing to buy properties, and impacts on housing availability, communities, land prices and affordability. Reflecting that, the housing markets in the LEP area have remained strong despite the national economic downturn, with high house prices compared to regional and national comparators.

The overall housing market has 'dual market' characteristics. An upper tier functions over a wider area extending into the Leeds City Region, Tees Valley and Hull/Humber conurbations, whilst a second tier is far more local and links rural communities to local service centres and employment.

### *Economic Impact of Housing*

There is a danger that the lack of housing growth in the LEP area will constrain local economic growth. New housing provision in all sections of the housing market has an important role in promoting and supporting economic growth. It can support local businesses, communities and families and allow employment and housing markets to function together. A 2012 study from CCHPR<sup>17</sup> established that every £1 invested in the construction of new homes generates **£2.84** in local spending. Further research<sup>18</sup> indicates that 2.3 person years of direct employment is created for every new house built in addition to an equivalent number in other sectors - a total of around **4.5** person years of employment per house built.

the University of York<sup>19</sup> found that inability to access homeownership has resulted in recruitment and retention difficulties, particularly for key workers in high cost areas as staff relocate to less expensive areas to access housing. The rural nature of much of our area means that these issues are more acute. We are increasingly hearing of many smaller, rural businesses that struggle to attract a workforce and of communities struggling to meet local needs, such as for care workers, farm workers, teachers, etc. Local wages are traditionally low (see table 16) and property prices and rental levels in our rural areas high.

Since the housing market downturn there has been a realisation of the impact on the wider economy of house price uncertainty and lack of new supply.

In response to the impact of the housing market downturn the Government has invested to support the housing market through schemes such as Get Britain Building and, more recently, the Help to Buy Programme. Current Investment in the LEP area through these programmes totals over **£53m** for 2013/14 and 2014/15 and has had a significant impact.

The Home Builders Federation finds that every new home built creates **1.5** jobs in the industry, and up to **6** jobs in the supply chain. The report asserts that these are 'real' jobs; permanent, skilled employment opportunities that move from site to site as new homes are delivered.

In the wider context, employers both nationally and in the LEP area have identified the shortage of housing as constraint on business growth. A recent survey for the National Housing Federation found

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<sup>17</sup> 'Funding Future Homes – an evidence base' 2012

<sup>18</sup> The Case for Housing Savilles and Oxford Economics 2010

<sup>19</sup> Rapid Evidence Assessment of the economic and social consequences of worsening housing affordability University of York 2009



that nearly four out of five employers say the lack of housing which people can afford is stalling economic growth, with 70% warning it would affect their ability to attract and keep workers. The report also found that:

- 55% of managers said that the availability of housing for their employees would be important if they were relocating or expanding their business
- 78% said that house prices are a problem in their local area
- Over 70% agreed that building more homes would stimulate the local economy and bring in more business and customers
- 58% said that building more homes would help them recruit and retain staff.

The impact of households being unable to access the local housing market on the local economy has been researched by the University of York<sup>20</sup> who found that households' inability to access homeownership has resulted in recruitment and retention difficulties, particularly for key workers in high cost areas, as staff relocate to less expensive housing markets.

The rural nature of much of the LEP area means that the issues set out above are more acute. Rural businesses struggling to attract a workforce and communities struggling to meet local needs, such as for care workers, farm workers, teachers etc. Local wages are traditionally low and property prices and rental levels in our rural areas high. Many workers struggle to find suitable homes and some businesses resort to providing transport to bring their workforce in from outside the sub region where housing is relatively more affordable. This is unsustainable for households, workers, business and communities.

The University of York also found particular evidence that rural housing affordability has a greater impact on local rural economies and on the character of communities due to the combined pressures of a lack of housing supply and problems accessing alternatives in the private or social rented sectors. The work found that it was not just those on the lowest incomes that were priced out of the housing market in rural areas, but **dual earner middle-income households could also not afford housing, even at entry-level prices.**

A particular local example of this is at Wensleydale Creamery. Based in the small market town of Hawes it is the UK's only official producer of Wensleydale cheese. Its story mirrors the experiences of many other rural businesses. The Creamery is quoted in the National Housing Federation report:

*"We struggle on occasions to retain staff due to the high costs of housing in rural North Yorkshire. Over the years we've had employees who have really found it difficult to find accommodation locally, and as a result some are forced to move away....Wensleydale Creamery is an iconic brand, and we try to invest in our local community whenever possible. But the lack of affordable homes for rent and sale can make this more difficult."*

We have responded proactively to this issue over recent years for example all North Yorkshire Local Authorities, both National Parks, the County Council and Registered Providers have all invested in a Rural Housing Enabler Programme, established in 2011. Its focus is to deliver more affordable homes in rural communities. It has been very successful and is cited as a national exemplar model by the Homes and Communities Agency. We must build on this success.

### ***Housing Associations***

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<sup>20</sup> Rapid Evidence Assessment of the economic and social consequences of worsening housing affordability University of York 2009

Alongside the impact of housing growth more generally, the affordable housing/housing association sector also makes a substantial contribution to the economy. The National Housing Federation reports that housing associations add **£83.2m** pa to the LEP area economy. They own, maintain and manage 28,161 homes and have plans to build a further 819 homes by 2015.

For every affordable home built 2.4 jobs are created which will result in the creation of almost 2,000 jobs.

Housing associations in this LEP area already directly employ 1,341 people and record an annual turnover of **£92.9m**. They are significant investors, and lever nearly **£6** of additional resources for each £1 invested with them.

This sector also plays a vital role in ensuring the delivery and safeguarding of a significant amount of public and private investment. In 2011/12 to 2014/15 the HCA will have invested almost **£48m** in housing programmes with our registered housing providers who in turn secure private investment to deliver a wide range of affordable housing.

### LEP Area Housing Markets in Context

The evidence of the contribution that new housing investment makes to the economy, should be set within an understanding of how our local housing markets function, where demand for new homes is coming from and how the current supply matches up.

### Demand and Need

For information on the scale of need and demand for homes, the national 'What Homes Where?' toolkit ([howmanyhomes.org](http://howmanyhomes.org)) provides data on the extra households by Local Authority area predicted to form to 2026, based on 2008 household projections and assuming past trends continue. The information for the LEP area is presented below and gives a total of over **85,000 new households** predicted to form in the area to 2026. More homes may be required, for example, to provide for those who are not adequately housed at present (e.g. concealed households) or to allow for empty and second homes.

<i>Number of Extra Households 2013 to 2026</i>	
York	16710
Ryedale	3450
Hambleton	4361
Richmondshire	3061
Scarborough	6107
Selby	6894
Craven	4224
Harrogate	11416
East Riding	29106
<b>Total</b>	<b>85,329</b>

Looking at the average level of predicted household formation per year, around **6,000 households per year** are predicted to form from 2013 to 2026.

<i>Extra Households Per year 2013 to 2026</i>	
York	1285
Ryedale	265
Hambleton	335
Richmondshire	235
Scarborough	470
Selby	530

Craven	325
Harrogate	335
East Riding	2239
<b>Total</b>	<b>6,019</b>

Although household formation is only one part of the evidence in relation to the number of new homes to be provided in an area (others include availability of land, finance, ability of the sector to provide, mortgage availability etc.), this information evidences the quantum of homes which may be needed to satisfy demand if households form at the rates predicted.

The size and shape of housing markets are driven by household migration patterns and travel to work areas and so are driven by employment locations and incomes. As well as considering the overall number of homes needed, the North Yorkshire Strategic Housing Partnership and East Riding Council produced Strategic Housing Market Assessments (SHMAs) in 2011. These are developed in line with government guidance and map the strategic pattern of housing markets in the sub region and quantify housing need in each Local Authority area. Housing affordability, availability and quality affect the function of the labour market as all workers require some form of housing to carry out their job effectively.

From the SHMAs, Local Authorities in the LEP area have developed approaches around overall housing numbers, set planning strategy and affordable housing policies to address the needs and context.

For North Yorkshire, the SHMA identified 5 main market sub areas which are shown below. These are:

- Leeds City Region
- York
- Vales and Tees
- Remote Rural
- Coastal

High levels of housing market containment were identified within Richmondshire, Ryedale, York and Selby and there were also wider links identified with the Leeds City Region, Tees Valley and Coastal areas.

The East Riding market is inextricably linked to the cities and markets of Hull and York through migration and travel-to work patterns therefore it is important to consider their spatial aspirations and the implications that this may have for East Riding. There are also relationships with areas of Selby and similar issues and challenges in the East Riding coastal markets as there are present in Scarborough.

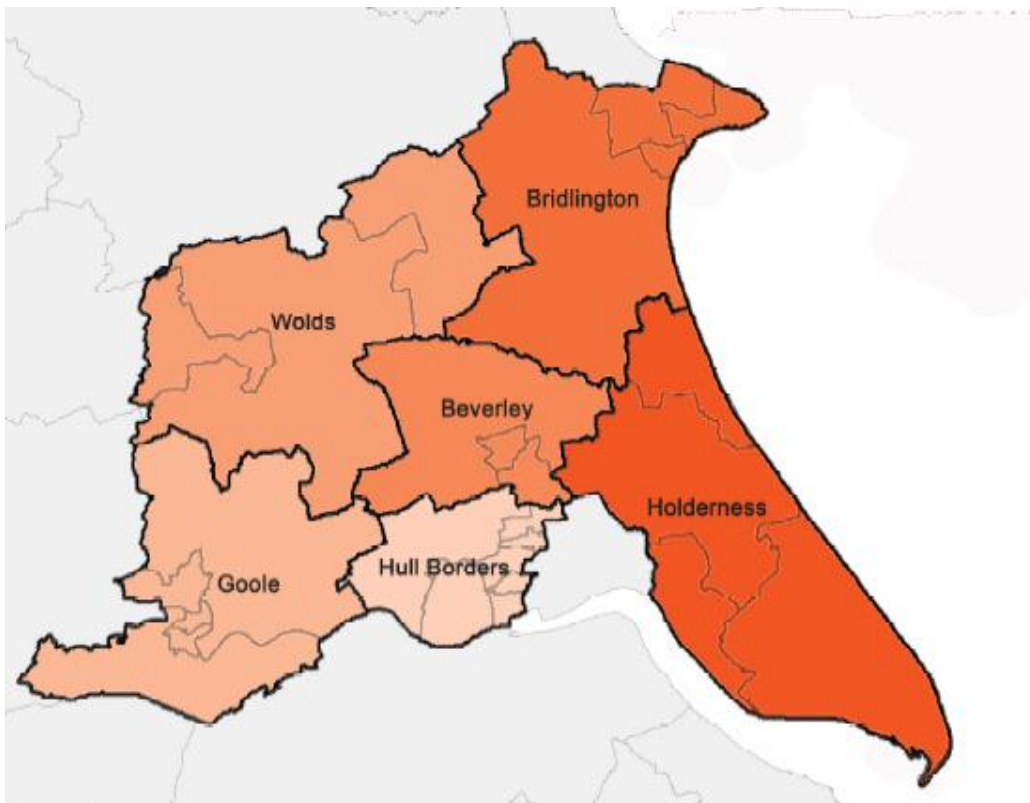
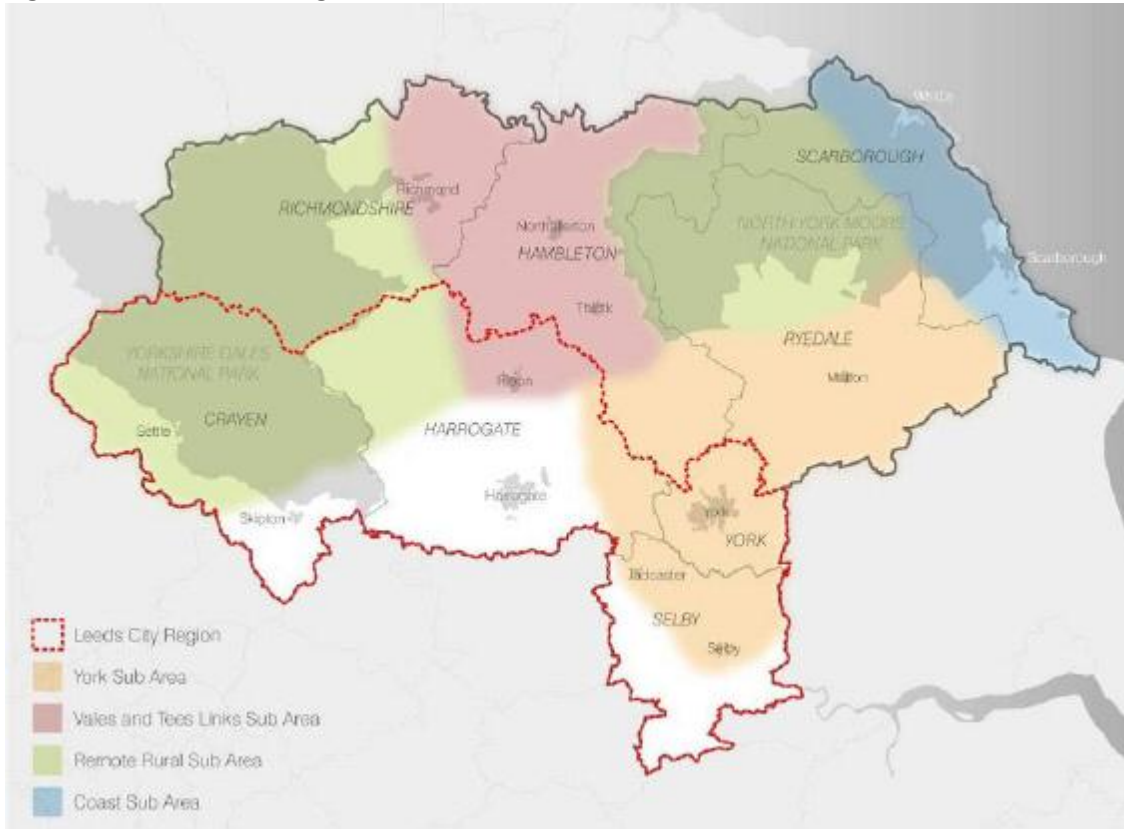
The East Riding SHMA identified a total of six housing market sub-areas.

- Wolds
- Bridlington
- Beverly
- Goole
- Hull Borders and
- Holderness

The City of Hull SHMA (2009 update) recognises the interrelated nature of the Hull and East Riding housing and employment markets and that the Hull housing market spans both authorities. There has been a historic outflow of households from hull to East Riding which requires intervention to re balance the markets.

The housing market areas identified are shown below:

**Figure 1: LEP Area Housing Markets**



The SHMAs include a calculation of housing need using the methodology set out in the CLG Guidance. This calculation of housing need indicates that the authorities in the LEP area would need to provide for a net annual affordable housing need of approximately **4,000 homes pa** over the next five years in order both to clear the existing backlog of households in need and meet future arising household need.

This requirement for affordable housing is distributed across the individual authorities. In absolute terms East Riding has the highest annual need at 1,000 new affordable homes with the City of York, Harrogate and Scarborough having the next highest levels of annual need for new affordable properties (at 790, 507 and 457 respectively).

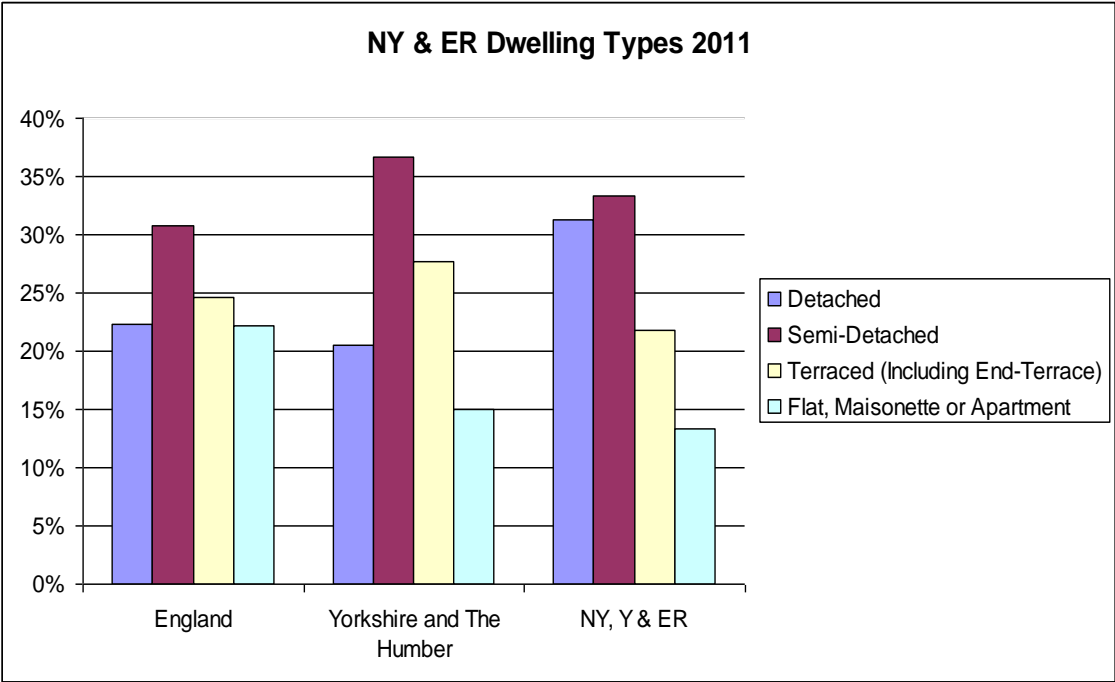
The research shows that the shortfall is mainly in smaller properties across all authorities. This is not surprising, as the stock profile of many of the authorities (set out later in this document) is skewed towards larger family properties across all tenures. Since the time of the research, this is likely to have been exacerbated by the introduction of Welfare Reform and new rules in relation to the payment of housing benefit for household in under occupation. There is also a need to address the overarching needs of our aging populations, across all tenures.

Traditionally there have been very high levels of owner occupation but intelligence gained from the SHMAs and other data indicates that the market is changing in response to the economic climate. The private rented sector is playing an increasingly important role due to the continued limitations on lending and changing expectations of younger households in relation to their housing careers.

Section 4 of this Chapter sets out the strategic response to this level of need and demand but first we consider the LEP areas housing markets in more detail.

**Our Housing Markets in Detail**

We now look at the current context for new housing investment in the area. The 2011 Census provides information on stock, households and tenures in the LEP area. Looking first at the current housing supply, we see that the dwelling stock profile differs from the national and regional averages, having a larger proportion of detached dwellings and correspondingly smaller proportions of smaller properties (terraces and flats). Together, detached and semidetached dwellings make up almost two thirds (65%) of the total stock.

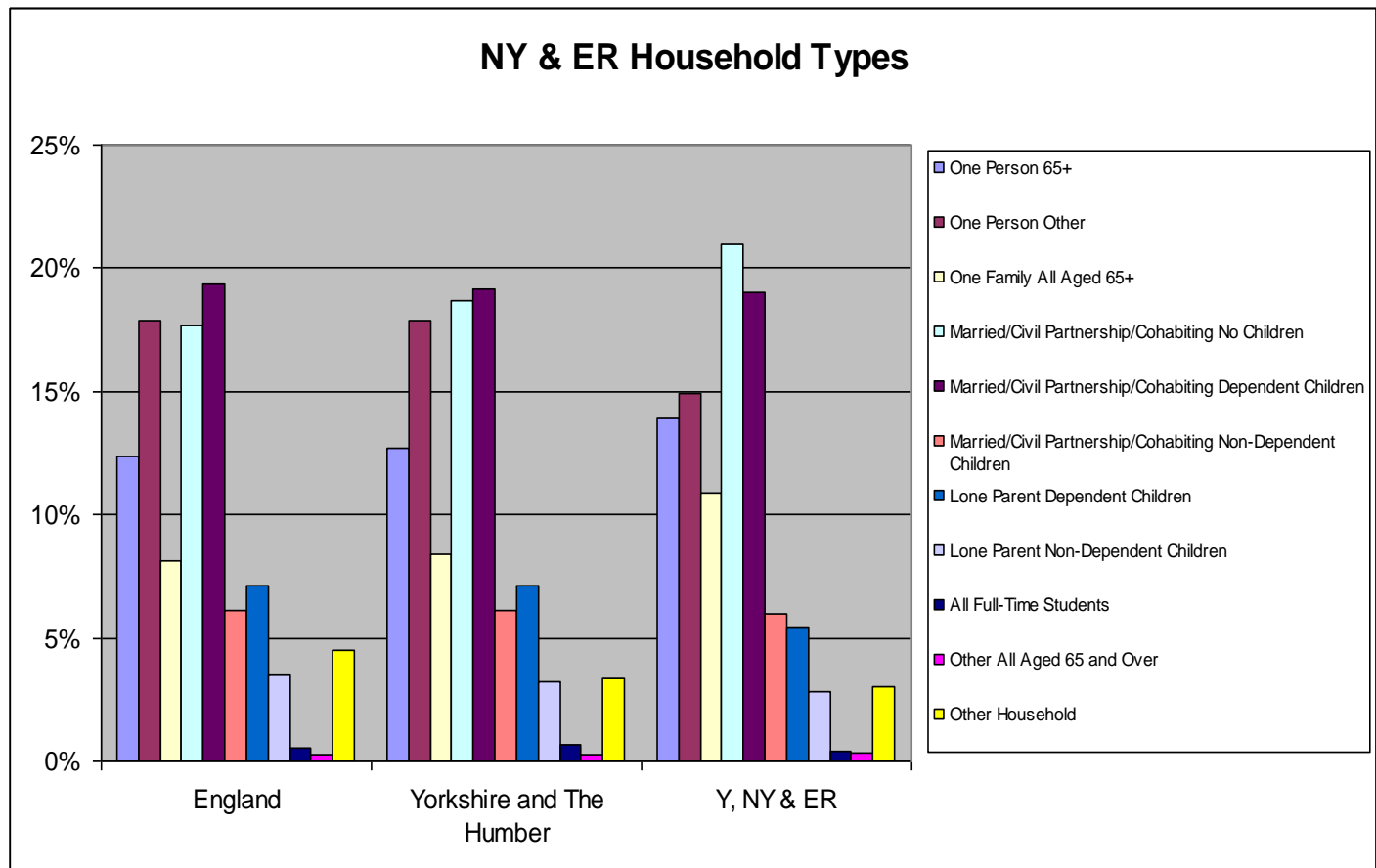


Source: ONS – Neighbourhood Statistics

Looking in greater detail, around 40% of homes in Hambleton, Ryedale and Selby are detached (compared to 30% for the LEP area). Reflecting their economic history, Craven and York have higher than

average levels of terraced housing. The small proportion of flats (13%) masks significant differences in the sub region - one quarter of the stock in Scarborough is flats compared to only 7% each in Hambleton, Richmondshire and Ryedale.

Considering the profile of household types currently utilising this stock, the following picture is presented:



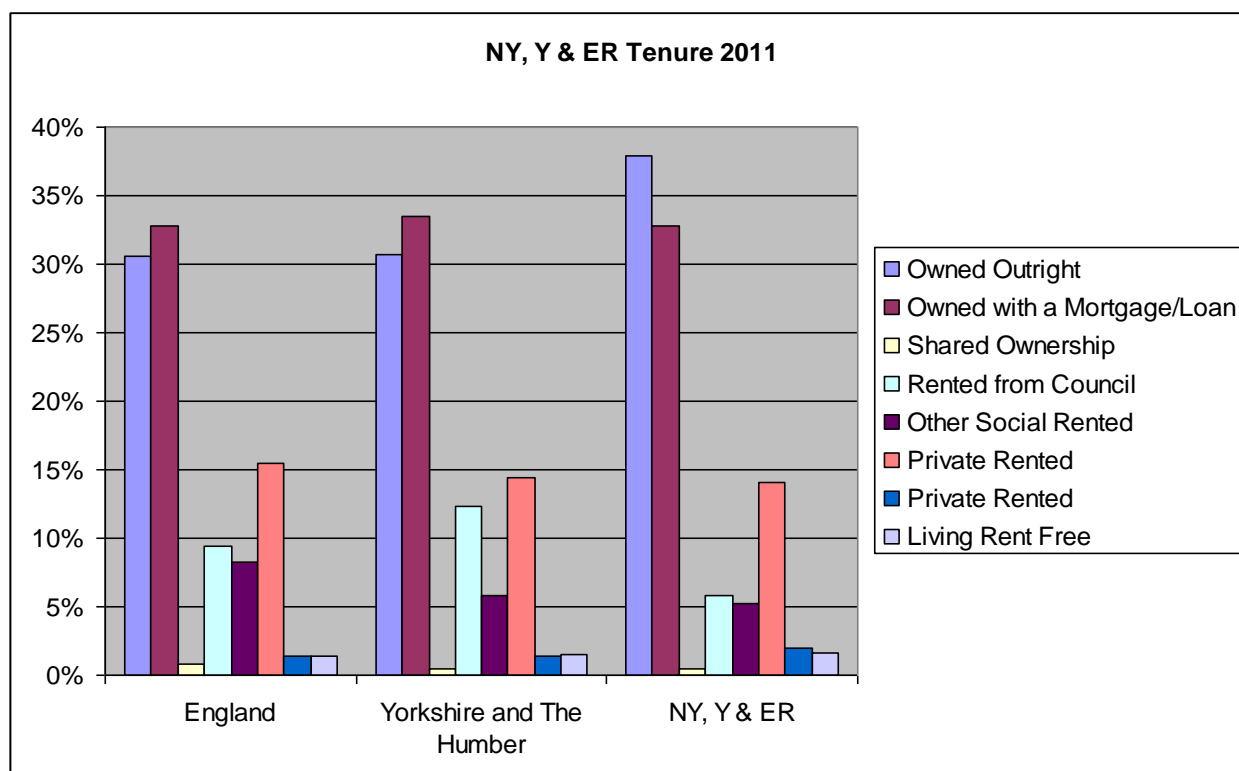
Source: ONS – Neighbourhood Statistics

Similar to the national and regional figures, one person households make up around 30% of all households in the LEP area. Our population is ageing and those aged 65 and over make up one quarter of all households however, as we have seen, the high proportion of larger, detached properties, will not necessarily meet the needs of our older population. Households with no children make up a slightly higher proportion than in the comparator areas.

Looking in more detail, Scarborough has the highest proportion of one person households (34%). Craven, Ryedale and Scarborough have a higher proportion of households aged over 65 years.

Finally, we consider the tenure profile for the housing stock in the LEP area which has a high proportion of owner occupiers, particularly those who own their homes outright (a reflection of the older household profile).





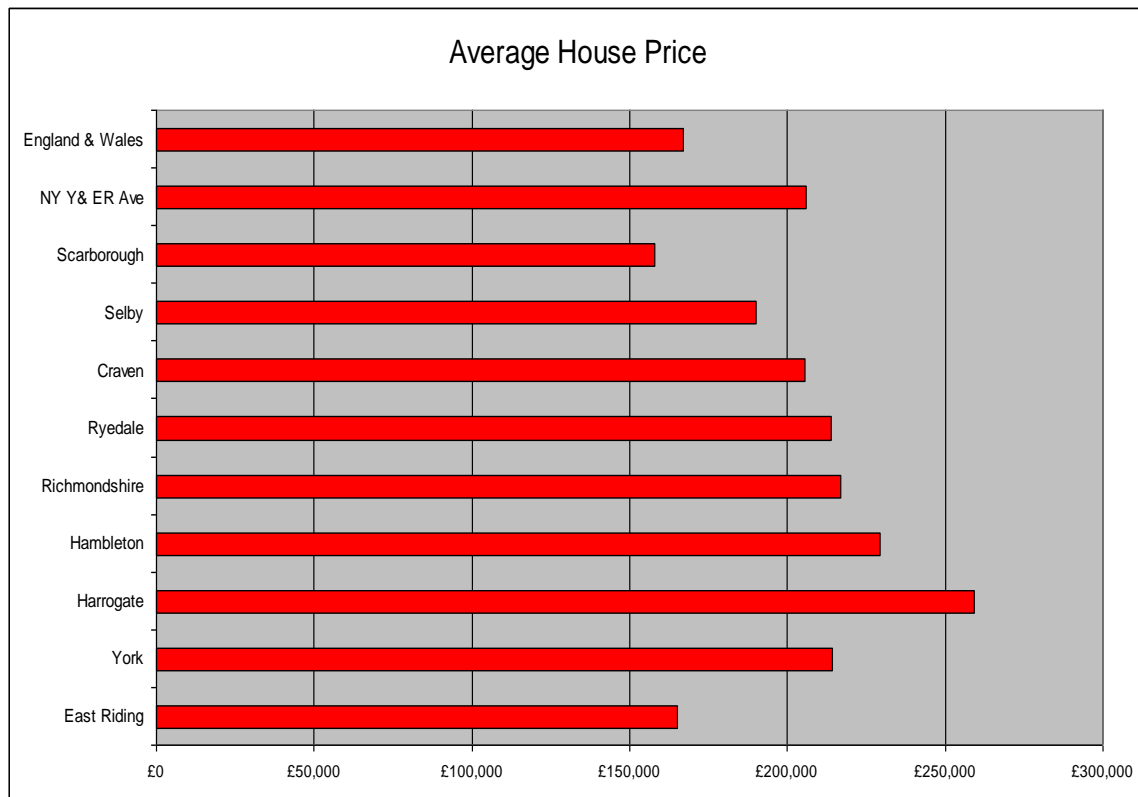
Source: ONS – Neighbourhood Statistics

Over 70% of households are in owner occupation, compared to 63% nationally. The private rented sector is of a similar proportion to the comparator areas however the social rented or affordable housing stock is somewhat smaller than regionally or nationally. An older population, living in larger properties which they own presents particular issues for housing needs and for communities across the LEP area.

In both Selby and East Riding, owner occupiers make up 75% of all households. Craven, East Riding and Harrogate have a smaller social rented/affordable housing stock at 9%. Richmondshire has the largest private rented sector, at 22% of the stock, in large part due to the high amount of MOD stock in the area.

## House Prices and Affordability

Looking at the most recent HM Land Registry House Price Index for the LEP area (Q1 2013) we see that the average house price (£205,798) is above the average for England and Wales, with only East Riding and Scarborough being below the national average.



Source:

HM Land Registry

The required deposits and incomes required for the average prices are set out below, assuming that borrowers require a 10% deposit and can borrow three times their household income. Some mortgages may require higher deposits and some may lend to three and a half times income.

Authority	Average House Price	Deposit (assume 10%)	Household Income Required (borrowing 3x income)
<b>York</b>	214,303	21,430	64,291
<b>Craven</b>	205,569	20,557	61,671
<b>East Riding</b>	165,176	16,518	49,553
<b>Harrogate</b>	259,010	25,900	77,703
<b>Ryedale</b>	213,983	21,398	64,195
<b>Hambleton</b>	229,178	22,918	68,753
<b>Selby</b>	189,879	18,988	56,964
<b>Richmondshire</b>	217,062	21,706	55,119
<b>Scarborough</b>	158,024	15,024	47,407
<b>Average LEP</b>	<b>£205,698</b>	<b>£20,580</b>	<b>£61,739</b>

House prices are only one part of the equation in considering the operation of housing markets; it is the affordability of these house prices to households on local incomes which is key. According to CLG data (which uses ASHE earnings and HM Land Registry data) from 2012 average house prices are over six times average local incomes:

<i>House Price to Income Ratio 2012</i>	
Craven	7.40
East Riding of Yorkshire	6.13
Hambleton	8.51
Harrogate	8.77
Richmondshire	7.55
Ryedale	8.23
Scarborough	6.30
Selby	5.93
York	6.80

Source: DCLG, Table 577

In relation to house prices and incomes, recent research by national charity Shelter found that Harrogate and Hambleton District are among the housing 'black spots' for first-time buyers with only 1.6% and 2.6% of housing classed as affordable respectively. London's figure is 1.6%. York is another example quoted with 97 in every 100 homes on the market unaffordable for a typical couple with children and only 3.1% of housing classed as affordable. The report said that while most of Britain's affordability crisis was concentrated in the south, there was a "*band of low affordability*" from the Lake District to the Vale of York. Within the house prices by Local Authorities are also the very high average prices in the National Parks, making the issues with the lack of housing and affordable housing even more acute. This, coupled with the lack of affordable housing, puts pressure on incomes, house prices and the private rented sector. 2008 work by the University of York also puts Ryedale in the 10 least affordable locations in England.

In terms of future trends, the 2013/14 Home Truths report by the National Housing Federation finds that house prices are set to increase by 35% by 2020. In terms of rental affordability, rents currently take half of an English person's disposable income on average but in 10 years that will have risen to 57%. By 2020, rents are expected to increase by an average of 39%. **The expected average house price rise for the LEP area is 24% with rents predicted to rise by 42% by 2020.**

## Policy and Strategy

### Planning Policy

The Local Planning Authorities in the LEP area are well advanced in terms of the current planning process and their ability to deal with large scale planning applications on strategic sites which include the development of new market and affordable housing. Local Planning Officers and Housing teams across the LEP area have a strong track record of working closely together and with North Yorkshire County Council to bring forward new housing to meet local needs. The progress of each Planning Authority against the Local Plan requirements is set out in the table below

<i>District</i>	<i>Local Plan status / stages</i>
<b>Craven</b>	Local Plan issues Consultation draft due early 2014
<b>East Riding of Yorkshire</b>	Proposed Submission of the Local Plan 2014 Adoption likely 2015
<b>Hambleton</b>	Adopted Core Strategy Adopted Allocations Plan
<b>Harrogate</b>	Adopted Core Strategy Publication draft Allocations Plan

<b>Richmond</b>	Core Strategy submitted
<b>Ryedale</b>	Adopted Local Plan Strategy Draft Sites Plan mid-2014
<b>Scarborough</b>	Draft Local Plan due early 2014
<b>Selby</b>	Adopted Core Strategy Draft Allocations Plan 2014
<b>YDNP</b>	Local Plan options, early stages document Housing Development Plan Document Adopted
<b>NYMNP</b>	Adopted Core Strategy

## Housing Strategy

The housing partnerships operating in the LEP area have an up to date understanding of the housing priorities and opportunities in their areas and have a good track record of working in partnership with the public and private sectors to deliver on their ambitions.

Two Housing Strategies cover the LEP area, one for North Yorkshire and one for East Riding. All of the North Yorkshire housing authorities collaborated to produce an overarching Housing and Homelessness Strategy 2011 to 2015 (updated October 2012). The Strategy identifies a number of priorities which drive investment decisions. These are:

1. Enabling the provision of more affordable homes
2. Maintaining and improving the existing housing stock
3. Delivering community renaissance
4. Improving access to housing services
5. Reducing homelessness

Housing affordability is identified as the greatest issue facing the sub region, with difficulties in services delivery due to the rural nature of the area, and pockets of deprivation, housing market fragility, poverty and worklessness also evident in some areas. The population is ageing and we need to respond proactively in housing terms. Many areas are characterised by high value housing markets functioning over a wider area, with people living in North Yorkshire but working in neighbouring, higher wage areas. More locally, there is a predominantly low wage rural economy with workers struggling to access housing. Local employers report difficulty recruiting and retaining key staff in areas of high value, and the lack of a good supply of affordable accommodation is seen as a contributor.

North Yorkshire's attractiveness as a destination for leisure and retirement leads to a high proportion of second homes in some areas and a rapidly ageing population. There are high levels of out migration of young people, contributing to a skills deficit attributable in part to the lack of decent, affordable housing in the local market. Land is available to facilitate growth but is constrained in many cases by transport limitations and other infrastructure requirements.

The strategy makes a commitment to closer alignment of its priorities to economic, transport and spatial planning aims through the 'community renaissance' theme and also commits to promoting sustainable communities through support for targeted, area based regeneration, housing growth in defined areas and support for rural affordable housing. The value of a good quality, well managed private rented sector is also acknowledged in the strategy, and a number of initiatives are proposed to provide more and better affordable housing, improve access to housing services, promote more provision for older and vulnerable people, and to tackle homelessness.

Similarly, the **East Riding Housing Strategy 2011** sets out a vision that the range, quality and affordability of housing should meet the needs of current and future residents contributing towards sustainable communities and encouraging economic growth and prosperity. Three objectives seek to deliver this vision:

1. Knowing our community: understanding the socio-economic housing and support needs of current and future residents;
2. Ensuring strong, vibrant and healthy communities: ensuring the East Riding has quality sustainable development, complimented by local service and infrastructure, to meet the needs of current and future residents;
3. Delivering excellent housing services: promoting and facilitating excellent service delivery across all housing tenures to meet the housing and support needs of residents.

The document highlights that East Riding is one of the largest unitary authorities in England and is mainly rural in nature. East Riding contains a large population of older people, which is predicted to continue to increase over the next 20 years. Although much of East Riding is generally affluent, pockets of deprivation are evident, particularly in Bridlington, Withernsea and Goole. The coastal areas of East Riding have similarities with parts of Scarborough District and the Authorities are working together to develop approaches to common issues in these local markets.

East Riding faces many challenges, including meeting the housing and support needs of an older population and other vulnerable groups; the need for affordable housing in rural areas and market towns; preventing homelessness; tackling private sector housing disrepair; reducing carbon emissions; and balancing housing markets. The Council needs to continue to recognise and meet the needs of local communities and develop new and innovative approaches to doing more with less.

### **Local Investment Plans**

Each area also has a Local Investment Plan (LIP) which sets out specific actions and priorities against the Housing Strategies described above. There are three LIPs which cover the LEP area, one each for North Yorkshire, City of York and East Riding. The **North Yorkshire LIP 2011 to 2015** sets out the business case and development prospectus for future housing investment. It articulates the strategic investment priorities where public sector investment should be channelled.

