

**Meeting:** Local Enterprise Partnership Board  
**Date/Time:** 28 January 2022 at 10.00  
**Venue:** Zoom

**Agenda (LEP Board)**

No.	Title of Item	Lead	Time
1.	<b>Introductory Remarks</b>	Chair	10.00
2.	<b>Apologies for Absence</b>		
3.	<b>Minutes of the Last Meeting – 26 November 2021</b>		
4.	<b>Matters Arising – Action Plan</b>		
5.	<b>Declarations of Interest and Updates to Members’ Registers of Interests</b>		
6.	<b>Skills and Employability Board (SEB) Deep Dive</b>	SEB Chair	10.10
7.	<b>Plan for Growth</b>	HoS	10.40
8.	<b>Festival of Engagement Update</b>	HoC & OD	10.50
9.	<b>Organisation Development Update</b>	HoC & OD	11.00
10.	<b>Capital Programme Delivery - Getting Building Funding Progress</b>	HoD	11.10
11.	<b>City of York Verbal Update</b>	Leader of CYC	11.20
12.	<b>North Yorkshire County Council Verbal Update</b>	Leader of NYCC	
13.	<b>Programme Board Chair Verbal Updates</b> <ul style="list-style-type: none"> <li>• Infrastructure and Joint Assets Board</li> <li>• Business Board</li> </ul>	Programme Board Chairs	
14.	<b>Assurance Update</b>	HoA	11.30
15.	<b>Annual Review – verbal</b>	Chair & COO	11.40
16.	<b>Chair’s Update</b>	Chair	11.50
17.	<b>Any Other Business</b>		
18.	<b>Date &amp; Time of Next Meeting 25 March 2022 10.00</b>		
<b>Finish Time</b>			<b>12.00</b>

**Date of Publication:** 20 January 2022

## Membership:

No.	Name	Organisation	Role
1.	Helen Simpson	Broadacres Chair	<b>Chair</b> Private Sector
2.	David Dickson	Family Business Matters	<b>Deputy Chair</b> Private Sector
3.	Peter Emery	Electricity North West	<b>Deputy Chair</b> Private Sector
4.	Sam Alexander	Better Connect	Private Sector
5.	Jan Garrill	Two Ridings Community Foundation	Private Sector
6.	Jane Lady Gibson	Joined up North	Private Sector
7.	Clare Hutchison	One to One Recruitment	Private Sector
8.	Janet Thornton	Yorkshire Food and Farming Network	Private Sector
9.	Jonathan Wurr	Manufacturers Alliance	Private Sector
10.	Bruce Heppenstall	Drax	Private Sector
11.	Helen Boaden	Stephen Joseph Theatre	Private Sector
12.	Sue Jefferson	Possibilities Realised Ltd	Private Sector
13.	Cllr. Carl Les	North Yorkshire County Council	Public Sector
14.	Cllr. Steve Siddons	Scarborough Borough Council	Public Sector
15.	Cllr. Mark Crane	Selby, Craven and Harrogate BC	Public Sector
16.	Cllr. Mark Robson	Ryedale, Richmondshire and Hambleton DC	Public Sector
17.	Cllr. Keith Aspden	City of York Council	Public Sector
Quorum:			<b>9</b>
<b>Co-Optee</b>			
1.	Kiran Trehan	University of York	

## Minutes

<b>Meeting:</b>	York & North Yorkshire LEP Board
<b>Date/Time:</b>	Friday 26 November 2021 at 08.30
<b>Venue:</b>	Zoom

### Members Present:

Private Sector: Helen Simpson (Chair), David Dickson (Deputy Chair), Sam Alexander, Helen Boaden, Jan Garrill, Jane Lady Gibson, Bruce Heppenstall, Sue Jefferson, Janet Thornton and Jonathan Wurr.

Public Sector: Cllr Carl Les (North Yorkshire County Council), Cllr Steve Siddons (Scarborough Borough Council) and Cllr Keith Aspden (City of York Council).

### Secretariat:

Richard Flinton (Chief Executive – North Yorkshire County Council), Gary Fielding (Corporate Director (s151 Officer), Strategic Resources - North Yorkshire County Council), James Farrar (Chief Operating Officer), Sarah Barkey (Leadership Support Officer), Liz Philpot (Head of Delivery), Adrian Green (Head of Assurance) Andrew Leeming (Head of Strategy), Tricia Kane (BEIS) and Paul Clark (Governance and Assurance Manager).

### Apologies for Absence:

Private Sector: Peter Emery (Deputy Chair), Clare Hutchison and Kiran Trehan (University of York Co-Optee).

Public Sector: Cllr Mark Crane (Selby District Council) and Cllr Mark Robson (Hambleton District Council).

<b>LEP21-49</b>	<b>Chair’s Welcome and Introduction</b> The Chair welcomed everyone to this shortened York & North Yorkshire LEP (YNY LEP) Board meeting.
<b>LEP21-50</b>	<b>Apologies for Absences</b> Peter Emery, Clare Hutchison, Cllr Mark Robson and Cllr Mark Crane.
<b>LEP21-51</b>	<b>Minutes of the Last Meeting – 24 September 2021 Decision</b> That the minutes of the meeting held on 24 September 2021 be approved.
<b>LEP21-52</b>	<b>Matters Arising Action Plan</b> The Chair welcomed Gary Fielding, North Yorkshire County Council (NYCC) Section 151 Officer to the meeting.

	<p>The Section 151 Officer updated the board with a positive assessment of YNY LEP's relationship with its accountable body, North Yorkshire County Council. There are no issues with governance and communication between NYCC and the LEP is honest and transparent.</p> <p>The Chair thanked the Section 151 officer and his team for the work that they do.</p>
<b>LEP21-53</b>	<p><b>Registers of Interests – Updates</b> No declarations of interest were reported.</p>
<b>LEP21-54</b>	<p><b>Chief Operating Officer (COO) Delivery Update</b> The report was taken as read.</p> <p>The COO asked the board to note that there are global issues with supply chain and many sectors are reporting recruitment challenged. Alongside energy price rises, this has driven a rise inflation to 4%, twice the Bank of England 2% target. There is a risk that this will affect projects in the future as costs rise.</p> <p>Community Renewal Fund (CRF) - the LEP had one successful CRF bid. City of York Council had two successful bids that align well with the York and North Yorkshire Distinctive Heritage report. NYCC are evaluating why there was only one successful CRF bid in North Yorkshire.</p> <p>YNY LEP are working closely with City of York Council and wider stakeholder on a potential bid for the Great British Rail head office.</p> <p><b>Decision:</b></p> <p>(a) The LEP Board agreed to appoint Jonathan Wurr onto the Business Board as a full voting member; and</p> <p>(b) The LEP Board meeting dates for 2022/23 as proposed at 8.3 of the report were agreed.</p>
<b>LEP21-55</b>	<p><b>Festival of Engagement.</b> The COO presented the paper.</p> <p><b>Decision:</b> The LEP Board noted progress with the Festival of Engagement.</p>
<b>LEP21-56</b>	<p><b>Programme Board Chair Verbal Update - Infrastructure and Joint Assets Board (I&amp;JAB)</b> The Chair of the Infrastructure and Joint Assets Board, David Dickson gave an overview on the work of the I&amp;JAB and the performance group.</p> <p>An overview of the Local Growth Fund, Growing Places, EU Funding and Get Building fund was given.</p> <p>The Chair thanked the Chair of the I&amp;JAB, the Head of Delivery and the team for their hard work.</p>

<p><b>LEP21-57</b></p>	<p><b>Programme Board Chair Verbal Update - Business Board</b></p> <p>The Chair of the Business Board, Sue Jefferson, gave an overview on the work of the Business Board (BB).</p> <p>Following a review of the BB last year and a recruitment campaign, new board members joined the board giving the board new focus.</p> <p>The short-term emphasis has been on the economic response, COVID and Brexit included worker shortages.</p> <p>The Growth Hub has had increased funding last year and this year.</p> <p>Medium term there are 12 areas of strategic support which were shared with the previous LEP Board.</p> <p>The Chair thanked the Chair of the BB for the energy and passion they have brought to the role, and thank the team for their hard work.</p>
<p><b>LEP21-58</b></p>	<p><b>Programme Board Chair Verbal Update - Skills and Employability Board</b></p> <p>The Chair of the Skills Board, Sam Alexander, gave an overview on the work of the Skills Board (SEB).</p> <p>The SEB Chair explained that there was cross over work with the BB. There are now three new private sector members on the board.</p> <p>The Skills agenda covers a number of different aspects including young people, social inclusion and workplace skills. The Chair explained that the board and team have good synergy.</p> <p>Careers Hubs – This LEP was one of the first in the country to have career hubs. This has led to more joined up working with every school on our patch.</p> <p>The LEP is seeking to secure some bootcamps for York and North Yorkshire. Proposals are with government for 23 bootcamps.</p> <p>In addition a Beacon Project, a programme to support a more inclusive and diverse workforce is working through the Growth Hub to support SMEs with recruitment.</p> <p>There is a small amount of money for research and this is being used to look at</p> <ul style="list-style-type: none"> <li>• progression routes,</li> <li>• high performance working practises and</li> <li>• the skills demands for the fourth generation.</li> </ul> <p>Whilst no North Yorkshire skills projects were successful with CRF bids, the team are using the development work to create a pipeline of projects.</p> <p>The Chair thanked the Chair of the SEB and the team for all their work.</p>

<b>LEP21-59</b>	<p><b>City of York Council (CoYC) Verbal Update</b></p> <p>The Chair welcomed the Leader of CoYC, who updated the board that both York universities had been nominated in the University of the Year awards. York St John with one nomination and University of York with three.</p> <p>CoYC is working on a ten-year plan, this was discussed at the Leaders Breakfast, which the LEP Chair and COO attended.</p> <p>The Guildhall is nearly completed and will be opening in the New Year.</p> <p>York Central is about to start phase two, Greg Dyke is now chair of the board.</p> <p>The Chair thanked the Leader of CoYC for their update.</p>
<b>LEP21-60</b>	<p><b>North Yorkshire County Council (NYCC) Verbal Update</b></p> <p>The Leader of NYCC asked NYCC Chief Executive to give the update.</p> <p>NYCC Chief Executive, Richard Flinton, gave an update on the work for a new unitary council, explaining that since the decision, all of the local authority colleagues have been working together as North Yorkshire.</p> <p>There are 70 weeks to build a new Council, with 15 workstreams. There is an Economic Development work stream that is being led by Mike Green (Scarborough Borough Council CEO) and the YNY LEP COO is on the same work stream. Vesting day is 1 April 2023.</p> <p>There will be elections to the new Council in May 2022, based upon the draft structural order for 90 Councillors covering 89 wards.</p> <p>Devolution – There has been engagement with Civil Servants, it has been nearly a year since the asks were submitted.</p> <p>The LEP Chair thanked NYCC CEO and Leader for the update.</p>
<b>LEP21-61</b>	<p><b>Chair's Update</b></p> <p>The Chair has updated on the following.</p> <ul style="list-style-type: none"> <li>(a) NP11 Place Heritage and Culture- the YNY LEP COO is on the steering group, with the YNY LEP Chair and Lord Inglewood the Chair of the Cumbria LEP as the sponsors.</li> <li>(b) The Digital Infrastructure project is being rolled out following the increase in funding from GBF.</li> </ul>
<b>LEP21-62</b>	<b>AOB – None</b>
<b>LEP21-63</b>	<p><b>Date &amp; Time of Next Meeting</b></p> <p>28 January 2021 at 10.00 am.</p>

**Meeting concluded at approximately 9.30 am**

## York & North Yorkshire Local Enterprise Partnership

LEP Board

28 January 2022

### An overview of the work undertaken by the LEP Skills Team

#### Report of the Senior Strategy Manager, Skills

#### 1.0 Purpose of the Report

- 1.1 This paper gives an overview of the work undertaken by the LEP Skills team to develop coherent and impactful funded skills programmes for York and North Yorkshire. It also considers the risks and opportunities to a coherent regional skills strategy in the future.
- 1.2 The role of the LEP concerning skills is to work with local partners to identify, prioritise and address local skills issues. Then, using its strategic leadership to engage and influence and its allocated funding, develop programmes that address the local need for skills.
- 1.3 The LEP is successfully delivering on three key funds. The York, North Yorkshire and East Riding European Social Fund programme, The York and North Yorkshire Careers Hub and a Skills Capital programme.