The LIP describes an 'offer' from the Partnership to investors to facilitate housing delivery and develop better, more streamlined delivery mechanisms to promote growth. This ranges from developing a consistent approach to affordable housing provision (largely predicated around delivery via Section 106 without grant) to offering public land or assets at nil cost. Infrastructure requirements to unlock key housing sites are identified as a specific issue in the Plan.

The LIP identifies key priorities for investment in each of the 5 economic sub areas in the period to 2015, including at least 1 key strategic growth site that requires infrastructure or other intervention to bring it forward and realise its benefits. These are set out below with a note on the current position in brackets:

#### **West Yorkshire Connections (Leeds City Region)**

Key growth sites:

Olympia Park, Selby (site being cleared and initial pre planning discussion ongoing)

Skipton Developments, Skipton (2 out of 3 sites currently on site)

Other priorities:

Wetherby Road, Boroughbridge (on site) and Yorkshire Water sites (planning permission granted) in Harrogate

Papyrus Works, Newton Kyme (Planning Permission granted) and Sherburn in Elmet in Selby (planning application granted)

#### **York sub area**

Key growth site: Derwent Park, Norton (in development with ATLAS)

Other priorities: Easingwold allocations, Riccall

### **Tees and Vales Link**

Key growth site: North Northallerton Development Area (masterplan developed and advanced)

Other priorities: Richmond (various sites), Sowerby Gateway, Thirsk (on site)

### **Remoter Rural (East and West)**

Key growth sites: the delivery of a package of rural land opportunities across the area (Rural Housing Enabler Programme on track to deliver over 75 homes per year across NY)

### **Coast**

Key growth site: Eastfield redevelopment/ Middle Deepdale (Planning Permission and developer consortium established)

The LIP goes into some detail about these priorities, their development requirements and the expected outputs and benefits they will deliver. In parallel with the Growth Deal process, the LIP priorities will be refreshed in 2014.

Despite the economic downturn partners are committed to delivering housing on the sites identified. A number of our Strategic Investment Sites are market ready, if not already on site: Work has already commenced on site at Middle Deepdale, Scarborough; a masterplan for the North Northallerton Development Area have been progressed with involvement from ATLAS, a consortium of developers are in place and a planning application is expected in Spring 2014.

The City of York Council (CYC) published the **York LIP** in 2010. It identifies 5 strategic priorities:

- Support economic growth and infrastructure development.
- Deliver new housing, including maximising affordable homes.
- Make best use of existing stock.
- Support independent living and access to advice and services.
- Tackle and prevent homelessness, particularly young persons' homelessness.

It sets out geographical investment priorities at:

- York Central (masterplanning and access issues firmed up)
- British Sugar (masterplanning and viability work ongoing)
- Derwenthorpe (Phase 1 complete, phase 2 on site)
- Terrys (Planning application under consideration)
- Nestle South (Planning application approved)

Finally, the **East Riding LIP 2011 to 2015** identifies three key priorities for the area. These are:

- Delivering more affordable housing
- Creating quality homes
- Meeting diverse housing and support needs.

**Delivering more affordable housing** - There is a need to provide affordable housing for families and older people. We need to encourage younger people to stay in the area and contribute to economic growth. Without such an offer the demographic profile of the area will become increasingly skewed with for example a lack of 'key workers' in locations to serve the needs of the wider community. We also need to provide a modern housing offer to older people to both meet their housing needs and encourage them to free up larger family housing.

**Creating quality homes** - The priority is to continue to tackle the high levels of non-decency in the private sector, particularly rented properties and those occupied by vulnerable households. The loss of

funding streams to address this issue is of great concern. Although the Council will continue to explore alternative approaches, the scale of the problem means that further public subsidy will be required, in particular for the priority areas of Withernsea, Bridlington, Beverley and Goole.

**Meeting diverse housing and support needs** - A specific problem in a rural area like the East Riding is fuel poverty as the authority has a significant number of properties built pre 1919 and are of solid wall construction, making them difficult to insulate and therefore inefficient. More generally, we aim to cut carbon emissions from domestic housing by a third by 2020 as part of the Climate Change Strategy. Increasingly over the next few years the focus of the Advance projects will move toward improving energy efficiency and maximising the potential of funding such as the Green Deal. The Council will have an important role to play as the bridge between these communities and the Green Deal providers.

Once the detail of the Growth Deal opportunities in our area is known and in readiness for the new HCA housing programmes beginning in 2015/16, we will review and refresh our housing investment plans and strategies so that alignment is maintained with our funding partners.

## c) Conclusions and Implications

Our area's economy presents a combination of strengths, assets and unfulfilled potential. Employment, skills and business survival rates are above average and we have strong business sectors such as food and agriculture, energy and the visitor economy. Yet our productivity, GVA and business formation levels are below what we would expect.

Considerable differences at a local level are masked by overall statistics. Our area includes localities that have significant deprivation, most notably on the Yorkshire Coast, but also in hidden pockets throughout. More remote parts of our area – such as the Dales, Moors and Wolds - have both high self-employment levels and, perhaps surprisingly, low levels of income. Elsewhere certain sectors, such as manufacturing and engineering, have localised hotspots. The City Of York also has distinct features, for instance connected to its business base and university and science based assets. Parts of the wider West Yorkshire connected area also have excellent performance on particular measures, such as skills in Harrogate, Selby and Craven, and business formation levels in Harrogate. We need to make more of our distinctive strengths to combat low GVA and drive future success.

The implications of this analysis have informed our approach, and there is **a clear line of sight from the evidence and emerging opportunities to the priorities and activities within this strategy**. They include:

- Our **high proportion of small and microbusinesses** means that if we are to improve GVA and productivity, then there must be a strong (but not exclusive) focus on these businesses across sectors, including tourism and farm based businesses. Our low and falling business formation rates will be a significant long term weakness unless they are reversed, but our quality of life and locational benefits could make our area an attractive one for entrepreneurs – see Priority 1
- **Food manufacturing and agriculture is our most pronounced sector.** Its scale far exceeds national average and it accounts for a sizeable number of businesses and jobs. It can perform better than it is doing now and major investments and innovation programmes have the potential to drive that improvement. The energy and especially biorenewables sector here is also pronounced. It includes key national assets which can drive expansion and enhance food and energy security – see Priority 2
- Qualifications levels are good but our lead over national average is reducing. Improving **employability skills and qualifications** (especially at higher levels), combined with better apprenticeship opportunities and responsiveness to specific business and sector based needs, will help to drive growth and prosperity. Upskilling and support for those who are unemployed can also help to tackle pockets of deprivation (e.g. in coastal towns and parts of Selby, Colburn and York), underpin growth and ensure the talents of our whole population are utilised – see Priority 3
- Our **distinctive and predominantly rural geography combines a wealth of market towns, and more national parks and areas of outstanding countryside and coast** than practically anywhere else in England. It includes distinctive local economic areas, each of which have opportunities to unlock and drive growth. These include major investments and site specific opportunities to address market failures, including on the Yorkshire Coast, in the A1/A19 corridor, and in the York and connected, West Yorkshire connected, and Hull and Humber connected areas to the south of our area. There



are also opportunities for sustainable economic development in the Dales, Moors and Wolds. Our strategy reflects this geography and its opportunities – see Priority 4

- Congestion is not as extensive as in some areas but there are pronounced **transport challenges** in specific places and pinch points – including rail access from York and Harrogate to Leeds, on the A64 to Scarborough, and on York outer ring road. Fast broadband is being introduced into much of York and North Yorkshire, but there are gaps in East Riding and a need for greater uptake – see Priority 5

**Table 19: Summary of key evidence messages and how they inform priorities and courses of action**

Evidence shows that:	Response	Coverage
Growth and productivity are low <b>and decreasing compared to national average.</b>	Focus on business growth throughout the strategy and on drivers of productivity including innovation, enterprise, skills, and on using business support to aid competitiveness and exports (new markets).	All five priorities
<b>We have a rich diversity of</b> small and micro-businesses <b>but few medium and large ones</b>	Focus on our existing base of small and micro businesses and help them to grow.	Priority 1 also through Priorities 2 and 3
Business start-up rates are 20% below average, <b>but survival rates and self-employment are high.</b>	Inspire an enterprise culture and strengthen enterprise education and start-up support.	Priority 1
Innovation levels are not high enough <b>and too few firms utilise external expertise</b>	A smart specialisation approach focusing on the agritech and biorenewables sector and linking business to R&D, coupled with wider support of business innovation.	Priority 2 Priority 1
<b>The</b> agritech/ food manufacturing/ agriculture <b>sector and the</b> biorenewables <b>sector are concentrated in the LEP area</b>	Focus on growth of these sectors, linked to outstanding R&D assets and expertise. Cover other sectors though support across the other priorities of the strategy.	Priority 2
Skills levels are good, but our lead over national average is eroding, <b>especially for higher level skills</b>	A strong focus on the skills businesses most require, including high level skills, employability and attitude skills.	Priority 3
Employment rates <b>are high but there are pockets of deprivation and median incomes are low.</b>	Active inclusion and employability activity to help unemployed people access jobs.	Priority 3
Carbon emissions <b>are reducing but more slowly than average</b>	Help businesses to reduce emissions and boost profits through resource efficiency, promote biorenewables, and set high environmental standards for developments.	Priorities 1, 2 and 4
<b>We have complex geography and</b> specific growth opportunities and transport needs <b>related to this</b>	Unblock growth based on major physical developments and transport improvements.	Priorities 4 and 5

## Why Intervene? - The Importance of Market Failure

Economic interventions only make sense where evidence shows both that there is an opportunity or need, and that something can be done to make a difference. This is intrinsically linked to the concept of 'market failure'. Market failure exists when the competitive outcome of markets is not efficient from the point of view of society as a whole - in essence, factors that prevent the economy from working as well as it should do. There are six main types of market failure that provide a reason for intervention in relation to local economic development and the actions within this plan:

- **Externalities** – these are essentially spillover effects where the consequences of market operation or a firm's action are not fully borne by businesses themselves. Externalities can be positive – e.g. one firm's R&D may be shared by others, or negative – such as pollution. This is relevant to innovation activity in Priority 1 and 2 of this strategy and to low carbon activity.
- **Barriers to entry** – a functioning market relies on healthy competition. So if barriers prevent businesses from entering or competing in a market they will harm its operation. This is pertinent to Priority 1 of this strategy on business start-ups, and also relevant to trade and export activity.
- **Imperfect information and uncertainty** – gaps in information and perceptions may lead to the 'wrong' decisions being made, related to 'merit goods' and 'demerit goods' where consumers (which for this strategy could be businesses assessing whether to take up advice, or students choosing a course) underestimate or overestimate the value of a product. This is relevant to a number of areas of this strategy, including business support products, skills and training, technology and resource efficiency.
- **Public goods** – are those that cannot be easily restricted to a paying customer as others will benefit when they are made available – e.g. good town planning, roads maintenance or breakthroughs in basic science. Public goods are often entwined with public services or policy relating to areas such as education, transport infrastructure and health. Whilst they are not goods brought to market, their provision (or lack of) can have a significant impact on economic performance. This is relevant to Priority 5 of this strategy in relation to transport and ICT as well as to Priority 3 in relation to education.
- **Factor immobility** – is where barriers prevent a factor of production, such as labour, from being efficiently employed, for instance because of the costs or difficulties of travel. This is relevant in relation to Priority 3 of this strategy on employment and skills.
- **Equity issues** – occur where markets generate an 'unacceptable' distribution of income with social exclusion consequences which a government may choose to change. This is most relevant to Priority 3 of this strategy.

The nature and extent of market failures will have a crucial bearing on priorities for action by the LEP and its partners. We will focus interventions where market failure is evident, and market failure based rationales for action are included in the detail of each priority.

## SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats)

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Strong SME base, many micro-businesses</li> <li>• Large food, agritech and agriculture sector</li> <li>• Energy assets - especially biorenewables and power generation</li> <li>• Visitor economy and tourism – a strong and well known destination offer</li> <li>• High quality of life and low crime</li> <li>• A superb rural environment, with a wealth of national parks , AONBs and fine coastline</li> <li>• Distinctive and attractive market towns, plus the major centres of York and Harrogate</li> <li>• Good skills, especially at lower levels</li> <li>• Mostly low levels of unemployment/exclusion</li> <li>• Universities in York (and campuses beyond)</li> <li>• Fairly low congestion and good access to ports</li> <li>• Business support and engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Few large employers</li> <li>• Low GVA and productivity</li> <li>• Employability and higher level skills can be lacking</li> <li>• Low levels of exports</li> <li>• Hard for SMEs to collaborate and influence decisions that affect them – e.g. on skills</li> <li>• Gaps in broadband coverage, for instance in more isolated business parks</li> <li>• Remoteness from jobs and opportunities in some areas</li> <li>• Insufficient and unaffordable housing, which can limit workforce availability</li> <li>• Pockets of hidden deprivation and coastal towns in need of regeneration</li> <li>• Airport access</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Agritech and Expansion of FERA/Sand Hutton</li> <li>• Low carbon energy – especially biorenewables, decarbonised power and carbon capture</li> <li>• Potash mine and investment at Whitby</li> <li>• Development in York</li> <li>• Large land area</li> <li>• Market towns of quality and distinction</li> <li>• Catterick Garrison centre and changes in Ripon</li> <li>• Environmental and visitor economy, with modernisation and diversification of tourism</li> <li>• Superfast broadband – productivity, enterprise</li> <li>• Innovation, exports and supply chains</li> <li>• New funding opportunities</li> <li>• Collaboration with neighbouring LEP areas</li> <li>• Business led growth and leadership</li> </ul>	<ul style="list-style-type: none"> <li>• Youth unemployment and deprivation hotspots</li> <li>• Constrained workforce, limited by house prices/availability and rising travel costs</li> <li>• Rising energy and resource costs</li> <li>• Ageing population and workforce</li> <li>• Skills issues, e.g. higher level, engineering</li> <li>• Closure of Ripon army base</li> <li>• Congestion in Harrogate and York, and risk of service changes slowing rail access to the coast</li> <li>• Some areas remote from cities and opportunities, exacerbated by broadband gaps</li> <li>• Could be left behind in a globalising world</li> <li>• Uncertain or constrained funding and reduced public sector resources and capacity</li> <li>• Climate change and coastal erosion</li> <li>• Complacency</li> </ul>

## 4. Collaboration and Partnership

### In Summary

This strategy has been developed through a process of partner and stakeholder engagement. We have worked jointly with the key organisations across the private, public and voluntary sectors to identify issues and solutions and to agree our strategic approach.

Engagement has included meetings and discussion with the full range of organisations that have experience, assets or perspectives that could add value. The strategy has also been informed by an extensive consultation process, including seven open and participative events across the LEP area and feedback through written inputs and an online survey.

### Approach

We recognise that if the strategy is to be delivered by partners and private sector led, it must be shaped and owned by key stakeholders across the region, including businesses.

We have adopted a participative approach to developing this strategy, working as a team with our partners in business, local government and statutory agencies, education and in the voluntary and community sector. In this section we detail this engagement, the main messages emerging from participation, and how we cover the cross cutting issues stipulated in European guidance.

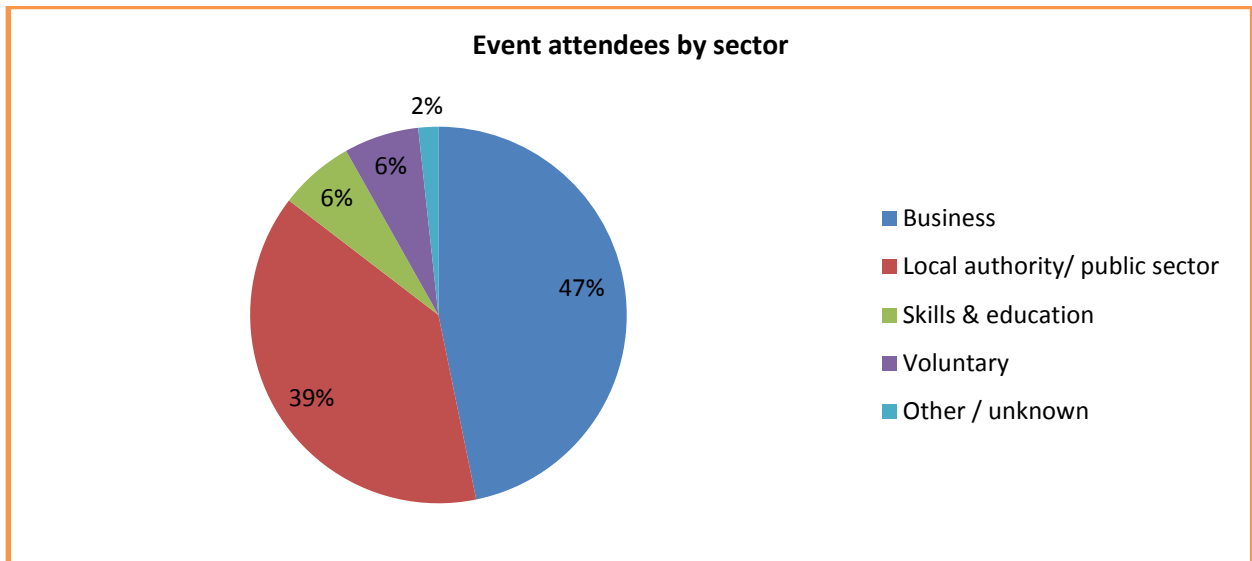
Greatest impact and best outcome are the drivers in our approach to collaboration. We understand where partners are best placed to deliver on our behalf and where working across Local Enterprise Partnership boundaries can provide better results for our area.

### Summary of Consultation and Main Messages

A participative process helped to develop proposals, engaging key partners and stakeholders. It is private sector led but has also benefited from public and voluntary sector perspectives, with key stakeholder groups meeting to make inputs. In addition to ongoing partner engagement, a formal consultation exercise was held during August and early September 2013. This had two main strands:

- A series of seven open and participative events were held in venues across the whole LEP area (Malton, Colburn/Richmond, Skipton, Knaresborough, York, Bridlington and Northallerton). These attracted 233 participants, with a healthy mix of sectors (see figure 9). Business was the largest single group, with significant input also from civil society and skills organisations as well as local government.
- A questionnaire survey was promoted and disseminated to partners and could be completed via the LEP website. This gained 57 responses in total, with just over half of those from the private sector.

**Figure 9: Attendees at consultation events by sector**



The response to the consultation draft of the strategy through the seven **events** was energetic and positive. There was widespread agreement with its overall direction and priorities and most of its content. In addition, a number of strategic points were raised repeatedly, with support from those present. The main points were to add or enhance content on:

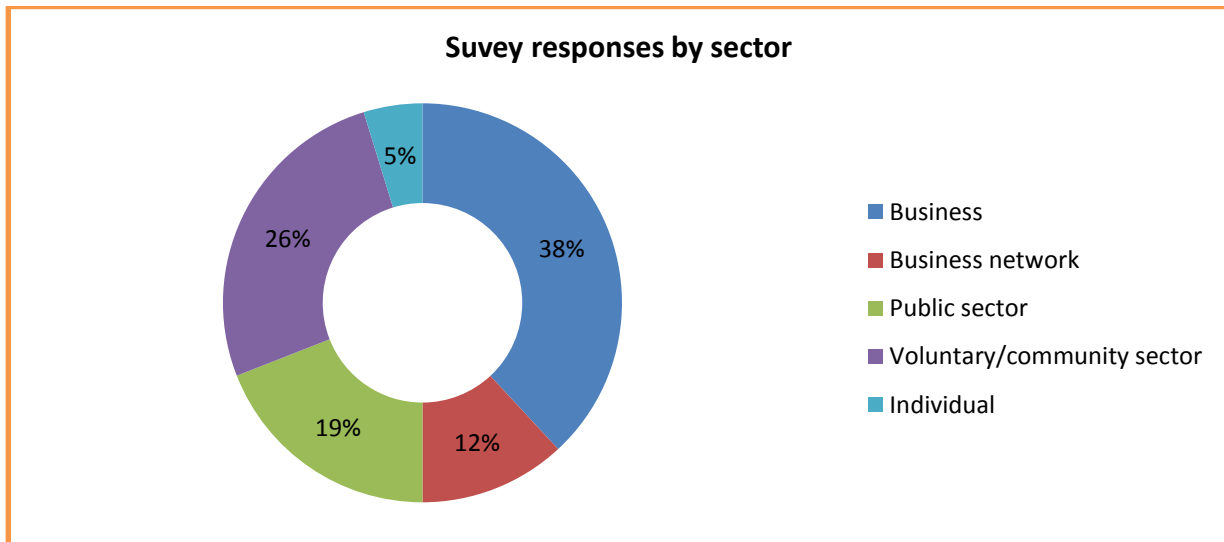
- i) Business start-ups and enterprise
- ii) Upskilling the current workforce
- iii) Supporting employment and social inclusion, including third sector engagement
- iv) Low carbon and the 'green economy'

A log of more specific and detailed points was recorded and these specifics will be fed into the strategy where they are uncontroversial, obviously enhance the strategy or add value, and do not undermine or significantly dilute the main priorities and deliverables. Points included details about transport and place based approaches, and there has been extensive discussion about these with relevant organisations such as local authorities and the North Yorkshire Transport Partnership.

A log of detailed consultation points will be written up and made available within the final draft of the strategy.

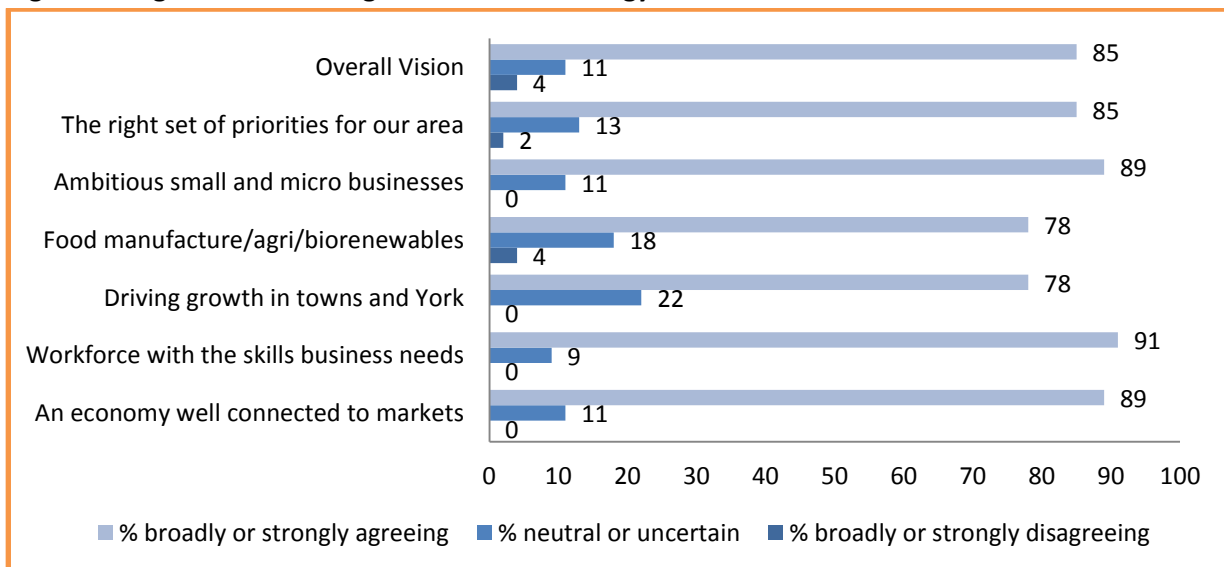
The consultation survey attracted responses across sectors as shown in figure 10 – a half of responses were from the private sector.

**Figure 10: Respondents to the consultation survey by sector**



Survey respondents were asked whether they agreed or disagreed with the direction and deliverables of each (consultation draft) priority and the overall vision. Figure 11 shows the results

**Figure 11: Agreement or Disagreement with Strategy Priorities**



There was overall agreement with the priorities and their direction and deliverables. For four of the five priorities, most of those who agreed with them did so 'broadly' rather than 'strongly'. The exception was the priority on workforce skills which gained nearly as much strong support (43%) as broad support. The priorities on connection to markets and growth in towns and the City of York had the next highest levels of strong support – 27% and 29% respectively. Very few respondents disagreed with any of the priorities and none 'disagreed strongly'.

## Business engagement

Business has been at the heart of our LEP plans and 40 business networks have signed a MOU to work with the LEP to deliver our existing plan. We have engaged closely with the networks in developing the content of this strategy. In particular, the Federation of Small Businesses, Leeds, York and North Yorkshire Chamber of Commerce, Institute of Directors, National Farmers Union and Welcome to

Yorkshire have been core members of a task and finish group which has developed the business growth content of the strategy. Additionally, an invitation to participate in the consultation survey and events was sent to all the business networks. As previously detailed, business was the largest single group attending events and completing the questionnaire survey - almost a half of all respondents were from business.

Additionally, we have consulted with and retain strong relationships with publicly funded business support providers including the Manufacturing Advisory Service, UKTI, Growth Accelerator and Superfast North Yorkshire.

## **Local authorities and the public sector**

We have worked closely with a range of existing agencies and structures to develop this strategy, building on existing plans and working in partnership with the range of organisations involved in them, often from the public sector. We will retain these relationships through the delivery of the strategy. We aim to coordinate resources and to build shared capacity to deliver greatest impact and deliver best value for money across the region.

We have worked with a wide range of public sector partners, at a range of levels from leaders and chief executives through to practitioner/officer level. Public sector organisations, especially local authorities, made extensive inputs during consultation, through the events and survey as well as fortnightly meetings with local authority economic development officers. A Skills Task Group that included public sector agencies, as well as business, was established to inform and guide establishment of skills priorities.

Annex D summarises the public sector partners who have helped develop the strategy.

## **The Voluntary and Community Sector ('Civil Society')**

We have worked with key third sector organisations, notably Your Consortium, who provide an overall voice for the sector to inform strategy preparation. We have also engaged with groups across the sector through the consultation process and gained valuable input, including but not limited to specific areas of expertise such as social inclusion, employment, sustainable development and social enterprise.

Examples of third sector groups attending consultation events included local charities and community trusts, local LEADER group participants, Rural Action Yorkshire and CVS groups.

## **Partnership and collaboration with other LEP areas**

We can achieve better results by working with neighbouring Local Economic Partnerships and will strive to do so. Already we have forged strong working relationships with neighbouring LEPs and discussed how our strategies and delivery can align. Key connections for specific LEP areas are set out below.

### **Leeds City Region**

Our LEP boundary overlaps with Leeds City Region. The City of York, along with the districts of Harrogate, Selby and Craven, work in partnership with both our LEP and Leeds City Region. We are fully supportive of the City Region and their aspirations and recognise the benefits of a prosperous Leeds City Region to the businesses and people of North Yorkshire and the City of York.

Through their city deal, the Leeds City Region are best placed to make **large strategic investments** in infrastructure. We will work in partnership and support the City Region to invest to unblock key sites such as **York Central** and to address strategic transport issue such as the congestion around **York Outer Ring Road**.

Our role around major infrastructure is one of support and enabling. For example, we are investing in improvements to the York – Harrogate –Leeds rail line, which will build capacity now, but also support the longer term City Region plans for electrification of the line. Additionally, on behalf of Leeds City Region, we are delivering an **Apprentice Hub** in Harrogate, Selby and Craven and will continue to work together on the apprentice and skills agenda. We are best placed to lead on supporting small business, the **visitor economy** and addressing **rural issues** in the overlapping areas.

A core strand of our strategy is to capitalise on our strength in agritech and biorenewables. The **BioVale** proposal builds on this, recognising the strength of the food manufacturing sector in Leeds City Region as a key partner in our growth plans.

#### **Humber Local Enterprise Partnership**

We also share an overlapping boundary with Humber Local Enterprise Partnership, with East Riding of Yorkshire a key member of both LEPs.

The Humber LEP has secured a major **Enterprise Zone** focused on the Humber Port and the opportunity of **offshore wind**. Whilst the proposed wind farm at Dogger Bank is off the coast of North Yorkshire, manufacture and construction can only take place in the deep port of the Humber and we wholeheartedly support their work to deliver this major investment.

The benefits from offshore wind will be felt beyond the Humber and across the Yorkshire Coast. The Humber LEP are focused on delivering this, which we fully support. However, coming out from the opportunity are common issues on which we will collaborate. Firstly, the offshore wind industry coupled with Potash developments in our LEP area, present a major skills challenge, particularly around engineering skills. We will work together to develop local skills to support these emerging opportunities.

We will also work together, through the Humber North Bank Partnership, to invest in the **Yorkshire Coast**, addressing historic issues of coastal deprivation whilst investing in key infrastructure to drive growth in our seaside towns. We are best placed to lead the **rural agenda** and, as with Leeds City Region, our **BioVale** proposal recognises the strength and value the Humber Ports and related businesses can add to our growth plans. Collaboration and joint working will be an integral part of our development plans.

#### **Tees Valley LEP**

Whilst we do not overlap with Tees Valley LEP area, we share several common issues and both markets and travel to work patterns provide a strong relationship. We have a history of working together on the Community Led Local Development **LEADER** programme and this will continue.

Additionally the potential multi-billion **potash** development in Whitby will provide supply chain opportunities across both areas. We will collaborate to ensure we maximise the potential of this opportunity.



We also understand that **Darlington College and Teesside University** are crucial skills providers to serve the north of our area and many small businesses in Richmondshire, Hambleton and Ryedale look north to Teesside for their customer base. Infrastructure investments such as the A1 upgrade north of Leeming Bar are already improving these links and we will continue to proactively seek opportunities to work together.

## **Other Partners**

We do not limit our collaboration to our neighbours, we will proactively seek partnership and collaboration where it makes best economic sense to do so.

For example, a collaboration of Local Authorities along the East Coast Mainline is working together to secure investments on the back of this strategic rail route. We fully support this collaboration and will actively work together to deliver results. We also understand that from an innovation perspective, we want our businesses to link to the best R&D available and to adopt a 'smart specialisation' approach. Working through the University of York as a conduit, we will enable our business to access the very best R&D and innovation assets across UK and beyond.

## 5. Cross Cutting Issues – Sustainable Development and Low Carbon, Social Inclusion and Equalities, Innovation and Community Led Local Development

### Approach

A number of key issues cannot be framed within a single component of this strategy; to be meaningfully applied, they need to run right through it, affecting both the content of actions and the way they are delivered. Based on partner engagement, evidence and guidance, we have identified four such themes:

- Sustainable Development and Low Carbon
- Social Inclusion and Equalities
- Innovation
- Community Led Local Development

### a) Sustainable Development and Low Carbon Ambitions

This theme includes three elements:

- integrating social, environmental and economic aspects of development to ensure that it contributes to quality of life now and in the future;
- protecting and enhancing the environment, and
- responding to climate change by both reducing carbon emissions and adapting to a changing climate – for instance through flood prevention.

The LEP and this strategy are committed to all three goals and will put in place actions and mechanisms to take them forward in line with the UK Government's principles for Sustainable Development<sup>21</sup>. We will work with relevant partners and experts to put this into practice, including our three Local Nature Partnerships, both National Park Authorities (covering the North York Moors and the Yorkshire Dales) and third sector environmental organisations.

Over and above that content the following general principles and commitments apply to strategic decision making and project development:

- Contribute to the carbon reduction goals in the LEP area (and beyond), including through shifts in energy generation and energy efficiency measures;
- Consider and adopt 'adaptation' measures in response to a changing climate and related pressures, including flood risk, coastal erosion and impacts on land use, health, habitats and industry;
- Promote mechanisms such as resource efficiency which reduce environmental impacts and enhance economic competitiveness;

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<sup>21</sup> These are: Living within environmental limits; Ensuring a strong, healthy and just society; Achieving a sustainable economy; Using sound science responsibly; and promoting good governance.

- Value and where possible enhance 'green and blue infrastructure' such as habitats, water courses and features, and important landscapes and the 'ecosystems services' they provide such as climate regulation, amenity value and flood prevention;
- Pursue supply chain development and procurement approaches that deliver environmental benefits, for instance through the way in which use of local goods and services can reduce distances travelled and CO2 emissions;
- Take opportunities to encourage sustainable and low carbon transport, for instance through promoting of cycling, walking and public transport, and use of ICT and local services to avoid unnecessary or long journeys;
- Apply the polluter pays principle to all activities; and
- Set demanding environmental standards for buildings and infrastructure – BREEAM 'excellent' for new build, BREEAM 'very good' for refurbishment, and CEEQUAL 'very good' for infrastructure projects.

## **b) Social Inclusion and Equalities**

This theme includes two main strands: anti-discrimination policies in line with the Equality Act, 2010<sup>22</sup>; and wider strategic and project level activity to support social inclusion.

The LEP is committed to the three key elements under the Public Sector Equality Duty in relation to our decision making and delivery, those being:

- To eliminate unlawful discrimination
- To advance equality of opportunity
- To foster good relations

We will seek evidence on the economic and employment circumstances of different groups and use that information in targeting of activity. Readily available evidence includes that on youth unemployment and that is set out in the evidence section and has been used to inform priority setting.

More broadly, we will look to ensure that people from all groups and all areas across York, North Yorkshire and East Riding benefit from economic growth and opportunities, and to narrow gaps between those who are most and least disadvantaged<sup>23</sup>. That will include action to:

- Support those who are unemployed to get a job, through improvement of skills and employability and connection to opportunities;
- Create more opportunities for local employment, through business growth and job creation, and encouragement of apprenticeships and other mechanisms that help local people to access them;
- Support community led development and third sector ('civil society') capacity to support social inclusion, employment and wellbeing;
- Ensure connections to the Health and Wellbeing boards that support economic activity and wellbeing; and
- Ensure that the needs of social enterprise are covered in mainstream business support.

<sup>22</sup> The equality duty covers nine groups with protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

<sup>23</sup> See for instance the report of the York Fairness Commission, 2012, for relevant principles and approaches

We have worked and consulted with Your Consortium and others in the third sector in the preparation of this strategy and will continue and deepen working relationships as we move forward. That will for instance include ensuring that the sector is represented on the LEP area's Skills and Employability Board, and consideration of a place on the main LEP Board when its membership is reviewed.

### c) Innovation

Innovation, whether defined in strict technical terms or as the wider capacity to do things differently and better, is vital to economic success and social progress. It is all the more important in an era of tight finances where cost effectiveness and efficiency are paramount, and in a global market where innovation is crucial to market share, profitability and growth. Reflecting this content, the LEP area will pursue innovation delivery of all aspects of this strategy. This includes both business Innovation and social innovation.

**Business innovation** – Whilst sector focused innovation activity is a key priority, that will reach a small proportion of our economy overall. The evidence section makes clear that there is a far wider 'innovation deficit' within businesses across the region, and a second strand of innovation activity will address this without undermining the more concentrated activity focused on agritech and biorenewables. This will cover the need for innovation based on technical expertise and R&D, and more general application of new ideas and approaches to improve products, services and business performance.

**Social innovation** – is the process of finding and implementing new ways to tackle problems facing society or groups within it, drawing on local communities and the third sector as well as businesses, individuals and researchers.

### Community Led Local Development

Community Led Local Development (CLLD) is a specific, locally driven approach to development, often (but not necessarily) linked to EU funding. It is defined as a sub-regional process which can *"mobilise and involve local communities to contribute to achieving the Europe 2020 Strategy goals of smart, sustainable and inclusive growth"*.

This approach has been operating across the LEP area through LEADER in rural areas, Fisheries Local Action Groups (FLAGS) in coastal areas, and across our market towns through community led area partnerships and town teams. In our experience CLLD can focus on and make a real difference to the economic growth of smaller local areas.

The knowledge and lessons learned gained through these existing CLLD programmes in our LEP area (and others) and the community led groups involved in it is valuable in informing how it can provide an effective mechanism to stimulate growth in the future. One conclusion is that the CLLD approach has the potential to benefit localities across the LEP area (e.g. market towns), not just the more remote and coastal areas where it has generally been applied to date. Other lessons are that CLLD activity needs to be focused on clear local priorities and link proposed activities to anticipated outcomes.

Cross cutting issues, in the context of our 5 priorities, are outlined in Annex F.

## 6. Resources and Funding Allocations

### Overview - influence and resources

Making the impact we seek requires a mixture of investment and influence. Both can be mechanisms for getting new or different things delivered, and it is important to make the most of both routes.

The influencing role of the strategy, the LEP board and senior partners is pivotal. Making the case for our area to national decision makers, showing what we can deliver, and changing how things are done nationally and how far they are delegated locally can have a real impact.

Where influence or new approaches are not enough on their own to effect the progress we seek, we will use the whole array of available resources to do so. Those include existing public and private resources, new private sector investments, and Government funds such as Regional Growth Fund and Growing Places.

There are two other major funding streams which LEPs will play a central role in and for which this strategy plays a key role in setting our local priorities:

- The UK Government Local Growth Fund
- EU Strategic Investment Funds

The table below summarises the funding sources for each of our priorities.