#### 2.0 Summary of skills direct delivery

<b>European Social Fund (ESF)</b>	<ul style="list-style-type: none"> <li>• £39m invested (£19.5m for workforce skills, £17.2m into social inclusion and £1.5m for young people)</li> <li>• 19,000 individuals and 2000 businesses supported to date.</li> <li>• Dec'23 target – 26,000 individuals and 2,800 businesses</li> </ul> <p>Recently procured projects beginning to deliver including:</p> <ul style="list-style-type: none"> <li>○ Leadership and Management skills</li> <li>○ Women in Leadership</li> <li>○ Neurodiversity, mental health and disability in the workforce</li> <li>○ Apprenticeship Hub</li> <li>○ T level industry placements (Scarborough, Ryedale and East Riding)</li> <li>○ Succession Planning</li> <li>○ Recruitment from a Wider Workforce</li> <li>○ Facilitating graduate recruitment in SMEs</li> </ul>	<b>RAG</b>
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<b>YNY Careers Hub</b>	<ul style="list-style-type: none"> <li>• YNY LEP have contracted with the Department for Education through the Careers and Enterprise Company for a further 12 months.</li> <li>• 69 YNY secondary schools and colleges to be brought into a single Hub to receive more intensive support 21/22. Remaining 3 to be included early 2022.</li> <li>• Dedicated co-ordinator for special education needs and disabilities (SEND) recruited along with a dedicated employer co-ordinator.</li> <li>• Target of 100% Hub schools linked with an employer Enterprise Adviser by July 2021 achieved.</li> <li>• Improvement of up to 59% against Gatsby Benchmarks targets by Hub schools since baseline in 2018.</li> <li>• Ranked in the top quintile of all Hub performance for the academic year 20/21.</li> </ul>	
<b>Skills Capital</b>	<ul style="list-style-type: none"> <li>• Total investment of £10.3m of Local Growth Fund in 14 projects has already created 1,315 apprenticeships, 4,668 new learners achieve a full qualification and 28,773 sqm new or improved learning floorspace.</li> <li>• Almost £2m Getting Building Fund invested in 4 skills projects that support the LEPs net-zero and Skills Strategy ambitions.</li> </ul>	

### 3.0 Development of LEP Skills Activity for York and North Yorkshire

3.1 The largest funding pot for skills activity in recent years has been the European Social Fund (ESF). This European funding began in 2014 and will run until 2023 as part of the wider European Structural and Investment Funds (ESIF) programme. The York, North Yorkshire and East Riding (YNYER) region was allocated approximately £39m ESF to co-finance activity in line with the following four thematic objectives:

- Promoting sustainable and quality employment and supporting labour mobility;
- Promoting social inclusion and combating poverty and discrimination;
- Investing in education, training and vocational training for skills and lifelong learning;
- Enhancing the institutional capacity of public authorities and stakeholders and efficient public administration

3.2 Development of the LEPs ESF programme has been carried out under the oversight of the Skills and Employability Board (SEB) and in accordance with the LEPs European Structural Investment Fund strategy.

- 3.3 Depending on match funding arrangements, some projects were appraised, procured and contracted directly with the Department for Work and Pensions (DWP) acting as the Managing Authority and who retained the ultimate responsibility in the UK for the allocation of this type of European Funding.
- 3.4 Other core programmes were matched at source and procured, contracted and performance managed by the Education Skills Funding Agency (ESFA). Pre-matched funding meant these key programmes were more attractive to deliver and therefore received more interest from a range of potential deliverers. Programmes that were not pre-matched required the applicant to source and evidence match. This became more difficult as available match was used up resulting in some later programmes not receiving applications. This was a particularly significant barrier to later ESF activity drawn up to mitigate for the effect of Covid in the economy.
- 3.5 The LEP has retained close strategic working relationships with all contracted delivery organisations by setting up an ESF provider group. This group shares good practice and supports alignment and cross-referrals across the patch. It is also supporting the development of an investment pipeline for skills detailed in section 7 to this paper.
- 3.6 The National ESF Programme is now closed to new projects. Existing projects have until 2023 to deliver. Again, evaluations of these programmes is supporting development of an investment pipeline of projects ready for UK Shared Prosperity Fund.
- 3.7 A total of 17 distinct projects have, or are, being delivered under ESF which, by the end of the programme will have supported in the region of 26,000 individuals and 2,800 businesses. A more detailed description of each project has been included as an appendix to this report.
- 3.8 The ESF programme, through its single allocation, has allowed the LEP to build a local programme over time and to respond to the ever-changing economy and skills landscape in which we operate. The LEP has created a coherent menu of skills support for young people, the employed, the unemployed and inactive and support to SMEs that compliment other national programmes.
- 3.9 One of the most recent projects to launch has been the [Apprenticeship Hub](#) that provides impartial support and advice to SMEs. This ensures businesses understand the implications of taking on an apprentice and receive support to navigate the national systems and processes. Apprentices receive wrap-around support and, if necessary, pre-apprenticeship training. One of the key features of the Hub's service is to surface and facilitate the transfer of unspent levy to fund new apprenticeship places in SMEs.
- 3.10 The Covid pandemic saw local ESF delivery adapt at pace and delivering online where possible. Programmes delivering to more vulnerable people, however had to change focus from developing work-readiness to supporting people to survive. Support for young people who are not in education, employment or training (NEET) or at risk also had to adapt due school closures and high levels of absences. Across the board, delivery organisations struggled to deliver to agreed profiles as participants locked-down and staff were furloughed. The ESFA and DWP are now working with delivery

organisations to re-profile and support to keep performance on track. The Skills and Employability Board are regularly updated on ESF performance.

- 3.11 Better Connect developed a short video highlighting the difficulties experienced by the voluntary and community sector who deliver most of the LEPs ESF social inclusion support. It can be viewed [here](#).

#### **4.0 The York and North Yorkshire Careers Hub**

- 4.1 In 2018, the YNY LEP applied to the Department for Education through the Careers and Enterprise Company for funding to deliver a York and North Yorkshire Careers Hub. The application was supported in part by evidence and good practice developed by the ESF Better Careers Guidance in Schools programme that ran from 2016-2018. The aim of the YNY Careers Hub was to connect employers with schools and colleges and support college Careers Leaders to create a high-quality careers education system informed by the local labour market and evident throughout school curriculum.
- 4.2 This academic year we have been successful in securing a further £338k (including match) to fund a larger single YNY Careers Hub which comprises 69 secondary schools and colleges. These institutions benefit from supported connections with local businesses through a dedicated Enterprise Advisor as well as Career Leader training and networking to develop mature careers programmes linked to local labour market intelligence. Two schools and one college remain in a Hub in Leeds City Region due to the complexity of funding. These remain institutions will join the YNY Careers Hub early in 2022.
- 4.3 The funding for this year has enabled the YNY Hub to employ two specialist Enterprise Coordinators. A dedicated Special Education Needs and Disabilities (SEND) Coordinator will ensure all young people get the careers education they deserve. An Employer Coordinator will focus on further developing the range and quality of employer connections with schools and colleges including 'Cornerstone' companies and ensure young people have high quality information about the technical skills pathways, such as apprenticeships and T-levels that are available to them.
- 4.4 Over the last 2 years, the YNY Careers Hub has established a network of 13 'Cornerstone' employers. Cornerstones act as ambassadors for careers education, working together with their networks and the wider business community to ensure all young people have the opportunities they need to be prepared and inspired for the world of work. The YNY group is co-chaired by representatives from Drax and Greencore. Other Cornerstone employers include Askew Brookes, Woodend Creatives, Anglo American, GCHQ, Flamingo Land, Financial Force, Karro Foods, Lupton Fawcett, Yorkshire Wildlife Trust and Humber Coast and Vales Health Integrated Care System, Morgan Sindall and Kier ensuring all current LEP priority sectors are represented.
- 4.5 The YNY Careers Hub is already having a demonstrable impact, as shown in the table below, ensuring our young people get the advice and information they need to make well-informed decisions for their next steps into further/higher education, training and employment despite the difficulties of the last 18 months. The YNY Hub continues to outperform national average and was ranked in the top quintile of all Hub performance for the academic year 20/21. Performance in Careers Education is measured against the eight [Gatsby Benchmarks](#).

	YNY Careers Hub Baseline (Jul 2018)	YNY Careers Hub (Sep 19–Aug 21)	National Careers Hub (Sep 19–Aug 21)
Bench Mark 1 - A stable careers programme	6%	76%	41%
Bench Mark 2 - Learning from career and labour market information	28%	85%	64%
Bench Mark 3 - Addressing the needs of each pupil	9%	42%	37%
Bench Mark 4 - Linking curriculum learning to careers	28%	73%	58%
Bench Mark 5 - Encounters with employers and employees	38%	70%	55%
Bench Mark 6 - Experiences of workplaces	31%	64%	37%
Bench Mark 7 - Encounters with further and higher education	16%	39%	32%
Bench Mark 8 - Personal guidance	66%	85%	64%
Establishments matched to an Enterprise Adviser	0	100%	-

### Case Study

As part of International Women's Day and their first interaction as a Cornerstone Employer, Greencore invited local schools in Selby to access a free session aimed at tackling stereotypes and raising the profile of job roles available to girls. As part of the session, a wide range of Greencore's female staff shared highlights of their career routes into industry, aiming to empower and inspire students to consider their own STEM related career choices. The event was a great success, with fantastic feedback received from pupils stating that the event was 'inspirational' and 'eye-opening'. Many pupils were encouraged by the fact that most of Greencore's female staff were unaware of their future path at their age, and that academic success was not the only route into a successful career.

## 5.0 Skills Capital Programme

Alongside its skills revenue activity, the Skills and Employability Board have had opportunity to utilise LEP capital funding through the Local Growth Fund and more recently, through the Getting Building Fund.

- 5.1 The LEPs strategy for capital investment in skills has been twofold. Firstly, to ensure college estates have the necessary investment to provide a first class education to students. Secondly, to animate a modern curriculum and ensure students are benefitting from state-of-the-art technology in their learning ready for the world of work.
- 5.2 A total of 14 projects have been funded through the Local Growth Fund providing high quality floorspace and kit for learning and supporting 1,315 apprenticeships, 4,668 new learners achieve a full qualification to date.
- 5.3 The Getting Building Fund (GBF) was announced after the first lockdown in 2020, and aimed to support 'shovel-ready' projects to kick start the economy with funds due to be spent by March 2022. Four Skills Capital projects were amongst those supported by the fund providing kit and floor space for skills delivery aligning closely with the LEPs net-zero ambitions.

5.4 A summary of all skills capital projects supported by Local Growth Fund and Getting Building Fund are detailed in the annex to this report.

## **6.0 Strategy and Research**

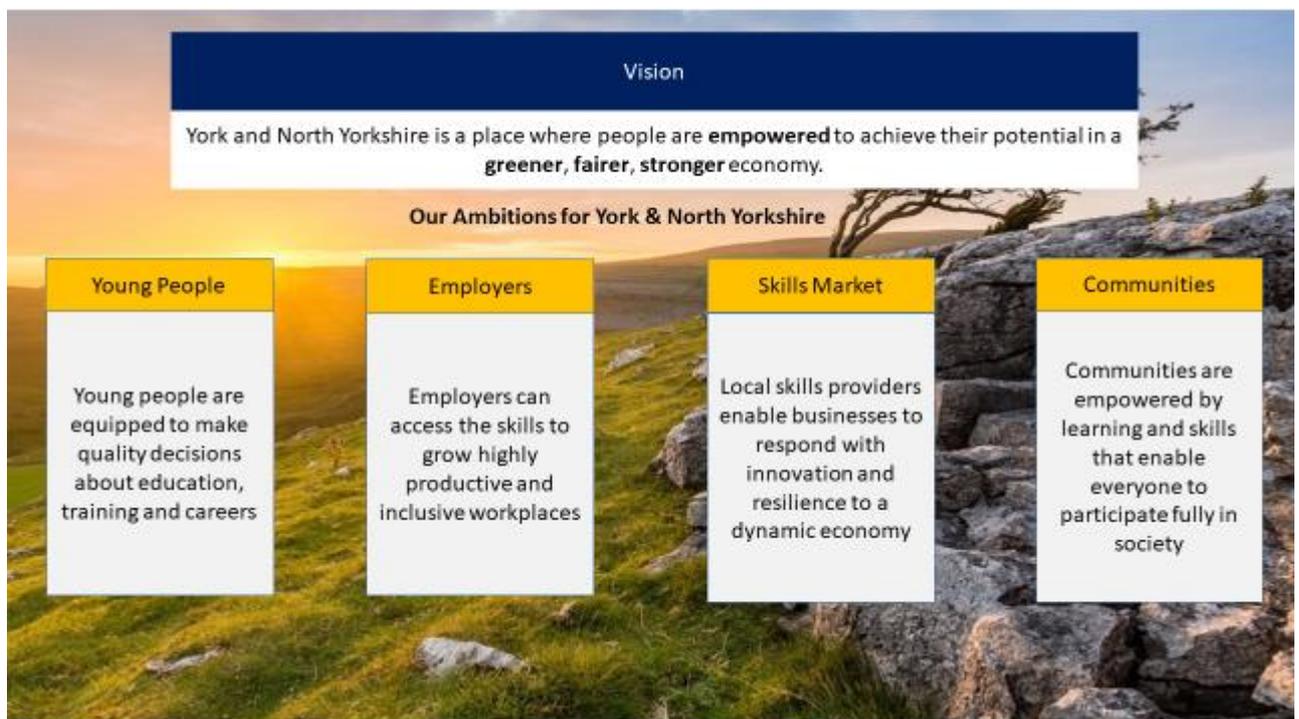
6.1 In 2018, the government set out new guidance for LEPs on the role of their Skills Boards (to be renamed and take on the function of Skills Advisory Panels (SAPs)) with expectations as to their role, structure and governance. At the time SAPs were established, LEPs were responsible for decisions on how large amounts of public funding were spent and were recognised by the government as having an important leadership role in the skills system. The government is now proposing to hand this leadership role to Employer Representative Bodies such as Chambers of Commerce leading to some uncertainty as to the role of SAPs in the future.

6.2 Skills Advisory Panels were established to bring together local employers and skills providers to pool knowledge on skills and labour market needs, and to work together to understand and address key local challenges. This includes both immediate needs and challenges and looking at what is required to help local areas adapt to future labour market changes and opportunities in order to help colleges, universities and other providers deliver the skills required by employers, now and in the future.

6.3 The Skills and Employability Board (SEB) is fully compliant with government guidance on SAPs. It has also recruited additional business members to ensure a strong business representation alongside skills providers, local authority representation, voluntary and community sector, Department for Work and Pensions and National Careers Service. The West and North Yorkshire Chamber of Commerce and Education and Skills Funding Agency (ESFA) are also in attendance in an advisory capacity.

6.4 In order to enable all SAPs to carry out their leadership role in the regional skills system, the Department for Education (DfE) has, until now, awarded them a grant of £75k per annum to support them develop their local skills analysis capability.

6.5 In York and North Yorkshire this has enabled us to generate analysis of the local skills and labour markets to understand the local position, agree local skills priorities and consider how these should be met by provision over time. This is captured in the LEPs York and North Yorkshire [Skills Strategy](#). The vision and four key ambitions are noted below.



6.7 Current published research and analysis includes:

- [York and North Yorkshire Skills Advisory Panel's Local Skills Report – April 2021](#)
- [Exploring the capacity of the FE system to engage and support 19-24 year old NEETs](#)
  - [Labour Market Analysis 2021 Full Report](#)
  - [Labour Market Analysis 2021 Executive Summary](#)
  - [Digital Skills Report](#)
  - [Community Learning Provision in York & North Yorkshire](#)
  - [Low Carbon and Circular Economy: An Assessment of Skills Supply and Demand](#)
  - [Upskilling and Reskilling across York and North Yorkshire](#)
  - [Adult Education Budget: An Analysis](#)
  - [ESIF Impact Report](#)

6.8 The following research has been commissioned for the year 21/22 and will further support the LEPs future planning for skills and the development of the Plan for Growth. These reports are due to be published on the LEP website by 31 March 2022.

- **High Performance Working Practices** – Assessing employer adoption and support requirements across York and North Yorkshire.
- **The Fourth Industrial Revolution** – Assessing employer skills needs across York and North Yorkshire.
- **Progression Routes to Level 2.** Identifying best practice for the future
- **Transferable Skills** – Research to capture aspects of the transferable skills “landscape” across York and North Yorkshire.

6.9 The DfE has not yet confirmed whether this funding will continue next year due to the changes to regional strategic leadership for skills proposed in the Skills Bill and discussed in more detail in a later section of this paper.

## **7.0 Skills Supports Wider LEP Strategic Ambition.**

7.1 The LEPs skills work is key to achieving the LEPs wider strategic ambition as is evident in the development of the Plan for Growth.

7.2 **Business** - The right skills are crucial for local businesses growth and innovation, attracting inward investment and ensuring our workplaces are highly performing inclusive and productive places. To date, £19.5m ESF funds has been invested in workforce skills, often complimenting activity to improve the skills of people facing barriers to achieving their potential. This can be seen, for example, in *Aspire to Lead*, a package of support to individuals and businesses to enable women into more senior roles. *Thriving at Work* supports those who have poor mental health, disabilities and neurodiversity achieve their potential in the workplace through on offer of training and support to individuals as well as providing the tools to employers to become more diverse and inclusive workplaces. Other projects and collaborations include:

- A [Mental Health and Wellbeing Toolkit](#)
- Beacon – digital localised resources to support wider health and wellbeing issues (to be completed 2022)
- Business Scale-up – leadership and management training and resources
- Support to SMEs enabling graduate recruitment
- Support to SMEs for succession planning
- Recruitment from a more diverse workforce
- A series of Growth Hub [Webinars](#) that support bite-sized upskilling developed initially during the Covid pandemic.

7.3 **Net-zero and Circular work** – The right skills are also crucial for our region to achieve its net-zero ambitions. This includes skills providers having the right resources to keep pace with technology and deliver a ‘green skills’ curriculum. Working in collaboration with the North Yorkshire Learning Providers group and Craven College, the LEP has co-designed a Green & Sustainable Development [Ambition](#) for FE & Skills that supports carbon reduction and implementation of a greener curriculum. It has already had more than 20 organisations sign up.

7.4 Other activity of note includes:

- Funding two Electric Vehicle training installations in York College and Scarborough Tec.
- Support for a [Green Construction Skills Village](#) in Scarborough through the Town’s Deal
- A [research paper](#) into the supply and demand for skills that support a low carbon and circular economy to inform future project development.

7.5 **Infrastructure** – Skills provision needs to be supported by capital funding to ensure state of the art learning facilities and kit that adequately prepares learners for the world of work. Although much of the capital funding to colleges now comes direct from government, the LEP has developed a pipeline of skills capital projects that align with the LEPs strategic ambition, should capital funding be channelled through the local authority in the future.