**Table 21: Overview of Funding Allocations (£m<sup>24</sup>) by EU Theme and Strategic Priorities and Objectives**

<b>Profitable Ambitious Small and Micro businesses</b>		<b>Funding Sources</b>
1	Increase innovation in small businesses	EUSIF, TSB
2	Inspire and support new business starts	EUSIF
3	Improve business competitiveness through co-ordinated business support	LGF, EUSIF, MAS
4	New market development	EUSIF, UKTI
5	Deliver business friendly planning, regulation and procurement	EUSIF
6	Enhance leadership and management skills	EUSIF
<b>Global Leader in Food Manufacturing, Agritech and Biorenewables</b>		
7	Grow our international competitiveness in agritech, driven by the creation of the National AgriFood Innovation Campus York	LGF, EUSIF, Growing Places, TSB
8	Create a BioHub at the University of York to drive bioeconomy innovation and growth	LGF, EUSIF, TSB
9	Connect our agricultural sector to agritech and biorenewables expertise and opportunities	EUSIF
10	Support investment in energy and resource efficiency	EUSIF
<b>Inspired People</b>		
11	Increase productivity by investing in workforce skills	EUSIF
12	Build competitive advantage through higher level skills	EUSIF
13	Increase employability by connecting business to education	EUSIF
14	Support high quality apprenticeships and internships	EUSIF
15	Build skills, attitude and ambition to help people access jobs and progress in them	EUSIF
16	Develop strong communities and active inclusion	EUSIF
17	Deliver a skills capital programme	LGF
<b>Successful, Distinctive Places</b>		
18	Strategic investments in the A1/A19 corridor	LGF, LA, Private Sector
19	Ensure a strong and growing coastal economy (The Yorkshire Coast)	LGF, LA, Private Sector
20	Strengthen economic links with neighbouring cities	LGF, LA, Private Sector
21	Sustainable growth in the Dales, Moors and Wolds	LGF, LA, Private Sector
<b>Well Connected Economy</b>		
22	Improve our East West connections	LGF, LA, Private Sector
23	Ease congestion in York and Harrogate	LGF, LA, Private Sector
24	Enhancing the reliability of our current transport networks	LGF, LA, Private Sector
25	Telecommunications and Broadband	EUSIF

Key:

LGF – Local Growth Fund

EUSIF – EU Structural & Investment Framework

LA – Local Authority

<sup>24</sup> Figures are in £ based on guidance, which assumes a fixed exchange rate of 1 euro = £0.8562 for purposes of developing this initial. Actual payment will depend on fluctuations in exchange rates over the programme period.

**Results/Outputs table**

The overall outputs will be finalised once the level of resources has been confirmed. The detailed EUSIF outputs and results are contained within the EUSIF Implementation Plan. Table 22 below sets out the overall SEP Outputs.

**Table 22: Overall SEP Outputs**

<b>Output Targets 2014-2020</b>	<b>Target</b>
Number of Jobs Created	20,000
Number of enterprises supported	14,000
Number of new enterprises	500
Private sector leverage	£1bn
Estimated GHG reductions	331307
Infrastructure site development (hectares)	200 hectares
New Homes Built	13,000
Total number of participants trained (a. + b. + c.)	14827
a. Number of unemployed (including long-term unemployed) participants	3470
b. Number of inactive participants	2799
c. Number of employed (including self-employed) participants	5164
Number of participants aged 15-24	2125

## 7. Delivery and Governance

This section sets out overall governance principles and particular details required for managing European funding programmes. Further details on governance, business planning, prioritisation and appraisal mechanisms are covered in the supporting Local Growth Deal Implementation Plan.

### Partnership principles

The York, North Yorkshire and East Riding LEP Board brings together businesses, universities and local authorities and will take overall responsibility for the strategy and driving progress. Delivery will be through collaboration:

- Where businesses already have plans to grow we will let them get on with the job. We will only become involved where we can help to remove barriers to delivery or to enhance the scale and pace of progress.
- Where local partners have established shared goals and delivery mechanisms we will use these as a foundation. We will concentrate on using our influence to ensure that priorities maximise economic benefits and to secure resources for their implementation.
- Where there are existing resources or organisations outside the LEP area that we can make good use of, we will do so. That will involve collaborating with delivery organisations and neighbouring LEP areas where they can cost effectively deliver for or with us.
- The LEP will ensure the right skill sets exist and work with the most appropriate organisations to deliver priorities.

Our preference is for using existing bodies to manage funds and day to day delivery where appropriate. The role of the LEP and its governance structures will be to set the vision and outcomes which will guide allocation of resources at a project level, and to ensure results meet expectations. The LEP Board will approve investment funds at a strategic programme level and these programmes will then be managed through Programme Board structures.

Several organisations who are delivering national programmes have offered a series of 'Opt-Ins'. These allow the LEP to benefit from the expertise and capacity of national providers whilst also providing match funding required by EU funds. The LEP proposes to take advantage of the following opt-ins

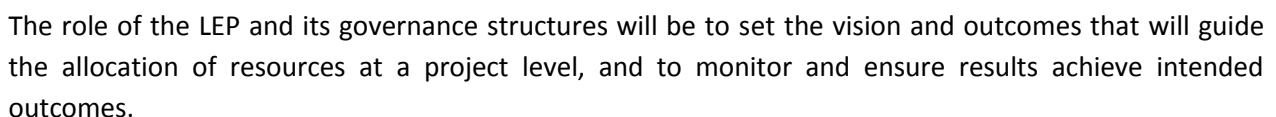
- UK Trade & Investment
- Manufacturing Advisory Service
- Skills Funding Agency
- Big Lottery
- DWP



## Strategic Leadership & Structure

The York, North Yorkshire and East Riding LEP Board brings together businesses, higher education and local authorities and will take overall responsibility for the York, North Yorkshire & East Riding Plan for Growth.

- A Strategic Economic Plan
- An EU Strategic Investment Fund Implementation PLAN
- A LocalGrowth Deal Investment Plan



The Strategic Economic Plan has identified five strategic priorities;

- The full LEP Board will approve investment funds at a strategic programme level with each of the three programmes being managed through a dedicated Programme Board. Each Programme Board will be chaired by a full Board Member

Programme Boards will also provide the local approval structure for EU Structural & Investment Funds. This will ensure best possible alignment and leverage from both funding streams.

<b>Programme Board</b>	<b>Responsibilities</b>
Business Growth Programme Board	1. Successful, profitable SMEs 2. A Global leader in food, agritech and biorenewables
Skills & Employment Programme Board	3. Inspired People
Infrastructure Programme Board	4. Successful, distinctive places 5. A well connected economy

The role of each Programme Board will be to prioritise and approve individual investments and to ensure delivery in accordance with the LEP Business Plan.

### **Public – Private Partnership**

Representation on all Boards will include both Public and Private Sectors. Annex E details membership of each Board and voting rights. Local Government North Yorkshire & York Leaders Board will agree the Public Sector representation on each Board.

In addition, a three-year business plan, updated annually, will identify key deliverables, outputs and outcomes. This plan will include allocation of resources and funding of a Local Growth Team. The Business Plan will be approved by both the LEP Board and Local Government North Yorkshire & York Leaders Board.

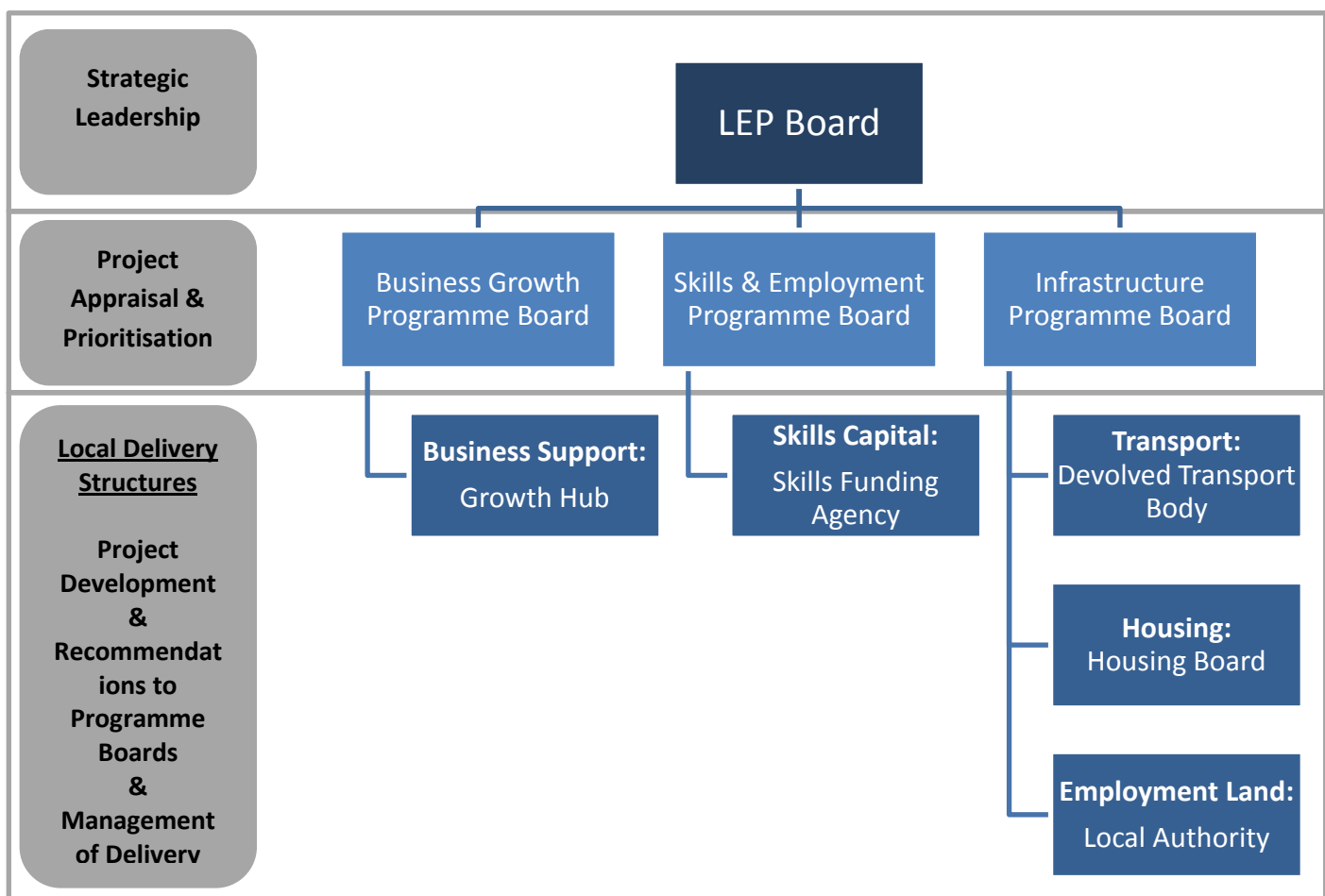
To support the Programme Boards, a Local Growth Team will be established. The Local Growth Team will comprise the LEP Secretariat and key local delivery partners. These will include Senior Local Authority Economic Development Officers, together with the Managing Officers of established local delivery structures (such as the York and North Yorkshire Housing Board and the Devolved Local Transport Body), where formal governance arrangements already exist and there is experience of managing multi-million pound funding programmes.

These local delivery structures, where there is considerable depth of knowledge in their specialist area, will support project identification and development and also management of delivery. They will make recommendations to their parent Programme Board (i.e. Infrastructure or Skills and Employment or Business Growth) on project appraisals and prioritisation.

The role of the Local Growth Team will be to work in partnership with local partners to identify investments which will deliver greatest economic impact. They will then provide an independent Economic Impact appraisal before investments are submitted to the programme boards.

The table below summarises the existing local delivery structures and their governance. Annex E details membership.

Local Delivery Structure	Expertise	Governance Status
Devolved Local Transport Body	Transport	Formal governance structure in place, which has been approved by the Department for Transport
Housing Board	Housing	Formal governance structure in place and established history of working and delivering with HCA, including a £63m affordable housing programme
Skills Funding Agency	Skills Capital	Government Agency, who currently manage skills capital investments. Agreement to manage investments based on LEP prioritisation.
Growth Hub	Business Support	A new structure bringing together National & Local business support providers



## Project Appraisal & Prioritisation

Appraisal of projects will involve three elements



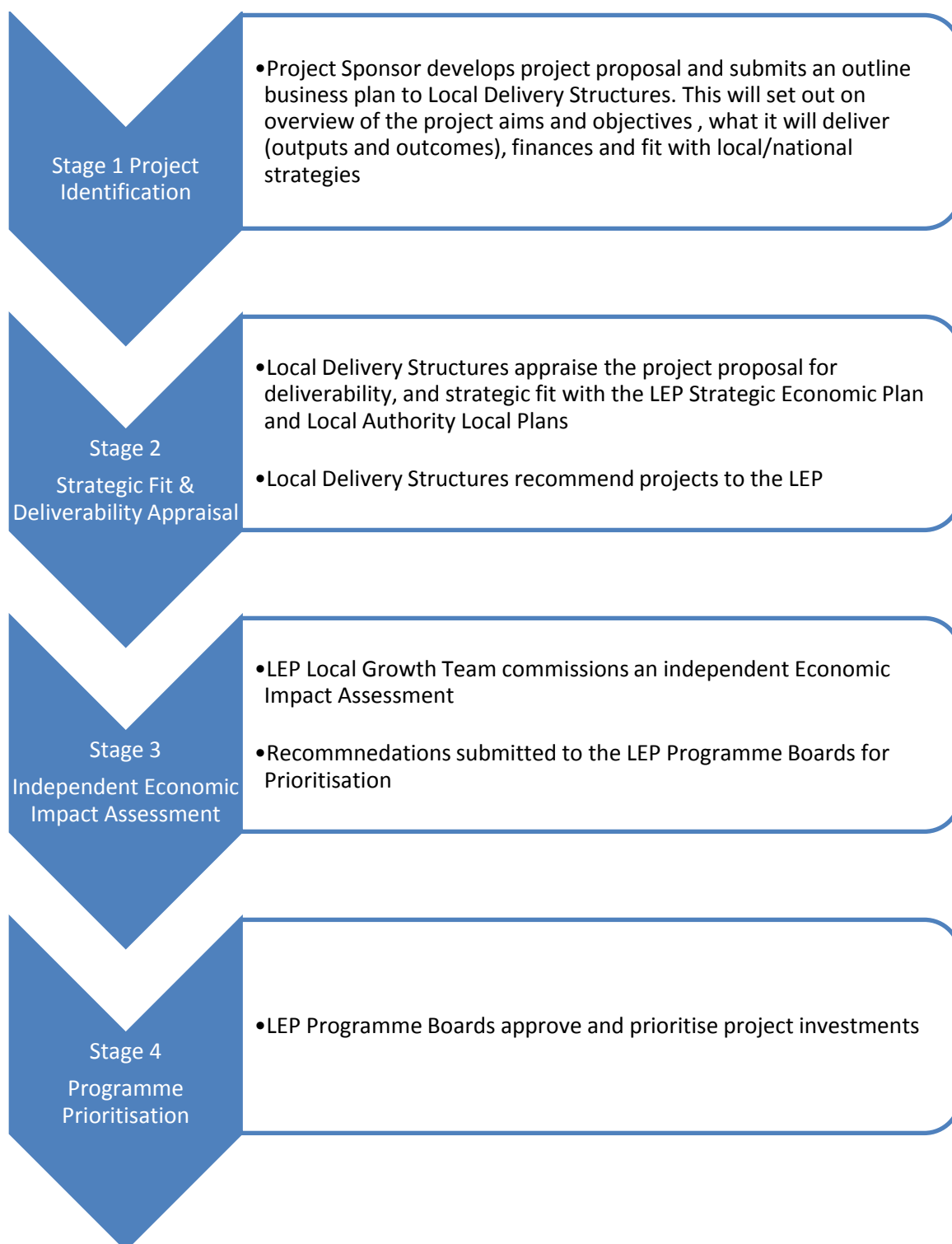
The Local Delivery Structures will identify potential investments and assess their deliverability and strategic fit. Recommendations from the Local Delivery Structures will then be subject to an independent Economic Impact Appraisal and submitted to the Programme Boards for prioritisation and approval.

Each project submitted for investment will be required to have a scheme promoter. Scheme promoters will be required to submit evidence in a standard format in line with the agreed timeframe to ensure there is a clear expectation about what information is required. This will enable the evidence for scheme proposals to be assessed on a consistent basis and will allow the Local Growth Team to challenge the scheme promoter in relation to scheme information if necessary.

The Economic Impact Appraisal will specifically consider: additionality, value for money, and contribution to economic growth. Assessments will be procured and undertaken independently to ensure independence and transparency in the decision making process.

Programme Board will prioritise projects against the criteria above. Each wherever possible agreement will be reached by consensus; where this is not possible a majority vote will decide with the Programme Board Chair holding the casting vote.

Summary of the Project Appraisal and Prioritisation Process



## Accountable Body

The LEP is a partnership and the County Council will act as the accountable body with ultimate responsibility for the LEP. This Assurance Framework underpins the working of the LEP and defines the responsibilities partners have to one another.

As the accountable body the County Council will hold the Local Growth Funding. This funding can only be used in accordance with decisions made by the LEP and these funds will be held separately from the County Council's own funds. Financial statements will be provided by the County Council to the LEP as required.

For each investment, North Yorkshire County Council, as Accountable Body will be required to enter into a formal agreement with the LEP before funding is released. The agreement will set out respective responsibilities and risks, including audit and reporting requirements, and sanctions if the scheme promoter fails to deliver to the agreed scope and timescale. The audit function will detect misuse of funds and the legal agreement will provide the mechanism to recover funds if necessary.

The County Council will assume the following responsibilities:

- ensure the decisions and activities of the LEP conform with legal requirements;
- ensure (through Section 151 Officer) that funds are used appropriately;
- ensure that the LEP Assurance Framework is being adhered to;
- Maintain the official record of LEP proceedings and hold all LEP documentation; and
- Responsibility for the decisions of the LEP in approving schemes including if subject to legal challenge.

Funding will not be released if a decision of the LEP:

- places undue financial or legal risk on the County Council given its role as accountable body

As the LEP is not a separate legal entity it will observe the following corporate governance processes detailed in the County Council Constitution and available on the County Council website:

- Financial Procedure Rules
- Contract Procedure Rules
- Property Procedure Rules
- Grant Application and Acceptance Procedures
- Publication of Transactions in Line With Transparency Code

## Delivery of Investments

As detailed above the following existing structures will manage actual delivery of investments on behalf of the LEP.

Local Delivery Structure	Delivery Area	Governance Status	Delivery Organisation
Devolved Local Transport Body	Transport	Formal governance structure in place, which has been approved by the Department for Transport	Transport Authorities / Highways Agency / Network Rail
Housing Board	Housing	Formal governance structure in place and established history of working and delivering with Homes & Communities Agency	Local Authorities
Local Authorities	Employment Land & Environmental	Responsible for Local Plans and formal part of the Local Growth Team	Local Authorities
Skills Funding Agency	Skills Capital	Government Agency, who currently manage skills capital investments. Agreement to manage investments based on LEP prioritisation.	Colleges / Skills providers
Growth Hub	Business Support	New Structure being developed	Business Networks / Business Support Providers

For approved investments, an agreement will be put in place between the Accountable Body and the promoting organisation to ensure that funding is only expended on the specified scheme, and in accordance with any other conditions imposed by the LEP.

Formal notification from the LEP in the form of a letter from the Chair will be sent to indicate the allocation of funding and terms. Should funding be allocated to the County Council, who are also the accountable body, written notification will still be required from the LEP.

There will be a capped scheme contribution from the LEP with the promoting authority being responsible for all cost increases.

Delivery will be in accordance with the governance structures of these established Local Delivery Structures.

The Local Delivery Structures will monitor the delivery of schemes through to implementation. They will produce quarterly reports to monitor risk that will be presented to the Local Growth Team for submission to the LEP Programme Boards.

## Programme and Risk management

Once funding for a scheme is approved funding will be released quarterly in arrears based on evidence of activity and expenditure (on an accruals basis). Scheme promoters will be required to complete a quarterly claim. This method of payment provides added assurance around scheme delivery.

The Local Growth team will produce quarterly reports to monitor risk that will be circulated to LEP Programme Board Members.

Any major scheme changes will need to be reported by the scheme promoter to the Local Growth Team. A major scheme change is defined as any change that deviates from the fundamental scheme description prioritised by the LEP, any cost increase or delay in the programme. The Local Growth Team will then make an assessment of the proposed changes and report to the LEP Programme Boards who will need to determine whether the proposed changes are acceptable. The programme Board will approve any changes including the need to amend the formal agreement with the scheme promoter as appropriate.



## Measuring success

Outcome indicators will be measured to track success at a number of levels:

The **overall outcome indicators** we will measure are:

- Jobs - (the output of jobs created and the outcome of employment rate)
- GVA (the output of additional GVA and the outcome of GVA per capita)
- Homes built (additional new homes built over the current annual build rates)
- Carbon emissions (the output of emissions reduced and outcome of CO2 emissions per capita)

For these outcomes we will seek:

- a) Improved absolute performance year on year – i.e. numbers going in the right direction
- b) Improved performance compared to national average

Additional output/results indicators are stipulated for each of the five priorities, and projects will need to show their performance against output indicators set when the projects are developed and agreed. These micro-level indicators are important to ensure cost effective results.

It is also important to see the big picture in monitoring our progress. Therefore we propose the following ten '2020 tests' as the best way of assessing whether we have made the difference we set out to. These cover the breadth of the strategy including overall goals, the five priorities and cross cutting issues.

### 2020 Outcome Tests

1. Is GVA and productivity per head increasing and the gap to national average closing?
2. Is there a stronger culture of enterprise with more business starting and survival rates high?
3. Has there been a revolution in innovation, with far more firms accessing R&D and developing new processes, products and markets – including exports?
4. Have the FERA/Sand Hutton expansion and BioVale proposals been delivered, with the LEP area a genuine global leader in agritech and biorenewables?
5. Are employers more content with the quality of their workforces and of young recruits?
6. Have we increased our lead in high level skills compared to national average and are businesses making good use of these skills?
7. Have the major developments set out been delivered and boosted the performance of local areas?
8. Are journey times faster and more reliable on key routes where improvements are prioritised and is ICT access and uptake keeping pace with the levels expected in a modern economy?
9. Are employment rates back to pre-recessionary levels and high amongst all groups and areas, with median incomes improving compared to national average?

10. Are carbon emissions per capita falling at least as fast as nationally, with more businesses benefiting from greater resource efficiency?

Metrics will be developed to allow progress against these tests to be tracked on an annual basis, including new monitoring mechanisms where required. Progress will also be set in the content of wider health, wellbeing and environmental goals to ensure it is part of a long term and sustainable approach.

### **Review and evaluation**

Things are changing fast so we will combine resolve around our overall strategic direction and priorities with flexibility to adapt to a changing context and new opportunities. We will ensure we have access to good economic intelligence across the LEP area. And we will build evaluation and learning into projects of significant scale, sharing and using the lessons learned to enhance the cost effectiveness of future projects. We will review the overall strategy and progress towards outcomes on an annual basis, and complete a full review of it as and when appropriate.

We recognise the value of evaluation and the benefits that stem from ongoing evaluation that is able to track projects from early in their development onwards. We are committed to communicating the learning from evaluation and across the programme more widely, and sharing learning both within and beyond the LEP area so that economic development approaches can become ever more effective.

## Annex A – Growth Towns Draft 5 Year Plans

In delivering our long term ambitions for growth, the LEP in collaboration with each of the Local Authorities have developed initial 5 Year Growth Plans for priority ‘growth towns’. These are towns identified within the Local Authorities Local Plans as those places that will accommodate future housing and employment growth.

These initial draft plans have formed the basis of the 2015/16 Infrastructure Plan investments and will be worked up further to highlight and drive future growth.

In addition the two National Park Authorities have drawn together a Growth Plan for our protective landscapes

This Annex sets out the initial draft plans for the following towns and areas.

Growth Area	Local Authority	Page
<b>York</b>	City of York	
<b>Harrogate and Knaresborough</b>	Harrogate	
<b>Malton and Norton</b>	Ryedale	
<b>Skipton</b>	Craven	
<b>Selby</b>	Selby	
<b>Northallerton</b>	Hambleton	
<b>Richmond/Catterick Garrison</b>	Richmondshire	
<b>Driffield</b>	East Riding of Yorkshire	
<b>Scarborough</b>	Scarborough	
<b>Bridlington</b>	East Riding of Yorkshire	

## YORK GROWTH PLAN

### The Role York

York's economy is one of the strongest and most resilient economies in the country. Over the years York has successfully re-invented itself from a city dominated by the railway and confectionery manufacturing into a diverse international visitor destination and a hub for science, technology, creative industries and financial and business services. Today, the city is home to internationally competitive industry and research expertise in rail, financial and professional services, biosciences, biorenewables, healthcare and medicine, the environment, IT and digital, and creative and media industries. The city also has a world-class tourism, heritage; leisure and retail offer that in its own right is central to the city's profile and relative prosperity. It is also home to two of the largest building companies in the UK

York supports more than 117,000 jobs in over 8,000 businesses, and contributes £4bn of value to the national economy each year. According to recent growth projections from Oxford Economic Forecasting by 2020 the York economy is set to grow by a further 27% - a faster rate than both the UK and regional averages, with employment set to grow at over 4% more than the UK average.

The city's economic assets are first class. Two world class universities, two leading further education colleges and the UK's founding Science City, provide a rich source of innovation, a basis for collaboration with business and a continuous expansion of an exceptionally qualified workforce. Nearly 40% of people in York and North Yorkshire have a university degree or equivalent level vocational qualification, significantly higher than the national average. And with access to the wider regions 3m population York is unparalleled in its workforce offer, as recognised by Local Futures award of the top UK city for Human Resource.

The city is one of the most visited in the UK and offers a rich tapestry of 2000 years of history – juxtaposing some of Europe's best preserved history alongside a modern cosmopolitan lifestyle - attracting some 7million visitors each year, and contributing over £400m to the city's economy.

Moreover, the city's ambitious ultra-fast broadband plans are set to make it the most digitally connected city in Europe. All making York regularly voted one of Europe's favourite destinations to live, visit and do business

### Barriers to Growth

However, whilst York is the most buoyant economy in the north it still faces some key challenges to its continued growth:

- The city's enterprise and productivity levels are lower than average and inward investment levels do not match ambitions.
- Availability of commercial premises and housing supply do not match with current demand. In particular there is an acute shortage of high quality city centre Grade A office and laboratory growth space.
- Key elements of the city's highway network are nearing capacity and congestion at key points poses a major threat to continued growth.
- As York's population continues to grow it will drive the need for jobs, this is in addition to the need to replace jobs lost in the recession and through changes to public expenditure.

### Unlocking the potential - Addressing the barriers

The city has big ambitions to become a top ten European city economy by 2015. Recent economic forecasting undertaken by Oxford Economics projects the city's GVA is set to grow by 63% to 2030, adding £2.5bn and a 13% growth in jobs, significantly higher than UK growth of 59% and 8.7% employment for the same period.

With targeted interventions to maximise growth in key sectors, including biosciences, financial and professional services, Creative, Digital and Media, and Rail, this growth rate could be enhanced even further.

City of York Council is currently working with partners across the city and beyond to create a local plan commensurate with the city's ambitions for growth, and which will provide an environment that is truly open for business.

In developing this plan, the city has identified 500ha of developable land including 21 employment sites and up to 61 housing sites. This includes a number of major development sites and opportunities (see annex a) including potential opportunities for a 'new town' at Whinthorpe (5,580 units) and a major urban extension at Clifton Moor (4,020 units).

Subject to consultation these sites will be developed to meet the growing need in three phases and with three priorities for development:

- Residential – a programme to unlock demand for 1,090 homes p.a.
- Commercial – a 360,000 m2 programme to unlock demand for business needs
- Retail – a programme to develop space for town centre expansion and self-service on key sites

#### **Phase 1 (2014-17)**

In the initial phase of our growth plan, the city is securing initial investment for the city's major development sites as well as sites emerging from the local plan process. This work includes development of a mechanism for engaging investors through potentially a joint venture or other similar vehicle.

This investment will include bringing forward critical infrastructure to unlock development at key sites including York Central, the former British Sugar site and Nestlé South, amongst others, with much of this work to be completed by 2015. Development on the city's key development sites will begin, and in some cases, complete in this period, with the Council's economic development and planning teams working closely with developers to facilitate progress. Phase 1 will also see the city taking advantage of the momentum of its plans to stage the Grand Depart of the Tour de France in 2014. The opportunity will see major new investment in the city's road network in preparation for the race itself, as well as the longer term investment in one of the most advanced sustainable travel infrastructures – including significant improvements in cycling tracks, bike hire facilities and training facilities for cycling. Further, York will be bringing forward ambitious new plans for a district heating system which will form a key cornerstone of a more sustainable critical infrastructure for the city's future.

#### **Phase 2 (2018-25)**

In this medium term phase, the city aims to see the final completion of some of our larger, more complex key sites like York Central and Hungate. This period will also see the start of major housing developments pending Local Plan approval at Whinthorpe and Clifton Moor, with the potential to deliver 9,000 new homes in total once developments are complete. The Council and partners are also working with other major cities across the east coast of the UK to secure

further investment in the East Coast Mainline, which should see results in this medium-term period, with the aim of improved reliability and frequency of rail travel to the whole of the UK. In addition, plans for electrification of the rail line from Manchester to York will see a step change in journey times and reliability to Manchester International Airport. Further boosting the city's international connectivity, a bus planned to connect York customers to Leeds Bradford Airport should be in place and operating at capacity by this phase.

#### **Phase 3 (2026 to 2030 indicative)**

By 2030, with the investment and development outlined in phases 1 and 2, the city will have grown by its projected 63% in GVA per annum, and 13% growth in employment. Within this period, the city's visitor economy is set to double to over £1 billion per annum. The city will be planning its next phase of growth, as High Speed Rail 2 investment is made, creating even greater connectivity.

#### **Economic Infrastructure**

By 2030, Oxford Economics analysis suggests that the city will need an additional 45,000 m2 of B1a Office floorspace alone; with a further 89,000 m2 required for R&D, light industrial, storage and distribution.

In particular demand by high value end users for Grade A office accommodation currently outstrips supply in the city, with a substantiated need to accommodate 2,600 sq meters of B1a office floorspace per annum. . Major growth is projected within financial and professional services and IT and digital industries, demanding far greater city centre grade A office space. An oversubscription of interest in the digital media arts centre further confirms this high demand for quality business accommodation in or close to the city centre. One of the other sectors where major growth is forecast is bioscience and research and development. Demand for this is high, even amongst existing businesses, with the Science Park's Bio Centre full to capacity and indigenous businesses requiring grow on space in the future. Again, York's supply is limited in this regard, with Heslington East providing an opportunity for the supply of lab/combined space to be expanded further.

### **Transport**

York benefits significantly from being in a strategic location on the UK's rail network and having fast rail connectivity to London (under 2 hrs), the North East and Edinburgh. It also has a direct rail link to Manchester Airport (connecting to over 200 destinations worldwide).

There is strong support for improving rail as part of general improvement to public transport to and within York, including taking advantages of the Intercity Express programme and HS2 in due course.

York is one of only five Local Authorities in the Yorkshire and Humber Region that experiences a net inward flow of trips to work and the most significant constraint on growth in York relates to existing highways capacity.

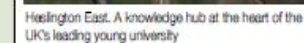
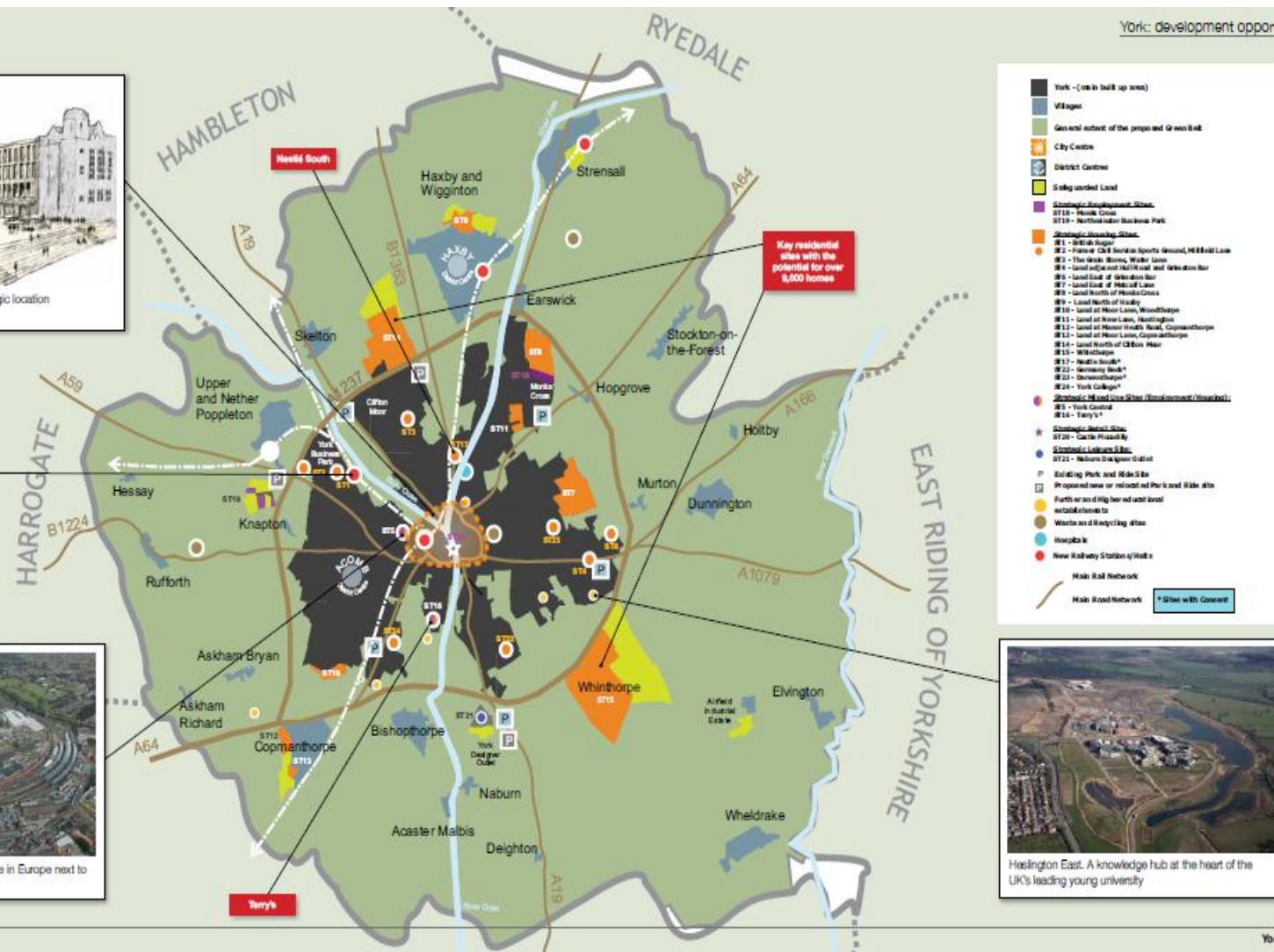
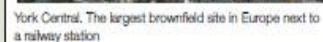
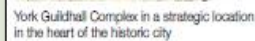
With key elements of the city's highway network already nearing capacity congestion at key points is a major threat to continued growth. Congestion delay times across the network are forecast to almost double by 2026 and will be over two and a half times the current level by 2031. To mitigate this, a range of sustainable transport measures and investment in transport infrastructure will be needed.

The high traffic flows on the strategic road network, particularly the A1237 Outer Ring Road, leads to severe delays and redistribution of trips onto residential routes. Congestion on the Inner Ring Road and main radial routes deters cycling, creates a barrier for pedestrian movement and causes bus services to be slowed.

### **Housing**

A key challenge for the Local Plan is to deliver sufficient housing of the right type and mix to meet the city's needs. Research undertaken by Arup in 2013 concludes that York will have a requirement for an average of around 1,090 new dwellings per annum throughout the plan period to 2030. This represents a demand shortage of over 17,000 over this period to be met through new developments. However current completions fall significantly below this (averaging c500 over the last few years) and therefore it is critical that key sites can be brought forward more quickly.

Further, house prices in the city have remained historically high, with prices well above the national average. The recent Cities Outlook 2013 report by Centre for Cities in the UK ranked York as one of the most resilient property markets, with house prices having been largely unaffected by the recession. Affordability is also a key issue for the city and there is currently a significant gulf between average earnings and average house prices and rents.



#### Strategic Housing Sites:

ST1 - British Sugar  
ST2 - Former Civil Service Sports Ground, Millfield Lane  
ST3 - The Grain Stores, Water Lane  
ST4 - Land adjacent Hull Road and Grimston Bar  
ST6 - Land East of Grimston Bar  
ST7 - Land East of Metcalf Lane  
ST8 - Land North of Monks Cross  
ST9 - Land North of Haxby  
ST10 - Land at Moor Lane, Woodthorpe  
ST11 - Land at New Lane, Huntington  
ST12 - Land at Manor Heath Road, Copmanthorpe  
ST13 - Land at Moor Lane, Copmanthorpe  
ST14 - Land North of Clifton Moor  
ST15 - Whinthorpe  
ST17 - Nestle South\*  
ST22 - Germany Beck\*  
ST23 - Derwenthorpe\*  
ST24 - York College\*

#### Strategic Mixed Use Sites (Employment/Housing):

ST5 - York Central  
ST16 - Terry's\*

#### Strategic Employment Sites:

ST18 - Monks Cross  
ST19 - Northminster Business Park

#### Strategic Retail Site:

ST20 - Castle Piccadilly

#### Strategic Leisure Site:

ST21 - Naburn Designer Outlet



## HARROGATE AND KNARESBOROUGH GROWTH 2014- 2024 AND BEYOND TO 2035

### Role of the town/city in the area and policy context

Harrogate and Knaresborough are classified in the District's adopted Core Strategy as Group A settlements and together with Ripon are the main urban centres within the District, offering a reasonably wide range of jobs, shops and services.

Harrogate and Knaresborough are the focus of new housing and commercial growth, including supporting the expansion of the conference centre. In terms of housing development, together they account for 62% of the District's overall growth over the period to 2024, with the main focus (48% of growth )being accommodated within Harrogate.

### Growth Potential

- Key Urban Extension Sites:
  - Land north of Penny Pot Lane, Harrogate (600 homes)
  - Land at Cardale Park West (680 homes)
  - Land north of Skipton Road (290 homes)
  - Manse Farm, Knaresborough (600 homes and 2.5ha of employment land to complement development at nearby St James Park)
- Mixed use development:
  - Former Dunlopillo site, Pannal (120 homes and 2.7ah of employment land)
  - Station Parade, Harrogate (Retail, residential, and or office development)
- New employment land and transport infrastructure:
  - Extension to Cardale Park, Harrogate (7.9ha)
  - New Transport Infrastructure:
    - Station Parade, Harrogate (New transport interchange in association with mixed use development)
  - Manse Farm, - Land safeguarded for new rail station
- Town Centre Improvements
  - A framework for an integrated approach to land use, public realm and highway improvements in the central areas of Harrogate, Knaresborough and Ripon has been developed to promote the vitality and viability of these main urban areas. Consultants have been appointed to take this work further and develop specific schemes in more detail.

### What has happened to date:

Whilst the Council has an adopted Core Strategy, the Sites and Policies DPD that makes the allocations of land is still to be adopted, but has been submitted for Examination. However, the Council has seen some development activity on some of the sites noted above:

- Manse Farm, Knaresborough – Permission granted (including agreement to safeguard land for a new rail halt)
- Former Dunlopillo site, Pannal – Permission granted subject to S.106

In addition, applications are pending on land north of Penny Pot Lane, north of Skipton Road and Cardale Park west in Harrogate.

### Review of the Core Strategy

The Council has started a review of its Core Strategy which will reflect the North Yorkshire and York SHMA (2011), together with recent household projections, which indicate that there is a significantly higher housing need and demand to be planned for in the future.

Through the Council's Duty to Co-operate an early review of the Core Strategy has been agreed with neighbouring authorities as an appropriate mitigation to any potential land supply issue. The work programme for this review indicates Examination in 3 years and adoption in 2017. In light of the above, infrastructure requirements to bring forward future sites towards the end of the growth plan 5 year period, when the Core Strategy Review will be adopted, will be required.

### Issues/barriers to growth

Together with North Yorkshire County Council, Harrogate Council has put in place a mechanism to ensure that key junction improvements required to bring forward the site allocations included in the Submission Draft Sites and Policies DPD are provided. However, moving forward to the Core Strategy Review, which the Council plans to adopt towards the end of the growth plan 5 year period, there are the following issues to consider/potential barriers to growth to be addressed:

- The review of the Core Strategy will plan up to the year 2035 and is likely to require a significantly larger annual housing requirement than the 390 currently planned for. Further work is required but this could be in the region of 500-800 new homes per annum – a considerable increase on what is currently being planned for.
- Infrastructure provision is likely to be a significant constraint to the accommodation of this additional growth. Assessment of the impacts at J47 A1 (M), and on the local highway network will be required. Growth options are still to be assessed but are likely to require more significant mitigation measures as part of a wide ranging and integrated package of accessibility and transportation measures.
- Assessment of development options will need to consider links to planned infrastructure improvements on the Leeds- Harrogate- York Railway Line. These include a transport interchange at Harrogate Rail Station and adjacent bus station, and better access and parking at stations along the Harrogate Line, together with improvements to the A59 Coast- York -Skipton Corridor, as identified in the Growth Deal implementation plan. The priority is to maximise the benefits of proposed investment in transport infrastructure, and potentially also enhance the business case of such improvements.

### Solutions/Proposals

In order to accommodate the level of future housing and employment growth, which it is envisaged will be required up to 2035, and the likely significant mitigation measures required to support such development, early engagement with key infrastructure providers will be required from the outset.

In order to mitigate the impacts of this future level of growth an integrated package of transportation improvements will need to be developed based upon a robust evidence base. The nature of the likely improvements will require significant further investigation and the necessary funding to take such work forward.

### Timetable and investment profile

- 2014/15 – Development of issues and growth options for consultation. Start transport evidence base work/business case development.
- Adoption of Core Strategy 2017 – final strategic growth sites and infrastructure requirements agreed.

### Outputs and outcomes

See housing numbers and hectares of employment land above under growth potential.

### Economic Policy

Securing 'A Strong Local Economy' is Harrogate Borough Council's number one corporate objective. In pursuing this resources are focused on two key priorities: supporting business growth and job creation, and growing the visitor economy. The policies and projects to support these priorities are detailed in the Council's Strong Local Economy Strategic Action Plan, 2012 – 2015, which reflects the adopted Core Strategy.

The Plan's primary economic goal is to *create an environment that supports economic growth* and investment in infrastructure, particularly transport, is central to this. Improvements in the operation and capacity of the transport network will boost business efficiency and create more employment opportunities. Supporting this, on-going priority actions are to: lobby for investment in the local rail and road transport network, encourage improvements to broadband services and ensure the supply of land for employment and housing meets future business growth needs across the Harrogate district.

## MALTON AND NORTON GROWTH PLAN: 2015 - 2020

### The Role of Malton & Norton - Introduction

“Malton and Norton will be supported as Ryedale’s Principal Town... The twin towns will be the focus for new jobs, shops and homes in Ryedale over the plan period. These will need to be supported by infrastructure improvements ...” Ryedale Plan: Local Plan Strategy, Sept 2013

Malton and Norton are twin towns, straddling the River Derwent and located between York and Scarborough, in the district of Ryedale.

Together, Malton and Norton form the largest settlement in Ryedale and form the Principal Town with a joint population of over 12,000, and which will be growing by approximately 4000 over the next 15 years. The towns are home to key facilities such as the railway station, the District hospital and the Livestock market and they have the greatest concentration of employers, shops, cultural venues and housing. They serve a wide rural hinterland.

Developing the role of Malton and Norton offers the potential to harness significant economic benefits for the wider area. The towns occupy a strategic location between York and Scarborough. The A64 provides a direct road link and the towns have good public transport links with the City of York and Scarborough, both of which are accessible by rail in just over twenty five minutes. The towns provide an excellent location for both new and expanding businesses.

The five year plan for Malton and Norton is to

- remove the barriers to indigenous growth, particularly in manufacturing and food production,
- expand on the underutilised assets and land to create opportunities for employment in growth sectors, such as high technology and food manufacturing, creative and visitor economy,
- enable housing development in tandem with employment growth to offer a mix of housing opportunities for local people and to a new population, encouraging inward investment,
- enhance the strategic role both for Ryedale and in terms of their relationship with the City of York. (To capitalise on the proximity to York’s successful economy – particularly Science City York - in order to stimulate economic links and the growth of specific sectors in Ryedale such as science/knowledge and biorenewables for the food industry.) As such, the importance of the A64 and the York–Scarborough railway to the economy of Malton & Norton cannot be overstated.

As the principal service centre for the District, Malton and Norton serve an important role in providing facilities and services for other market towns in the District and the rural hinterland – particularly in terms of public transport links, employment opportunities, retail, leisure and health provision.

### Employment

Malton and Norton will be the focus for new large scale employment development, through identified land allocations in the Local Plan Sites document. The Employment Land Review identified a need for up to 45 ha of employment land of which the vast majority of 80% (up to 36ha) will be directed at Malton and Norton reflecting market demand and strategic locational advantages. Recent private led expansion of York Road and Norton Grove industrial Estates, including an engineering training centre in Malton and the establishment of another large scale food manufacturing plant in Norton indicate a keenness to invest in the Towns where opportunities exist. The Ryedale Economic Action Plan identifies that:

“There remains a demand for employment land and premises. ... However, infrastructure constraints .... are a barrier to growth and inward investment.”

This demand, and the importance of agriculture to the economy, evidences the need to create new employment and enterprise space in Malton, including the relocation of the twice weekly Livestock Market (where the current short term lease offers no security of tenure), which will also release the existing site for appropriate development to support the strengthening and growth of the town centre.

Malton town centre contributes to the economy of two towns, with a growing visitor economy based on food and culture. The development of the Milton Rooms complex will further enhance and strengthen this growing sector.

### Transport

Currently the towns experience significant peak and seasonal traffic congestion which detracts from their appearance and attractiveness, in part due to the two river crossings, single railway crossing and the historic town centre pattern. A package of transport improvement measures has been identified and will be required in order to release the additional capacity required for housing and employment land, manage congestion, and ensure that the recently completed Brambling Fields A64 grade separated junction, (enabling access to the east of Norton, in particular Norton Grove Industrial Estate) will have the required effect.

The growth of Malton and Norton will contribute to the need to improve east / west connectivity, particularly from York to Scarborough. The Malton & Norton Growth Plan therefore is highly dependent upon the separate package of improvements to the A64 from York to Scarborough in tandem with public transport improvements to the Malton and Norton bus / rail interchange and other sustainable transport routes.

### **Housing**

3000 new homes are to be accommodated over the plan period (to 2027) of which 50% of the planned supply will be directed to Malton and Norton. Although development is prioritised on brownfield sites, it is recognised that there are insufficient suitable and deliverable brownfield sites due to the transport constraints outlined above. Therefore a significant proportion of Greenfield sites will be required. Part of the justification of housing numbers through the planning process was the need to maximise the delivery of affordable housing. Increasing the supply of new, affordable homes is a priority in Ryedale to address the acute affordable housing need in the District. Locating housing in close proximity to Malton and Norton's key employment and service sites will support this need and ensure the availability of local skilled labour, and reduce environmental pressures.

### **What has happened to date?**

Over the last three years The District Council has determined over 60 planning applications for large scale developments in Malton/Norton over the last three years, most notably:

#### **Housing**

- an application for over 260 houses consisting of 3 no. five bedroom, 110 no. four bedroom, 101 no. three bedroom and 48 no. two bedroom dwellings, associated garages, public open space, electricity substation, the formation of the Broughton Road to Pasture Lane link road and the associated landscaping,
- an application for over 180 houses consisting of 63 no. four-bed dwellings, 61 no. three-bed dwellings, 50no. two-bed dwellings, 12no. one-bed dwellings with associated garages and parking spaces at Westfield Nurseries, Scarborough Road, Norton,
- An application for approximately 90 houses consisting of 24 no two-bed dwellings, 39no three-bed dwellings, 14no four-bed dwellings, 6no five-bed dwellings, 6no two-bed apartments at Cheesecake Farm, Norton.

#### **Employment**

- Erection of production unit and associated offices, parking, hard standing and turning areas and landscaping, Unit 1 Malton Enterprise Park, Cherry Farm Close, Malton,
- Mixed use development of Business (B1), General Industrial (B2), Storage and Distribution (B8) - site area 6.8ha, York Road Industrial Estate, York Road, Malton.

In 2012 the upgraded A64 Brambling Fields Junction was opened – this is a critical piece of the jigsaw of highways infrastructure enhancements that Malton and Norton need to accommodate the planned growth for the towns, but is only part of a package of improvements required.

### **Issues and Barriers to Growth**

#### **Highways**

The most significant constraint on growth in the towns relates to existing highways capacity. Key junctions of the towns' internal highway network are already nearing capacity and require mitigating. A range of interventions are required in order to accommodate the planned growth in the towns without exacerbating the existing congestion issues.

Vehicular, pedestrian and cycle movement between the two towns is constrained by the York to Scarborough railway line and the River Derwent, with only a single crossing point for all traffic over the railway.

The two most significant town centre bottlenecks are centred around this level crossing (and the complex junction of several other routes converging at the same point) and around the main crossroads at Butcher Corner, in Malton town centre, which has been declared an Air Quality Management Zone. Castlegate, the route linking these two bottlenecks, can easily become gridlocked – especially when the level crossing is closed to allow trains to pass.

Whilst the recent upgrade to the Brambling Fields A64 junction to an all movements junction is a critical piece of the jigsaw, further strategic improvements over the longer term will be required to accommodate future growth beyond the plan period. Whilst Malton and Norton now have two full movement junctions, the Musley Bank junction to the west of the A64 Malton bypass remains a limited movement junction. Traffic from Scarborough travelling towards the York Road industrial Estate cannot exit (and conversely traffic from York Road travelling towards Scarborough cannot access) the A64 to the west of Malton. Instead this traffic is forced to travel through the town centre – contributing to both congestion and air quality issues.

#### **Sustainable Transport and Integrated Passenger Transport:**

The towns' bus station is based at an unattractive depot building which is used for Transdev's Coastliner service. Whilst this is a very valuable service providing regular bus links with York and Scarborough, the station itself presents a very poor image of the town for new arrivals or for tourists passing through on their way to York or the Yorkshire Coast. The site appears chaotic and unwelcoming for pedestrians and cyclists.

The Train station presents a more attractive stone façade but has very limited facilities and operates with a single platform. This places a restriction on the aspiration to increase the frequency of train services through the towns to Scarborough and York – and is a constraint upon the potential implementation of a half-hourly train service between York, Malton and Scarborough, which is an aspiration for the towns given forecast population increase across this transpennine route.

There is currently little or no coordination between the rail and bus services to facilitate easier onward journeys.

Pedestrian and cycle links between the bus / rail station and Malton town centre are currently poor and unattractive, with limited, if any, dedicated provision for cyclists. Links to Norton town centre are worse, with an unattractive route, which also involves crossing the complex and chaotic uncontrolled junction at the level crossing.

#### **Flood risk**

A number of sites near to the River Derwent and the railway would benefit from redevelopment, however, this is made difficult by the extent of flood risk in the towns. Flood defences have been developed – but were designed only to protect against 1 in 50 year flood events. The Council's approach to new development is to avoid areas at high risk of flooding and this has informed the Ryedale Plan.

During significant flood events, the main access between the towns is affected, cutting off access and requiring lengthy diversion around the A64. Due to a lack of permanent infrastructure to deal with such flood events, there is potential for knock on effects upon train services. During the last major flood event, the high volume pumps being used to reduce water levels in flooded areas had to be turned off, and the pipes withdrawn, in order to allow train services to pass.

#### **Ecological and Environmental considerations**

The River Derwent is designated as a SSSI and as a SAC, providing both national and European level protection. Any development which could potentially impact on the Derwent must therefore undertake costly studies and investigations to ensure that appropriate mitigation has been built into the scheme. This increases costs of initial scheme development work and also subsequent construction/development.

#### **Cultural and Tourism offer of the towns**

Compared to other smaller market towns in the District, and to similar sized towns in North Yorkshire, Malton has a relatively under-developed, but growing, tourism potential. The Fitzwilliam (Malton) Estate are successfully developing the town's reputation as a 'food town' and have also invested heavily in refurbishing the Talbot Hotel to become a four star hotel.

In recent years the town centre's cultural offer has suffered from the loss of permanent premises for Malton Museum as their lease came to an end.

The Milton and Assembly Rooms, is the towns' main cultural venue but its development and improvement is constrained by building-related issues, including multiple levels, difficult internal layout, lack of facilities, lack of accessibility and historic lack of investment. As a result it is difficult for the management committee to generate the income required to cover

running costs or to fund improvements. The costs of the major remodelling, refurbishment and extension required to make this a sustainable venue are significant and will require successful applications to multiple funding streams.

## **Solutions/proposals**

### **Business Park, Agricultural Business Park and Livestock Market**

Partly as a result of the constraints of the existing highways infrastructure, potential sites for significant employment land are limited. Without major investment in significant new infrastructure, which is not anticipated to be achievable in the short term (see below), one of the most suitable sites for such development is located just north of Malton, at Eden House Road (north of the A64, west of the A169).

Proposals for the site include a business park, separate agricultural business park and new purpose-built livestock market. A new Livestock Market facility is required as the existing Livestock Market, which operates in the centre of Malton, is subject to a very short term 3 month rolling lease and therefore have no security of tenure, as the site's landlords wish to redevelop the site for retail uses. The Malton Livestock Market is the only such market in Ryedale and its loss would leave this predominantly rural District without a key element of its economic infrastructure. The scale of the district adds to the travelling times and transport costs to reach markets outside of the district and further reinforces the need to retain a livestock market within the district.

The location of the existing farmers market in Malton town centre means that it is difficult to access with large vehicles, vehicles with trailers and HGVs and as a result access roads can become seriously congested on Market days. Some farmers are therefore put off from using the existing facility due to these constraints. It is understood that the levels of throughput at the market have declined in recent years. However, even with these constraints, the existing market attracted business in 2011 to the tune of:

- 6,720 head of cattle with a value of £5.8m (nose to tail would extend over 10 miles)
- 85,000 head of sheep with a value of £7.4m (nose to tail would extend over 80 miles)
- Combined Total Value of £13.2m

The provision of a the new livestock market facility as part of this development is linked to planning consent for housing development on a number of other sites in the town, as these will generate the uplift in land values to enable the site to be made available at no cost and a contribution towards the costs of construction. The new livestock market will provide a focus for the rural business park development, and will not rely solely upon income from livestock sales – it will be a multi-functional facility also serving non-agricultural uses – including non-agricultural sales and auctions, exhibitions, café and educational opportunities through links to colleges. However, in order to develop this site, and to be able to provide a site for the new livestock market, an enhanced access (likely to be in the form of a new roundabout) will be required on the A169, together with site access roads.

Development of the site and incorporation of a new livestock market will facilitate relocation of the market from its current site in Malton town centre, freeing the site up for subsequent development, including appropriate retail development, to support the strengthening and expansion of the town centre offer.

In addition to direct jobs created as a result of the development of a new Livestock Market, it will also safeguard the jobs of those directly employed by the existing market and those whose livelihoods depend upon it – including the significant numbers employed in the agricultural sector in Ryedale.

Agriculture represents a major sector of the local economy. In 2010 in Ryedale there were (Defra Dataset <sup>25</sup>):

- 2,815 Total labour force employed on commercial farms
- 1,120 Agricultural holdings
- 57,842 Cattle
- 214,466 Sheep

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<sup>25</sup> <http://webarchive.nationalarchives.gov.uk/20130123162956/http://www.defra.gov.uk/statistics/files/defra-stats-foodfarm-landuselivestock-june-results-localauthority2010-120608.xls>

In Ryedale 28.8% of VAT and/or PAYE based enterprises are in the Agriculture Forestry & Fishing sector, compared with 18.1% in North Yorkshire and just 4.4% in England.<sup>26</sup> This highlights the importance of the sector to the local economy and demonstrates a strong justification for investing in an infrastructure project that will support the sector as a whole.

The developers already have one major occupier signed up for the business park (in addition to the livestock market), will undertake speculative development of some plots and are also in discussions with a range of other potential occupiers. Although planning consent has not yet been granted an application is imminent and the proposed development is consistent with the principles of the Ryedale Plan: Local Plan Strategy and the site is identified as a proposed allocation for Class I employment site in the Ryedale Employment Land Review (Main Report April 2006 and Update June 2010).

There is therefore very high confidence that this scheme will be delivered within 2015/16.

Timescales:

- 2015/16 - 1<sup>st</sup> phase completed  
(including roundabout, access, servicing, construction of Livestock Market)
- 2016 – 2025 - subsequent development of individual plots

### **Malton / Norton Package of Transport Measures**

This package incorporates a number of measures aimed at increasing the highways' capacity in the town, which will be essential in order to accommodate the proposed growth set out in the Local Plan Strategy and to support the towns' role as the District's principle service centre.

In preparing the Ryedale Plan: Local Plan Strategy, Ryedale District Council undertook a Strategic Transport Assessment for Malton & Norton to evidence that the proposed growth levels could be accommodated satisfactorily on the highway network. This enabled a detailed assessment of the highway impacts of additional development and potential mitigation measures. Further detailed highway modelling is being undertaken to inform the detailed choices of site for allocation in the towns in advance of producing the Sites Document.

The Malton and Norton STA (June 2010) considered a range of development scenarios based on the different groupings of sites in the towns being developed. An analysis of the ratio of flow to capacity (RFC) at a number of key town centre junctions was carried out for each of these scenarios. Currently, the towns experience acute levels of congestion and all scenarios of development will result in increased traffic flow and therefore further increase congestion. The STA analysis identifies the scenario/s which would have the lowest impact, in terms of increased congestion, and also identifies a package of transport improvement measures which are required to mitigate this increased congestion and which are required in order to release additional capacity, manage congestion, and improve safety and air quality.

Although the housing market is beginning to recover, there remain significant cost pressures facing housing developers. One of the key factors affecting the viability of developments is the cost of S106 or CIL contributions, and other commitments, which they are required to make (either through on-site provision or through contributions towards off-site provision) towards:

- off-site highways improvements,
- Provision of affordable housing,
- Schools provision,
- Public open space.

In Malton and Norton any significant developments must already contribute towards the costs of the Brambling Fields Junction upgrade (which RDC and NYCC incurred up-front). There is a finite 'pot' of money which any development can contribute towards such contributions beyond which the development becomes unviable – or is delayed until land values increase sufficiently to be able fund higher levels of contributions. Significant contributions towards essential and potentially major infrastructure requirements, such as those listed above, reduces the money available towards other required improvements such as general town centre highways improvements.

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<sup>26</sup> Ryedale Businesses IDBR March 2011

The planned growth for Malton and Norton relies upon the A64 Brambling Fields junction upgrade (already completed) and the identified package of internal junction improvements being in place.

Whilst the Council is moving to collecting developer contributions via CIL, the Council will need to prioritise what infrastructure is provided by when – for example there will be a pressing need for provision of new school/s. Reliance on the receipt of CIL contributions, which will be received in piecemeal instalments as developments are delivered, will have a significant impact on the availability of funds to undertake required highways improvement works. This in turn will impact upon which sites come forward for development and when.

Securing Growth Deal funding towards undertaking such works ‘upfront’ will remove a key barrier that could otherwise restrict the scale and pace of planned growth in the towns and provide far greater certainty regarding achieving the planned levels of growth .

This package includes various junction and highways upgrades as detailed in the project submission. One of the highest priorities will be to undertake design work and implement improvements to the Welham Road / Church Road / level crossing junction. This will both improve highways capacity and also enhance pedestrian, cyclist, driver and rail safety by simplifying this complex junction.

Other elements of this package include:

- enhanced pedestrian and cycle facilities,
- enhanced links between the bus/rail stations and the town centres,
- enhancements to the main public areas (e.g. Market Place).
- project new cycle route linking Malton and Norton with existing national cycle network routes on the Wolds, to the south, and through to Pickering, Thornton-le-Dale and Scarborough to the north
- initial feasibility and project development work for a potential redevelopment of the town’s public transport interchange

The new cycle route will link existing centres of population with proposed developments such as the Ryedale Exhibition and Leisure Village and the business park / agricultural business park just north of Malton, as well as existing attractions such as Flamingoland. A further cycle route link will be provided by developing a Malton to Easingwold route (via the Howardian Hills). These routes, linked to existing routes and to proposed sections of a circular Ryedale Way, such as a Helmsley – Kirkbymoorside – Pickering and with links into the National Park and into Dalby Forest), will help to develop this sector of the visitor economy as well as increase options for sustainable transport for local residents. This project will have benefits for Malton and Norton, but will also benefit the wider community by developing better sustainable links between towns and rural areas in the District.

Fixing the Link<sup>27</sup> finds that good access by public transport, by bicycle and on foot is of at least equal importance [to good parking and car access]

Transport an engine for growth<sup>28</sup> states that DfT will:

- support local bodies to invest in tailored transport solutions – transport will be a major part of the Local Growth Fund, with more than £1 billion of funding each year to 2020/21; and
- set aside funding to develop new schemes – we need to consider carefully where to invest in the future and commit funding to ensure we have the best options available when they are needed. This will ensure we are able to be flexible and to make future investments happen more quickly.
- In the north of England, station upgrades, extra platforms and electrification will provide capacity for up to 700 more trains per day. This means faster more frequent services for passengers and freight, and far quicker links over the Pennines between Liverpool, Manchester and Leeds.

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<sup>27</sup> Fixing the Link – Making good the walking route from station to town centre, Campaign for Better Transport,

<sup>28</sup> Transport – an engine for growth, DfT August 2013



- From 2017, we will provide new trains for the East Coast and Great Western main Lines, improving quality through increased capacity, better reliability, improved mobile signals and more leg room without losing luggage space. Journeys between key cities will be cut by up to 22 minutes.
- We are upgrading 163 railway stations, providing better passenger facilities and improved accessibility

The Door to Door Strategy<sup>29</sup> identifies that ‘better connections between bus and train’ and ‘more frequent bus/coach services’ are the most common factors that would enable rails passengers to switch to an alternative means of accessing the station. It goes on to state “We want transport facilities to be safe, comfortable and easily accessible, so they meet the needs of passengers.” and that:

- Interchange can be viewed as a potential cause of delay and is seen as having no benefit. Time spent waiting for a connection is often viewed as 'lost' time, so it is important that facilities used during interchange – such as rail and coach stations – are comfortable and safe, have good directional signage and are easily accessible, and the perception of 'lost time' is diminished.
- If we are to encourage greener travel choices, people need to feel confident that they can safely walk to the tram stop, wait for a bus, or leave their bicycle at the railway station all day. In addition, there should be adequate car parking at stations to ensure people can drive to their closest station and safely park their car before using the train or coach for the main part of their journey.
- The quality of railway stations remains an important issue for passengers. We are looking at how stations are managed to make sure there is the right balance of incentives between Network Rail and train operators.
- Perceptions about personal safety on public transport can deter people from using it. In partnership with British Transport Police, we sponsor the Secure Stations Scheme which is designed to improve security and provide reassurance to travellers and staff using railways stations. Participation in the scheme has continued to grow with over 1300 stations currently accredited, including the 17 major stations managed by Network Rail. Ten train operating companies have achieved a 100% accreditation on their lines.
- A large number of LSTF projects have targeted improvements in facilities at both rail and bus stations. These include projects to improve public transport interchanges and station forecourts, upgrade bus shelters and stops, and invest in more cycle facilities.

The subsequent Door to Door Action Plan<sup>30</sup> states that DfT “want reliable connections between different types of transport to give passengers the confidence to make multi-modal journeys”. The document further states that DfT will:

- Work with partners and local authorities to deliver cycle and pedestrian safety improvements
- Continue to seek improvements to access to and safety on public transport through the Accessibility Action Plan and implementation of bus/train vehicle accessibility regulations
- Ensure their investments at transport hubs deliver high-quality facilities
- Work with transport providers to make sure interchange facilities meet customer needs

A redeveloped public transport interchange would act as a catalyst for the regeneration of the town centre, supporting the planned growth for the town, whilst taking pressure of the highways network and promoting further redevelopment of nearby redundant or underused sites.

The ‘Value of Station Investment’ report<sup>31</sup> identifies that “rail growth is forecast to grow substantially and accommodating additional demand will be essential is sustainable, city-led economic development is to continue”.

- Station development in the UK has not always kept pace with the demands of passengers and the needs of modern towns and cities, with the result that individual stations may actually have constrained economic development,
- A poor quality environment in and around a station discourages investment

<sup>29</sup> Door to Door – A Strategy for improving sustainable transport integration, DfT, March 2013

<sup>30</sup> Door to Door Action Plan, DfT, November 2013

<sup>31</sup> Value of Station Investment – Research on Regeneration Impacts, Steer Davies Gleave, Nov 2011

- A poor station environment creates a poor impression of a town or city,
- A legacy of underinvestment in a station can affect perceptions of a town or city ... undermining the effect of improvements in the centre and other areas away from the immediate station vicinity,
- Evidence from stakeholders suggests that station investment results in significant benefits through one or more of the following:
  - Improving the image of a station, and hence perceptions of the town or city it serves, thereby encouraging greater investment and making it more attractive as a place to live and work,
  - Leveraging wider developments by providing a focus for investment in the surrounding area and increased confidence among investors,
- In the case of Manchester and Sheffield, observed changes in property values suggest an economic impact equivalent to inward investment of two or three times the cost of the station investment itself. The associated uplift in annual GVA is estimated to be between 10% and 15% of the investment costs,
- The interviews [with stakeholders following station improvements] also provided compelling evidence that station investment can be a catalyst for wider regeneration,
- As well as increasing the overall capacity of the station, investment of this kind can improve passenger perceptions of the station environment and encourage more frequent travel regardless of any changes to the train service.

The above findings, although relating specifically to investment in train stations, could reasonably be expected to apply to development of a combined train and bus interchange facility for Malton and Norton.

The 'Case for Action'<sup>32</sup> report finds that the Value for Money (BCR) Benefits Cost Ratio (including environmental social and 'missing GDP effect' of investment in bus and interchange schemes was around 4.75 - i.e. a benefit of £4.75 for every £1 spent.

Feasibility and project development work is required to assess the viability of developing a new bus/rail interchange to serve the growing population of the towns and the District. Malton/Norton possesses the only train station in the District. This is located in close proximity to (i.e. across the road from) the bus station, which is also currently Transdev's Coastliner depot. Redevelopment of this area to provide a modern, welcoming public transport interchange for both bus and rail users will be essential to ensure that Malton/Norton's planned growth can be accommodated sustainably. This work could also investigate the options for increasing the frequency of train services through the town. As the only direct point of access to the national rail network, this project is important to communities beyond just Malton and Norton. At this stage, no implementation costs have been incorporated – only the initial costs of feasibility and project development.

The package of Targeted A64 Improvements being developed separately as a strategic project will also be essential to ensure that the proposed growth for Malton and Norton can be accommodated within the strategic highways network.

Timescales:

- 2014/15 - Design development & phasing
- 2015/2016 - implementation of phase 1 (small-scale junctions work & cycle route) & - Feasibility / Project development work
- 2016 – 2019 - Phase 2 – Phase 4 implementation

### **Creative Economy and Workspace Hub**

The creative and visitor economies are key sectors within the Ryedale Economy, and as stated earlier, the visitor economy is a growing (if under-developed) sector in Malton. The Ryedale Plan: Local Plan Strategy identifies the following as aspirations and ambitions for the towns:

- Maintain the vitality and viability of Malton Town Centre,
- Protect and improve leisure and entertainment facilities including the Milton Rooms and Malton Cinema,
- Support opportunities to develop tourism related to Roman / Georgian heritage and the horse racing industry and to secure a new location for the Malton Museum / display of Malton Museum artefacts.

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<sup>32</sup> 'The Case for Action: Sir Rod Eddington's advice to government', Sir Rod Eddington, 2006

This proposal aims to build upon this potential for growth and involves internal remodelling, refurbishment and extension of the existing Milton and Assembly Rooms complex to become a vibrant creative economy hub incorporating workspace, gallery space, performance space, café etc – and potentially incorporating heritage links such as the Malton Museum. This will provide a critical mass of activity within the building to ensure its on-going sustainability and to provide on-going stimulus to the creative and visitor economy within the District's principal service centre – serving Malton, Norton and the rest of the Ryedale population. The project will build upon work undertaken by the Milton Rooms over the last two years to establish a reputation for high quality productions and to draw audiences from a wider catchment area.

The project will provide new office space which will accommodate 12 jobs, will result in 4.5 new FTE posts in managing the centre and 2 new jobs in a café – providing a total of 18.5 direct jobs, plus a further 35.4 indirect jobs and 8.8 construction jobs.

A business plan is being developed which will set out how the project will be achieved. The economic impact of the project is estimated to be a net GVA of £1.04m per annum.

Timescales:

- 2015/16 - Design development
- 2016/17 - Phase 1 implementation
- 2017 - 2018 - Phase 2 + implementation

### **Longer Term Plans**

There are several large scale projects identified to further improve the capacity of Malton and Norton to contribute to the growth of the regional economy, however these are beyond the timescale of this Growth Deal. These include:

#### **Further expansion of the Engineering Training facility in Malton.**

Following the small-scale expansion, which is planned for 2014, this private sector lead training provider will require further expansion to increase capacity further in order to meet the demand from local employers. At this stage, however, it is not possible to be definite about the timescales for implementation of this larger-scale.

Timescales:

- Likely to be towards the end of this Growth Deal programme or it could be just beyond.

### **Derwent Park – Potential Future Strategic Mixed-Use Development**

One of the longer term priorities for the towns is the redevelopment of site known as Derwent Park. Parts of the site are brownfield, with the potential for site contamination. This site, together with adjacent Greenfield areas, represents one of the most sustainable locations for significant mixed use development in the District – largely as a result of the proximity of the railway station but also because of its proximity to the existing town centre. The development would enhance the attractiveness of commercial development centred around the train station and could provide a catalyst for greater commercial developments and improvements between the train station and Malton town centre – helping the town centre to expand towards the train station. Development of the site would be likely to include a new pedestrian bridge over the railway near to the railway station in order to provide links to the station and to Malton town centre.

A further opportunity presented by this development is the potential to enable a second platform to be developed at the train station. The single platform currently in use is currently a constraint and increased frequency of services, which we would hope to achieve in order to meet the sustainable transport needs of a growing population, may result in a need for a second platform.

Significant investigatory and feasibility work will be required before this scheme can be progressed – this will be undertaken alongside feasibility work on the new access road and bridge (see below for details).

### **Highways Infrastructure Requirements**

Any significant development of the Derwent Park site will, however, require the provision of a major access road and road bridge over the railway and over the River Derwent. The costs of such major infrastructure, combined with those of the flood and environmental mitigation works that will be required, make development of the site unviable. As a result, the deliverability of the scheme could not be demonstrated and so the site could not be included as a strategic development site within the existing Core Strategy of the Local Development Framework (the Ryedale Plan).

A new access road and bridge would have benefits far wider than this single, albeit strategic, development site and in order to facilitate development on the site, the costs of the new access would need to be shared much broader than this single development. In order to determine what costs the development can stand, and what costs might need to be included in possible CIL calculation, considerable further work will be required, including investigations and surveys, outline design options and costings for access road and bridge, flood and environmental mitigation and development appraisals. Landowners and developers are unlikely to fund such costs if the development appears commercially unviable and so external development funding will be required to progress. Further studies, investigatory works and investigations will enable the site to be considered during any review of the Ryedale Plan and of CIL calculations. A project review report prepared by the Homes and Communities Agency's ATLAS team, working with Ryedale District Council concluded:

"It is therefore recommended that as part of the Local Plan review process, Ryedale DC consider the development of Derwent Park within a town-wide options appraisal, with a view to potentially creating a town-wide masterplan (or similar) for Malton and Norton that can help deliver the ambitions as set out earlier in this report."

Future growth in Norton is also likely to involve significant development to the east of the town, with a requirement for a link road between Beverley Road and Scarborough Road in order to relieve traffic pressure on Norton Town Centre.

In order to be in a position to consider the likely costs of the major infrastructure and how these could be attributed to future development, significant further studies and investigations will be required to establish the feasibility and likely costs of infrastructure, and mitigation measures. This will include investigations and feasibility work for the Derwent Park site and consideration of other development sites required to spread the cost of infrastructure across a broader range of developments.

Timescales:

- 2016/17 - develop terms of reference, brief etc
- 2017 - 2020 - investigations, surveys, feasibility, project development

#### **Development of Malton Train Station**

Investigate potential to develop more frequent train services between York and Scarborough – most likely requiring development of a second platform.

Development of Derwent Park would also make commercial development centred around Malton Station more attractive.

Timescales:

- To be considered as part of above works

***Further details of the costs, investment required, benefits and outputs for the above projects are provided in the separate Project Information sheets.***

#### **Timetable and profile of investment over the next 5 years**

Each proposal has a summary of implementation timescales identified above. Further details are included in the attached indicative Gantt chart programme included at Appendix A.

A spreadsheet setting out the proposed investment profile over the next 5 years is also included at Appendix B.

#### **Summary of Overall Malton and Norton Growth Outputs and outcomes by 2020**

The following outputs are expected to be achieved during the period of the Ryedale Plan – i.e. up to 2027<sup>33</sup>. Key outputs:

- 1500 New Homes in
- 36 ha employment land
- £191m Private sector investment leverage

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<sup>33</sup> NB It should be noted that these outputs are the total outputs expected to be delivered across the towns within the current plan period – the outputs for individual projects should not be considered as additional to these totals but as contributing towards their achievement.

- 2470 Jobs created

Not all of this growth will be achieved by 2020, however, but it would be reasonable to assume that just under half of these outputs will be achieved up to the end of 2020, resulting in the following projected direct outputs by 2020:

- 692 New Homes in
- 16.6 ha employment land
- £88m Private sector investment leverage
- 1140 Jobs directly created as a result of the growth plan.

In addition to these direct outputs, the following indirect outputs will be achieved by 2020<sup>34</sup>:

- 1147 indirect jobs in Ryedale
- 1470 indirect jobs in the YNYER LEP
- A cumulative total of £190m GVA in Ryedale by 2020
- A cumulative total of £218m GVA in YNYER LEP area

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<sup>34</sup> Regional Econometric Model analysis provided by Felix Kumi-Ampofo

## Skipton Growth Plan

### The role of Skipton

The market town of Skipton and South Craven is a centre for employment and tourism.

Skipton is the largest settlement in Craven District and is located on the main arterial route through the Aire Valley with good road and rail links to the main towns and cities in West Yorkshire conurbation and towns in East Lancashire. Skipton is the main administrative centre of Craven District and provides the greatest range of employment opportunities, shops and community facilities.

Skipton is an important employment centre. In terms of travel to work patterns, Skipton is the only area within the District to have a net inflow of people (more jobs than residents of working age). Commuting to Skipton is from other parts of the District, as well as a significant number of people travelling in from West Yorkshire and East Lancashire.

Whilst the majority of businesses are very small firms employing less than 10 people, Skipton is home to some highly successful and growing employers; many of which are world leaders in their field, such as:

- Skipton Building Society: the UK's fourth largest building society, with £13.9billion of assets and a national presence represented by a network of around 100 branches
- Homeloan Management Limited (HML): the largest third-party financial administration company in the UK and Ireland, with approximately £44billion of assets currently under management
- Systagenix: world leader in the development and manufacture of advanced wound care products. The company employs 800 people worldwide including an experienced team of R&D Scientists at the Gargrave Centre of Excellence for Wound Healing in Craven. Systagenix distributes products and services to more than 100 countries.
- Dales Pharmaceuticals: UK operation for the international pharmaceutical company, Dechra Pharmaceuticals. Dales Pharmaceuticals hold licences for manufacture, assembly and importation of medicinal products for human and veterinary use, including investigational medicinal products and specials, such as Home Office Controlled Drug licences.
- Principle Healthcare International: the UK's leading producers of vitamins, minerals and food supplements. The company heads up a group which serves some of the major retailers in the UK, Europe and internationally.