## **8 Opportunities and Risks for the future**

8.1 The role of the LEP concerning skills is to set up programmes that meet evidenced need. Through a comprehensive analysis of skills supply and demand, working closely with local and national stakeholders and with reference to the Skills Strategy our focus for the future needs to be around the following three areas:

- Improving the organisational culture of businesses
  - Enabling adaptability, innovation and change management
  - Levelling up and Social Mobility
- 8.2 In order to deliver a greener, fairer, stronger economy, we must ensure employers have the skills to grow inclusive and productive workplaces where everyone can achieve their potential. This includes embedding a high performance working culture with flexible working practices and a focus on wider recruitment and retention of talent including those with poor mental health, physical health and neurodiversity.
- 8.3 Unprecedented change caused by Brexit, Covid and the move to net-zero will demand investment in leadership and management to transition resilient organisations. Higher-level skills help people unlock talent and help businesses innovate and prosper, closing the widening productivity gap our region faces. Our area has three high-quality universities and an Institution of Technology. Yet YNY ranks behind its comparative neighbours in terms of graduate retention and higher paid jobs. More must be done to ensure the aspirations of talented people are utilised for the benefit of our region
- 8.4 Although our region appears on the surface to be affluent and well skilled, this masks pockets of persistent deprivation. Currently 30,000 people in YNY who are unemployed or inactive and would like to find work and are, at present, lost potential to the economy. More must be done to raise ambition and aspiration in all areas and provide the opportunities for high-quality, sustainable employment.
- 8.5 The government's plan to move to a twin-track approach to education and training for young people aged 16+ risks leaving the less academically able further behind. By 2024 young people at age 16 will have to choose between a traditional academic route for their future studies or a technical route of either T levels or an apprenticeship. Both technical options require GCSE level English and Maths but is unachievable to some students. We need to ensure these young people are able to acquire the skills and qualifications to move into sustainable jobs in the future.
- 8.6 In dealing with these issues there are a number of risks and challenges, which include;
- lack of clarity on future funding and
  - fragmentation of strategic leadership for skills
- 8.7 A clear risk moving forward is the lack of clarity on future funding. The majority of LEP skills projects are funded through European Social Funds which are due to end in 2023. The government is yet to launch its UK Shared Prosperity Fund (UKSPF) Prospectus and the expectation now is that there will be an inevitable gap in funding between ESF and UKSPF. Not only will this affect recipients of current support, but partnerships built up over the lifetime of ESF risk disintegration before the next pot of funding is delivering.
- 8.8 Fragmentation of funding also poses a significant risk to the ability of the region to strategically plan and align future projects. Short-term funding also causes issues for delivery organisations in attracting and retaining expertise to deliver. The move to a Mayoral Combined Authority will increase the level of investment available and help the region achieve more stability through the

ability to plan more effectively and align projects for the good of individuals, businesses and the skills sector.

- 8.9 Devolution typically results in the devolution of the Adult Education Budget (AEB), currently around £11.5m. The Department for Education is also exploring the potential of devolving the National Skills Fund. This will allow the region to strategically tailor adult learning provision. AEB funds provision for low- and no-waged individuals to achieve a qualification up to level 2 (GCSE equivalent) and funds Community Learning which plays a vital role in supporting individuals on their journey to learn skills to enter, return or progress in work. The [National Skills Fund](#) currently funds the Level 3 Entitlement and Bootcamps. The ability to locally steer provision to meet evidenced economic need will support local economic growth in the future.
- 8.10 In order to ensure York and North Yorkshire is prepared and well placed to take advantage of the Shared Prosperity Fund, the LEP is developing pipeline of investable projects for Skills. Pipeline projects need align with the aspirations of the Plan for Growth and LEP Skills Strategy and will be developed under the guidance of the LEP Skills & Employability Board with reference to our evidence base and ESF impact and evaluation report.
- 8.11 To date we have received 75 project outlines from a range of skills providers including FE, HE and Independent Training Providers. Once the Plan for Growth is completed, we will work with the project owners to refine these ideas, ensure strategic fit and link organisations with complementary projects to promote alignment and collaboration. Our ambition is that we use learning from ESF and continue to develop programmes of activity that level up opportunity for people across York and North Yorkshire and empower everyone to reach their potential.
- 8.12 This year has seen the government publish its FE White Paper entitled '[Skills for Jobs: Lifelong Learning for Opportunity and Growth](#)'. The paper outlined proposed reforms to the sector with a clear focus on the pivotal role that further and technical education has in helping people get the skills for employment now and in the future as part of the government's 'Plans for Jobs'. This was followed up in May with the introduction of the [Skills and Post-16 Education Bill](#).
- 8.13 A core part of delivering this vision is the Skills Accelerator scheme - a £65 million fund, which aims to build stronger partnerships between employers colleges and other providers steered by the development of a Local Skills Improvement Plan (LSIP).
- 8.14 In a significant change to the place-based strategic leadership of the skills agenda, LSIPs are not be led by Local Enterprise Partnerships. Rather they are to be led by employer representative bodies such as Chambers of Commerce. The first eight pilot LSIPs are underway and an evaluation planned for 2022. The York and North Yorkshire region was not successful in its application to deliver one of the LSIP pilots.
- 8.15 Despite Chambers of Commerce being the governments preferred strategic leader for FE skills, LEPs still retain the mandate for all other areas of skills including Careers Education. We continue to work closely with the Chambers particularly on engaging employers to understand their skills needs, however there is a risk that, without a coherent strategic lead for skills, there will be

duplication of effort, poor value for the public purse as well as a dis-jointed system that does not meet businesses need for skills as intended.

## 9.0 Corporate and Strategic Implications

<b>Legal</b>	None
<b>Financial</b>	None
<b>Governance and Assurance</b>	None
<b>Equalities</b>	Provided in detail in this report
<b>Data Protection and Privacy</b>	None
<b>Communications and Engagement</b>	Provided in detail in this report
<b>Business &amp; Innovation</b>	Provided in detail in this report
<b>Low Carbon &amp; Environment</b>	None
<b>Places</b>	None
<b>Skills &amp; Employability</b>	Provided in detail in the report.

## 10.0 Recommendations

10.1 That the contents of the Skills Briefing be noted.

## 11.0 Additional Information

11.1 Appendices – Appendix 1 Detail of ESF programmes  
Appendix 2 Detail of LEP Skills Capital Projects

12.0 Background Documents – None

13.0 Contact –

<b>Name/Title:</b>	<i>Jude Knight</i>
<b>Contact:</b>	<i>Jude.knight@businessinspiredgrowth.com</i>

Appendix 1 – An overview of all ESF programmes.

Live Activity

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<p><b>Skills Support for the Workforce</b></p> <p>6190 individuals 1639 businesses</p>	<p>Equipping employees of SMEs in LEP priority sectors to achieve Level 2 full qualifications and Level 3 units to support their progression aspirations onto Apprenticeships or higher-level skills in order to improve their productivity and contribute to the growth of the businesses in which they are employed. Modest provision is also made within this project to support individuals under notice of or at risk of redundancy</p>	<p>Live 2016 to 2023</p>	<p>Calderdale College</p>	<p>£9.4m</p>
<p><b>Case Study:</b> Calderdale College is responsible for delivering the ESF funded Skills Support for the Workforce (SSW) project and has adapted delivery to successfully support businesses throughout the lockdown periods.</p> <p>Whilst some businesses temporarily closed because of the crisis and furloughed their employees, others remained open, particularly around essential services such as Health, Social Care and Logistics. In order to support businesses to continue with training and development, SSW adapted and tailored delivery models to suit the needs of businesses and participants and respond to government guidelines including social distancing for employers, participants and trainers/assessors. This included providing additional online and remote learning activities as well as support to employees across all sectors who had been furloughed, or where there was a risk of redundancies as a result of restructuring or down-sizing.</p> <p>One of the Calderdale’s training providers, Enterprise Made Simple (EMS) recognised the need to take swift action on a number of levels. Phil Teasdale, CEO said, “We digitised a number of our qualifications and courses, adapting and using new technologies such as Jam Board and Thinkrific to maintain the business development element, networking and the opportunity for the learners to have real time discussions in both a facilitated and non-facilitated way, with a constant Zoom live element to the training”. Working with businesses across the region in response to the rapidly evolving regulatory aspects EMS saw a need to develop, write and deliver a Recovery and Resilience course, delivering this flexibly and ensuring it was adaptable to any government or COVID regulation changes.</p> <p>The response to these adaptations and the continuation of delivery of the service has made a real difference to many businesses and their staff throughout and beyond the pandemic. As Emma-Jane Jervis from Story Sign in Northallerton said, “I have learnt how to focus my ideas and think about different routes and solutions for my business to make more money and make the business more sustainable. I have learnt how to go through the process for a tender and put together a business proposal. I have reflected on my current sales cycle and got ideas how to improve it to raise future sales, it has been a revelation and much needed”.</p>				

VIDEO: SSW – HOSPITALITY BUSINESS TRAINS FOR RESILIENCE

This [video](#) shows how one hospitality business in York benefitted from Skills Support for the Workforce training delivered by Calderdale college.

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Specialist Skills Support</b>  1370 Individuals 464 businesses	Supporting SMEs to: <ul style="list-style-type: none"> <li>• Improve their capacity for market expansion nationally and internationally</li> <li>• Recruit, retain and up-skilling employees from disadvantaged groups</li> <li>• Increase the number of graduate opportunities, particularly in rural areas where there are retention issues around higher level skills.</li> <li>• Enable employees who are on in-work benefits to realise their potential and connect with skills solutions which will increase their prospects of sustainable quality employment.</li> </ul>	Live  2021-2023	Calderdale College	£2.7m

As this programme has only recently launched, there are no case studies yet in circulation. This [video](#) shows how the Specialist Skills Support programme can benefit local businesses

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Business Scale up Programme</b>  554 individuals 194 businesses	This programme develops the capacity of eligible SMEs to realise their growth ambitions by providing business support to increase leadership and management skills in a motivated and expanding workforce.	Live  2021-2023	Calderdale College	£1.5m

As this programme has only recently launched, there are no case studies yet in circulation. This [video](#) shows how the Business Scale up programme can benefit local businesses.

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<p><b>Women in the Workforce (Aspire to lead)</b></p> <p>1482 individuals 97 Businesses</p>	<p>Empowering and equipping women to develop a wide range of skills and capacities embracing leadership, technical competence, confidence building, aspiration raising, influencer and ambassadorial and business start-up skills. The programme will support businesses to effect cultural and organisational changes to offer more support for female employees and tackle gender stereotyping. Strands of activity;</p> <ul style="list-style-type: none"> <li>- Women leadership training</li> <li>- Women returner and sponsor programmes</li> <li>- Women support networks</li> <li>- Women Ambassadors</li> <li>- Organisational Develop</li> <li>- Gender paygap analysis</li> <li>- Support for Women Entrepreneurs</li> <li>- Influencer training</li> </ul>	<p>Live 2021-2023</p>	<p>Opportunity Centre</p>	<p>£1.5m</p>
<p>Case Study:</p> <p>Anj Handa, the founder of Inspiring Women Changemakers, is delivering innovative leadership training to younger women and to women of any age returning to the workplace after time away. Her Aspiring Young Women programme has received some great feedback: "Really engaging training, I thought the interactivity of the sessions was really good - also how Anj applied the topics to our own experiences. Anj's advice was really valuable and in particular I liked the idea of doing everything with intent and not being a passive actor in my own development and in my relationships with others" - Aspiring Young Women Participant</p> <p>Future Female Leaders Participant - 'I really enjoyed it and it helped me a lot. It basically tackles the things that hold us back in our mindset and encourages us to make really big goals and work towards them. A lot of the stuff in the course resonated with me, now all I need to do is use it!'</p>				

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Thriving at Work</b>  543 individuals 46 businesses	Supporting employed individuals with disabilities and neurodiversity to benefit from bespoke training and coaching so they develop the confidence and skills to progress in work, including to senior positions with their current employer. The programme also makes provision to equip leaders and managers to support eligible employees and promote inclusivity and diversity by establishing a positive workplace culture towards those with mental and physical disabilities and neurodiversity.	Live  2021-2023	Better Connect	£900k

Case Study:  
Thriving at Work aims to support more people to thrive at work. It has a particular focus on supporting inclusive workplaces that can unlock the potential of staff who are neurodiverse, disabled or experience mental health challenges. This [video](#) features Esther from St Nick's, a delivery partner in the Thriving at Work programme, as she talks about the benefits to businesses who have taken part.

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Bespoke Skills</b>  483 individuals	Upskilling individuals with both nationally accredited and informal training packages in areas including technical and environmental skills such as safe use of machines, ground working skills and safe use of pesticides, analytical and creativity skills; collaborative working; or Business Skills; Budgeting and Communication; basic bookkeeping skills.  A particular focus will be on supporting rural based employers within the LEP's current priority sectors, including those seeking to improve and diversify their current products and services by, for example, moving into artisan products, expanding accommodation services or developing eco-tourism	Live  2021-2023	Vicky Anderson Ltd	£700k

Case Study:  
This programme has only recently launched, however as an example of the work being undertaken. One Visitor economy business currently benefitting from the service is receiving training in skills to support more effective Lake management as part of a wider package to support it develop open/wild water swimming facilities for tourists.

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Apprenticeship Hub</b>  577 individuals 57 businesses	Support to offer SME employers a single point of contact, providing impartial advice and support on apprenticeships – including apprenticeship reforms and changes. This will enable SMEs, particularly in rural areas or areas of disadvantage, to access apprenticeships and increase take-up to funding. The programme that will broker opportunities for Apprenticeship levy to be used as match funding to support new apprenticeship starts.	Live  2021-2023	Calderdale College	£1m
The Apprenticeship Hub has only recently launched. A link to the website for more information about the service the Hub will provide is available <a href="#">here</a> .				
Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Industry Placements for T levels</b>  56 businesses	Delivering an increased number of opportunities for industry placements each year by raising awareness of the quality of T levels amongst SMEs and providing innovative solutions to ensure sufficient relevant, high quality, accessible industry placements in a rural geography.  The programme will support learners in identified secondary schools/learning providers in the York, North Yorkshire and East Riding region to further develop the knowledge, practical skills and behaviours that they have learnt in the classroom via appropriate industry placements. SMEs and placement students will be supported via a personalised advice and guidance support service.	Live  2021-2023	Tec Partnership	£500k
Case Study: T Levels have been designed to prepare students age 16-18 with the technical skills local businesses need now and in the future. They combine classroom studies with an industry placement, based on employer designed standards. The new two year technical Level 3 qualification provides the knowledge and experience needed for the learner to progress into skilled employment, further study or a higher apprenticeship. This <a href="#">video</a> shows employers and young people already benefiting from Industry Placements:				

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>NEET</b> 400 individuals	The programme delivers NEET (Not in Education, Employment or Training) and pre-NEET activity to retain engagement from those who are identified as at risk of falling out of Education, Employment and Training.	Live 2016-2023	Prospects (2016-18) NYBEP (2018 to present)	£790k
<p>Case Study: Sammi gained a good range of GCSE passes at school and chose to go onto 6<sup>th</sup> Form College for further study. After a few months however, she realised an academic path was no longer what she wanted. Sammi left 6<sup>th</sup> Form without completing her first year, but had no clear idea of what to do and what type of career she wanted to pursue. Thinking an apprenticeship might be a suitable path, she looked for openings but was unable to find a position close to her rural location. Access to transport to potential employers further afield was also proving to be a barrier. Sammi attended a local drop-in session for young people who are Not in Employment, Education or Training (NEET) as part of YNYER LEP's NEET Project, managed by Prospect Services. Through the NEET Project's local delivery partner, The Clock, Sammi undertook a programme of level 2 qualifications, IT skills and employability training to help her become better equipped for the world of work. Mentoring support from her key worker helped Sammi decide which area of work she wanted to go into. The qualifications she took added value to her CV as well as giving her Powerpoint and presentation skills which proved useful in her interviews. With support from the Clock, Sammi found and applied for an apprenticeship in Business Administration which she has now secured. She is now well on her way to a successful career thanks to the support she received.</p>				
Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Community Grants</b> 174 grants awarded 3061 people supported	Grants of up to £20,000 for small voluntary and community organisations within the LEP region to fund projects which are aimed at increasing the participation of the hardest to reach individuals to progress towards employment and improve employability skills.	Live 2016-2023	Better Connect	£2.8m
<p>Case Study: Community Grants help unemployed people progress towards employment through access to learning and training opportunities. This <a href="#">video</a> features the work of Claro Enterprise in Starbeck who have been working with partners Veterans' Woodcraft to deliver basic skills courses.</p>				

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Skills Support for the Unemployed</b>  775 individuals	Support for unemployed closer to the job market to gain sector specific skills and move into employment	Live  2016-2023	APM (2016-18) McCrory Training (2018-2021) Talented Training (2021 to present)	
<p>Case Study:  <b>Helping Mark to find work fit for a Father.</b>            Mark, a lone parent living in Harrogate, was looking for general work which he could fit around his young son to make life better for them both. Previously, Mark had worked in construction, but had been unable to fit the long hours around caring for his child - especially after school.</p> <p>Mark's Skills Support for the Unemployed (SSU) keyworker helped him to tune his CV and covering letter to suit the flexible jobs he was applying for. Mark learned new application techniques, undertook mock interviews and confidence building exercises. Together they researched part time work in school hours and contacted employers by phone.</p> <p>Through this support, Mark was able to secure employment on a part time basis with Multiclean Supplies Ltd. For the next 13 weeks, his keyworker was on hand to help him settle into his new job but after just a few weeks Mark had impressed his new employer so much he was promoted to a Supervising Cleaner and now runs his own team.</p> <p>Mark has also found suitable after-school care for his young son, which has enabled him to work full time. He's even been able to move to a house better suited to him and his son.</p> <p><i>Mark's attitude and commitment to work is faultless and he comes with a wealth of knowledge within the cleaning industry. After passing his probationary period with us he was a strong candidate for promotion within our organisation and praise must go to him as he has lead by example from the start and is a role model for other employees to follow.</i>" – Dan Metcalfe, Managing Director Multiclean Supplied Ltd.</p>				

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Action Toward Inclusion</b>  3425 individuals	Support to the most disadvantaged groups in the LEP area who are furthest from the labour market and who experience significant barriers to work. It will provide support to these people to address barriers to work and tackle the disadvantages they face, helping them move towards employment, education or training.	Live  2016-2023	Better Connect	£11.5m (including National Lottery Fund and £6.3m ESF)

Case Study:  
This [video](#) introduces the work of one of ATIs delivery partners, Kyra Women's Project.

Project Title	Project Description	Status	Delivery organisation	Total lifetime value
<b>Community Led Local Development</b>  5000 individuals 300 businesses	Community Led Local Development ensures local people are involved in developing projects and using resources in the area to address local challenges. This programme specifically targets the 20% most deprived areas of the North Yorkshire Coast. To date it has funded 45 projects that will: <ul style="list-style-type: none"> <li>• support business and enterprise growth,</li> <li>• increase employment through supporting creation of new jobs</li> <li>• to help those furthest from the labour market improve their employment opportunities by helping to improve skills and experience of unemployed people</li> </ul> For more information visit the website for <a href="#">Advantage Coast</a>	Live  2016-2023	East Riding of York Council	£6.9m

Case Study:  
Richardson and Sons is a local family business who has been a wholesale supplier of fruit and vegetables to businesses in Bridlington for over 75 years. Keeping up to date with meeting the needs of customers, they invested in a small scale fresh chip production facility in 2006, which has become more and more in demand with local tourism, hospitality and catering businesses and has now met capacity so trade customers are being turned away. They also have extremely seasonal trade, but due to being at the limit of their capacity are unable to take on new customers that would help to give them a sustainable core of trade all year round. The project will enable relocation and expansion of the chip production line so it can not only cope with the increased demand, but allow expansion of the business outside of the Bridlington area, and taking on clients with less seasonally fluctuating demand. Delivering to other areas of East Yorkshire and the North Yorkshire coast, will create year round work opportunities for current staff and a number of new staff. The expansion plans also include a range of other

benefits such as improved product storage, better staff facilities and reduced impact of the environment. At least one delivery driver and two production line operatives will be recruited once the new production line is in place and the expanded our reach of the businesses is achieved, along with extra seasonal opportunities to cover peak periods. In addition, recruitment of a production line manager will enable the company manager to concentrate on overseeing the expansion project.

Programmes Ended.

<b>Higher Level Skills</b> 198 individuals	Promotion of higher level skills in SMEs including <ul style="list-style-type: none"> <li>• Women into STEM</li> <li>• Graduate Internships</li> <li>• Development of sector specific vocational short courses designed to enable progress onto advanced courses including Higher and Degree Apprenticeships.</li> </ul>	Ended 2016-2017	Calderdale College	£130k
<b>Apprenticeship Programme</b> 1,322 individuals	To support people in employment requiring significant new knowledge and skills, to enter apprenticeships at all levels across the York, North Yorkshire and East Riding LEP area and increase employer participation in apprenticeships by raising awareness and providing support to employers.	Ended 2016-2018	Grimsby Institute	£365k
<b>Access to Employment</b> 786 individuals	Provides one-to-one support for both benefit claimants and those of working age not claiming benefits, to address barriers and help them move into sustained employment.	Ended 2016-2020	Shaw Foundation	£3m
<b>Better Careers Guidance in Schools</b> 782 individuals	Pre-Careers Hub. Interventions to improve the quality of Careers Education, Information and Guidance	Ended 2016-2018	Prospects	£704k



## Annex 2: Skills Capital Summary

LOCAL GROWTH FUND						
Project	LGF awarded £	Outputs achieved to date				Project description
		Jobs created	Apprenticeships	New learners assisted (in courses leading to a full qualification)	Area of new or improved learning / training floorspace, sqm	
Craven College Animal Management Centre	800,520	0	15	554	531.3	This project was to build a new Animal Management Centre for Agricultural and Landbased students at the Airedale Campus, replacing leased accommodation at the Auction Mart Campus. It also built secure areas for animals and storage of goods and waste.
Craven College Electronic and Computing Lab	35,000	0	11	184	78	This project is to develop a workshop / laboratory to provide the facilities, equipment and services required to deliver Electronic and Computing Engineering.
Harrogate College	3,000,000	0	198	1,002	4,500	This was a campus redevelopment project, consisting of the construction of a new build technology centre and the refurbishment of another block, bringing all the college into good or excellent condition.
York College (Internet of Things)	16,995	0	30	276	0	York College created a stand-alone network laboratory to offer practical experience in the design, setup and testing of smart technologies, cloud computing, data sensing and cyber-security.