Skipton supports above the UK average concentration of businesses within financial and professional business services, health and bioscience sectors.

These and other companies make a dynamic economic base for Skipton that supports a wide economic area including East Lancashire and West Yorkshire, but whose potential for growth is constrained by sub-standard infrastructure.

Craven College, only one of six further education colleges within North Yorkshire, is based in Skipton and offers a large range of further and higher education courses across the north of England. The College also operates a commercial training division that provides an extensive range of basic and advanced business training.

The town boasts some of the highest education attainment levels and also the safest communities in the country. Skipton is one of the key tourist destinations in the north of England with 62% of all shoppers being visitors to the area. The combination of the historic legacy of a medieval castle, a picturesque canal, an award winning High Street with the development of new modern retail space and a cultural quarter will contribute to Skipton's long term success. This mix creates a place that can attract entrepreneurs to establish. The Skipton Business Improvement District has recently secured its second term which aims to support a business led approach to cementing Skipton's position as a leading visitor and retail destination.

### Policy Context

Skipton and South Craven is the primary centre for new housing, employment and commercial development within Craven District.

## **Employment and Commercial**

The emerging Local Plan identifies a range of employment sites that cater for different types of businesses from high growth knowledge intensive businesses to larger manufacturing and offices to essential but lower value enterprises. Together they will provide approximately 2,400 jobs across 22 hectares of new employment including:

- Expansion of Broughton Hall Business Park
- Development of South Skipton Employment Zone
- Redevelopment of Skipton Rock Quarry
- Development of Albion Place Shopping Centre
- Cononley Mill

There has been significant latent demand for employment land in the area which has not been able to be met due to the lack of suitable new employment land. This has been further demonstrated by the high level of demand for sites on the South Skipton Employment Zone.

## **Transport**

It is recognised that if Skipton and South Craven are to grow that a network of cycling and walking routes need to be built to link communities with jobs and services. The sustainable transport routes have been identified and individual schemes are being developed with Sustrans and the Canal and River Trust.

The road and rail infrastructure to West Yorkshire and East Lancashire, in particular westwards to Harrogate and York and eastwards to East Lancashire are necessary for improve supply chains and access larger labour markets. Lancashire County Council's proposed extension of the route from the M65 to the Rolls Royce plant which is only 8 miles from Skipton provides a fantastic opportunity to improve links to the Lancashire motorway network to Manchester and Liverpool. Feasibility and design work for the east/west road links is just starting and this will form part of the next five years programme.

## **Housing**

The Local Plan identifies 1,500 additional homes to be built in the Skipton and South Craven over the next 15 years. Of these 40% (600) will be affordable homes. The homes will be dispersed between the main settlements and the larger villages to try to reflect and support their current roles. By locating the majority of the new housing close to the areas of new employment growth it is intended that there is synergy between the local labour market and jobs

## **The growth potential – what will it look like in by 2020?**

By 2020 the Skipton and South Craven area will have 30% more employment land to support the current and future businesses of the area. This will see an additional 2,500 jobs which will provide new opportunities for an area covering the Dales and along the Aire and East Lancashire valleys to Bradford and Burnley. This will be delivered via a range of sites from high growth knowledge intensive firms at Broughton Hall, to engineering and large offices at Wyvern Park in Skipton and "dirty" industries in Skipton Rock Quarry.

Skipton as a centre for visitors will be stronger with an improved retail and cultural offer and also be at the heart of a new cycling infrastructure that will provide the legacy for the Tour de France which will come through the town in 2014.

## **What has happened to date**

The following key developments to drive the District's economic growth have recently taken place, are underway or being planned:

- Housing: Planning approval for £76.5million investment in the development of 510 new residential properties within the Skipton and South Craven area. Two of the developments, to provide 90 new dwellings, is currently underway and will be available for occupation in summer 2014
- Skipton Flood Alleviation Scheme: £13million scheme to protect key areas of business activity, including the town centre and open up 10.6 hectares of land for development. Construction is scheduled to commence in June 2014 for completion in April 2016.

- Albion Place: £8.5million retail-led development scheme in Skipton town centre to provide 47,373 square feet (4,404 square metres) of new commercial space and create 100 new jobs; the scheme will be anchored by Next, Pizza Express and Cotswold Outdoor. The scheme will be completed, with stores open and trading by April 2014
- Principle Healthcare Group: Planning approval to create 2,100 square metres of new production and distribution space. In 2012, the company opened a new £2million tablet plant and received the Queen's Award for Enterprise for International Trade
- Craven College: new £3million building at its Aireville Campus in Skipton to provide large multipurpose hall, an extra 20 teaching spaces, state of the art science suite and business practice suite opened in 2011. The College has plans to invest a further £5.5million over the three-year period 2013 to 2016 to increase student space and create additional specialist learning facilities.
- Belle Vue Mills: £25million scheme to transform a historic Victorian mill to provide 150,000 square feet of commercial and residential space. Part of the 80,000 square feet (7,432 square metres) of commercial space is occupied by Craven District Council, North Yorkshire County Council, Rural Solutions, Medic International and Medacs Healthcare – global healthcare staffing and services companies.
- Skipton Business Improvement District: £876,000 invested in improving the trading conditions of businesses within the Town Centre. The Skipton BID has been successful in receiving a renewal vote for a second-term of five-years to 2018.
- Broadband in Craven: Craven is involved in the Superfast North Yorkshire project to bring high speed broadband to North Yorkshire. Within the Skipton and South Craven area 42 cabinets, serving 11,029 premises, of which approximately 10% (1,102) are business premises, have been enabled to provide next generation access broadband. Next generation wireless solutions are being implemented to serve the more rural parts of the District
- Wyvern Park: £45million proposed investment in the development of a new 15.45 hectare mixed employment site to provide 25,253 square metres of commercial/employment and office space, 80 bed hotel, a 6,795 square metre Sainsbury's supermarket and create 1,132 new jobs. The developer is aiming to commence construction in May 2014, with the first phase completed by March 2016.

### **What are the issues/barriers to achieve this growth?**

To achieve Skipton's growth potential the following aims need to be achieved :

- Provide an increase of 22 hectares in the amount of employment land to satisfy "pent up" demand for new commercial space to accommodate business expansions and inward investments.
- Build 1,500 market and affordable homes to attract and retain entrepreneurs, families and young people.
- Build upon the existing clusters of companies within the financial and professional business services, health and bioscience sectors
- Improve access to labour markets, supply chains and services by creating better road links to East Lancashire and Manchester and rail connections to Leeds and to the HS2.
- Strengthen the appeal of the town and surrounding countryside to visitors, employees and entrepreneurs as the cornerstone of Skipton's past and future success is the attractiveness of the town.
- To accommodate the planned growth a sustainable transport network that links employment, communities, education and other services via a multi-user network will be built.

### **Solutions/proposals**

#### **South Skipton Employment Zone:**

The lack of suitable employment land, the risk of flooding and inadequacy of the present highways have curtailed the growth aspirations of existing businesses and acted as a deterrent to other businesses locating into the area. The aim is to facilitate the development of the South Skipton employment zone as a significant business and employment site by tackling these problems.



Located to the west of Skipton town centre, the employment zone comprises 28.25 hectares of Greenfield land, a former rail depot and an existing industrial estate, which accommodates 43 businesses. Whilst the estate is well occupied and successful, the business environment is poor and acts as a constraint to growth.

The South Skipton employment zone is unique in terms of its scale within Craven District. The site provides the only remaining large area of undeveloped flat land on the edge of the town that is readily capable of accommodating larger-floor plate developments. A private developer has purchased 23.5 hectares of the Greenfield land, and has submitted a planning application to develop 15.45 hectares for a mixed employment site – to be known as Wyvern Park. The development of the remaining area, approximately 10.6 hectares is currently constrained by flood risk issues; this will be solved by the Flood Alleviation Scheme.

The development of the former rail depot to provide units for new and fledging businesses will provide a dedicated place to start growing the next crop of businesses. Craven has a track record of growing its own businesses. The current access road to the existing industrial estate is not of an adequate standard to accommodate the type and volume of traffic needed to support the growth plans of existing and new businesses. A new road is required to accelerate the development of the estate and enable the businesses on the site to grow.

The development of the South Skipton Employment Zone will have a significant impact upon Craven, the Airedale Corridor and East Lancashire both socially and economically.

#### Broughton Hall Advanced Enterprise Park:

Over the last 27 years Broughton Hall has developed into one of the most successful examples of rural economic development in the Country. The current Broughton Hall Business Park is a successful rural business park which has been able to overcome many of the barriers to supporting high growth businesses in rural areas to the point now where 600 people are employed. The current site is almost fully developed so this proposal looks to the next stages of growth in the area and also the introduction of new technologies into rural development.

The scheme is to convert the next section of the estate to provide space for 150 employees in high specification offices. As the business park expands the country lanes leading to the main roads need to be improved to increase capacity while maintaining the high quality environment and charm of the area. To further Broughton Hall's drive to develop innovative rural business space the estate will move towards becoming carbon neutral through heat and energy production from local forestry. By developing local supply chains and improved forestry CO2 production will be reduced, new employment created and flood risk reduced and it provides a new facet to attract high growth businesses to rural areas. Also the move to being carbon neutral is difficult without creating a modal shift from the car to cycle linking the business park to the main town of Skipton.

#### Craven Greenways:

This scheme provides a unique opportunity to encourage seamless utility and recreational cycling between the West Yorkshire conurbation, in and around Skipton; the southern gateway to the Yorkshire Dales and into the National Park itself. Although the area has a strong reputation for cycling the reality is that there are low levels of utility cycling and latent demand for recreational cyclists due to a need for improved local infrastructure.

The Leeds & Liverpool Canal, at the heart of the Aire Valley was originally built to transport goods and link settlements. Although this original purpose has become redundant nationally the Canal network has benefited from investment to improve sustainable transport and tourism infrastructure. More locally, within the Aire Valley from Riddlesden to the border with Lancashire the Canal has historically lacked investment and has been a significantly underused asset.

Delivered as part of an overarching strategy the aim of this project is to facilitate this latent demand by providing high quality direct links between employment sites (including Airedale Business Centre and Snaygill Industrial Estate), communities and local services (leisure, educational and public services) for walkers and cyclists. In addition improvement of the link between Skipton and Gargrave will improve sustainable access to the Yorkshire Dales National Park along with access to Systagenix; a world leader in the development and manufacture of wound care products.

#### Skipton Town Hall – Creative Industries and Business Hub:

The purpose of the project is to revitalise the town centre by providing a high quality leisure experience and enhance Skipton's position as a visitor destination. This will be achieved in three phases.

The first phase is the development of Albion Place to provide high quality retail space. The second phase is the redevelopment of the Town Hall.

The Town Hall is an iconic building of local historic importance, located in a prominent position on the High Street. The building is underused with vacant space and significant opportunities to accommodate retail, restaurant, office and artist studios. The vision for the Town Hall is to restore the building as a vibrant venue to educate, inspire and entertain.

The third phase is to create a unified Visitor Hub encompassing the tourist information centre, museum and box office. An essential role of the Hub will be to link visitors with places and with local accommodation providers, food and drink, retail and outdoor adventure companies across the wider Yorkshire Dales. Also this phase will enhance the current performance facilities to allow more and better music and theatre performances. In tandem with an Arts Council funded Arts Director these developments will both cement the quality and vibrancy of the overall redevelopment of the area as well as continue the work of all partners in Skipton to establish a vibrant and safe night time economy.

**Longer Term Plans:**

Skipton Rock Quarry – provision of essential site infrastructure

Skipton Railway Station – increase passenger capacity including the provision of link to join the Embsay and Bolton Abbey Steam Railway with the national railway network

Cross Hills Railway Station – development of a new railway station on the Airedale Line

Improvements to Cross Hills Village

## Selby Growth Plans

### The role of the Selby Town

Selby Town forms the Principle Centre for Selby District. The district is located to the south of North Yorkshire and York broadly contained by the A1(M) to the west, M62 to the south and river Derwent to the East. It has a population of approx. 83,000 and covers an area of approx. 6,190 square kilometres. The district is predominantly rural with three towns Selby, Sherburn in Elmet and Tadcaster and a significant number of villages.

Selby town is the largest town in the district with a population of approx. 13,000. It serves as the main shopping area and is also the main focus for housing, employment, leisure and education.

### Policy Context

The District has an adopted Core Strategy 9<sup>th</sup> October 2013 (subject to Legal Challenge). The Core Strategy Spatial Strategy SP2 states that the majority of development will be directed to Selby as the Principle Town for housing, employment, retail, commercial and leisure facilities.

The Core Strategy requires 450 new homes per annum (40% to be in Selby Town) and employment land of 37-52 hectares over the life of the Plan, the majority being in Selby Town.

Policy SP7 Olympia Park Strategic Site identifies Olympia Park as the Districts' strategic site. This is located within Selby and will provide a significant proportion of the housing and employment allocation identified in the Core Strategy. A comprehensive Masterplan and Delivery Framework Document for the site has been designed with the Developers and approved at Council 10<sup>th</sup> December 2013. An outline planning application for the site was approved by Planning Committee on the 8<sup>th</sup> January 2014. A draft SPD has been produced which incorporates development of the employment land and is ready for consultation subject to the legal challenge. The site also provides an urban extension and regeneration of an extensive area of former industrial land and buildings.

### Selby District Growth Potential

LCR Analysis of house completions 2006/2007 – 2012/13 shows that Selby has the highest delivered number of house completions as a percentage of the population – 4.98% - more than double any other district in North Yorkshire. It demonstrates that even in a constrained economic environment Selby is a growth area for housing.

Olympia Park Strategic site provides a key feature of this growth – allocated for up to 1,000 homes over the life of the core strategy and providing 683 new homes over a 5 year period. The allocation of 22-27 hectares of employment land in Selby Town is predominantly based on employment land provided by Olympia Park.

Olympia Park is located directly on the A19 forming a strategic fit with the LEP A1/A19 corridor objective.

The Council is developing its Sites and Policies Plan (SAPP) which will identify further housing development sites within the life of the SEP. In line with the Core Strategy these will be concentrated in Selby Town as the Principle Centre and are likely to require investment in infrastructure to bring them forward.

### Olympia Park growth potential

New homes	683 approved, up to 1,000 allocated
Affordable Housing phase 1	
Employment land	23 hectares NEW employment plan B2 and B8
Jobs	2905 FTE including construction jobs
New infrastructure	New Bridge access New access to open up employment land

Private sector leverage	<p>£15 million infrastructure costs Total project budget £54,554,000</p> <p>HCA has previously invested £1.5m in a roundabout off the A63 Selby Bypass to facilitate the development of the access road from the bypass to the employment land.</p>
Additional benefits	<p>Off site junction improvements £200,000 Primary school education £2,923,1403 Community hub £100,000 Travel planning measures £317,023 Affordable housing £925,000 Waste and recycling contribution £44,013 New allotments and sports facilities £892,253 Redevelopment of brownfield industrial site on a key access road (A19) into Selby Remediation of contaminated land</p>

### Phasing

<b>Phase1</b> <b>2014-17</b>	<p><b>2014</b> Barlby Rd Highway improvements commence Drainage works start Neighbourhood centre commences Sale of first residential land</p> <p><b>2015</b> Bridge works commence Neighbourhood centre and restaurants on Barlby Rd commence Play area construction Employment land available for development New industrial access road to open up employment constructed</p> <p><b>2016</b> Employment land open for development Landscaping and screening Phase 2 drainage First new home occupied aprox 80 by end of the year</p> <p><b>2017</b> Employment land developed Aprox 80 new homes per year New sports pitches constructed New sports pitches occupied</p>
<b>Phase 2</b> <b>2018-2012</b>	<p><b>2018</b> Employment land available for development Existing sports pitches development 80 new homes occupied by the end of the year New Primary School constructed</p> <p><b>2019</b> Employment land available for development 80 new homes occupied by the end of the year Play area construction</p> <p><b>2020</b> Landscaping and screening Employment land available for development 80 new homes occupied by the end of the year</p> <p><b>2021</b> Employment land available for development 80 new homes occupied by the end of the year New allotments constructed</p>

### **The Proving Ground – Sherburn in Elmet**

Planning Committee approved 34 Hectares employment land at Sherburn – The Proving Ground on 11th December 2013 on the **A1/A19 Corridor**.

The site is immediately adjacent to the existing Sherburn business park – a very successful and established business park with small, medium and large warehousing and distributions units. Existing occupiers include Debenhams, Sainsbury's and Eddy Stobbard. There have been a number of enquiries from companies recently regarding the larger units suggesting demand for this type of facility in the current market.

Employment land	35 hectares NEW employment land 1.25m sq ft capacity 35,000 sq ft – 500,000 sq ft custom buildings
Jobs	2549 FTE excluding construction jobs
New infrastructure	New Bridge access New access to open up employment land
Private sector leverage	£1,089,260 – Access road and bridge to open up the employment land Total scheme value £3m
Additional Benefits	Potential for apprenticeship scheme with Selby College and Graduate Development Schemes Potential for onsite power generation scheme from 14 acre solar park.  Development of a key employment site to the west of the district with the potential to generate jobs and reduce out migration from the district for employment.

Subject to funding the infrastructure works could commence June 2014, enabling the first development site to be accessed and serviced by autumn 2014.

### **Growth facilitators**

The Council has a planning framework in place to develop the growth of the district through its adopted Core Strategy.

The Sites and Policies Plan is being developed to implement this growth.

The strategic site of Olympia Park has a hybrid planning permission and is ready to progress on the housing element and construction of a link road to open up the employment land.

The employment site 'The Proving Ground' at Sherburn has outline planning permission and is ready to proceed.

Both developers are keen to make progress as soon as possible.

These are not the only sites coming forward in Selby District;

### **Selby Marina Development**

A further 300 new homes were approved in Selby Town as part of a Marina development on the 9<sup>th</sup> January 14.

### **What are the issues/barriers to achieve this growth?**

The current Legal challenge to the Core Strategy is delaying the SPD for Olympia Park, although the planning application was reviewed for impact of the challenge prior to approval and will be unaffected. It should not hamper development of the site.

Some site assembly may be required for the employment land, but progress on the access road will greatly facilitate this.

The main barriers to growth are the significant costs of infrastructure and the challenges of securing adequate finance to get the infrastructure in place.

## Northallerton Growth Town

### The role of the town/city in the area

Northallerton is the County Town of North Yorkshire, the historic administrative centre of the sub-region and hosts the headquarters for bodies such as the County Council. It is the largest settlement in the Hambleton District and, including the large rural hinterland it serves, has a population of 24,264 people.

Services provided by the town extend to a much wider area however. Key amongst these is the Friarage Hospital which serves an area of 1000 square miles and a population of 122,000.<sup>35</sup>

The popular well-performing High Street is the district's main shopping centre containing the largest number of commercial premises featuring high quality independent retailers alongside national multiple retailers. The twice weekly vibrant market is the largest in the District and is complemented by a monthly farmers market.

Leisure services are also in good supply. The town houses a large council run multipurpose Leisure centre as well a number of privately operated gyms, a nightclub and a multipurpose community venue. The town also hosts numerous events and festivals during the year including the annual Carnival, the Home Grown Food Festival, May Fair and War Time Weekend.

Supporting development in Northallerton offers the potential to harness significant economic benefits for the wider area. Northallerton holds a strategic location within North Yorkshire, providing facilities and services for other market towns in the District and the rural hinterland.

### Transport

The town is well-connected with the A1, A19 accessible as well as having a station on the East Coast railway mainline. The combination of the road and rail networks through the town though is giving rise to issues of congestion. Level crossings on passenger and freight lines are closed more often as rail movements increase and together with rising numbers of vehicles on the roads are bringing large areas of the town to a stand-still on a regular basis. This has the very real potential to stifle the growth of the town.

### Employment

The role of administrative capital of North Yorkshire has led to a concentration of public sector employment in the town. In recent years this has been a particular challenge with the squeeze on public spending resulting in significant job losses. The most recent announcements included the closure of the prison and the relocation of the Rural Payments Agency. Whilst not all of the circa 600 jobs connected to these facilities are lost the majority are lost from the district.

The town though does have a strong private sector employment base with significant employment areas concentrated to the north of the town which also hosts a managed workspace unit for new business start-ups. Outside of the public sector the economy is mainly made up of small and medium sized businesses across a wide range of sectors.

Northallerton is the focus for new large scale housing and employment development through identified land allocations in the Local Plan. However, the recent Economic Study of the District recommends the need for infrastructure investments to be made to enable continued growth and inward investment.

### Policy Context – what does the local plan say?

A fuller explanation of the Local Development Framework (LDF) policy context is given as an extract of the LDF Core Strategy at Annex A. In summary Northallerton, under Spatial Principle 1, is contained within the district's 'area of opportunity' (i.e. the area in which housing and employment growth will be concentrated). It is further prioritised for housing and

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<sup>35</sup><http://southtees.nhs.uk/hospitals/friarage/>

employment growth in Spatial Principle 3 which categorises the town as a Principal Service Centre, the highest level in the hierarchy of settlements.

### **The growth potential – what will it look like in 2020?**

The Hambleton LDF runs through to 2026, though recently the phasing promoted in the document has been relaxed to enable more development to come forward sooner. The LDF allocates sites for the Northallerton area which will provide:

- 1987 new homes
- 20.4 Hectares of employment land;
- Up to 4,000 jobs provided by the allocated employment land
- 2000 jobs in the construction industry through to 2026.
- Circa £600m Private sector leverage

### **What has happened to date**

As at 1st October 2013, since the LDF period commenced (2004) there have been 776 dwellings completed, including 30 dwellings associated with windfall sites.

A further 379 permissions have been granted, including 90 windfall applications. Recently construction work has got underway on a major brownfield development, the Former York Trailers site, which will provide 241 dwellings.

The district's largest allocation is an area to the north of Northallerton which is to provide circa 950 dwellings, 8.5Ha employment land and 15ha of recreational land. In 2011, a Masterplan for the development was produced and a planning application is expected in Spring 2014. This site represents the vast bulk of the remaining allocated growth potential for the town. The developer consortium work closely with HDC and they are confident of commencing development in 2015. The confidence is well founded. The lead developer successfully gained planning consent for the 920 home, ??ha employment land South West development. For this development there is the added benefit of the involvement of two national house builders and the support of the HCA Advisory Team for Large Applications (ATLAS).

There is further potential for development in Northallerton due to the closure of the Rural Payments Agency and the Prison in the town centre. Together with the neighbouring allocated Fire Station site and the Council-owned Crosby Road Car Park, there is an area approaching 4ha available for redevelopment. A masterplanning process for this area is currently underway as the sites are seen as representing a once in a generation opportunity for developing the town centre economy.

### **What are the issues/barriers to achieve this growth?**

Delivery of the LDF targets has been slow, under the levels anticipated when the plan was developed. However with the economic climate being as it is the housing market has been very suppressed. Market conditions are improving and developers are coming forward with significant applications again (e.g. Former York Trailers (241 dwellings) and South West Thirsk (920 dwellings)).

The North Northallerton Development Area is a key strategic housing and employment site for the area and is highlighted as a priority in the North Yorkshire Housing Strategy and Local Investment Plan. It will unlock a significant employment site within the core A1/A19 corridor of North Yorkshire

As mentioned earlier the connectivity that Northallerton enjoys also represents a constraint. Level crossing points cause growing levels of congestion around the town. As housing numbers grow this constraint, together with a road network that is reaching capacity, is a real barrier to growth.

Delivery of NNDA is dependent on being able to add capacity to the local road network to mitigate the increased traffic generated by the site. This is to be achieved by building a road, including a rail bridge, to link the radial routes of Darlington Road(A167)and Stokesley Road(A684). Without the road the development would not gain planning consent. A suitable road has been proposed in the scheme and traffic modelling shows it will add the required capacity. The route however requires a bridge over the Northallerton-Yarm railway which increases the costs and the delivery risks. In total the road

including the rail bridge has been estimated at £12m and represents a considerable risk to the viability and deliverability of the site.

### **Solutions/proposals**

The existing road network will sustain some housing being built ahead of the bridge and link road being delivered but the stakeholders involved wish to bring forward delivery in order to maximise the economic potential of the scheme and to minimise the risk in the delivery of the site throughout all of the phases of development. The bridge needs to be developed at an early stage to enable growth as pinch points on the transport network to the north of the town, the main area of focus for new housing and employment land to be released, may stifle growth and uptake of land. The principal pinch point is the Low Gates level crossing. Construction of the link road would provide an alternative route that is not constrained by closures due to train movements.

The main barrier to development is the risk associated with the delivery of the road and crucially the rail bridge. At an overall cost of £12m this crucial piece of infrastructure is key to unlocking the whole development but is a cost that is too great for the developer consortium to carry commercially.

With grant support, and subject to detailed discussions on the exact arrangements and legal instruments required for delivery, the developer consortium is indicating an acceptance of carrying the risk. This is likely to be under a section 278 agreement with HDC or NYCC. This is essential as the public bodies would be unable to act as scheme promoter due to the risk of cost overrun especially in the current era of austerity. Network Rail are a key stakeholder in the rail bridge delivery. Past experience suggests Network Rail may require the body responsible for Highways, in this case NYCC, to enter into the section 278 agreement. Further work is being undertaken to determine the exact legal instruments and delivery arrangements required.

Local Growth Deal investment would de-risk the development. It would increase the viability of the site and aid the delivery of a greater proportion of affordable housing which might otherwise not be possible. As outlined in our 2013 Economic Study baseline report, Hambleton has a 'tight' labour supply and issues with filling lower grade occupations. Increasing the level of affordable housing would help to alleviate this issue and enable more economic growth in the town.

Hambleton District Council commissioned an Economic Study of the district which is due to conclude in February 2014. Amongst its recommendations is the stimulation of economic growth through housing delivery. Given the key role Northallerton plays in the district and beyond, any further housing led growth is likely to be concentrated in the town.

### **Timetable and profile of investment over the next 5 years**

The North Northallerton developer consortium is currently working to the timetable outlined below for the delivery of the link road:

- Planning Application expected - Spring 2014
- Planning decision expected - Autumn 2014
- Developers start on site - First phase 2015
- Road & Bridge build commences - 2016
- Bridge build complete - 2017

The investment released by the development over the build period is profiled below:

Year	Investment
2015	£11.4m
2016	£19.2m
2017	£26m
2018	£31.4m
2019	£30.4m
2020	£30.4m
2021	£30.4m
2022	£30.4m
2023	£30.4m
2024	£30.4m
2025	£30.4m
2026	£22.6m



Total	£323.4m
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### **Outputs and outcomes**

The North Northallerton Development Area will provide:

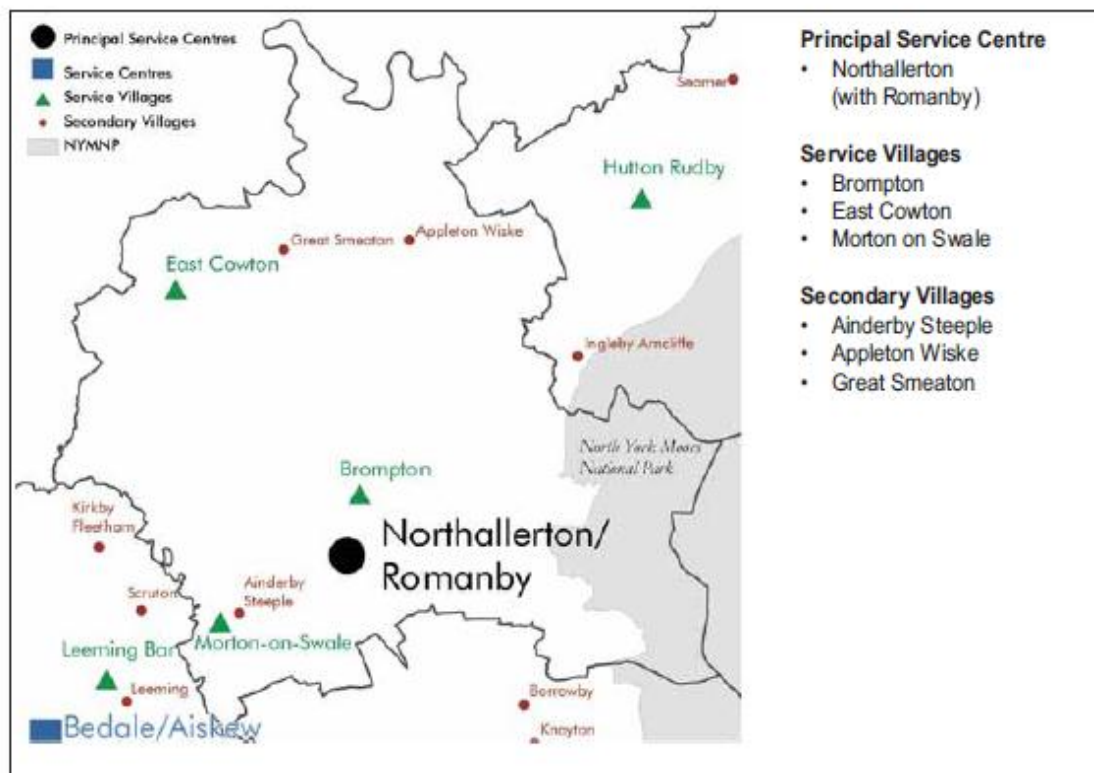
- Circa 950 New Homes
- 8.5 Ha employment land
- £320m Private sector investment leverage
- 1978 jobs related to the employment land. It will also create 1,288 direct and 153 indirect jobs in the construction industry during its development. Overall this will lead to 3,419 jobs.

## 6. Northallerton Sub Area

### 6.1 THE CORE STRATEGY CONTEXT

6.1.1 The main Sub Area specific implications of the Core Strategy for the Northallerton Area are as follows:

- **Spatial Principle 1** identifies the southern part of the Northallerton Sub Area as being part of an Area of Opportunity (which also includes part of the Thirsk area and the eastern part of the Bedale area), reflecting the scope for development based on accessibility, scale of existing facilities and relative lack of development constraints. Most of Hambleton's housing and employment development will take place within this Area;
- **Spatial Principle 2** defines the northern part of Northallerton Sub Area as an Area of Restraint in order to counteract the pressures for development from the Tees Valley in general, and in particular the migration from Tees Valley to the north of the Northallerton area by people commuting to work in Tees Valley, but who live in the north of the Sub Area;
- **Spatial Principle 3 and Core Policy CP4** define the sustainable settlement hierarchy. Northallerton and Romanby are taken as one settlement for the purposes of the Plan. This Sub Area comprises the following settlements:



- **Former RSS\* (May 2008) together with Core Strategy Policy CP5A** (see paras. 2.4 – 11) establishes that the gross housing completion targets for the following periods are:

	<i>Phase 1 2004 – 2016</i>	<i>Phase 2 2016 – 2021</i>	<i>Phase 3 2021 – 2026</i>	<i>Total</i>
<b>Northallerton Area</b>	1172	507	507	2186
<b>Hambleton Total</b>	3640	1450	1450	6540

- **Policy CP6** places two requirements on the scale of housing development in Northallerton:
  - at least 51% of all housing in the District needs to be in Northallerton and Thirsk towns;
  - at least two thirds of all housing in the Northallerton Sub Area should be in Northallerton (with Romanby).

Reconciling these two requirements to give a working target for Northallerton and Thirsk towns (by using the proportionate differences in Sub Area totals between Northallerton and Thirsk Sub Areas), this effectively gives a minimum target of housing provision in Northallerton (with Romanby) of:

	<i>Phase 1 2004 – 2016</i>	<i>Phase 2 2016 – 2021</i>	<i>Phase 3 2021 – 2026</i>	<i>Total</i>
<b>Northallerton Principal Service Centre</b>	1027	409	409	1845

- **Policy CP9** sets the target of 40% of all dwellings in Northallerton Area to be "affordable" (see Development Policy DP15 for definition);

\* Please see Paragraph 1.2 for the current position regarding the former RSS.

- **Policy CP10A** sets a target level of 20 hectares of employment development in the Northallerton Area (out of 75 hectares in the District as a whole). Taking account of existing land available with permission, the Core Strategy estimated that only a further 8 hectares would need to be identified. Adjustments to this figure, in the light of subsequent events, are considered in para. 6.2.3;
- **Policy CP12** supports the local economy and specifically transport investment – in the Northallerton Area, support is identified in the Development Policies DPD by Policy DP16 for measures to improve accessibility to and from Northallerton and for development of the Wensleydale Railway.
- **Policy CP14** defines the District-wide retail hierarchy, defining Northallerton as the District's single Main Town Centre, which serves the whole District.



## Unlocking the potential of Growth towns – Growth Plan for Richmond / Catterick Garrison

### The role and policy context of Richmond/Catterick Garrison

The historic centre of Richmond and the growing centre of Catterick Garrison are the principal towns at the centre of Richmondshire District which are closely related in terms of location and service provision which presents some unique opportunities. Together they fulfil District Centre roles and are essential in the provision of housing and employment opportunities and a range of facilities and services to a wider catchment extending in to the rural areas of the Richmondshire District and the Yorkshire Dales National Park including shopping, leisure, education, health, cultural activities and facilities.

These roles are acknowledged in the Richmondshire Local Plan Core Strategy 2012-2028 which identifies the two towns as the main local focus for future housing and employment growth and seeks that they will be distinct but complementary principal towns offering a wide range of sustainable services, housing choices, employment and enhanced retail and leisure opportunities. This approach will ensure that the significant growth potential will create a modern vibrant centre in Catterick Garrison is embraced whilst complimenting the small scale opportunities for new housing and employment development to maintain Richmond, a national historic jewel, as a living town.

The A1 upgrade and Catterick Garrison Town Centre development open the way to realising the full scope of the Council's vision of a strong District Centre made up of a modern centre at Catterick Garrison and historic Richmond. Realising this growth will have wider effects that stimulate growth opportunities that extend into the more rural areas.

### Growth potential of Richmond/Catterick Garrison – what will it look like in 2020?

The significant opportunity for growth potential within Richmond/Catterick Garrison by 2020 reflective of the strategy outlined in the Richmondshire Local Plan Core Strategy (2012-2028) equates to:

- 950 homes
- 5 hectares Employment Land
- 5 hectares Town Centre Development
- Town Centre & Local Centre retail and leisure – 890 jobs
- Town Centre expansion – 300 jobs
- Employment land – 2,400 jobs
- Housing growth – employment associated with delivery of over 15 years

### Recent major approvals

There are major planning approvals which can contribute significantly to delivering the potential growth that exists within Catterick Garrison. This includes:

#### Housing

Woodside Chase, Catterick Road, Colburn – 272 dwellings – Anticipated delivery by 2020 - 210 dwellings

Colburndale (Former Pipeworks Site), Catterick Road, Colburn – 250 dwellings – Anticipated delivery by 2020 - 150 dwellings

Hipswell Croft, Hipswell, Catterick Garrison – 72 dwellings – Anticipated delivery by 2020 – 72 dwellings.

#### Retail and Leisure & Employment

Catterick Garrison Town Centre, Former Sports Ground, Richmond Road, Catterick Garrison, comprising of:

A1 Retail 7,156 m2

A2 Financial & Professional 156 m2

A3 Restaurants & Cafes	3,706 m2
C1 Hotel	888 m2
D2 Cinema	<u>1,827 m2</u>
Sub Total	13,733 m2(1.37ha)

Broadway Local Centre, Colburndale (Former Pipeworks Site), Catterick Road, Colburn, comprising of:

A2/B1 Office	557m2
B2 Industrial	929m2
A1 Retail	557m2
A4 Pub	465m2
A5 Food Takeaway	372m2
D1 Nursery/Creche	<u>372m2</u>
Sub Total	3,252m2 (0.32ha)

#### **What are the issues/barriers to achieve this growth?**

The main barrier to unlocking and inhibiting the potential for growth within Catterick Garrison is the lack of effective connections to wider areas due to the serious capacity issues affecting local connectivity along the A6136 identified in the Strategic Transport Assessment for Catterick Garrison (2011). This will worsen if not addressed.

Effective connections with the final stage of the A1 upgrade through North Yorkshire are essential for successful growth at Catterick Garrison. Connectivity will maximise the range of opportunities and the economic benefits that the town centre and related development will bring to communities across rural Richmondshire.

Low expected land values affect the viability of development in this area and limit the capacity for funding necessary improvements through conventional developer contribution routes. Combined with near capacity junctions creates a vicious circle which, if unbroken, would impede growth. It is not viable for developers to provide the infrastructure improvements ahead of any development taking place.

#### **Solutions/Proposals**

Timely and relatively modest third party investment to resolve junction capacity issues will facilitate further economic and housing investments. A series of junction upgrades along the A6136 at Scorton Crossroads, Catterick Bridge, First Avenue and White Shops have been proposed that would:

- Mitigate the problems affecting connectivity
- Maintain reliable access for the Army
- Secure the growth capacity of Catterick Garrison
- Encourage investment in a range of economic and housing projects.

Further detail on the project described above including scheme details, a timetable and profile of investment, estimated cost, deliverability and value for money assessment of the scheme proposed are available in the attached A6136 proposal document.

## Town Growth Plan – Driffield

### Role of the town/ city in the area

- Driffield is a market town located in the East Riding of Yorkshire, as shown below in Figure 1.1.
- The town's origins can be traced as far back as the Domesday Book of 1086, which records Driffield as a Royal Manor.
- Today the town has a population of approximately 15,000 people and services a large rural hinterland for education, social and commercial activities. Situated on the edge of the Yorkshire Wolds, the town is known as the "Capital of the Wolds".
- Driffield still has a strong tradition as the local service centre for the town and its rural hinterland providing a focus for shopping, education, health, leisure and employment.