Bishop Burton College	400,000	4	12	0	0	This project is to provide a high-performance digital education platform to enhance learning and improve access to learning. High bandwidth connectivity is vital to provide the necessary skills for precision agricultural.
East Riding College Mechatronics	225,000	8	0	30	260	This project creates a Mechatronics training workshop to provide skills training in Engineering, including pneumatics, electrical and electric controls, electrical installation, hydraulics and CNC programming, to meet an urgent local need.
East Riding College Digital Workplace	161,206	0	0	0	0	The project is to create three high-technology, workplace-like facilities to meet employers' increasing needs for higher-level digital skills. Specifically these facilities are: an Engineering design suite, an enhanced Clinical Skills Centre and an enhanced Virtual Learning Environment (VLE).
Scarborough TEC (ELITE skills)	3,345,000	0	201	1,610	16,510	This is a significant investment to create a single-site centre of excellence, with both new build and refurbishment.
Selby College (new equipment)	109,903	0	335	116	0	The project is to provide specialist and industry-standard equipment (engineering and construction) to ensure the College can continue to train and develop apprentices and students to the levels of expertise industry expects and needs.
Selby College Trailblazers	48,247	0	323	225	0	The project is to provide specialist and industry-standard equipment (food and drink and agri-tech) to ensure the College can continue to train and develop apprentices and students to the levels of expertise industry expects and needs.

Askham Bryan College (Agricultural Skills)	1,000,000	0	99	258	5,523	This project is to enhance the facilities at the farm to include a new silage clamp, a new dairy shed, an extended sheep and heifer shed, and a remodelled heifer shed, with the creation of a visitor viewing area. It will also develop a state of the art Agri-Tech Innovation Centre, providing high quality learning and training facilities.
Askham Bryan College (Engineering Skills)	600,000	0	91	371	1,296	This project is to provide a purpose-built Land-Based Engineering facilities, and also a purpose-built motorsports workshop.
Askham Bryan College (Future Farms)	430,590	0	0	42	75	This project is to digitally improve the college farm and campus to allow for precision farming techniques to be used and taught.
Yorkshire Arboretum Tree Health Centre	141,091	0	0	0	0	This project is to build a purpose-built facility offering specialist training in tree health, pests and diseases. It will offer a broad range of courses to upskill professionals, amateurs and students. It launched in summer /autumn 2021, and outputs will be monitored from March 2022 onwards.
<b>Total for LGF programme</b>	<b>10,313,552</b>	<b>12</b>	<b>1,315</b>	<b>4,668</b>	<b>28,773.3</b>	

**GETTING BUILDING FUND SUMMARY**

Project	GBF awarded £	Outputs forecast to March 2025			
		Jobs created	New learners assisted (in courses leading to a full qualification)	Area of new or improved learning / training floorspace, sqm	
Askham Bryan Digital Skills Academy	1,000,000	0	1,385	200	This project is to build a new facility within the existing campus. Provision of sector specific technology and software will allow additional specialised skills and knowledge to be taught. The build started in summer 2021 and is due to be complete by March 2022.
Electric Car and Green Skills (Scarborough)	97,000	5	195	0	This project will support the purchase Electric Car/Training equipment so that low carbon Motor Vehicle Maintenance Courses and charging bays can be installed to promote green transport (education and training and employability). The project is physically complete for capital equipment purchase and installation.
York College - Increasing technical skills capabilities in Electric Vehicle technologies	150,000	0	130	274	York College is investing in low carbon electric vehicle skills development through an extension to existing workshop space and state of the art technologies
Enhancement to the Digital Hub Central Northallerton - eCampus	725,000	3	268	278	This project is to re-purpose a town centre building as an e-Campus that will provide the local community with a micro-university environment. The project is in delivery and operating agreements are in place with delivery partners York College and University of Sunderland.
<b>Total for GBF programme</b>	<b>1,972,000</b>	<b>3</b>	<b>1,978</b>	<b>752</b>	

### **Annex 3: An example of the development of an ESF programme Thriving at Work**

The ESF Thriving at Work programme was commissioned in response to the government's review, led by [Stephenson and Farmer](#), into mental health and employers. This report highlighted the cost to the economy, businesses and people of the rising incidence of poor mental health. Before the Covid pandemic, evidence showed 1 in 6 people in employment were living with a common mental health disorder. Stephenson and Farmer estimated 300,000 people with a long-term mental health problem lose their jobs each year in the UK, many unnecessarily, and at a much higher rate than those with physical health challenges and posing a huge cost to individuals, businesses and the wider economy. Approximately 12.7% of all sickness absence days in the UK can be attributed to mental health conditions posing a large annual cost to the UK's employers of around £38 billion with over half of the cost coming from presentism – when individuals are less productive due to poor mental health in work.

Working with the Skills and Employability Board, it was decided that the Thriving at Work call for activity should broaden its scope to include those with disabilities and those who identify as neurodiverse. Neurodiversity includes those with neurodiverse conditions such as Autism, ADHD, Dyspraxia, Dyslexia, Dyscalculia, and Tourette's syndrome.

Approximately 15% of working age adults have a recognised disability and 10% of the UK population are neurodivergent. Although the disability employment gap in York and North Yorkshire is better than some other regions, only 61% of working age people with a disability are in work compared to 83% of the non-disabled working age population. For those with autism, only 32% are in work and less than 16% have full-time employment. 40% of those with autism who are working part time say they would like to work more hours. Over the course of a year, disabled people are twice as likely to move out of work compared to non-disabled people whilst those in the workplace report experiencing expectations that are too low and employers who can be reluctant to give them a chance.

The specification for Thriving at Work requested activity to

- bespoke support and tailored training for employed people with poor mental health, disabilities and neurodiversity to enable them to progress in their careers
- training and resources for SMEs to effectively and positively manage staff for mental and physical health
- Training and resources to enable SMEs effectively and positively manage staff with disabilities and neurodiversity including a culture change around disclosure of mental health/physical health, disability and neurodiversity and tools to build a culture where health, wellbeing, and neurodiversity is valued.

In drawing up the specification for this piece of work, it was recognised that individuals would not be able to benefit fully from their new found confidence and skills unless the employer had the tools and training to understand and elicit them. Therefore, this programme required input to employees, line managers and the policies and practices of the business itself.

An investment of £900k ESF has been made by the LEP Skills and Employability Board in this activity that will support 55 SMEs become inclusive employers, 350 employees to 'thrive' in the workplace and 319 people to gain diversity training.

Due to the nature of ESF funding, match of 50% in the East Riding and 40% in York and North Yorkshire needed to be sourced. Match was offered by each of the 3 local authorities – City of York Council, East Riding of York Council and North Yorkshire County Council – who all recognised the significance of this programme in supporting local residents 'thrive' in local workplaces.

To date the project, delivered by Better Connect, has engaged with 79 participants. 43 have accessed workplace support in the form of 1-2-1 coaching and up-skilling. 15 participants have achieved qualifications and 1 has already received improved labour market status. 38 individuals have accessed diversity training.

[Lisa's Story](#) – Thriving at Work

Lisa, employed, had suffered with poor mental health since 2008. Despite numerous interventions and therapies she had experienced long episodes of absence from work. During the most recent absence her line manager suggested the Thriving at Work programme. Lisa said *“I have had many dark days through depression and my anxiety has at times been so debilitating. Ricky has given me the tools to control my emotions and not let my mental health control me but learn to live with it....”*

Further case studies can be view on the Better Connect [website](#).



# Item 7

## York & North Yorkshire Local Enterprise Partnership

### LEP Board Meeting

28 January 2022

### A Plan for Growth for York and North Yorkshire

#### Report of the Head of Strategy

#### **1.0 Purpose of the Report**

1.1 This report provides the Board with an update on work undertaken to develop and produce a Plan for Growth for York and North Yorkshire. It also provides the Board with a Plan for Growth Position Statement document for review and endorsement.

#### **2.0 Background**

2.1 The Board will recall that YNY LEP have commenced work to develop a Plan for Growth for York & North Yorkshire. This activity was stimulated as a result of Government launching the National Plan for Growth ('Build Back Better') in March 2021.

2.2 Government had not specifically asked for local/regional growth plans to be prepared, but we recognised the benefits of developing a Plan for Growth for York and North Yorkshire. This approach has been welcomed by our Government Department, the Department of Levelling Up Housing and Communities (DLUHC & BEIS) regional contacts.

2.3 The paper presented to the Board on 24 September 2021 covers the rationale, process, and proposed framework for developing the Plan for Growth for York and North Yorkshire in more detail.

2.4 The original proposed timeframe for completion of the Plan for Growth was March 2022 with a draft Plan to be presented to this Board. As set out in section 4 of this report this has been amended to take account of the delay in the Government publication of the Levelling Up White Paper and to enable collaboration and alignment to the proposed Economic Strategies/Plans for the City of York Council and the new North Yorkshire Council.

#### **3.0 The Emerging Strategic Growth Priorities and Objectives**

3.1 The first phase of activity to develop the Plan for Growth has focused primarily on undertaking extensive background evidence-based research; a regional SWOT analysis; conducting an external on-line survey to test initial thinking; and hosting discussions with a range of stakeholders and Local Authorities.

This activity has been supported by research commissioned to help understand which economic sectors have the potential to make the greatest contribution to future economic growth and employment in York and North Yorkshire. The evidence being gathered so far has help to begin to identify a series of emerging strategic priorities and objectives for York and North Yorkshire. It must be stressed at this stage that these are draft and just emerging and are still subject to further research, consultation and evidence gathering.

3.2 These are at this stage simply initial emerging priorities and objectives, and the specific wording requires some further development, as ultimately they need to demonstrate clear ambition and be grounded in a York and North Yorkshire context. They also need to align to the emerging strategies and plans for City of York and North Yorkshire Council.

3.3 The table below outlines the emerging strategic priorities and objectives:

<b>Strategic Priority:</b>	
1.	Attracting new investment and new jobs through good growth in key sectors and strategic places
2.	Driving forward the opportunities of our existing businesses and industries to innovate, decarbonise and become more resilient and productive
3.	Ensuring our People reach their full potential
4.	Maximising our high quality high value heritage and natural capital
5.	Reshaping our Towns and Cities

#### **4.0 Timetable and next steps**

4.1 In early 2022, activity will be undertaken to develop the individual chapters of the Plan for Growth, including further development of the emerging strategic priorities and objectives. Extensive engagement and consultation with stakeholders will be undertaken, where stakeholders will be presented with a Plan for Growth draft document to review and endorse. Again any consultation and engagement will be aligned to that proposed for the City of York and North Yorkshire economic plans.

4.2 An indicative timeframe for the production of the Plan for Growth has been developed. However, this is dependent on other factors such as the publication of the Government’s Levelling-Up White Paper. In addition, the timeframe may need to be adjusted to align with the timeframes for the emerging economic strategies being developed by the new North Yorkshire Council and City of York Council respectively.

4.3 The current timeframe is summarised below:



## 5.0 A Plan for Growth Position Statement

5.1 The detailed Plan for Growth Position Statement document at Annex A, provides a comprehensive overview of the evidence-based research; regional SWOT analysis; and further detail on the emerging growth priorities and objectives. This is presented for Board review and endorsement.

## 6.0 Corporate and Strategic Implications

<b>Legal</b>	None
<b>Financial</b>	None
<b>Governance and Assurance</b>	None
<b>Equalities</b>	None
<b>Data Protection and Privacy</b>	None
<b>Communications and Engagement</b>	As detailed in the report
<b>Business &amp; Innovation</b>	As detailed in the report
<b>Low Carbon &amp; Environment</b>	As detailed in the report
<b>Places</b>	As detailed in the report
<b>Skills &amp; Employability</b>	As detailed in the report

## 7.0 Recommendations

7.1 To note the contents of this report in context to the development of producing a Plan for Growth for York and North Yorkshire

7.2 To review and endorse the Plan for Growth Position Statement at Annex A.

## 8.0 Additional Information

8.1 **Annex A** – A Plan for Growth Position Statement (January 2002)

## 9.0 Contact –

<b>Name/Title:</b>	<i>Andrew Leeming (Head of Strategy)</i>
<b>Contact:</b>	<a href="mailto:Andrew.Leeming@businessinspiredgrowth.com">Andrew.Leeming@businessinspiredgrowth.com</a> 07976 727017

# York & North Yorkshire Plan for Growth - Position Statement

January 2022



York & North Yorkshire  
**LOCAL ENTERPRISE  
PARTNERSHIP**



## Part 1: Introduction

- What we've done to date
- Timetable and next steps



# 01 | Introduction

## What we've done so far...

A Project Team has been established within the YNY LEP to lead on the development of the **Plan for Growth for York and North Yorkshire**. The Project Team includes key staff from across the LEP who have relevant subject matter knowledge and expertise.

The Project Team have undertaken a broad range of activities to help develop and create the Plan for Growth. This early development activity has included the following:

- extensive background evidence-based research, including a review of national and local strategies;
- a regional SWOT analysis;
- an external online survey to test initial thinking; and
- various discussions with a range of stakeholders and Local Authorities.

This activity has been supported by research commissioned to help understand which economic sectors have the potential to make the greatest contribution to future economic growth and employment in York and North Yorkshire. These actions have helped to shape the Plan for Growth, and identify the emerging strategic priorities and objectives for York and North Yorkshire.

Plans for the production of the Plan for Growth have also been presented to the main YNY LEP Board and sub-Boards, and the York and North Yorkshire, East Riding and Hull Directors of Development (YNYERH)

## Timetable and next steps...

In early 2022, further activity will be undertaken to develop the individual chapters of the Plan for Growth, including identifying the investment interventions needed to deliver the plan. Extensive engagement and consultation with stakeholders will be undertaken, where stakeholders will be presented with a Plan for Growth draft document to review and endorse. The launch of the final Plan for Growth is scheduled for July 2022, but this may be dependent on other factors such as the publication of the Levelling-Up White Paper.

All key dates are summarised in the timeline below:



**Note: this timeframe may need to be adjusted to align with the timeframes for the emerging economic strategies being developed by the new North Yorkshire Council and City of York Council respectively.**

A scenic landscape view of a hillside. In the foreground, there is a grassy slope with a wooden fence. The middle ground features a stone building with arched windows and a small cemetery. In the background, a church tower is visible on a distant hill under a clear blue sky.

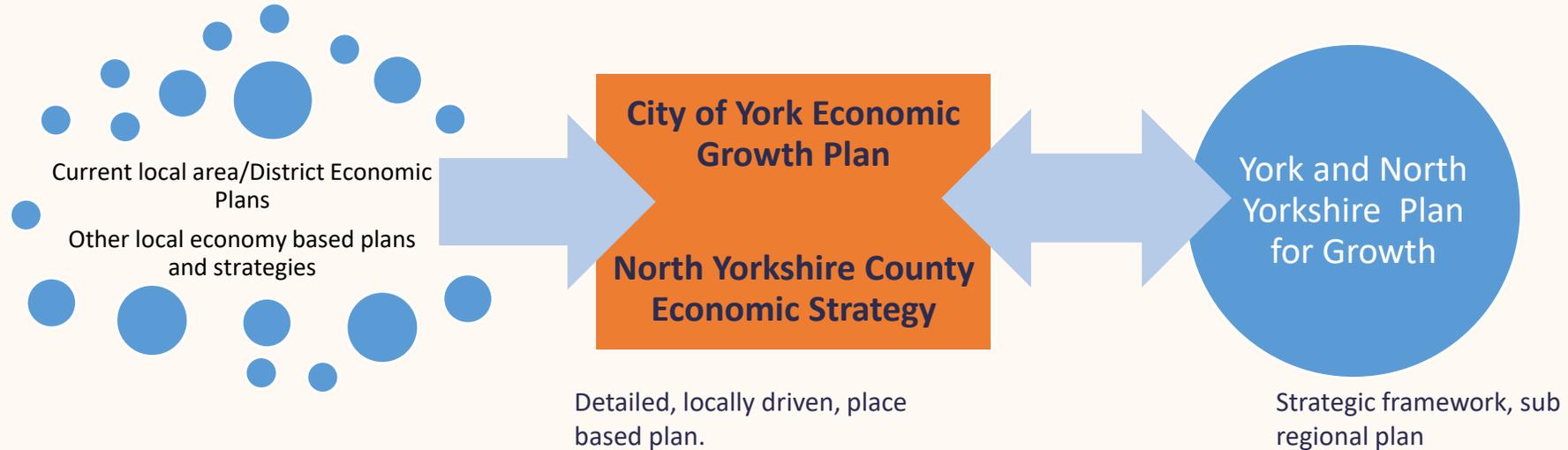
## Part 2: Overview

- Local, regional & national context

# 02 | Overview

We develop this York and North Yorkshire Plan for Growth in a constantly changing environment. The latest Covid-19 variant has delayed some key Government policy statements such as the Levelling Up White Paper, also locally both City of York Council and the new North Yorkshire Council are preparing local economic strategies and plans. These all need to be accounted for within the development of this Plan for Growth. It is essential that this Plan works collaboratively with the two proposed local economic plans so that they are fully aligned.

Discussion with City of York and North Yorkshire are currently looking at the timetable for preparing these Plans and also how best these can be aligned.



# 02 | Overview

It's important to highlight that the Plan for Growth has not started from a blank sheet of paper. It has been shaped by evidence and research, considering the impact of Covid-19, Brexit and Climate Change. There has been an ongoing process of reviewing local and national plans, particularly newly published strategies, and policies. Where activities are still relevant and necessary, this Plan will look to accelerate them further, in order to achieve the ambition of a Greener, Fairer and Stronger economy, alongside national goals (i.e. Net Zero, Levelling-Up and Global Britain). It will also seek to fill any gaps from previous strategies through clear prioritisation and an investment plan, considering Infrastructure, Skills and Innovation needs. Some of the key documents that have contributed to this plan include:

## 2018 - [Local Industrial Strategy \(LIS\)](#):

The YNY LIS final document was published in 2020 after extensive consultation and research. Within this strategy, the vision to be England's first carbon negative region was established. To achieve this, four key priorities were identified:

1. Connected and resilient places
2. People reaching their full potential
3. An economy powered by Good Businesses
4. World leading land management

## 2020 - [Response to Covid-19](#):

The start of 2020 saw the world thrown into uncharted territory – lockdowns, tier-systems and furloughs became the new normal for the UK, with many businesses unable to operate during this period. This was particularly daunting for York and North Yorkshire as hospitality and tourism, a key employment sector on the patch, was particularly vulnerable due to the pandemic. Strategies, such as the LIS, were suddenly shelved as the priority became business survival, rather than growth, and getting the YNY economy moving again as soon as possible.

## 2020/21 - [Covid-19 Plan to Reshape the Economy](#):

In October 2020, the LEP, in collaboration with various stakeholders, launched a Covid-19 Plan. The purpose of this plan was to identify short-term economic stimulus, which would set the foundations of the Local Industrial Strategy and move us away from recovery, into growth.

The following priorities were identified within this plan:

1. All our high streets, city & town centres are greener, fairer, stronger
2. Digital connectivity becomes the catalyst for change for everyone
3. Active travel and public transport usage increases beyond pre covid-19 levels
4. New housing adapts to changing needs in terms of design, affordability, energy efficiency, digital connectivity and space
5. Enhance our landscapes and provide more and accessible green spaces
6. Everyone at risk of redundancy or newly unemployed can access the advice and support they need
7. Training and learning provision has the capacity to meet demand for a Greener, Fairer and Stronger recovery
8. Young People and those furthest from the labour market are not left behind
9. All of our businesses get the support they need to adapt to the challenges of Covid-19 and come back Greener, Fairer and Stronger
10. New job opportunities are created that are greener and fairer

## Future ambitions that will inform the PfG:

### Devolution

York and North Yorkshire is currently in the process of seeking Devolution powers. Our devolution proposals will empower the YNY region by equipping us with funding and decision-making powers which will allow us to better shape our destiny and make a bigger contribution to the UK economy.

The Plan for Growth will help to bridge the gap between now and any future Devolution Deals.

### Route Map to Carbon Negative:

The Plan for Growth will also be developed in parallel with the YNY LEP's Routemap to Carbon Negative. This seeks to set out key milestones, policies and interventions that can drive the transition towards net zero carbon emissions by 2038; and this includes timeframes of actions and roles of stakeholders in delivering this. Ultimately, supporting Government's Net Zero Ambitions.