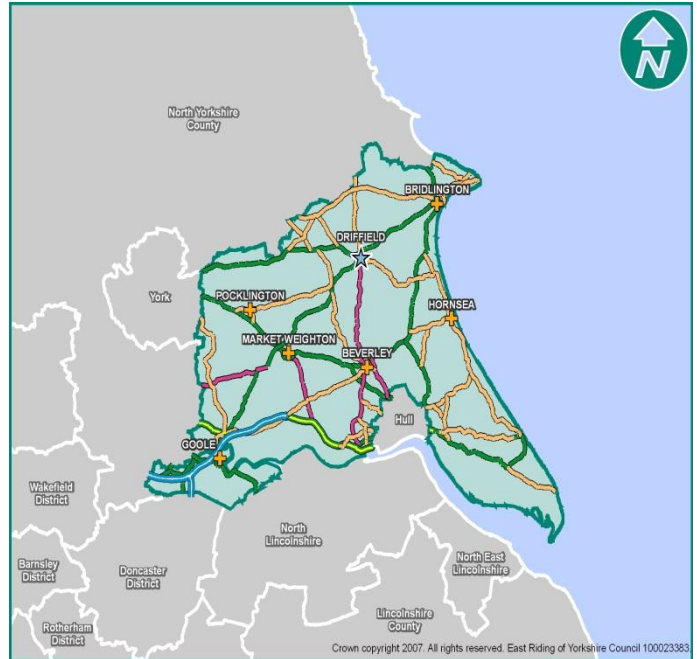


Figure 1.1 – Location map for Driffield

### Policy context – What does the local plan say?

Driffield is a principle town within the draft East Riding Local Plan and sits within the Driffield and Wolds Sub Area.

By 2029 Driffield will have been a focus for new development in the northern area of the Wolds.

Its role as the 'Capital of the Wolds' will have been strengthened by improvements to its retail, service and leisure facilities. The train station will continue to be an asset for the town, giving the town sustainable links with Bridlington, Beverley and the City of Hull.

Driffield town centre will have been revitalised by new retail development and the sensitive redevelopment of its derelict sites. There will be a broader range of leisure and cultural facilities set within an improved public realm and the night time economy will also have been enhanced.

Kelleythorpe Industrial Estate will have been developed for employment uses and benefit from measures to improve access between the estate and the town. New employment uses will have helped to retain young people and broaden the base of the economy by attracting higher value sectors. The Driffield Navigation and the Driffield Showground, together with key natural assets such as the River Hull Headwaters, will have been enhanced to become an important part of the visitor economy. The River Hull Headwaters will also be maintained as an important biodiversity asset that will also help alleviate the risk of flooding.

Whilst there will have been significant opportunities for using previously developed land, including the derelict Alamein Barracks site, a number of sustainably located greenfield sites will have also contributed to meeting housing demand in this part of the East Riding. These will have cycling and pedestrian connections to the centre of Driffield and will respect and enhance the landscape surrounding the town.

### Growth Potential

Driffield has a range of economic assets which mean that it has potential to provide economic growth in the future up to 2020.

It has a strong housing market with demand remaining buoyant even in recent challenging economic environment. The draft East Riding Local Plan seeks to deliver 856 houses in Driffield by 2020.

The *East Riding Employment Land Review* noted that whilst Driffield would be unlikely to appeal to investors looking for a strategic location, there has been and is likely to be in the future strong interest from the local market. Therefore, the existing employment areas at Kelleythorpe and on Skerne Road are supported. Over the long-term, consideration will be given to the expansion of Kelleythorpe subject to the completion of the estates existing allocated sites.

Work undertaken through the Town Centres and Retail Study and by Driffield Renaissance Partnership has highlighted the economic (as well as social and environmental) advantages of enhancing particular parts of Driffield. Firstly the Town Centres and Retail Study identifies the need to integrate planned retail developments into the existing town centre and complement these with measures aimed at improving the public realm. There are several sites in Driffield that have significant potential for development; these are identified in the Driffield Renaissance Plan

- Viking Centre/Old Post Office Development Site
- Cattle Market Development Site
- Former Kwik Save Site/Tesco

Allied to this there is the former Alamein Barracks site on the west of the town which continues to provide opportunities in the future.

The Local Plan also identifies the development of the night time economy – through additional leisure and entertainment attractions – as an opportunity to improve the overall vitality of the town.

Secondly, the Partnership is keen to see the Riverhead area utilised to its fullest economic potential, using the Mortimer Buildings, the old depot site and the Sugar Mills to provide small-scale office, leisure and tourism based employment opportunities which are well linked with the town centre. The proposed sub area policy provides a basis to support such activities.

Driffield Showground is also an important economic asset to the East Riding, providing a venue for the annual Driffield show and other events throughout the year which draw national visitors to the area. There is great scope to increase this type of activity.

#### **What has happened to date?**

The Driffield Renaissance Plan which was developed in 2008 has a range of actions and initiatives to address the challenges facing the town and meet the aspirations communicated within the growth potential.

A successful partnership approach has been undertaken to develop the town centre resilience and maintain footfall for the local shops by bringing together representatives from Driffield and District business club and the high street traders to work collaboratively on initiatives such as 'Driffield Thursday' marketing campaign and a range of successful 'Makers Markets' which has widened the appeal and draw of the Town.

A Riverhead concept statement has been completed to inform and drive the development of the Driffield Riverhead as a key economic asset of the town.

A business plan has been completed by Driffield Agricultural Society to communicate the future economic opportunities for the Driffield Showground facility. This has attracted £50,000 funding from Humber LEP towards the project.

#### **What are the issues / barriers to growth?**

The key barrier to increased growth for the Drifffield Showground facility is the main on-site facilities on the showground are below the current standards demanded by the sector. This is limiting the effectiveness of the facility to attract new events and retain current customers.

The individual sites which present development opportunities have a range of complex issues which constrain how their development potential might be unlocked. This constitutes a major imperfect information market failure at it is likely the land is being underestimated in value and use due to uncertainty.

### **Solutions/ proposals**

As economic circumstances improve in general, it is considered to be beneficial to have a development prospectus readily available for the key sites in Drifffield to be able to provide potential investors with comprehensive information on these and assistance to unblock any infrastructure constraints which are preventing the market from realising these opportunities.

This project will establish an outline development brief for each site to include details of :

- Location and access;
- Land ownerships and any restrictive issues e.g.. culverts, sub-stations, etc.;
- Possible planning uses and any preferred development type i.e. within the context of the Drifffield Plan/Drifffield Concept Statement;
- Any other development sites with reference to the ER Draft Local Plan and provide context with regard to land use allocations etc.;
- Partners/interests that have been involved in previous attempts to bring forward the sites, where they are still relevant;
- Any other relevant information that a developer may require to assist with decisions on whether to invest;
- Outline proposals for “meanwhile” uses or actions until development can be brought forward.

It will also provide a source of funding to overcome any significant infrastructure costs which cannot be shouldered by the market.

In terms of overcoming the barriers to developing the Drifffield Showground site a project has been developed can deliver improved facilities on Drifffield Showground which will not only provide improved experience for those visiting the facility but also attract a wider variety of events to the facility. The Drifffield Showground provides an important role as an attractor the East Riding as a whole and Drifffield in particular.

### **Timetable and profile of investment over the next 5 years**

Drifffield vacant sites project

Year	Funding Required
13/14	£50,000
14/15	£50,000
15/16	£100,000 (to be provided by Growth Fund)

Drifffield Showground Project

Year	Funding Required
13/14	£50,000
14/15	£200,000
15/16	£150,000 (to be provided by Growth Fund)

### **Outputs and outcomes**



Driffield vacant sites project

Outputs	
Land Developed	
Develop Briefs completed	4

Driffield Showground Project

Outputs	
Jobs directly and indirectly created as a result of the growth plan.	3.5 jobs
Private sector investment levered	£250,000 (plus 3.5 jobs)

## Scarborough Growth Plan - Unlocking the growth potential of our coastal capitals

### Project Rationale

Like many coastal communities, Scarborough has undertaken a long and rocky voyage as it has moved from an economy based on tourism, fishing and agriculture for its employment base in the 1960s to the place it has reached now; a vibrant business location by the sea with a diversified economy comprising a solid manufacturing base, strong health and social care, and retail sectors, a burgeoning creative and digital sector and a tourism base which is competitive and prosperous.

The town has ambitious plans to grow both economically and geographically and has committed itself to a scale of growth which is the biggest in North Yorkshire.

However, the 2010 York and North Yorkshire Economic Assessment characterises the coast as having a 'low growth and unchanged economy', with a high reliance on the visitor economy and public sector for employment.

In addition, Scarborough has disproportionate levels of deprivation. All of the seven Super Output Areas within North Yorkshire that fall into 10% of the most deprived nationally are within the Borough. Scarborough contains a third of all JSA claimants in North Yorkshire. There are around 10,000 people on work related benefits, and high youth unemployment.

Whilst the area is clearly facing some very difficult social challenges, the town and the borough are entering an era of opportunity with some of the most significant growth potential in the north of England. Over the next 5 years there is set to be unprecedented investment in the Borough, potentially in excess of £2billion, in the following key sectors:

- **Potash Mining** – *The York Potash project is a proposal to develop a new high-tech potash mine in Scarborough Borough. It has the potential to make the area a world leader in high value potash production, creating up to 4,000 new direct, indirect, supply and construction jobs.*
- **Offshore Wind** - *Whitby is the nearest port to Dogger Bank where the world's biggest wind farm is to be constructed. There could be up to 4,000 operations and maintenance jobs along the Yorkshire Coast.*
- **Engineering and Manufacturing** – *A major local employer is proposing to develop a new £150million production plant in Scarborough. In addition, the new potash and renewable sectors open up exciting new markets to our existing engineering base which is one of our largest employment sectors and is vibrant and expanding.*
- **Housing** – *3,000 new homes have planning permission in the Borough, including Middle Deepdale, the largest housing scheme in Yorkshire, and will need to be built over the next five years. This represents an investment of over £300million and will support our ambitious plans for growth. In addition, Ryedale and the East Riding have aspirations to build circa 10,000 new homes by 2020.*
- **Leisure** – *two major projects, Scarborough Water Park and the Sports Village, will lever in private sector investment of circa £25million over the next 3 years.*

*In addition to the 8,000+ new jobs that could be created, these projects have the potential to generate need for an additional 4,000 construction jobs.*

The prospect of these new sectors is a genuine growth opportunity and a once in a generation chance to transform the local economy. Scarborough was crowned as the most enterprising place in Europe a couple of years ago and there is a collective will and energy to prepare for and capitalise on these new opportunities.

### The role of the town in the area

Scarborough is the largest town by some distance and acts as the main centre for the Borough and indeed is the 'Coastal Capital' for a much wider area. The town acts as:

- the administrative hub for the Borough;

- the major employer for the Borough with numerous large employers including Scarborough Hospital, Scarborough Borough Council, McCain, Plaxton, and other employers on Scarborough Business Park and Barry's Lane Industrial Estate. There remain significant opportunities for business growth and expansion especially on the serviced Scarborough Business Park;
- the main retail destination in the Borough and along the coast with a diverse town centre, indoor mall and historic indoor market providing a choice of multiples and bespoke independent retailers;
- the main provider of sport, leisure and recreation in the Borough with a sports centre, proposed new football stadium and ancillary sports facilities, motorsport venue (Olivers Mount) and has the ability to tap into the water and beach based extreme sports offer;
- an important and popular tourist destination with the offer of historic parks and attractions, Scarborough Castle, the Sea Life Centre, seafront attractions, Coastival and other annual festivals;
- the cultural and entertainment centre for the Borough and wider area with the Open Air Theatre Venue (Europe's largest open air theatre), Stephen Joseph Theatre, the Spa Venue, cinema, museums and galleries and the creative industry sector.

### **Policy Context**

The current Local Plan dates from 1999 and is in the process of being replaced. This plan identified Scarborough and its surrounding area as the location to accommodate further housing and industrial development.

The draft Local Plan will be published in late Spring 2014 with submission to Government and subsequent Examination in Public over the following 18 months.

The context of the new Local Plan will further establish the role of the town as described in the former section and confirms Scarborough is at the head of the settlement hierarchy within the Borough and the largest town on the Yorkshire Coast. For the purposes of the Local Plan, Scarborough is defined as the urban area that incorporates the central town area, Newby, Scalby, Osgodby, Eastfield, Crossgates and Cayton.

The emerging plan recognises that this area is the main centre on the North Yorkshire coast for housing, employment, shopping, leisure, education, health and cultural activities. The Local Plan will seek to:

- Enhance Scarborough's role as the Borough's 'principal town';
- Deliver a range of modern housing and employment premises;
- Strengthen the identity and role of Scarborough Town Centre;
- Develop a strong sense of place with well-designed buildings and public realm within a clear framework of routes and spaces;
- Create and improve networks, corridors and areas of green space, including the urban fringe, to enhance biodiversity and opportunities for recreation;
- Improve public transport systems and services and increase opportunities for walking and cycling.

To do this the Local Plan will:

- identify and allocate sites to accommodate over 9000 dwellings across the Borough, the majority of which will be within the Scarborough Urban Area through to 2020;
- continue to support employment growth especially within Scarborough Business Park and protect adjoining land for the long term growth prospects of the town;
- promote the vitality of the town centre and identify relevant opportunities for redevelopment within or on the fringe of the town centre boundary.

### **The growth potential – what will it look like in by 2020?**

#### Housing

By 2020 the Scarborough Borough Local Plan will have been adopted for a number of years. The level of growth of house numbers will exceed the 'boom' years of the early 2000's. The level of housing proposed through the Local Plan

will be around 490 dwellings per annum meaning that between now and 2020, up to 3000 new dwellings will be built. This represents a 34% increase on the previous housing target for the Borough (366 dwellings per annum) and a 57% increase over the delivery rate of 312 dwellings per annum over the period 2004-2013 representing the greatest level of growth within the Borough in the post-war period.

Whilst this figure is for the Borough as a whole, Scarborough will be the focus for growth and will see the majority of this development with the completion of existing large schemes at Cayton (West Garth), Scalby (High Mill Farm) and Eastfield (Middle Deepdale). These will be supplemented with further large housing schemes to the north and south of the town totalling circa 4500 dwellings that could commence construction prior to 2020 and provide the town with a supply of housing sites up to and beyond 2030.

An exact number of completions for Scarborough up to 2020 is unknown but it is likely that housing completions will make up at least 60% to 70% of the Borough's total.

### Employment and Jobs

As previously stated, Scarborough is the main focus for development. In particular, new large-scale housing developments within the wider Scarborough Urban Area will deliver a greatly expanded population and workforce. This increase in population is required to support the predicted growth of the local economy, i.e. a larger number of economically active people of working age will be required in order to fill a larger number of jobs.

Growth in the local economy will be achieved across various sectors and varying means, and can be described accordingly;

- **Trend based growth sectors** - Based on the most recent outputs of the Regional Econometric Model (REM), the number of full time equivalent jobs (FTEs) in Scarborough Borough is predicted to increase by around 1000 by the year 2020. The majority of these employment opportunities are likely to be delivered in Scarborough town itself due to the nature of the main growth sectors, namely; Retail, Education, Health and Residential Care & Social Work. The figures produced by the REM are trend based, whereby sectors that do not currently have a presence within an area will not be picked up.
- **New and emerging sectors** - There are two new sectors emerging within the Borough that are not factored into the REM projections. The potential construction of a potash mine near Whitby and the proposed off-shore wind farm at Dogger Bank have the potential to deliver significant economic growth. The potash mine in particular could deliver around 1,500 jobs in the local area from the time it is planned to open (2017) to 2024. Of these jobs, approximately 550 are related to supply-chain services that should be accessible to the mine itself. Therefore, the current availability of high quality, serviced land for industrial and business use at Scarborough Business Park means that the area is well placed to capitalise on opportunities presented by this emerging market.
- **Expansion of local businesses** - By updating the Employment Land Review and working actively with key local businesses we have been able to identify those that have aspirations to grow that would have otherwise not been identified by the trend based econometric model. Alongside the emergence of the new potash and off-shore wind sectors, the wider engineering and manufacturing industry is likely to grow by the year 2020, with at least two major employers proposing to develop new production plants/R&D facilities in the Scarborough area.
- **Construction industry** - In addition to the sectors identified above, the construction industry is likely to grow very significantly by 2020. The delivery of new housing, emerging industries and other leisure based projects, such as the proposed Scarborough Water Park and the Weaponess Sports Village, could create an additional 4,000 jobs within the Borough albeit on a temporary basis.

Scarborough currently has a large supply of developable employment land (55 hectares). The vast majority of this land (44 hectares) is located at Scarborough Business Park, with the remaining 11 hectares spread across the Scarborough area.

Scarborough Business Park received significant investment in 2007 to provide the supporting infrastructure required to open up and access around 32 hectares of new employment land. This investment has delivered an internal road

network, improvements and connections to the surrounding road network, drainage solutions to sensitive groundwater issues, a comprehensive landscape scheme and a fibre-optic broadband network in order to provide prospective occupiers with high quality and accessible land to meet the needs of modern businesses.

The emergence of new economic sectors within the Borough should provide the catalyst for increased development at the Business Park. The proposed potash mine alone has the potential to generate demand for approximately 11 hectares of employment land across the Borough by 2024. It is reasonable to assume that around half of this land could be taken up at Scarborough Business Park.

In addition, consultation undertaken as part of the Local Plan process has revealed that 4 hectares of land will be required for the expansion of existing businesses in the Scarborough area.

Taking all of these factors of demand into account, approximately 15 hectares of land in the Scarborough area could be taken up by the year 2020. It is considered that the remaining vacant land will continue to provide flexibility in terms of the Borough's ability to swiftly and efficiently respond to the fluid nature of the emerging economic sectors.

### **What has happened to date?**

Over recent months and years the economy appears to have responded positively in the Scarborough area with a number of large scale housing approvals and employment consents.

**Housing:** Scarborough Urban Area has permission for three major housing schemes, being:

- (a) Middle Deepdale (under construction) – situated to the north of Eastfield and straddling both sides of The Dell this site accommodates 1350 dwellings including affordable housing and at least one extra-care facility. The area will also house a primary school and will see the strategic link road completed between Musham Bank Roundabout (A64 trunk road) and the A165. The full delivery of the site will take a number of years depending on the number of housebuilders on site at any one time. For the purposes of the housing trajectory, it is assumed that this site will take 9 years to complete. In the longer term there is the potential for further expansion of this site to the North-East, North West and West and could accommodate further 1500 dwellings subject to detail investigations. These additional sites will be considered through the emerging Local Plan.
- (b) High Mill Farm, Scalby (access constructed - awaiting formal commencement) – situated to the north and east of Scalby this site makes provision for circa 460 dwellings including a number of live-work units (see also employment proposals). An application has recently been submitted for the Reserved Matters for this site for Phases 2, 3 and 4. On commencement (expected to be within the next year) this site will take around 8 years to build-out, however, this could be reduced if multiple housebuilders take out options on the site. To the north of this site is additional land submitted for housing in the Local Plan for up to 1000 further dwellings. This site will be considered through the emerging Local Plan.
- (c) West Garth, Cayton (under construction) – situated directly to the south of Cayton between the existing settlement and the Scarborough – Hull railway line. This consists of around 170 dwellings and has seen at least 40 dwellings completed in the first year. It is likely that this will be completed within 2-3 years. Adjacent to this site is the proposed strategic allocation, 'South Cayton'. This proposal is for up to 2300 dwellings, a link road, a central hub with primary school and community facilities, recreational and sports facilities and linkages to both Eastfield District Centre and the Business Park. This is being considered through the emerging Local Plan.

In addition to these large housing schemes there are outstanding permissions for numerous small scale new build and conversions across the urban area which cumulatively total 423 units, most of which will be completed by 2020.

**Industrial Employment:** Scarborough Urban Area has permissions for the following:

- (a) Scarborough Business Park, Eastfield - Outstanding outline permission for B1, B2 and B8 uses, car showrooms, hotel, ancillary retail, associated highway works, car parking and landscaping. Part of this site has been developed over recent years for industrial use and there is around 28ha remaining in extant planning permissions.
- (b) High Mill Farm, Scalby – 1 hectare of land for B1 use as part of a mixed residential and employment development.

**What are the issues/barriers to achieve this growth?**

The perceived peripherality of the town is often seen as a barrier to growth. However, with the improvement of high-speed broadband connectivity and industries becoming more footloose this is not necessarily the barrier to growth it once was. Notwithstanding this, there will always be investors who will be reluctant to invest due to the current level of connectivity the town has to the wider UK road, and to a lesser extent rail, network. The A64 trunk road is only partially dualled between Scarborough and York.

With reference to the wider A64 trunk road, all local authorities through which the A64 trunk road passes have for many years had a desire to see it upgraded to improve access to / from the eastern areas of North Yorkshire and the Yorkshire coast as well as to improve road safety. It has long been recognised that the relatively poor standard of this section of the A64 trunk road is a significant constraint on the economies of the eastern areas of North Yorkshire. In an attempt to secure long term improvements along its length from the Coast to York the local authorities and Highways Agency are about to enter into a Memorandum of Agreement to establish a framework of effective co-operation. The improvements sought will support growth at York, Malton and Scarborough, whilst addressing safety concerns and taking account of sustainability and environmental issues.

Whilst the town is connected to two railway lines with services providing regular access to York / Leeds / Manchester and Bridlington / Hull / Sheffield the station at Seamer is in need of improvement, specifically in terms of its accessibility. The station has no direct pedestrian links to the Business Park (which is likely to be the base for the new University Technical College) and the vehicular access to the station is generally poor with limited parking provision. Early discussions have taken place with the County Council to assess the feasibility of relocating the main vehicular entrance off Dunslow Road Roundabout providing additional parking capacity as well as a footbridge over the A64 trunk road to provide direct pedestrian linkages to the Business Park, Morrisons and the residential areas of Eastfield, Cayton and the Middle Deepdale expansion.

Further to the transport barriers, there are not considered to be any physical show stoppers to growth from a planning perspective. The main issue is the provision of the infrastructure required to support the growth proposals in the Local Plan. The infrastructure requirements have been identified within the Infrastructure Study (Dec 2011) and subject to appropriate mechanisms for securing investment from development should not present a barrier to growth.

These generally relate to the impact of new housing development including:

- The requirement for new schools or classrooms;
- Expanded health facilities;
- Open space, recreation and sports facility provision;
- Junction improvements within the centre of Scarborough to improve capacity;
- Improvements to Dunslow Road Roundabout and Musham Bank Roundabout.

In addition to the above, four barriers to growth have been identified by the economic development service principally relating to;

- lack of serviced land
- a low business density

- a narrow employment base
- a low skilled workforce

In order to address these barriers, the regeneration objectives of the Council and its partners are to;

- develop more serviced land
- create more new businesses and support existing businesses to grow
- diversify the economic base through supporting new sectors
- upskill the local economy

#### **Develop more serviced land**

- Scarborough Business Park

£8m invested. Site fully serviced with Next Generation “superfast” broadband and open for business. Enquiries are slow at the moment but are expected to pick up in 2014.

- Whitby Business Park

£2.5m Growing Places Fund bid secured, which along with the £1m from CCF will develop 3 new access roads and open up 30 acres of new serviced land.

#### **Create more new businesses and support existing businesses to grow**

- Scarborough Job Match

The Council and partners assessed the support provided to assist local companies to recruit and the unemployed to return to work and identified gaps in the system and opportunities to add value to the work of Jobcentre Plus. The Borough Council commissioned Groundwork North Yorkshire to deliver Scarborough Job Match.

This was a 3-year job-brokerage project funded through the RDA and ERDF. The project worked closely with both employers on all issues of recruitment and retention, and with people looking for work. The project has worked with more than 3000 clients, created more than 1000 jobs and assisted more than 300 companies with their recruitment. The Project ended in June 2012. Phase 11 of the project is now up and running and has placed over 200 unemployed residents into employment to date and 57 people into technical apprentices with a target of 250 by 2015.

- Scarborough Enterprise Match

The aim the project is to improve the economic performance of Scarborough, by increasing the number of business start-ups, improving business survival rates and creating jobs. The Council and partners assessed the provision of business support available through Business Link and the Enterprise Agencies and identified gaps particularly in pre-start provision and intensive support and mentoring of young and existing businesses, including social enterprises. This project has become even more important following the demise of the RDA and Business Link.

A 3 year ERDF funded project, the Borough Council works with partners to deliver a programme of intensive start-up support, and support to existing businesses. Our partners are Yorkshire Coast College, Leeds, York and North Yorkshire Chamber of Commerce and the local Council for Voluntary Services. The service is branded the Yorkshire Coast Business Gateway and has supported over 200 business start-ups in the last 2 years.

#### **Diversifying the economic base**

There are two major new opportunities to radically change the economic fortune of the Borough and create new employment and wealth:

#### **Potash**

- Actual site for mine now determined and is within the National Park area between Scarborough and Whitby
- Planning Application to be submitted by July 2014
- Aim will be to commence construction of mine and processing plant during 2014
- 2 main phases of job creation
- First phase will be construction: will create around 1500 construction jobs over an 18 month period and could result in significant temporary accommodation implications.
- Second phase; direct employment in mine will be around 1000 permanent jobs.
- High proportion of jobs will be highly skilled: Engineers, technicians etc, plus high level professional skills. Will be on higher than average salaries. Specific labour requirements will mean significant proportion of employees recruited from outside the Borough.
- Could be up to 2000 jobs in support/supply chain services. Nature of supply chain jobs still to be determined but likely to be across all sectors.
- Overall social and economic impacts still to be fully assessed. Will be significant positive impacts in terms of jobs and economic impact, but likely to be some social impacts, especially in terms of housing.

#### **Offshore Wind**

Significant economic opportunities will arise through development of an Offshore Wind Farm at Dogger Bank and Westernmost Rough. These sites will see the installation of over 2500 new wind turbines, the supply of over 25% of the country's electricity and the creation of an estimated 10,000 jobs. SBC is currently working with other neighbouring authorities (East Riding and Hull) to capture as much investment and maximise economic potential as possible.

Work is ongoing to develop the wind turbines at both sites. Potential opportunities for the Borough include:

- Port infrastructure and preparedness - principally Whitby but also Scarborough to include activities such as fuel provision, berthing, wharf space etc.
- Developing capacity of Operational and Maintenance industries within the Borough i.e. establishing supply chain networks and the provision of land etc.
- Skills and employment training i.e. developing curriculum, apprenticeships and industry specific training pertinent to this developing sector.

#### **Upskilling the local economy**

A fundamental link exists between the skills base and economic development. The availability of appropriate skills in the local economy contributes significantly to economic growth and the economic well-being of an area.

SBC are working with partners to create a more demand led system, in which the needs of employers lie at the heart of employment and skills provision.

In 2008 the Council undertook a comprehensive Employer Needs Survey to get an employer perspective of the labour market. This research found skills shortages across all skills sets and all sectors, particularly for those positions requiring higher level technical skills. The research also identified that employers were struggling to recruit into technical positions or to find young people with the attitudes and aptitudes to make good apprentices. This problem is current and ongoing.

The North Yorkshire Coast Employment and Skills Partnership was established as a result of these findings, with the key aim of meeting the skills needs of local employers. The partnership took a sector-focused approach.

The partnership agreed to focus first on manufacturing, one of the key employment sectors in the Borough. This led to the establishment of the Engineering and Manufacturing Forum. A more detailed Employer Needs Audit identified



that, with a rapidly ageing workforce, replacement jobs alone are 1700 through to 2020. Clearly, there are major skills shortages in the local economy which will be further exacerbated by new economic growth.

The Borough has since organised its first Business and Education Summit including key employers and out schools, colleges and university which has agreed to develop an Employment and Skills Employability Programme which will deliver;

- Aim Higher aspiration raising programmes in our most disadvantaged communities
- Develop a schools employability programme including enterprise weeks/work experience/placements/careers advice/teacher secondments
- Utilise SJM/SEM to assist school/university leavers into employment
- Develop a drive towards a “Scarborough Apprenticeship”

The NYC-ESP has now dissolved and the work on the Employability Charter has been taken forward by former partnership members in the guise of the Employability Charter Working Group.

The Yorkshire Coast Employability Charter is an agreement between local schools, colleges and employers to work together with the aim of:

*Supporting every young person on the Yorkshire Coast to gain the knowledge, skills and personal qualities required to find employment and thrive in the workplace.*

Many employers and schools are currently signing up to the Charter which will build on existing links between schools/colleges and employers to increase both the volume and quality of this activity to a level that has a significant impact on young people, on employers and on the coastal communities.

In parallel, employers have been very proactively driving engagement as illustrated by Scarborough Engineering Week which has built from approximately 600 students attending in year one to this year’s event (Year 4) attracting over two and a half thousand young people to the Spa to explore the opportunities on offer from a wide range of employers, mainly but not exclusively in the engineering, manufacturing and technology sector. This event is driven and funded by a group of local employers; Scarborough Business Ambassadors (with Borough Council and NYBEP support) and involves a wide range of partners.

#### **CASE STUDY: YORKSHIRE COAST EMPLOYABILITY CHARTER**

The principle of the Yorkshire Coast Employability Charter is to support every young person in the area to gain the knowledge, skills and personal qualities required to find employment and thrive in the workplace.

The Charter gives local employers the opportunity to engage with schools and colleges in a wide range of activities, from work experience placements to sector-related links with the curriculum, mock interviews, events and competitions. By engaging with local students; employers can actively help to give young people the skills and knowledge to make informed choices about their future, and enable the Yorkshire Coast to grow a strong workforce to respond to the area’s needs and opportunities.

As part of the Charter we are also developing standards that can be applied to employers and educational institutions to measure the support they are giving to improve the employability of young people in the area.

The Yorkshire Coast also needs a reliable and regular supply of engineers and technically qualified young people to support its economy.

With opportunities to support windfarm development, open a new mine, to construct more carbon efficient homes and grow our engineering, manufacturing and construction bases, we need to master the skills deficit and deliver the right skills at all levels, from mechanics and technicians to technical designers and higher level graduate engineers.

It is estimated that the UK needs 1.28 million new science, technology and engineering professionals by 2020. Approximately 40,000 more science, engineering and technology graduates are needed each year just to maintain the status quo.

In Scarborough Borough, engineering and manufacturing employ circa 5000 people in over 250 companies, representing 12.4% of employees. Ryedale has 4,300 jobs (16% of employment) and the East Riding of Yorkshire, 16,400 jobs representing 14.6% of employment. Key sectors across the patch include food and drink, metals, electrical equipment, electronics, plastics, and transport.

Many leading national and international companies are based on the Yorkshire Coast including Plaxton Ltd (coach and bus manufacture), McCain Foods (frozen foods), UPM Raflatac Ltd (labels and laminates), Legrand Electric Ltd (cable management solutions), Bluebird Vehicles (bus manufacture), Unison (tube bending) and Whitby Seafoods. There are over 50 medium to large companies. Key companies in the East Riding and Ryedale include Atlas Ward, Marshalls Aerospace and James Fisher Nuclear.

The development of a University Technical College servicing the Yorkshire Coast and its hinterland is critical to achieving our growth objectives.

The vision is to develop a Scarborough based University Technical College (UTC) to provide a bespoke, highly skilled, technically qualified, well paid and motivated workforce to support growth in the engineering, manufacturing and construction sectors delivering long term sustainable economic growth.

The Scarborough UTC will support economic growth along the Yorkshire Coast and its hinterland servicing a catchment area stretching south to Bridlington and Driffield, west to York, Malton and Pickering and north to Whitby and Cleveland.

This encompasses;

- a manufacturing base of several hundred companies, employing over 15,000 people
- a school catchment area of 13 secondary schools educating 7331 students in the 14 – 18 age range, with a cohort of circa 2000 students in each age bracket

Partners are currently working on the UTC bid which will be submitted to the DfE in May with the new school to open in September 2016.

### **Capital Projects**

There are also a series of key capital projects which will help support economic growth and job creation including;

- Middle Deepdale - a housing development of 1350 homes valued at £280m
- Futurist development - masterplanning of a key seafront site as a £multi-million retail, leisure and housing development
- Sands development - a mixed leisure development including a 21<sup>st</sup> century water park costing £125m
- Weaponness Sports Village – a new multi-purpose community sports and learning facility.

**Solutions/proposals – for 15/16 spend we will still need the project level detail that you have provided already (this should include – housing/employment and sustainable transport initiatives – we will pick up skills and major strategic transport separately although please include in the overall plan for a complete picture if known)**

A programme of proposed actions to overcome the barriers to growth and market failure alongside detailed project plan available at Appendix 1.

The programme includes:

- Facilitation of highways infrastructure to open up housing opportunities at Middle Deepdale Phase 1. (£2m contribution sought)
- Establishment of an Offshore Renewables Hub and facilities within the Borough (£2m contribution sought)
- Implementation of Coastal Protection works to secure the future of Scarborough South Bay Assets. (£10m contribution sought)
- Regeneration of Scarborough Market and surrounding area to provide diversification, enterprise opportunities and vitality into one of the UK's most deprived wards. (£1m contribution sought)
- Establishment of a new Leisure Village within the borough to deliver healthy living and lifestyle opportunities. (£2m contribution sought)
- Funding is sought to overcome the abnormal costs associated with opening up the Futurist Site for mixed use development proposals. (£1.3m contribution sought)

**Outputs and outcomes – again a concentration on 4 key outputs**

- **New Homes**
- **Ha employment land**
- **Private sector investment leverage –this is not the private sector investment for the specific project (i.e. £10m access road £5m from Growth Fund £5m from private) but what the total development is worth (i.e. the £10m road access will help to unlock a private sector investment in new homes and employment of £x)**
- **Jobs directly and in directly created as a result of the growth plans**

*Also just to note at this stage that we are also looking to make the business case for an investment fund which will look at:-*

- *Infrastructure to support our emerging growth sectors (offshore etc..)*
- *Infrastructure investment to unlock employment opportunities in rural and coastal areas and down the A1/A19 corridor*
- *Investments that will improve our visitor economy infrastructure*

## Town Growth Plan – Bridlington

### **Role of the town/ city in the area**

Bridlington is a significant coastal resort on the East Coast of England with a strong tourism, fishing and light engineering heritage.

It is the largest town in the East Riding of Yorkshire with a population of 34,000 people and acts as a service centre for a rural hinterland providing education, social and commercial activities as well as employment for surrounding settlements.

### **Policy context – What does the local plan say?**

Bridlington is a principle town within the draft East Riding Local Plan and sits within the Bridlington Coastal sub area. By 2029 (the life of the Local Plan) Bridlington will have been the focus of most new development in the northern and coastal area of the East Riding. Its role as a premier East Coast resort will have been cemented and complemented by a stronger and more diverse economic base and range of tourism facilities. The town's population will have grown and housing demand met through a combination of adapting the existing housing stock, re-using previously developed sites and greenfield sites in suitable locations.

The need for new retail space in the town will have largely been met in the town centre, which will have been radically redeveloped and reinvigorated by greatly improved shopping, employment, town centre facilities, tourist accommodation and public realm improvements. The town centre will benefit from enhanced links and better integration with the working harbour and its new high quality marina, which will cater for a wide range of water-based activities including sailing and fishing. This will have created a high quality setting for the Spa and surrounding related new development. The stylish town centre will include significant new residential uses. Other seaside attractions will have been improved and added to within the town centre's seafront area.

Those elements which contribute to the distinctive character of the outstanding 'Old Town' area will have been preserved and enhanced, and it will have strengthened its position as an important part of the town's tourism offer. In conjunction with the Heritage Coast of Flamborough Head, Bempton Cliffs and Sewerby Hall, it will provide an attractive alternative coastal tourism experience based on nature, heritage and cultural activity.

The diversification of Bridlington's economy will have been supported by new employment developments at Carnaby and Bessingby Industrial Estates, which together with new office and business spaces in the town centre, will meet the needs of the growing economy. The re-modelled town centre and the stronger economy will have retained many more young, economically active people while the needs of older generations will have been met through improved commercial and community facilities.

Bridlington's public transport links, both road and rail, with larger settlements and its rural and coastal catchment will have been improved and opportunities for walking and cycling enhanced.

Together with the new park and ride facility, this will help manage seasonal parking pressures.

### **Growth Potential**

Bridlington is a very special seaside town. Although a popular place to live Bridlington's heyday as a seaside resort is long past. Although the seaside will remain at the heart of Bridlington's appeal and tourism will continue to be important, the seaside and tourism are no longer the town's economic mainstays.

Bridlington's communities and its businesses have responded well to the sharp contraction in the town's traditional economic base. Many beneficial changes have been made and many more are underway, although the town also recognises that still more is needed.

Bridlington is fortunate in having substantial assets with which to build a more prosperous future.

Two types of asset are particularly important: the town's exceptional natural environment, special history and distinctive built heritage; and its exceptionally strong and committed local community.

A Bridlington Regeneration Strategy and Town Centre Area Action Plan have been developed which aim to promote economic growth within the Town.

The AAP puts forward six strategic objectives for realising the Vision. The strategic objectives are interdependent; together, they build on the progress already made in refurbishing the Spa, improving the offer of Bessingby Industrial Estate and delivering new public realm schemes in the Town Centre. The AAP's six strategic objectives are:

- i. Regenerate the Town Centre to meet the year round needs of Bridlington and its catchment for retail, leisure and other town centre uses, including office space to support the growth of its small business community.
- ii. Create a Marina which includes and regenerates the Harbour and integrates with the Town Centre Primary Shopping Area and Spa.
- iii. Create a good quality, well-designed and varied Town Centre residential offer.
- iv. Make the Town Centre easily accessible and comfortably usable all year round.
- v. Create a strategic framework of new and enhanced public spaces and pedestrian environments in the Town Centre.
- vi. Raise design standards in the built environment and conserve, recover and enhance the Town Centre's distinctive historic character.

The town centre Area Action Plan offers the opportunity to create new local jobs in a variety of sectors, support new business development, deliver a range of housing to support town centre growth as well as improving the local environment and streetscape.

The evidence base for the Bridlington AAP suggests that the development will result in between 1,970 and 2,850 new employment opportunities over the AAP plan period and up to 600 new houses.

The Humber renewable energy super cluster has the potential to create up to 12,500 direct jobs<sup>36</sup> in the Humber and Yorkshire Coastal areas and the scale of the proposed development could see the area becoming an internationally important hub for the offshore energy sector. Bridlington Harbour is uniquely placed to service their construction and ongoing maintenance. However in order to realise this opportunity, investment will be required to ensure the harbour and future marina have the capacity and facilities which will be required by the offshore wind industry.

Over the past few years there has been a real surge of interest in the high quality natural environment and landscapes of the Yorkshire Coast as a driver for economic growth.

The Yorkshire Wildlife Trust's 2010 report 'Economic Potential of Nature Tourism in Eastern Yorkshire' outlines that, by taking a joined up approach to marketing, infrastructure development and given the natural assets which the East Riding has, the current £9-10m per annum value of nature tourism to local economy could be trebled to £30m within 10 years, supporting 510 (FTE) jobs. Developments such as Yorkshire Wildlife Trust's Nature Tourism, Triangle and RSPB investment in Infrastructure at Bempton contribute to the growth in this sector. The visitor offer in Bridlington needs to be altered to compliment this offer in terms of quality to realise the benefit, especially in terms of the range and quality of accommodation and attractions available.

The remodelling of Bridlington Leisure world provides a new wet weather attraction for the town whilst opening up a site for a new hotel development.

#### **What has happened to date?**

The Bridlington Spa was completed in May 2008 offering a high quality entertainment and conferencing facility which continues to contribute greatly to the economy of the area.

The Bridlington Area Action Plan was adopted in January 2013.

The AAP and includes a planning policy for the development of Bridlington Harbour (policy BridTC4). The development will facilitate a 320 berth marina and a new outer fishing harbour basin, based on a layout agreed with the Bridlington Harbour Commissioners (who have statutory responsibility for the operation as a Trust Port).

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<sup>36</sup> Humber renewable Energy Super Cluster (HRESC) Enterprise Zone Bid – Humber LEP June 2011

Allied to harbour improvements the AAP will produce a significant increases in office based services, including jobs in the following key sectors as identified in the Humber LEP's 'A Plan for the Humber':

- Digital, IT media and creative industries; and
- Visitor economy – catering activities, leisure/personal services and entertainment.

The East Riding Economic Development Strategy and the emerging Local Plan both identify tourism as one of the key drivers for economic development in the East Riding, and tourism has a particularly important role in providing for a stronger and more diverse local economy. The Bridlington Tourism Study (2004), highlights that the viability of facilities which attract visitors to the town will be increased if they also serve an affluent local population. The Bridlington AAP therefore provides for increased out-of-season short breaks and business tourism by improving services and facilities, the public realm and the quality of the built environment.

#### **What are the issues / barriers to growth?**

The analyses of Bridlington's economy show that:

- Population growth is Bridlington's biggest advantage, and continued growth is needed for a prosperous future.
- Continued growth requires more housing, and the Town Centre has a key role to play in expanding housing numbers and choice.
- Bridlington has too few jobs, and wages are too low.
- Job numbers and wages need to rise so that employment levels and incomes match at least the East Riding average.

#### **Solutions/ proposals**

In order to meet the 6 strategic objectives which are outlined within the Growth Potential section above the Area Action Plan outlines a number of 'enabling objectives' to meet these objectives within the timeframe of the AAP.

These enabling objectives relate to changes needed in the way land is used and developed in the Town Centre; as well as initiatives covering areas such as marketing, tourism, small business development and local labour market – needed to deliver the Regeneration Strategy's strategic objectives.

The key enabling objectives, together with the rationale for each, include:

*i) Assemble sites to create the size and quality of development opportunity that the private market will respond to and deliver the development sought by the AAP.*

One of the key obstacles to the investment needed in Bridlington is the lack of attractive development sites, together with the costs and risks entailed were the private sector to attempt to assemble such sites themselves.

The AAP, therefore, lays the foundation for the public sector to use its powers of compulsory purchase to assemble such sites where needed and justified.

*ii) Create a 'primary retail circuit' by siting a second concentration of new retail floorspace – a 'second anchor' to extend the existing primary shopping area and relate well to the established 'anchor' of the existing primary shopping streets.*

The Town Centre lacks, but needs, this primary retail circuit to concentrate and direct pedestrian flows, and the town centre needs to expand to accommodate the additional floorspace required to capture forecast spending growth in the catchment and raise expenditure retention to competitive levels. The new concentration of retail space also needs to avoid the Seafront area, and shift the focus of retail activity away from it.

*iii) Unite the Spa to the Harbour and heart of the Town Centre core, so that the Spa becomes an integral and functioning part of both.*

The Spa, now refurbished, is a huge asset that needs to work to the advantage of the whole of the Town Centre. The key to this is the Spa's successful integration with the core of the Town Centre. The £6.7 million Spa Gardens scheme, funded by the Council and Sea Change grant and Yorkshire Forward, is a first step; the Marina, which incorporates and regenerates the existing Harbour, will complete it.

*iv) Open up the Gypsy Race corridor, making use of this historic water course to provide a new park, setting for development and attractive pedestrian and cycle spine linking the railway station to the Harbour Top.*

The Gypsy Race is a hidden and under-exploited asset which ‘naturally’ connects the Coach Park site and railway station to the Harbour. The developments in its vicinity turn their backs onto the Race; and large areas of under- and poorly used land on either side of it drag on the appeal of the Town Centre and impinge adversely on adjoining properties in key parts of the Town Centre.

**v) *Plan for and promote a small business workspace scheme in the Town Centre, emulating in the Town Centre the success of the Bessingby Business Centre.***

The lack of well-specified, purpose-built, small business space, including small offices, needs to be addressed. Easy-in, easy-out workspace, coupled with onsite support services (e.g., secretarial, meeting rooms, easy access to high speed wifi/broadband internet support) and supported by business management services has proved a successful formula that needs to be emulated in the Town Centre.

**vi) *Plan for and promote new hotel development in the Town Centre, with a priority for hotel accommodation to support the Spa.***

The Spa’s success will ultimately depend on a better quality and wider choice of overnight accommodation in the Town Centre. Of particular importance is securing a good quality hotel (3 star +) to relate to the Spa. Success will depend in part on offering a good quality site.

**vii) *Protect and enhance the historic character of the Town Centre and wider AAP area.***

One of Bridlington’s assets is its distinctive history and its legacy in the built environment of the AAP area. This character is at risk from insensitive conversions, poor quality shop front fascias (with little coherence in the townscape as a result) and poorly designed new buildings. These all work against the Town Centre’s competitiveness. Distinctive character and design are key aspects of competitiveness, and a key aim of the Regeneration Strategy is to raise standards substantially. The Bridlington Quay Conservation Area designation is a critical first step.

There is obviously scope for the LEP to support the delivery of these enabling objectives and four projects have been developed for inclusion in the York & North Yorkshire LEPs growth deal programme focusing specifically on the delivery of the Bridlington Town Centre Development Project, Delivery of the Bridlington Marina, Delivery of a Hotel through the Leisure World project and delivery of improved town centre businesses premises.

#### **Timetable and profile of investment over the next 5 years**

The table below outlines the timetable and profile of investment up to 2017/18.

2013/2014	Expenditure - Revenue	Expenditure - Capital	TOTAL Expenditure	Regen Reserve	LEP Growth Deal (NYork)	LEP Growth Deal (Humber)	LEP Regional Growth Fund	Discretionary Funding	TOTAL Funding
Coach Park Relocation		275	275	275					275
Harbour Design	100		100	100					100
Brid Town Centre Scheme		1102	1102	1102					1102
Property Acquisition		1400	1400	1400					1400
Brid Spa Environs		37	37	37					37
<b>Total Costs</b>	<b>532</b>	<b>2814</b>	<b>3346</b>	<b>3346</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3346</b>
<b>Other Funding</b>									
2014/2015	Expenditure - Revenue	Expenditure - Capital	TOTAL Expenditure	Regen Reserve	LEP Growth Deal (NYork)	LEP Growth Deal (Humber)	LEP Regional Growth Fund	Discretionary Funding	TOTAL Funding
Business Premises Development	15		15	15					15
Coach Park Relocation		50	50	50					50
Harbour Design	750		750	400				350	750
Brid Town Centre Scheme		700	700	700					700
Property Acquisition		3300	3300	3300					3300
<b>Total Costs</b>	<b>1290</b>	<b>4050</b>	<b>5340</b>	<b>4990</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>350</b>	<b>5340</b>
<b>Other Funding</b>									
2015/2016	Expenditure - Revenue	Expenditure - Capital	TOTAL Expenditure	Regen Reserve	LEP Growth Deal (NYork)	LEP Growth Deal (Humber)	LEP Regional Growth Fund	Discretionary Funding	TOTAL Funding
Business Premises Development	250		250	100	150				250
Bridlington ITP Phase 2		3000	3000			3000			3000
Coach Park Relocation		50	50	50					50
Harbour Design	750		750	400				350	750
Brid Town Centre Scheme		700	700	700					700
Property Acquisition		2500	2500	2500					2500
<b>Total Costs</b>	<b>1525</b>	<b>6250</b>	<b>7250</b>	<b>4275</b>	<b>150</b>	<b>3000</b>	<b>0</b>	<b>350</b>	<b>7775</b>
<b>Other Funding</b>									
2016/2017	Expenditure - Revenue	Expenditure - Capital	TOTAL Expenditure	Regen Reserve	LEP Growth Deal (NYork)	LEP Growth Deal (Humber)	LEP Regional Growth Fund	Discretionary Funding	TOTAL Funding
Business Premises Development	235		235	135	100				235
Bridlington ITP Phase 2		2430	2430	1000		1430			2430
Harbour Design	250	25000	25250	250			12500	12500	25250
Brid Town Centre Scheme		700	700	700					700
Property Acquisition		400	400	400					400
<b>Total Costs</b>	<b>1010</b>	<b>28530</b>	<b>29540</b>	<b>3010</b>	<b>100</b>	<b>1430</b>	<b>12500</b>	<b>12500</b>	<b>29540</b>
<b>Other Funding</b>									
2017/08	Expenditure - Revenue	Expenditure - Capital	TOTAL Expenditure	Regen Reserve	LEP Growth Deal (NYork)	LEP Growth Deal (Humber)	LEP Regional Growth Fund	Discretionary Funding	TOTAL Funding
Harbour Design	0	45000	45000				22500	22500	45000
<b>Total Costs</b>	<b>0</b>	<b>45000</b>	<b>45000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22500</b>	<b>22500</b>	<b>45000</b>

## Outputs and outcomes

### Bridlington Projects Outcomes

Outputs	
New Homes	600 new homes developed during AAP plan period to 2021.
Ha employment land	1.57ha developed in 2015/16
Private sector investment leverage	
Jobs directly and in directly created as a result of the growth plan	Overall between 1,970 and 2,850 jobs in area during AAP plan period to 2021. 150 new jobs in 2015/16



## Annex B – Transport Priority Schemes

### **IMPROVED EAST WEST CONNECTIONS**

#### **Road improvement programme**

##### Section 1 - A64 Scarborough to York

This section of the A64 is part of the strategic road network and is therefore managed by the Highways Agency. It is primarily a single carriageway rural road (with some limited sections of dual carriageway) with frontage development, and the eastern section of the route passes through a number of villages. Traffic flows range from around 22,000 AADT between York and Malton dropping to approximately 10,000 south of Scarborough. A mixture of agricultural vehicles, HGVs and seasonal holiday traffic (such as caravans) lead to a significant degree of journey time unreliability along the route. Major delays are also often encountered at the Hopgrove traffic signal controlled roundabout north east of York.

This section of road links the main growth towns of Scarborough, Malton / Norton and York to each other and onward to the A1 (M). The Yorkshire Coast is where our worst areas of deprivation lie. The LEP priority growth site at FERA also lies directly on this route, it is the main link to the proposed potash site on the North York Moors and a key link to the potential new offshore wind developments.

Proposals for improvements to this section of the A64 are being developed by a consortium of local authorities (North Yorkshire County Council, City of York Council, Ryedale District Council, and Scarborough Borough Council) and the Highways Agency. The consortium members have recently signed a Memorandum of Understanding to co-operate on the further development and delivery of these proposals. The SEP is seeking approximately £50m of funding to provide additional sections of dual carriageway on the A64 to the east of the Hopgrove Roundabout. Exact details of the proposed schemes to be implemented have yet to be defined. It is likely that there will be significant investment nationally in the strategic road network and it is intended that any funding provided from the Local Growth Fund for improvements to the A64 will complement and build on any investment identified by the Highways Agency. At this time the Highways Agency investment plans for the A64 are not yet finalised. It is currently anticipated that delivery of schemes could commence in 2019/20 and be completed in 2020/21.

The LEP is seeking to identify revenue funding to allow investigation and advanced design of longer term transport improvement schemes. It is intended to use this funding to investigate potential village bypasses for settlements to the east of Malton (such as Rillington and Sherburn) with a view to accessing funding opportunities post 2020/21.

##### A64/A162 Tadcaster junction

The A64/A162 junction is a location where a relatively minor improvement could address a major constraint on the economy of the local area. The original trunk road bypass only provided limited turning manoeuvre junctions. This has been identified by local businesses as a constraint to further development and growth due to the poor access to the trunk road from the town and associated internal urban traffic congestion. North Yorkshire County Council is seeking £7.1m to carry out an improvement to the A64/A162 junction at Tadcaster. This improvement would provide two additional slip roads to allow full turning movements at the junction and enable traffic to access the A64 to/from the A1 (M) and Leeds direction. This would benefit businesses in Tadcaster (especially the breweries) and traffic using the A162 from the nearby large industrial areas at Sherburn in Elmet.

### Section 2 - A1079 Hull to York

The A1079 forms the principal road link between the two major cities of York and Hull, and also connects the urban centres of Beverley, Market Weighton and Pocklington which are located along the route. The route plays a vital role in connecting residents to employment and services, tourists to local attractions and businesses to labour, suppliers, and markets. Evidence indicates that up to 18% of the traffic from the Hull and Humber ports uses the A1079 and the route provides the main link between the ports and York and North Yorkshire. Journey time reliability to the port at Hull, particularly for freight, is vital to ensure that the port remains competitive and continues to attract new businesses into the area.

Traffic flows along the A1079 peak at approximately 18,000 AADT and there are high numbers of HGVs (up to 20% along some stretches) resulting in long and unreliable journey times and sections of localised congestion along the route. The majority of the A1079 is constructed to single carriageway standard although there are currently two short sections of dual carriageway along its length. The dual carriageway sections provide an opportunity for drivers to safely overtake HGVs and other slower moving vehicles (including agricultural machinery and caravans), improving journey times and reducing convoying and congestion.

East Riding of Yorkshire Council (ERYC) and City of York Council (CYC) have implemented a number of improvements along the A1079 corridor in recent years which have improved the safety record and accessibility along the route. These improvements are ongoing and in December 2013 it was announced that ERYC had successfully secured £1.5 million from the DfT's Local Pinch Point fund to construct a new roundabout at the A1079 junction with Holme Road at Market Weighton. Despite the introduction of these improvement measures, congestion and safety issues on the A1079 remain a high profile concern for ERYC, CYC and local communities.

The SEP is seeking approximately £12m to provide two additional lengths of dual carriageway on the A1079 in the ERYC and CYC administrative areas. This will improve journey time reliability along this key road link, particularly for drivers travelling to access employment, education, retail and other facilities in York, the East Riding and Hull. The scheme will also be beneficial for freight and other traffic accessing the Humber Ports and other large employment sites in the area.

The proposed scheme will increase capacity along the route and will help to accommodate the increase in traffic flows which is anticipated to take place as a result of the significant proposed development allocated along the A1079 corridor both in the City of York and in the East Riding. New sections of dual carriageway will also reduce driver frustration and the risk of drivers making unsafe manoeuvres by overtaking on single carriageway sections of the route where visibility is often limited.

### Section 3 - A1237 / A59 York to Harrogate

This section of the east-west road network differs from the others in that it has a dual role in providing long distance connections across the LEP area while also catering for local traffic in York and Harrogate and for drivers travelling between the two settlements. As such, the problems on these sections of route tend to be related to urban traffic congestion. The proposed improvements to the A1237 at York and the A1 (M) / A59 junction are summarised in the ease congestion in York and Harrogate sections.

### Section 4 - A59 Harrogate to Skipton

This section of the A59 is a rural single carriageway road linking two of the main growth centres, Harrogate and Skipton, and beyond to the A1(M) in the east and Lancashire in the west. It is a major regional and sub-regional Trans-Pennine route and is characterised by steep gradients, poor horizontal alignment and limited visibility along some sections. AADT flows are between 12,000 and 16,000 with HGVs making up between 11% and 13% of the total traffic volume. Journey time reliability is poor as a result of delays caused by HGVs, agricultural vehicles and holiday traffic (including caravans) negotiating the steep hills. For eastbound

traffic there is a section of climbing lane east of Bolton Abbey which affords some overtaking opportunities; however, there are very few other overtaking opportunities in either direction.

The section of the A59 in the vicinity of Kex Gill (approximately 8.5 miles east of Skipton) runs through a steep sided valley. A number of landslips have occurred in the valley in recent years and despite significant remedial work there is still a risk of further landslips. Should this occur it is possible that the A59 could be closed for a number of weeks, months or potentially permanently. Diversion routes are significantly (15km) longer and pass through the communities of Otley and Ilkley in the Leeds City Region, resulting in significant congestion and delays to both diverted traffic and to drivers that usually travel along these routes.

NYCC have undertaken a series of major improvements to this road over the past 20 years including initial land stabilisation at Kex Gill, a bypass at Bolton Bridge and the re-alignment and provision of a climbing lane on Beamsley Moor east of Bolton Bridge.

The SEP is seeking approximately £23.5m of funding to continue to improve the resilience of this section of the A59 by realigning the route to the north of Kex Gill. There are some environmental difficulties associated with this proposal as the route runs through the Nidderdale Area of Outstanding Natural Beauty and the preferred scheme may have an impact on two SSSI's in the area. However, the route realignment is the only long term solution to remove the landslip risks for the A59. The Kex Gill realignment scheme will also incorporate sections of climbing lane which will provide overtaking opportunities for westbound traffic.

In the longer term (post 2021) NYCC hope to investigate options for further sections of climbing lane at Killinghall Moor immediately west of Harrogate for westbound traffic, and east of Blubberhouses for eastbound traffic. New sections of climbing lane, together with the Kex Gill improvement and the existing climbing lanes would provide overtaking opportunities in each direction. This would reduce convoying behind slow moving traffic and improve journey time reliability and connectivity on this important Trans-Pennine route.

## **Rail Improvement Programme**

### **Leeds-Harrogate-York**

The Leeds – Harrogate – York line is the highest priority for investment and modernisation. A programme of investment is being progressed which will see the line electrified. This will achieve a doubling of service frequency, a 20% reduction in journey time and an improvement in performance of up to 3.34%. A summary of our ambitious investment programme for the line is summarised below.

Scheme	Deliverables	Date	Cost	Source of funding
Local Sustainable Transport Fund (LSTF)	Access, Ticketing and marketing improvements	2015/16	£1.0m,	LSTF Local Growth Fund (LGF)
Harrogate Bus / Rail Station	Improved access, public realm pedestrian improvements	2017/18	£4.5m-£6.0m	LGF
Double Tracking	Double tracking east of Knaresborough – performance improvements and frequency enhancement	2018/19	£12.6m plus £0.5m preparation costs	Devolved major schemes funding (LGF) £9.6 NYCC £3.5m
Levels crossing removal	Removal of level crossings at Starbeck, Belmont Road	2019/20	£32m	DfT / Network Rail

	and Knaresborough			
Signals Renewals	Modernise signals Harrogate – York, improved reliability, reduced cost of railway operation	2019/20	£20m+	Network Rail
Level Crossing Renewals	Safety improvements	2019/20	£18m+	Network Rail
Overhead Electrification	Improvements to frequency, reduced journey times, increase in quality	2020/21	£93m	DfT/Network Rail
IEP Gauge Clearance	Allows new IEP East Coast trains to traverse the route.	2019/20	To be determined.	Network Rail

There is strong evidence that rail plays an important role in generating economic growth (The Value of Station Investment: SDG November 2011). The report highlights the impetus that a well-designed and accessible station can have to the local economy. As an example the Sheffield Public Realm and transport interchange produced an increase of £3.3m to GVA. By applying a similar uplift to Harrogate there is potential for investment in an improved interchange to realise £450k of GVA.

#### York-Scarborough

There are three stations in North Yorkshire on this line at Scarborough, Seamer and Malton/Norton, and a station at York. High Quality diesel trains operate on the line at hourly frequency, continuing on to Leeds, Manchester Airport and Liverpool.

Targeted investments in the line will play an important role in improving east to west connectivity. The aspirations for this line are for a new station at Haxby and rail station improvements at Scarborough. There is also an option for redesigning the bus/rail interchange at Malton and the LEP will look to engage developers in future improvements.

Scarborough station currently presents an obstacle to further growth due to the unattractiveness and poor pedestrian links into and around the town and sea front. The LEP aims to improve the pedestrian priority and signage to ensure the station works efficiently as a gateway for growth.

There are proposed housing and business developments to the south of Scarborough where the station at Seamer is well placed as an access point for employees and for residents of the housing developments. The LEP will work with local businesses and other agencies to ensure the station accommodates their needs for staff, customers and local travel.

#### Leeds- Selby-Hull

This line includes the stations of Selby and South Milford in North Yorkshire. Electrification of the line from Leeds to Selby has been announced as part of the East of Pennines Electrification and will be completed in Control Period 5 (CP5) 2014-2019. Our expectation is that the section of line from Selby to Hull will also be electrified through a partnership with third party funding. This will provide the opportunity to operate faster, cleaner electric trains and reduce journey times. There is an aspiration for station improvements at Selby which would include additional car parking and greater integration with the bus station and the town centre. A key priority is to bring the station up to full Disability Discrimination Act (DDA) compliance with the construction of passenger lifts during the modification of station infrastructure to facilitate overhead electrification.

## **EASE CONGESTION IN YORK**

### **York A1237 Northern Outer Ring Road improvements**

The A1237 York Northern Outer Ring Road is a key strategic and distributor route with traffic flows in excess of 30,000 vehicles per day. The A1237 performs a multi-functional role connecting communities to major business, employment and Park & Ride sites as well as retaining its 'city distributor' role. It provides an important east-west connection between communities in West Yorkshire, York, North Yorkshire and East Riding. In particular it forms an essential link in longer distance routes to the east coast (A64 and A1079) including for freight traffic to the Humber ports.

Congestion and poor journey time reliability on the northern Outer Ring Road limit the efficient movement of people and vehicles around the city, reducing the effective operation of the labour market in the city and suppressing productivity. The A1237 has significant peak hour and off peak congestion and delays on this route also encourage traffic to divert through the city, causing further congestion in the city centre. The inability of the road to cope with traffic flows is limiting development in the city and modelling has shown that if all the planned development within York came forward, by 2026 existing journey times would increase by 270%. Appropriate upgrading will reduce end to end journey times by approximately 20%, but most crucially these will allow the significant development planned at York (in the emerging York Local Plan), included two new settlements and large scale housing and employment development proposals on the north and east of the city. Significant growth is also planned to take place in adjacent West Yorkshire, North Yorkshire and East Riding of Yorkshire that will increase flows on the A1237.

The proposed two-phase improvement of the A1237 will reduce journey times for strategic travellers (estimated to be 15-20% of traffic) using the route between origins and destinations in West Yorkshire, York, North Yorkshire and the East Riding, thereby achieving this LEP's strategic aim of improving east-west connections. Upgrading will also:

- manage new travel demands associated with housing growth, specifically 'Clifton Moorgate' and Monks Cross (sites in the emerging York Local Plan) and their impact on wider flows;
- enable better access to employment, retail, health and leisure sites in York which serve the surrounding population;
- improve journey time reliability;
- deliver a much improved strategic cycle route between the two sides of the river and key employment, residential and retail/leisure facilities;
- increase cycling and walking trips between the residential, employment and education sites in the North and West of the City because the proposed upgrade will reduce traffic in the city centre and enable other sustainable transport measures to be introduced; and
- link workers to employment and businesses to suppliers and markets.

Phase one will provide 'at grade' improvements to seven roundabouts on the A1237 from Wetherby Road to North Lane (Monks Cross), incorporating improvements for cyclists/pedestrians including subways at key junctions. This programme of improvements is to be delivered through the West Yorkshire plus Transport Fund.

Phase two provides the dual carriageway links between the roundabouts and the York, North Yorkshire and East Riding LEP is seeking Local Growth Funding to contribute to the phase two improvements.

### **Sustainable transport improvements in York**

A package of sustainable transport improvements in York is being delivered through the Leeds City Region. Reference is made in this annex because the improvements will contribute to the LEP core action of easing congestion in York.

York has an overarching objective to encourage more trips by sustainable means particularly for inbound commuters. Further enhancement of the comprehensive Park & Ride service is proposed to widen the availability and capacity of the existing service. An additional Park & Ride route is proposed in the Clifton Moor area and extensions to existing sites promoted as demand rises. Improvements are proposed to the interchange at the rail station to encourage more users to travel by sustainable means on the inbound and outbound section of their journeys. Bus network improvements will be progressed across the city where possible to maximise the advantage for public transport. The city's network of strategic cycle routes will be enhanced at key pinch points to overcome and ensure safe routes are available between the city centre and the new development areas. Schemes are being targeted at the strategic growth areas in the centre and north of the city to maximise economic benefit and support the LSTF round 3 revenue bid.

The City of York Council uses Urban Traffic Control systems to manage traffic flows around the city. Further enhancements are proposed to maximise the capacity of the existing highway network and improve the response to incidents which have a disproportionate impact on the network. This will be delivered as part of a Leeds City Region upgrade programme.

A significant proportion of harmful emissions come from diesel vehicles driving through the city centre. City of York Council is encouraging the use of private electric vehicles through the provision of electric charging points at key locations. However, it is anticipated that the removal of emissions will be achieved more rapidly by targeting the larger vehicles operating in the city. The council has an objective that 80% of bus traffic in the city will be electric by 2018. The trialling of electric vehicles and provision of charging points is underway in the city and will be further progressed through the Leeds City Region Growth Deal.

### **EASE CONGESTION IN HARROGATE**

#### **A1 (M)/A59 junction at Allerton Park**

The A59 between Poppleton and Harrogate is a rural single carriageway route carrying approximately 21,000 AADT with 16% HGVs on the approach to Harrogate. It intersects with the A1(M) at a grade separated junction at Allerton Park. Peak hour queuing and delays at this junction are a regular occurrence with queuing on the slip roads occasionally reaching the A1(M) carriageways. Traffic growth as a result of housing and employment development in York and Harrogate is likely to result in significant capacity issues at this junction in the near future. The SEP is seeking £3m of funding from the Local Growth Fund to provide capacity upgrades and signalisation at the A1(M)/A59 junction at Allerton Park. North Yorkshire County Council (NYCC) is working closely with the Highways Agency to further develop this scheme and aim to deliver the improvements in 2015/16.

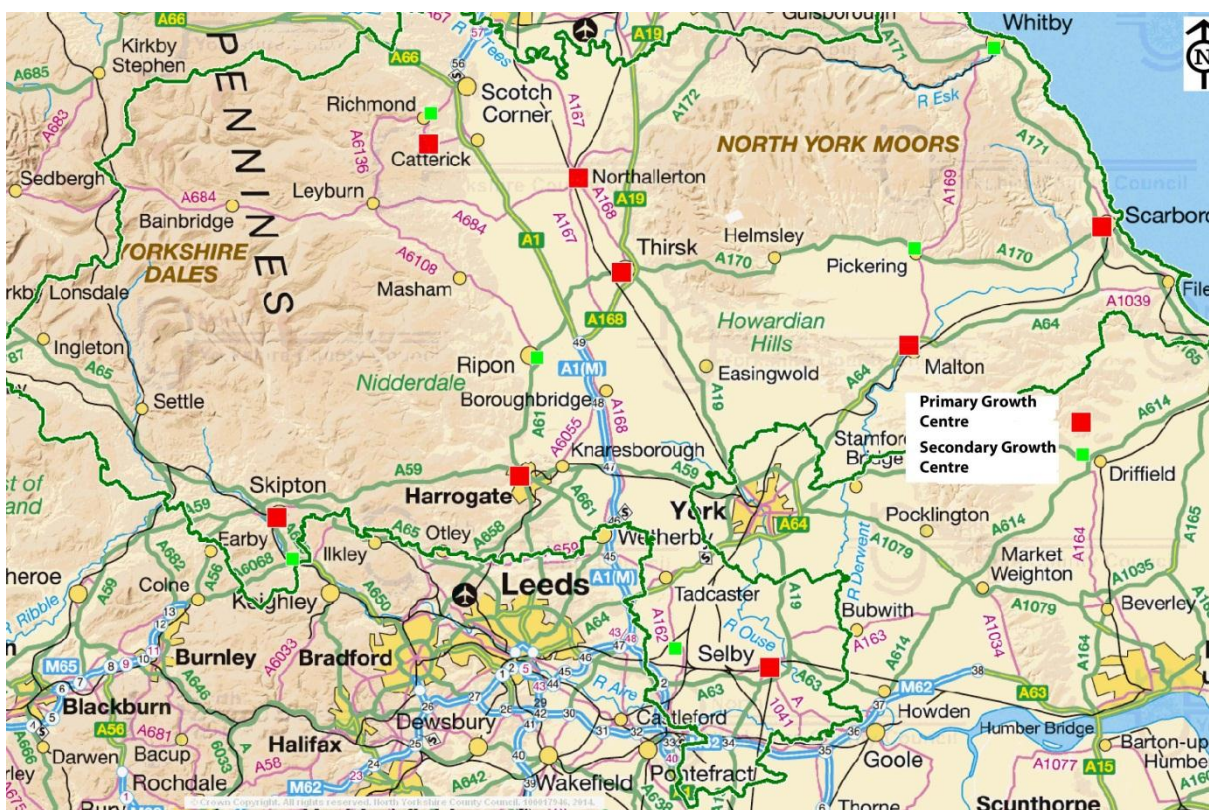
Immediately east of Knaresborough the main Trans-Pennine route diverges from the A59 to utilise the A658 Harrogate Southern Bypass and the A661 and A59 through Harrogate town centre. The mix of local (Harrogate) traffic and longer distance Trans-Pennine traffic on this section of the route leads to regular congestion throughout the day in Harrogate town centre. Urban traffic congestion in the town is a significant constraint to future economic growth and this problem is likely to worsen in future years. In the longer term NYCC hope to use LEP advanced design funding to review the current protected route of the A59 Harrogate Northern Bypass. This will allow NYCC to develop improvement options for this route with a view to accessing funding opportunities post 2020/21. There are also longer term aspirations to alleviate the constraint on the highway network at Starbeck level crossing to ease congestion in the area.

### **ENHANCING THE RELIABILITY OF OUR CURRENT TRANSPORT NETWORKS**

### Maintenance of rural connectivity to North Yorkshire growth centres

The North Yorkshire economy is not built on a single big urban area like for example Leeds. Its economy consists of a number of smaller market towns and service centres. Figure 1 below shows the main service centre in North Yorkshire. These are the hubs of economic activity and employment both for the towns themselves and for their surrounding local hinterlands. Connections to the rest of the county, between the service centres and to their satellite villages are vital to their continued economic vitality. In a rural area like North Yorkshire travel distances tend to be greater, travel times longer and more lower 'category' roads are used.

There are also economic benefits to specific sectors. For example, improving the reliability of rural routes to remote forestry sites can open up new areas for sustainable woodland management. This supports the growth of the forestry sector by reducing the transport costs of timber haulage thus making remote sites more viable for timber production. Increased productivity leads to associated job creation and an increased supply of locally produced timber to the market in North Yorkshire and the surrounding areas.





backlog is the number one transport priority for the County Council and as such the County Council has a long term programme to help address the issue.

The LEP is therefore seeking £24m of funding in the period 2015/16 to 2019/20. The bid is for LGF funding of £5m per year for the first 4 years and £4m in 2019/20. However, the County Council is able to deliver investment in maintenance of up to £12m in each of 2015/16 and 2016/17 should there be a desire or need to front load the allocation. The County Council has agreed an additional allocation of at least £5m per year 'match funding' (in 14/15 and 15/16) from corporate finances. Furthermore, the whole of the LTP maintenance block allocation continues to be invested in maintenance and the majority of the LTP Integrated Transport Block allocation continues to be reallocated to highway maintenance. Depending on the success of the LGF bid NYCC may consider a further £5m per year of match funding (for 16/17 to 18/19) from corporate capital resources (not LTP capital).

The County Council has already taken significant steps to improve efficiency in the delivery of highway maintenance works. Additional maintenance funding allocated from the Local Growth Fund will be allocated and utilised in accordance with the on-going commitment to improved efficiency through the principles set out as part of the Highway Maintenance Efficiency Programme. Further details are available in the SEP.

Table 1 below sets out details of the programme of investment on those roads serving the primary growth centres where the majority of the economic growth in North Yorkshire is expected to occur.

<b>Service Centre</b>	<b>Cost (£k)</b>
Catterick Garrison / Colburn	1056
Malton / Norton	5317
Scarborough	1547
Selby	3876
Skipton	967
Harrogate	3087
Northallerton	5578
Thirsk	3024
<b>Total</b>	<b>24452</b>

**Table 1 – Rural Connectivity to Primary Growth Centres Programme**

These proposals are consistent with the letter from the Rt. Hon. Patrick McLoughlin to County Councillor John Weighell (Leader of North Yorkshire County Council) dated 13 March 2014 in which he states "I would encourage you to work with the Local Enterprise Partnership in your area in respect of additional funding through any Local Growth Fund for highways maintenance".

#### East Riding of Yorkshire – A Road Highway Maintenance Package

As a large and predominantly rural authority the ERYC manages an extensive highway network of approximately 2,000 miles (3,300km) of carriageway, which supports 26 million journeys a year. The EYRC currently repair approximately 1,450 potholes per year on the 'A' road network. Around 15% of road based insurance claims to the EYRC are based on defects on the 'A' roads, equating to around 55 'A' road claims per year. The average claim is for approximately £3,000, meaning that a potential £165,000 could be paid out in insurance claims for the 'A' road network each year.



Based on repairing 1,450 potholes per year on the EYRC's 'A' road network, with a typical repair time of one hour and an average delay of one minute per vehicle, the cost of delays attributed to reactive roadwork's is estimated at £380,600 per annum. This is in addition to the compensation payments and associated administration costs per year attributable to the 'A' road network. This means that reactive maintenance works cost the local economy approximately £568k per annum in time lost to individuals and businesses due to roadwork's as well as insurance pay-outs and administration costs. There will also be costs incurred due to other factors such as reduced journey time reliability, increased carbon emissions, significant increases in journey times and associated fuel costs due to diversions, loss of passing trade for businesses and driver frustration, which have not been quantified at this stage.

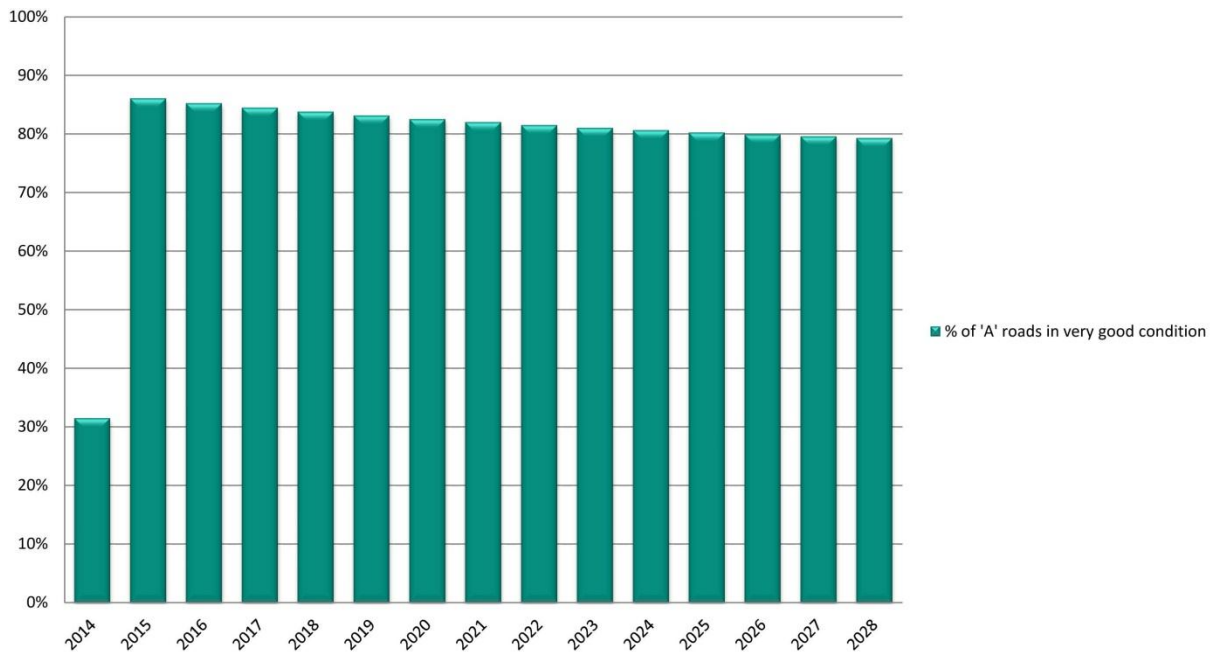
The EYRC's draft Local Plan includes a settlement hierarchy to ensure that an appropriate level of future development takes place in the right locations. Most new development will be delivered in the Haltemprice Settlements and the East Riding's four Principal Towns (Beverley, Bridlington, Driffield and Goole) and seven towns, supporting their role as the key centres for population, employment, services and facilities. These key settlements are linked by the EYRC's 'A' classified road network, both of which are shown on the map included below.



There is a considerable degree of travel both between these core settlements and from these to other towns and cities outside the East Riding administrative area. Maintaining the key 'A' road links between the main settlements will have the biggest impact in terms of supporting those travelling to access employment, education, healthcare, retail, leisure and other facilities, as well as ensuring business efficiency by reducing delays and diversions on the network.

This LEP is seeking £16.7m of funding from the Local Growth Fund to implement a package of maintenance works on these roads based around reducing the costs and delays associated with reactive road works and

developing a planned maintenance improvement regime for each of the 'A' roads to improve the condition of the network as set out in Figure 2 below.



**Figure 2 – EYRC 'A' Road Network Condition**

#### Newland Bridge - Link from Drax to M62

Newland Bridge carries the A645 over the River Aire on the border between the East Riding of Yorkshire and North Yorkshire. The A645 links the two key local settlements of Goole and Selby and provides a direct route from Goole Docks and the M62 motorway to Drax Power Station and Drax village. The LEP is seeking £1.45m to address exceptional damage on the bridge resulting from ground settlement which is a consequence of the underlying peat layers. The damage currently restricts the passage of large loads and could ultimately lead to the closure of the bridge to traffic. Closure of the bridge (and therefore the A645) would have a significant impact on the economies of Goole and Hull and additionally would have a major impact on the feasibility of the biomass conversions at Drax energy plant and on the White Rose Carbon Capture and Storage project jeopardising the potential for over 1,250 construction jobs and 60 operational jobs.

## Annex C – A Local Growth Plan for the Yorkshire Dales National Park; North York Moors National Park; Nidderdale Area of Outstanding Natural Beauty; and Howardian Hills Area of Outstanding Natural Beauty

### Rationale

The rural uplands of the two National Parks and two Areas of Outstanding Natural Beauty (AONB) cover well over a third of the land area of the YNYR LEP. 'The Dales' (Yorkshire Dales and Nidderdale) and 'the Moors' (North York Moors and Howardian Hills) are each iconic national 'brands'. They provide an outstanding range of economic and environmental benefits – wildlife, water, food, wood products, minerals, carbon storage, recreation – based on their natural resources, landscape and cultural heritage.

They are generally characterised by 'High Nature Value', extensive livestock farming – often at the margins of economic viability – which shapes the magnificent landscapes on which a huge visitor economy depends<sup>37</sup>. There are also some areas of mixed and arable farming where there are opportunities to maximise profits and food production in a sustainable way that also delivers environmental outcomes. Employment levels are high but median income levels are low. Micro-enterprises and self-employment dominate.

These conditions create a number of place-specific opportunities and challenges, which require a locally-tailored approach – recognised in the 'Economic and Investment Strategy' being prepared by the YNYR LEP. The four bodies – working with other local partners – could help the LEP to deliver a number of programmes that would enhance these living, working upland landscapes and provide a key element of the 'Remote Rural' spatial area in the LEP Strategy:

- improve the resource efficiency of 'High Nature Value' upland farming;
- develop green, high-quality tourism with a unique, locally-distinctive offer;
- support a locally-led, environment-based economy of micro-businesses;
- develop 'Green Infrastructure' that provides services to the wider economy;
- provide skills and training, including apprenticeships and volunteering opportunities; and
- increase production and deliver better environmental outcomes in arable farming.

### Programmes

#### **1. Improve the resource efficiency of 'High Nature Value' upland farming**

Farming in these landscapes is generally characterised by small (<100 ha) livestock farms. These farm businesses depend on the public funding (typically 25-45% of turnover) that is paid for the exceptional 'public goods' that they provide. However, this funding is under threat of being reduced over the medium term. There is an urgent need for these businesses to adapt to enable them to develop, reduce costs and sustain income levels.

- a. Upland Farm Business Advice** – provide farmers with tailored 'whole farm' plans with recommendations for the farm business that will bring both economic and environmental enhancements. These could include: business improvement and efficiency measures; business development measures (e.g. new non-farming enterprises) and natural environment enhancement measures. The agreed economic recommendations would be implemented by the farmer from rural economic development funds directed by the LEP's strategic investment programme, or relevant LEADER programmes, as appropriate for business improvement, skills training, improving efficiency or improving/developing non-farming enterprises and tackling collaborative solutions to any underlying structural issues. This has the potential to join up, and then build on, the existing services provided by NPAs, AONBs, Natural England, the Forestry Commission and others.
- b. Local Woodfuel** – provide an integrated woodfuel advisory service to overcome the existing barriers to uptake, and develop local woodfuel supply chains and business networks. Most Dales and Moors farms are 'off-grid', relying on more expensive solid/liquid fuels for heating. A recent case study in the Yorkshire Dales showed that switching from LPG to local woodfuel led to annual savings of over £5,000

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<sup>37</sup> In 2011, it was estimated that visitors to the National Parks in Yorkshire spent some £962 million, supporting 17,000 jobs in the region. 'Valuing England's National Parks', National Parks England (2011).

per year (in reduced fuel bills + income from the Renewable Heat Incentive). This would make a significant difference to the viability of farm businesses (whose average net income is around £10,000). As well as providing fuel for their own needs, there is also considerable opportunity to develop local supply chains to provide woodfuel to a wider market, and generate additional income. This would bring significant environmental benefits through carbon reduction and improved woodland management.

## 2. Develop green, high-quality tourism with a unique, locally-distinctive offer

Based on VisitEngland's research, the Yorkshire Dales and North York Moors are two of the country's best known destinations<sup>38</sup>. However, STEAM<sup>39</sup> data shows that the Yorkshire Dales' tourism economy has been stagnant for at least the past 3 years, while the value of tourism in the North York Moors declined by 4.4% in real terms between 2007 and 2010. Both NPAs are working with the private sector on programmes of work to raise the profile of the two National Parks and to support the tourism economy.

In both 'the Dales' and 'the Moors' tourism business networks have recently been established, and productive local tourism partnerships are in place. Both partnerships have developed action plans to deliver a locally-distinctive tourism offer that will help to match the VisitEngland target of a 3% real growth in the value of tourism year-on-year, attracting more tourists to the National Parks and AONBs in line with the principles of 'wise growth'<sup>40</sup>. The next step, subject to funding, is to build on this work and take it to a new level — based on local distinctiveness, to give a unique competitive advantage against other destinations.

- a. **Tourism Delivery Plans** – implementing the action plans already developed, including: local tourism product and profile development; improving the quality and variety of the marketing of what is distinctive about the two areas; helping businesses to promote their 'sense of place'; increasing visitor numbers in the 'shoulder' seasons (autumn and winter); and, persuading more day visitors to stay overnight.
- b. **Tourism Business Networks** – provide support and advice to develop high quality tourism through bespoke mentoring and capacity building for tourism businesses. Most tourism businesses are small establishments with little spare time available for business development, training and marketing. The two tourism business networks already cover over 450 businesses, and are currently run on a voluntary basis with admin support from the two National Park Authorities (NPAs).

## 3. Support a locally-led, environment-based economy of micro-businesses

The difficulties of delivering economic, social and environmental benefits cost-effectively in remote rural areas are well understood. Unlike urban areas, there is rarely (if ever) a simple 'big bang' solution. Rather, success depends on a more diffuse and bottom-up approach that integrates economic, social and environmental issues at the local, project level but which does so in a way that has clear regard to the key national and regional strategies:

- a. **LEADER** – new LEADER programmes for the Dales and the Moors, providing community-led local development approaches to new physical development and regeneration. The new programmes could target priority economic sectors and business networks that use and reinforce the areas' assets (notably the creative industries, food and drink, wood products, culture, heritage, education, skills and volunteering, health and eco-tourism). This would help to diversify the local economy and build on the positive outcomes delivered through the currently concluding Yorkshire Dales and North York Moors, Coast and Hills LEADER programmes.
- b. **Sustainable Development Fund** – expand the 'Sustainable Development Funds' that already operate in both National Parks and AONBs, and which provide grants to individuals, community groups and businesses for practical, local projects that bring economic benefits, support local communities and help secure improvements in environmental value. The Funds could be extended and targeted on new developments that help to promote the Dales and Moors as dynamic areas that are welcoming to 'low impact' business, support innovation and offer a healthy and attractive lifestyle. There may be potential for a joint 'opt in' approach to the delivery of SDF and LEADER/CLLD approaches, in order to maximise the investment the LEP can make to this approach.

<sup>38</sup> [http://www.visitengland.org/Images/Attract%20Brands\\_set2012\\_tcm30-32583.pdf](http://www.visitengland.org/Images/Attract%20Brands_set2012_tcm30-32583.pdf)

<sup>39</sup> Data derived from the Scarborough Tourism Economic Activity Model

<sup>40</sup> England – A Strategic Framework for Tourism 2010 -2020 (VisitEngland 2011)

#### 4. Develop 'Green Infrastructure' that provides services to the wider economy

The National Parks and AONBs provide a wealth of natural capital that should be carefully managed and enhanced to benefit the wider economy of the area. For example, natural habitats help to reduce flood risk, while woodlands and peatlands provide carbon storage. The NPAs hold considerable in-house expertise that can be brought to bear in this area:

- a. **Local Environment and Economic Development (LEED) Toolkit** – use the defra-developed LEED toolkit to provide evidence for potential future investment in the environment where there is a clear case based on predicted economic benefits. This may help to inform the LEP's investment and also potential LEADER programme priorities. The 'Dales' and 'Moors' are well placed to draw together a Local Area Consortium to deliver the toolkit process given their geographic coverage and links with other key partners and partnerships (e.g. the area's LNPs).

#### 5. Skills, training, apprenticeships and volunteering

The NPAs and AONBs firmly believe that training young people addresses significant issues facing the countryside. Apprenticeships, training and volunteering help young people and others to develop the skills and confidence to find jobs that enable them to live locally and sustain local communities. Local businesses benefit from the pool of well-trained and experienced people that are developed. This link between the public and private sector in training the workforce is key to the continued vitality of the local economy in remote rural areas. For example, the North York Moors NPA currently employs 16 apprentices (14% of their workforce) in conservation, administration and finance and has been named as a Top 100 Apprentice Employer in the last three years and regional award winner for the last two years. The NPA has plans to develop apprenticeships in new areas of work (e.g. ICT and tourism/hospitality), and is integrating the schemes as part of a wider strategy for offering vocational training for graduates/undergraduates. As well as directly employing apprentices and trainees, both national park authorities and AONBs have helped to facilitate the creation of apprenticeships with small, local, private sector employers, addressing specific local needs such as succession and skills retention in upland hill farming.

The use of volunteers in these landscapes provides a significant benefit to communities and businesses, and there are strong elements of social enterprise that meet priorities within the LEP's strategy. The NPAs and AONBs have an outstanding record in engaging volunteers in all aspects of their work, and together provide over 20,000 'volunteer days' a year:

- a. **Apprenticeships** - extend the range and volume of apprenticeships on offer from the NPAs, AONBs and local small businesses to address local needs. We are strong advocates for the development of apprentice and traineeship opportunities in our areas, working with schools to promote these as one of the range of options for young people. We will work with private sector organisations to share our experience and help them set up their own apprenticeships.
- b. **Volunteers** – extend the volunteer support capacity to offer more and a broader range of volunteering and training opportunities. The increasing capacity would be delivered with the overt aim of making links with local businesses and getting people back on or in to paid employment.

#### 6. Increase production and deliver better environmental outcomes in arable farming

As well as being key areas for 'High Nature Value' upland livestock farming, parts of the Moors also have an important role to play in arable food production<sup>41</sup>. There is considerable scope to work with appropriate partner organisations on the concept of 'sustainable intensification'. This will seek to foster the use of new technologies to help farmers become more profitable and efficient whilst developing better outcomes for the environment. This will link strongly with the LEP's agritech priorities, particularly given the importance of FERA in this research and its location within the LEP area:

- a. **Agricultural skills and best practice** – provide people and relationships on the ground that can help translate the strategic agricultural business priorities of the LEP into meaningful local delivery to benefit arable farming. Help to ensure that there is a coherent picture of the range of resources and advice available to arable farmers at a local level. Facilitate practical advice and guidance in relation to the planning issues that may arise as arable farm businesses look to develop their assets in order to use new technologies and best practice and allow them to be investment ready.

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<sup>41</sup> Agricultural Output in North York Moors National Park, Current and Future Prospects, Askham Bryan College (2011)

### **Taking this Forward**

This prospectus has been prepared jointly on behalf of the four protected landscapes. We believe this joint approach will ensure strong and coordinated delivery. If the LEP is interested in taking forward any elements from this document then it is suggested that the two NPAs would act as a first point of contact, take a joint lead and consult and develop this approach alongside the two AONBs and local business networks. All four bodies are committed to working as part of the LEP's Growth Team to ensure the rural communities in their areas remain dynamic, prosperous and vibrant places to live and in which the special qualities of the areas are utilised sustainably. Appendix 1 provides an indicative investment plan for the Dales and Moors areas.

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**Appendix 1:** Investment Plan for the LEP Area's Protected Landscapes; the North York Moors and Yorkshire Dales National Parks and the Howardian Hills and Nidderdale Areas of Outstanding Natural Beauty.

The Opportunity and Challenge	What we will do		The Outcome(s)	The Detail			
	Investment	Action		Project Development Lead	Potential Partners	Timescales	Capital / Revenue / Both
Theme 1: Improve the resource efficiency of ‘High Nature Value’ upland farming ( <i>LEP SEP Priorities 1, 2, 3 and 4</i> )							
<ul style="list-style-type: none"><li>Farming in these landscapes is generally characterised by small (&lt;100 ha) farms. These farm businesses depend on the public funding (typically 25-45% of turnover) that is paid for the exceptional ‘public goods’ that they provide. However, this funding is under threat of being reduced over the medium term. There is an urgent need for these businesses to adapt to enable them to develop, reduce costs and sustain income levels.</li></ul>	YDNPA and Dales Farmer Network	<ul style="list-style-type: none"><li>Provide farmers with tailored ‘whole farm’ plans with recommendations for the farm business that will bring both economic and environmental benefits, and signposting to range of grants.</li><li>Grants for business improvement, skills training, improving efficiency or improving/developing non-farming enterprises and tackling collaborative solutions to any underlying structural issues.</li><li>Development of second phase ‘sister’ project in the North York Moors.</li></ul>	<ul style="list-style-type: none"><li>More profitable, resilient and robust farm businesses.</li><li>More jobs and existing jobs more secure in rural areas.</li><li>Stronger and more sustainable rural communities.</li><li>Environmental outcomes from better targeting and take up of environmental schemes – improved habitats, more species and climate mitigation/adaptation.</li></ul>	YDNPA and NAONB	NYMNPA, HHAONB	From 2015 and for the full five year investment period	Both
<ul style="list-style-type: none"><li>Many farms are ‘off-grid’, relying on more expensive solid/liquid fuels for heating. Switching from LPG to local woodfuel can lead to annual savings of over £5,000 per year (reduced fuel bills + income from Renewable Heat Incentive), improving the viability of farm businesses (whose average net income is around £10,000). There is also considerable opportunity to develop local supply chains to provide woodfuel to a wider market, and generate additional income. This would bring significant environmental benefits through carbon reduction and improved</li></ul>	Local Woodfuel	<ul style="list-style-type: none"><li>Local woodfuel supply chain development, including supplier business network and user network.</li><li>Investments in technology and infrastructure including woodfuel boilers on farm and in wider user locations including potentially local businesses, schools and other public buildings.</li><li>Investment in equipment to support the development of local supply chains.</li><li>Provide an integrated woodfuel advisory service to overcome the existing barriers to uptake, and develop local woodfuel supply chains and business networks.</li></ul>	<ul style="list-style-type: none"><li>More profitable and energy sufficient farm businesses.</li><li>More jobs through local woodfuel supply chains.</li><li>More profitable local businesses using woodfuel supply chains.</li><li>Environmental outcomes delivered as a result of investments including better and more woodland management and energy efficiency mitigating climate change.</li></ul>	NYMNPA and YDNPA	FC, NAONB, HHAONB	From 2015 and for the full five year investment period	Mainly revenue with limited capital investment

woodland management.							
<ul style="list-style-type: none"> <li>Renewable energy development in protected landscapes is a sensitive issue due to the potential landscape and environmental impacts. However, these areas have massive potential to generate green energy through multiple, small scale generation which could also be linked for better effect.</li> </ul>	Low Impact Green Energy	<ul style="list-style-type: none"> <li>Develop appropriate approaches to small scale renewable energy generation in the protected landscapes.</li> <li>Potentially including investments in woodfuel (see above), wind, solar and hydro and use these in combination to best effect</li> <li>Develop networks of small scale renewables to generate income for farmers and other businesses that can then make these business more resilient and profitable.</li> </ul>	<ul style="list-style-type: none"> <li>More jobs in rural areas supporting the installation, maintenance and manufacture of appropriate renewable technologies.</li> <li>Cutting edge leadership in this area of green technology.</li> </ul>	NYMNP	YDNPA, HHAONB, NFU, CLA	From 2015 and for the full five year investment period	Both
<b>Theme 2: Develop green, high-quality tourism with a unique, locally-distinctive offer (LEP SEP Priorities 1, 3 and 4)</b>							
<ul style="list-style-type: none"> <li>The Yorkshire Dales and North York Moors are two of the country's best known destinations. However, both brands require investment to prevent decline or stagnation. In both areas work is occurring with the private sector on programmes of work to raise the profile of the landscapes and to support the tourism economy.</li> <li>In both 'the Dales' and 'the Moors' tourism business networks have recently been established, and productive local tourism partnerships are in place. Both partnerships have developed action plans to deliver a unique, locally-distinctive tourism offer that will help to match the VisitEngland target of a 3% real growth in the value of tourism year-on-year.</li> <li>The two National Parks, supported by the County Council, are preparing a bid for LSTF revenue</li> </ul>	Improving the Offer	<ul style="list-style-type: none"> <li>Invest in the infrastructure required to support a thriving tourism sector including signage, visitor attractions, car parking, toilets, visitor information facilities and access infrastructure.</li> <li>There are a number of key opportunities to deliver much improved cycling infrastructure, linked to the opportunity to ride the wave of enthusiasm around cycling and build on one of these areas' great strengths.</li> <li>Tourism business network support and collaborative working.</li> <li>Establishment of business led Destination Management Partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>Larger tourism economy.</li> <li>More tourism jobs.</li> <li>Better overall tourism offer in both areas.</li> <li>More return visits.</li> <li>Longer stays.</li> <li>More money spent.</li> <li>Improved visitor satisfaction.</li> </ul>	Dales and Moors Tourism Networks respectively	NYMNP, YDNPA, HHAONB, NAONB, Local Authority Partners, Complimentary tourism brands e.g. Yorkshire Coast, Wolds, York	From 2015 and for the full five year investment period	Revenue and Capital
	Improving the Brand	<ul style="list-style-type: none"> <li>Effective marketing at the local, regional, national and international levels.</li> </ul>					
	Improving the Experience	<ul style="list-style-type: none"> <li>Skills and training support for tourism businesses in all areas of business management and hospitality.</li> <li>Support for the development and use of traineeships and apprenticeships within the tourism and hospitality sector (links with Theme 5 below).</li> </ul>					



funding which if successful would provide £1m to support promotional activity around active travel in the County's four protected areas. This activity would take place during 2015/16 and would complement any LEP supported activity aimed at improving the tourism offer and supporting tourism businesses.							
<b>Theme 3: Support a locally-led, environment-based economy of micro-businesses (LEP SEP Priorities 1, 2 and 4)</b>							
<ul style="list-style-type: none"> <li>The difficulties of delivering economic, social and environmental benefits cost-effectively in remote rural areas are well understood. Unlike urban areas, there is rarely (if ever) a simple 'big bang' solution. Rather, success depends on a more diffuse and bottom-up approach that integrates economic, social and environmental issues at the local, project level but which does so in a way that has clear regard to the key national and regional strategies</li> </ul>	Rural Business Support	<ul style="list-style-type: none"> <li>Investment for rural business support officers for the Dales and Moors areas.</li> <li>Investment in rural business incubator and hub units using vacant office space in partner organisations and disused buildings as a way to bring together available support.</li> <li>Development of sector specific rural business networks e.g. tourism (see above), woodland and forestry, arable farming, creative industries and local food.</li> <li>Investment in access to new employment opportunities e.g. through 'wheels to work' or rural transport.</li> <li>Support for market towns to ensure they are well connected with their rural hinterlands and supply chains e.g. through farmers markets, provision of local foods etc.</li> <li>Investment to unlock small local housing sites and deliver more affordable housing.</li> </ul>	<ul style="list-style-type: none"> <li>More connected and integrated rural economy that is more robust to change and connected to local communities.</li> <li>A business approach is taken in the community using a social enterprise approach.</li> <li>Jobs available for local people that are accessible and services are available to support this e.g. transport, business units etc.</li> </ul>	NYMNPA and YDNPA	HHAONB, NAONB, YDMT, LEADER LAGs, LAs, RCCs, CVAs	From 2015 and for the full five year investment period	Revenue and Capital
<b>Theme 4: Develop 'Green Infrastructure' that provides services to the wider economy (LEP SEP Priorities 2 and 4)</b>							
<ul style="list-style-type: none"> <li>The National Parks and AONBs provide a wealth of natural capital that should be carefully managed and enhanced to benefit the wider economy of the area. For example,</li> </ul>	Green Infrastructure	<ul style="list-style-type: none"> <li>Use of the Defra Local Environment and Economic Development (LEED) Toolkit to develop investment areas for natural environment work that benefits the economy. Which may include the following:</li> </ul>	<ul style="list-style-type: none"> <li>The natural environment of the LEP area is properly recognised as an integral part of the area's economy for the considerable natural capital it provides.</li> </ul>	NYMNPA, YDNPA	HHAONB, NAONB, EA, FC, NY Timber Freight Quality Partnership, area's LNP	Development from 2015 with delivery from 2017 onwards	Both

natural habitats help to reduce flood risk, while woodlands and peatlands provide carbon storage. The NPAs hold considerable in-house expertise that can be brought to bear in this area.		<ul style="list-style-type: none"> <li>Intelligent ecological data provision service informing and pre-equipping business helping to ensure that the natural environment is an opportunity and not an obstacle.</li> <li>Development of a programme of Natural Flood Risk Management that will benefit local businesses and communities also providing jobs in local land management.</li> <li>Forestry efficiency and productivity – investment in transport infrastructure for forestry (e.g. bridge investment and addressing bottlenecks) and development and utilisation of novel and best practice approaches in forestry to maximise economic viability of operations.</li> <li>Develop mechanisms to generate private sector investment in the environment quality of the area's protected landscapes: <ul style="list-style-type: none"> <li>Corporate Social Responsibility (CSR) carbon storage and offsetting scheme;</li> <li>Integrated Biodiversity Offsetting programme for the LEP area.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Decisions and development are not unnecessarily held back by environmental factors.</li> <li>Green infrastructure is managed in a sustainable fashion so that the economic benefits it provides are maximised now and for the future.</li> <li>Homes and businesses are better protected through cost effective and environmentally sustainable approaches that also provides jobs and investment through the rural economy.</li> <li>York, North Yorkshire and the East Riding are known as attractive places to invest due to their attractive and functioning environment.</li> </ul>				
<b>Theme 5: Skills, training, apprenticeships and volunteering (LEP SEP Priorities 3 and 4)</b>							
<ul style="list-style-type: none"> <li>Training young people addresses significant issues facing the countryside. Apprenticeships, training and volunteering help young people and others to develop the skills and confidence to find jobs that enable them to live locally and sustain local communities. Local businesses benefit from the pool of well-trained and experienced people that are developed.</li> <li>This link between the public and private sector in</li> </ul>	Apprenticeships	<ul style="list-style-type: none"> <li>The NPA has plans to develop apprenticeships in new areas of work (e.g. ICT and tourism/hospitality), and is integrating the schemes as part of a wider strategy for offering vocational training for graduates/undergraduates.</li> <li>Investment in a wide ranging programme of apprenticeships both internally within the NPAs as well as supporting apprenticeships within businesses through business network development and sector specific support. Areas will include tourism and hospitality, land management, forestry,</li> </ul>	<ul style="list-style-type: none"> <li>Greater number of apprenticeships supported and also going on in to employment or starting up their own businesses.</li> <li>Small and micro businesses able to access and benefit from apprenticeships through public sector support.</li> <li>Valuable rural skills are supported and a legacy for dying skills is provided so that a successional approach to expertise is developed.</li> </ul>	NYMNPA	YDNPA, HHAONB, NAONB, FC, EH, LAs, Colleges and higher education providers	From 2015 and for the full five year investment period	Revenue

<p>training the workforce is key to the continued vitality of the local economy in remote rural areas. For example, the North York Moors NPA currently employs 16 apprentices (14% of their workforce) in conservation, administration and finance and has been named as a Top 100 Apprentice Employer in the last three years and regional award winner for the last two years.</p> <ul style="list-style-type: none"> <li>As well as directly employing apprentices and trainees, both national park authorities and AONBs have helped to facilitate the creation of apprenticeships with small, local, private sector employers, addressing specific local needs such as succession and skills retention in upland hill farming.</li> </ul>		<p>traditional estate skills, cultural heritage and other rural businesses through administration and back office functions.</p>					
<ul style="list-style-type: none"> <li>The use of volunteers in these landscapes provides a significant benefit to communities and businesses, and there are strong elements of social enterprise that meet priorities within the LEP's strategy. The NPAs and AONBs have an outstanding record in engaging volunteers in all aspects of their work, and together provide over 20,000 'volunteer days' a year</li> </ul>	Volunteering	<ul style="list-style-type: none"> <li>Support volunteering opportunities to build skills and confidence in individuals which may then lead to employment or training.</li> <li>Volunteering is supported that maximises economic benefits, for example in helping others to access and enjoy the countryside providing benefits to the tourism economy.</li> <li>Promote and develop business and corporate volunteering opportunities and link to corporate sponsorship.</li> <li>Volunteering in communities is linked to a social enterprise approach.</li> </ul>	<ul style="list-style-type: none"> <li>Volunteering plays a contributing role to rural economies especially through skills development and social enterprise.</li> </ul>	NYMNPA and YDNPA	LEADER LAGs, CVAs, LAs etc	From 2015 and for the full five year investment period	Revenue
<ul style="list-style-type: none"> <li>Wider skills and training</li> </ul>	Rural skills and	<ul style="list-style-type: none"> <li>Investment in relevant skills and</li> </ul>	<ul style="list-style-type: none"> <li>Individuals are more</li> </ul>	NYMNPA	YDNPA	From 2016	Revenue

provision in rural areas is widely dispersed and patchy in distribution affecting skill and training provision.	training	training provision using land management and environmental project work to build confidence and prospects of longer term employment. Support for Work Programme and similar programme beneficiaries.	ready to enter full time employment.				
<b>Theme 6: Increase production and deliver better environmental outcomes in arable farming (LEP SEP Priorities 1, 2, 3 and 4)</b>							
<ul style="list-style-type: none"> <li>As well as being key areas for 'High Nature Value' upland livestock farming, parts of the Moors also have an important role to play in arable food production. There is considerable scope to work with appropriate partner organisations on the concept of 'sustainable intensification'. This will seek to foster the use of new technologies to help farmers become more profitable and efficient whilst developing better outcomes for the environment. This will link strongly with the LEP's agritech priorities, particularly given the importance of FERA in this research and its location within the LEP area</li> </ul>	Agricultural skills and best practice	<ul style="list-style-type: none"> <li>Disseminate best practice in natural resource and technology use in small arable farms to deliver better environmental outcomes alongside increased efficiency and effectiveness and make these businesses more profitable.</li> <li>Network these businesses so they are able to develop conservation branding for their products and to share good practice and potentially technology and equipment also.</li> </ul>	<ul style="list-style-type: none"> <li>More profitable small arable sector delivering green and local food better linked into overarching LEP priorities on agritech.</li> </ul>	NYMNPA	HHAONB, NFU	From 2015 and for the full five year investment period	Both

## Annex D: Public sector partners involved in strategy development

The following public sector organisations were involved in developing the strategy:

Organisation	Area of engagement
North Yorkshire County Council	Engagement at leader, Chief Executive and Officer level across the whole strategy with co-production of the spatial elements with the partners.
City of York Council	
East Riding of Yorkshire Council	
Scarborough Borough Council	
Harrogate District Council	
Ryedale District Council	
Craven District Council	
Hambleton District Council	
Richmondshire District Council	
Selby District Council	
North Yorkshire & York Housing Board	Spatial investments and strategic sites
Homes & Communities Agency	Strategic sites
Humber North Bank Partnership	Coastal investment and key sectors
North Yorkshire Devolved Local Transport Body	Transport
University of York & Yorkshire Universities	Business Support, Agritech/Biorenewables and Innovation
Skills Funding Agency	Skills
North Yorkshire College Principles	Skills
North York Moors National Park	Rural, environmental, agriculture, business engagement & community led development
Yorkshire Dales National Park	Rural, environmental, agriculture, business engagement & community led development
North Yorkshire Local Nature Partnership	Environmental assets
North Yorkshire Flood Partnership	Flood alleviation and environment
Environment Agency	Flood alleviation and environment
Health & Wellbeing Board	Social Inclusion
Big Lottery	Social Inclusion and Opt In
Yorkshire Rural & Farming Network	Rural, Business Support and Agritech
Department for Business Innovation & Skills	Whole strategy
Department for Environment, Farming & Rural Affairs	Whole strategy
Department for Transport	Transport
Department for Communities & Local Government	Whole strategy

## Annex E Board Membership

### Board Membership as at March 2014

Membership of the LEP Boards and voting rights are:

Name	Organisation	Votes
Barry Dodd CBE (Chariman)	GSM Group	1
David Kerfoot MBE (Vice-Chair)	Kerfoot Group	1
Colin Mellors	University of York	1
Robert Miller	Bluebird Vehicles	1
Shaun Watts	Chameleon Business Interiors	1
Peter Emery	Drax Power	1
Ruth Smith	PM Management Consultants	1
Nigel Pulling	Yorkshire Agricultural Society	1
Neil Warman	Nostrum Group	1
Jane, Lady Jane Gibson	Visit York	1
Cllr John Weighell	Leader, North Yorkshire County Council	1
Cllr James Alexander	Leader, City of York Council	1
Cllr Stephen Parnaby	Leader, East Riding Of Yorkshire Council	1
Cllr Chris Knowles-Fitton	Leader Craven District Council (Also representing Hambleton & Richmondshire District Councils)	1
Cllr Tom Fox	Leader Scarborough Borough Council (Also representing Ryedale District Council)	1
Cllr Anthony Alton	Leader, Harrogate Borough Council (Also representing Selby District Council	1

Wherever possible a decision by consensus will be achieved. Where this is not possible a majority vote will be taken with the Chairman holding the casting vote.

Programme Boards will also seek to make decisions by consensus with the Chairman holding the casting vote in the event of a tie. Membership will be:

### Skills & Employability Programme Board

Name	Organisation	Votes
Robert Miller (Chairman)	Bluebird Vehicles & Main LEP Board Member	1
Allan Stewart	Selby College	1
Sue Vasey	Your Consortium	1
Jon Stonehouse	City of York Council	1
Paul Bell	East Riding of Yorkshire Council	1
Jane Venn	North Yorkshire County Council	1
Sue Gradwell	NYBEP	1
Paul Murphy	Higher York	1
Margaret Hicks-Clarke	Press Association	1
Matt Parsons	York Potash	1
Emma Smailes	Federation of Small Businesses	1
Martin Pearman	Ripon Grammar	1

## Infrastructure Programme Board

Board Member	
Barry Dodd	LEP
Peter Wilkinson	Hambleton District Council
Alan Skidmore	Harrogate Borough Council
John Blackie	Richmondshire District Council
Linda Cowling	Ryedale District Council
Derek Bastiman	Scarborough Borough Council
Mark Crane	Selby District Council
Chris Metcalfe	North Yorkshire County Council
James Alexander	City of York Council
Jane Evison	East Riding of Yorkshire Council
Chris Knowles-Fitton	Craven District Council
Andrew Scott	North York Moors & Yorkshire Dales National Park Authority
	<b>Total Votes</b>

The main LEP Board will also act as the **Business Growth Programme Board** retaining the voting rights as per the main LEP Board.

## Delivery Structures

### North Yorkshire, York & East Riding Housing Board

Elected Members (supported by Chief Housing Officers) from:	
Cllr Simpson Laing	City of York Council
Cllr Foster	Craven District Council (current Chair)
Cllr Ivey	Selby District Council (current Vice Chair)
Cllr Chambers	Harrogate District Council
Cllr Chatt	Scarborough Borough Council
Cllr Phillips	Hambleton District Council
Cllr Wood	Richmondshire District Council
Cllr Cowling	Ryedale District Council
Cllr Fraser	East Riding of Yorkshire Council
Cllr Dadd	North Yorkshire County Council
Cllr Briggs	North York Moors National Park Authority
Cllr Peacock	Yorkshire Dales National Park Authority
	One representative each from:
	Homes and Communities Agency
	National Housing Federation/Registered Providers
	House Builders Federation

## North Yorkshire Devolved Local Transport Body

<b>Voting Board Members</b>	
Cllr Dadd	North Yorkshire County Council Elected Member for Highways (Chairman)
Cllr Metcalfe	North Yorkshire County Council Elected member for Integrated Passenger Transport
Rob Miller	York, North Yorkshire & East Riding LEP Board Member
Cllr Skidmore	Harrogate Borough Council representing the Leeds City Region District Councils (Harrogate, Craven & Selby)
Cllr Bastiman	Scarborough Borough Council representing the Non-Leeds City Region District Councils (Richmondshire, Hambleton, Ryedale, Scarborough)
<b>Non- Voting Members</b>	
Member of Hambleton District Council	
Member of Ryedale District Council	
Member of Richmondshire District Council	
Member of Craven District Council	
Member of Selby District Council	
Member of North York Moors National Park	
Member of Yorkshire Dales National Park	
Member of City of York Council	
Member of East Riding of Yorkshire Council	
Member of Leeds City Region	
Highways Agency – Regional Asset Development Manager	
Network Rail – Senior Network Planner – Yorkshire & Humber	



## **Annex F: Cross Cutting Issues by Priority**

The following subsections highlight how each of the five priorities take forward the cross cutting themes of Sustainable Development, Social Inclusion and Equalities and the processes of Social Innovation and Smart Specialisation.

### **Priority 1 - Profitable and ambitious small and micro businesses that are able to grow**

By supporting business growth we will increase the stock of local jobs and reduce unemployment, recognising that for most people the most important route to higher quality of life is through employment. The social enterprise sector is rapidly growing, providing valuable employment along with providing services to society. Our support programmes will be as relevant to social enterprises as for-profit businesses, and may be delivered by social enterprises.

Our approach will hard-wire long term sustainability, given it will be driven by demand and build the capacity of the business community. We recognise that most of the organisations providing support for businesses have outlived several publically backed economic development approaches. Whilst our approach majors on supporting growth, we also recognise the importance of boosting economic resilience and safeguarding employment in some instances. We will also provide support for businesses providing key public goods that the market alone will not deliver, such as resource efficiency activity and the high quality landscape which is the foundation of our tourism economy.

### **Priority 2: A UK leader in food manufacturing, agriculture and biorenewables**

This Priority will support environmental and low carbon goals through its promotion of biorenewable (rather than oil based) products, low carbon energy more widely, and resource efficiency and renewable energy in food and farm businesses. There are also good opportunities for locally driven and third sector led initiatives to deliver low carbon goals, as well as employment and training opportunities within the food manufacturing and agriculture and biorenewables industries, many of them spread across the LEP area and including remote rural communities.

### **Priority 3: Skills for Business and Employability**

Much of this activity is focused directly on employment and inclusion and will reach the most disadvantaged and excluded people. A focus on business needs, on better matching supply and demand, and building community capacity will help to ensure long term sustainability. Responding to low carbon and other environmental skills needs will ensure activity contributes to environmental imperatives.

### **Priority 4: Investing in our places to unlock growth**

Much of this activity is place based and so it is important that it is driven and supported by local interests and communities. Community Led Local Development can deliver real benefits in securing local ownership of projects and uniting efforts behind them, and we will establish structures and partnerships that enable communities (including the third sector) to drive local development, such as through the LEADER programme.

A sustainable approach will also seek high environmental standards in developments, including excellent energy ratings for new buildings, minimisation of carbon emission and waste, and sustainable transport

and water management policies. Climate change adaptation needs (e.g. flood risks) should also be factored into planning and development.

### **Priority 5 – A well connected economy**

Transport is one of the main sources of carbon emissions in the LEP area, and so reducing these emissions will be important to meeting emissions reduction goals and facilitating a sustainable approach. This is challenging as emissions are highest in more remote areas where car dependence is higher and journeys are often longer. In practice, the best potential for reducing traffic, congestion and emission will be through:

- Facilitating sustainable travel choices for short trips, especially in York and Harrogate
- Enhancing rail services on key routes between the main centres of population
- Using ICT and provision of local services/facilities to reduce the need to travel

Ensuring non-car based options exist is also important for social inclusion reasons and for those without access to a car, for instance those who cannot afford to drive or not able to. This will become more important given an ageing population and the rising costs of motoring. Additionally, it is important to promote workforce mobility and to enable young people especially to access work and training opportunities. Innovative solutions are required and social innovation approaches may provide one route to them.