# 02 | National & Local Context

National strategies have also been the driving force behind the development of this Plan, primarily Government's [Plan for Growth](#), which was presented to Parliament in March 2021 with the aim to 'Build Back Better'. Although Government has not asked for the development of local plans, we recognise the importance of mobilising action at a local level, in order to drive forward national priorities. Below provides an overview of some of the contributions that this plan aims to make for the national agenda:

## Green Industrial Revolution:

- Further development of carbon abatement pathways – provide an evidence-driven approach
- Accelerate the rollout of EV charging
- Increase public transport and active travel
- Improve energy efficiency of buildings
- Carbon Capture, Utilisation & Storage (particularly via Drax)
- Protecting/enhancing/maximising natural capital (i.e. Yorkshire Dales & North York Moors National Parks)

## National Infrastructure Strategy:

- Investment in digital infrastructure, particularly in hard to reach areas
- Improve bus and cycling infrastructure
- Accelerate the rollout of low carbon

infrastructure (i.e. EV charging, CCUS)

- Protect communities from flooding and coastal erosion
- Regenerating towns and communities
- Decarbonisation of the power sector
- Improve energy efficiency of homes

## High Street Strategy:

- Repurposing empty buildings
- Engage with the sector to understand how collaboration can be strengthened
- Improve green infrastructure and inclusivity
- Increase/improve public transport
- Importance of the historic environment and heritage

## Skills for Jobs: Lifelong Learning for Opportunity and Growth:

- Put employers at the heart of FE
- Ensuring the availability of advanced and technical skills – particularly around the green agenda
- Deliver high quality provision

**The local authorities that make-up York and North Yorkshire each have their own local economic plans. These have been reviewed and have helped shape the strategic priorities of the Plan for Growth. Some of the key theme areas within these plans has been summarised below:**

- Digital connectivity

- Regenerate High Streets – more business working space/reuse of buildings/improve industrial parks
- Work with schools and HE – ensure clear career pathways
- Affordable and quality housing (energy efficiency, carbon reduction)
- Transport connectivity – cut congestion, improve infrastructure for public/private and active travel
- Promote the region – inward investment opportunities
- Resilience – improve air quality and flood defence
- Support the expansion of “high growth” and emerging sectors
- Develop an inward investment strategy
- Provide support and coordination to businesses (including the facilitation of collaborative working, funding and investment)
- Strengthen local supply chains and simplify procurement processes
- Explore opportunities for “green” business practices, new technologies and innovation
- Identify skills gaps, skills needs, learning and training provision
- Protect the region’s natural capital, ecology and heritage assets
- Increase the value of agriculture,

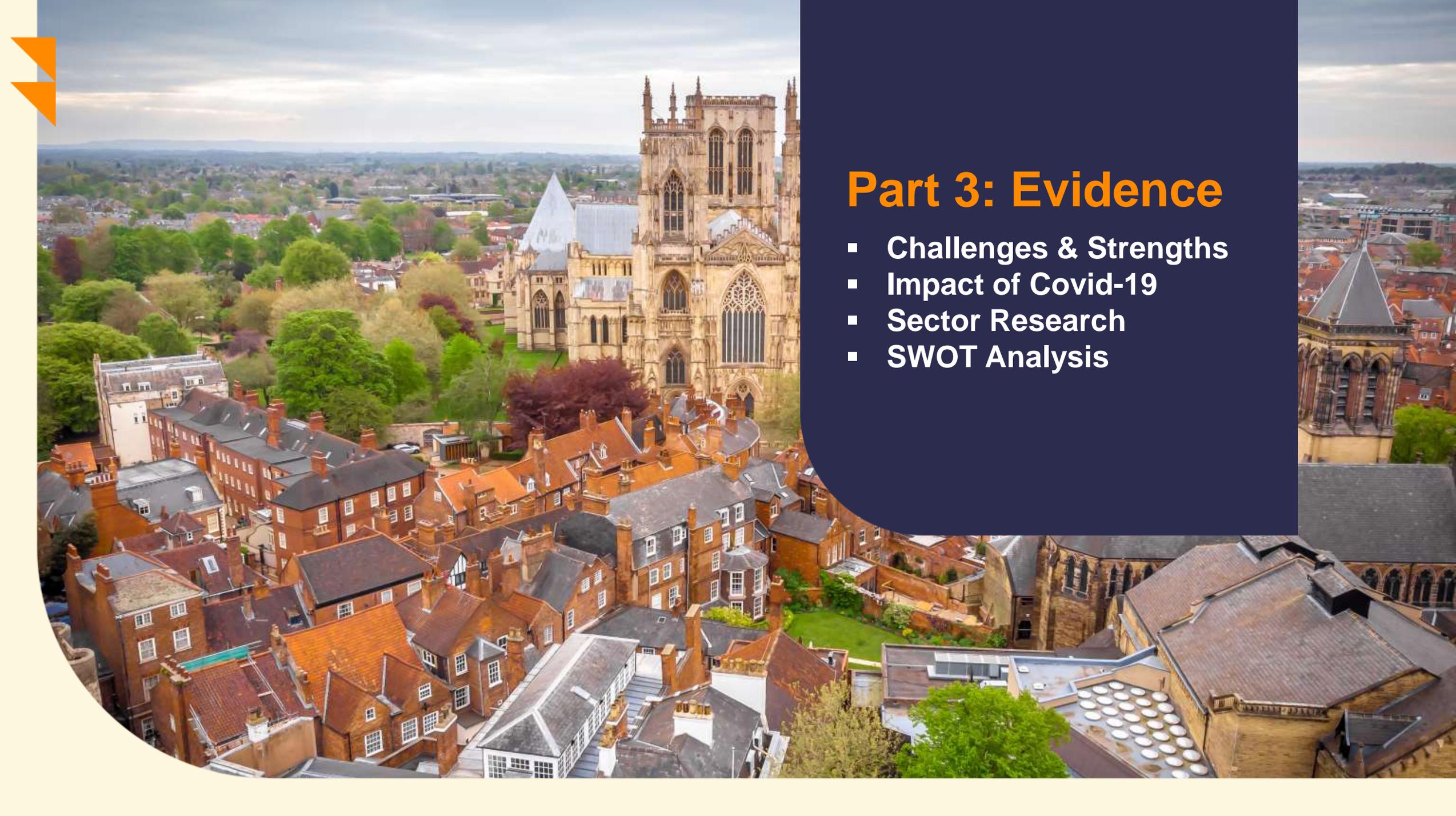
- enhance biodiversity and reduce the impact of climate change
- Reduce our carbon footprint
- Facilitate more tree planting
- Key sectors referenced: tourism, agriculture/agri-tech/food/bioeconomy, creative/digital, chemicals/bio-renewables, advanced manufacturing, professional services, logistics, energy, construction

**Many of these themes will play a role in the Plan for Growth.**

## Future Influences:

The York and North Yorkshire Plan for Growth will look to complement the following strategies/reports that are in the pipeline:

- Emerging economic strategies being developed by City of York Council and the new North Yorkshire Council;
- Government’s Levelling-Up White Paper and Shared Prosperity Fund



## Part 3: Evidence

- Challenges & Strengths
- Impact of Covid-19
- Sector Research
- SWOT Analysis

# 03 | Evidence

Recently, the economy has experienced a tumultuous and unexpected period like no other. Firstly from uncertainties caused by the EU Exit. Then there was added pressures from the global pandemic at the start of 2020. Forecasting the outcomes of these events has been challenging, with the landscape ever-moving – there’s been lockdowns, tier-systems, social distancing, and ongoing disruptions to supply chains. The initial concern was that unemployment levels would dramatically increase. However, the reality is that there are major labour shortages across key sectors.

In order to plan for the future, it’s important to reflect on the outcomes of these events and what this might mean for our priorities. So, ensuring that we’re evidence-driven, this section summarises the following:

- The strengths and challenges of the sub-region
- The impact of the Covid-19 pandemic on York & North Yorkshire
- Initial findings from sector research
- SWOT analysis of economic geographies

This does not include a comprehensive evidence base, but looks to set-out the key, headline figures.

## State of the Nation...

Large scale Issues that are occurring at a national level are also reflected within York & North Yorkshire:



Massive decrease to GDP in 2020 (-9.7%), which is the steepest drop since consistent records began in 1948.



Increased inflation – the highest it’s ever been, with the Bank of England raising interest rates from 0.1% to 0.25%.



Cost of utilities increased – the average price of gas is now 46% higher than a month ago (week to 7 Nov ‘21) and the highest recorded.



Growing concerns around the Omicron variant – only half of UK adults have received the booster vaccination (Dec ‘21).



Strained health and social care sector – Age UK research suggests council tax would need to rise by 10% to maintain social care funding.



Labour shortages remain, particularly in logistics – in December ‘21, the highest level of job adverts were in transport, logistics and warehousing.

# 03 | Challenges

## Climate Change



Ambitious vision to be England's first carbon negative region

YNY is more rural than many areas of the UK, with lower emissions from buildings and industry, but larger % of emissions from agriculture and transport. The region faces specific challenges around private car use, off-gas homes and agricultural emissions. However, it has a key opportunity in negative emissions from forest planting and Bioenergy use with Carbon Capture and Storage (BECCS).

## Economic shocks from Covid-19 & Brexit

Combined, Covid-19 and Brexit (and pressures from Climate Change), pose both opportunities and serious challenges. Already businesses are experiencing labour shortages (particularly in transportation, hospitality, social care, agriculture and manufacturing) and major increases in costs. **The pandemic has also accelerated many of the challenges highlighted below:**

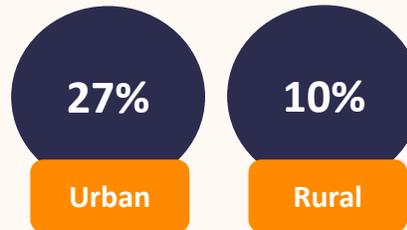
## Unaffordable & poor quality housing



YNY has a higher affordability ratio than both regional and national averages. Also, only 35% of homes within YNY have an EPC rating of C or above (to meet climate targets, we need all homes to be A or B graded as soon as possible).

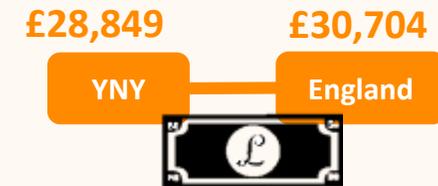
## Limited digital connectivity, particularly in rural areas

Premises with ultrafast broadband:



## Deficit of high skilled employment

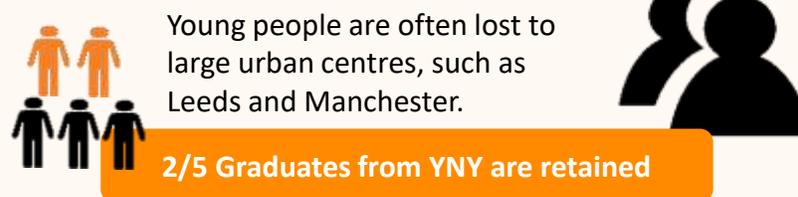
There is a pay gap between high skilled jobs within the region compared to those in neighbouring areas. Gross median full-time annual earnings:



## Ageing population

23% of residents are at retirement age. If North Yorkshire had the same percentage of younger adults as the national figure, there would be **45,551 additional younger working age adults** living in the County than there are today.

## Limited retention of young, talented people



## Deprivation in isolated pockets of the region

30 Lower Super Output Areas (LSOA) in YNY are in the 20% most deprived areas of England. These are mostly concentrated in Scarborough, but this is often overlooked due to large affluent areas on the patch.

# 03 | Challenges – Productivity

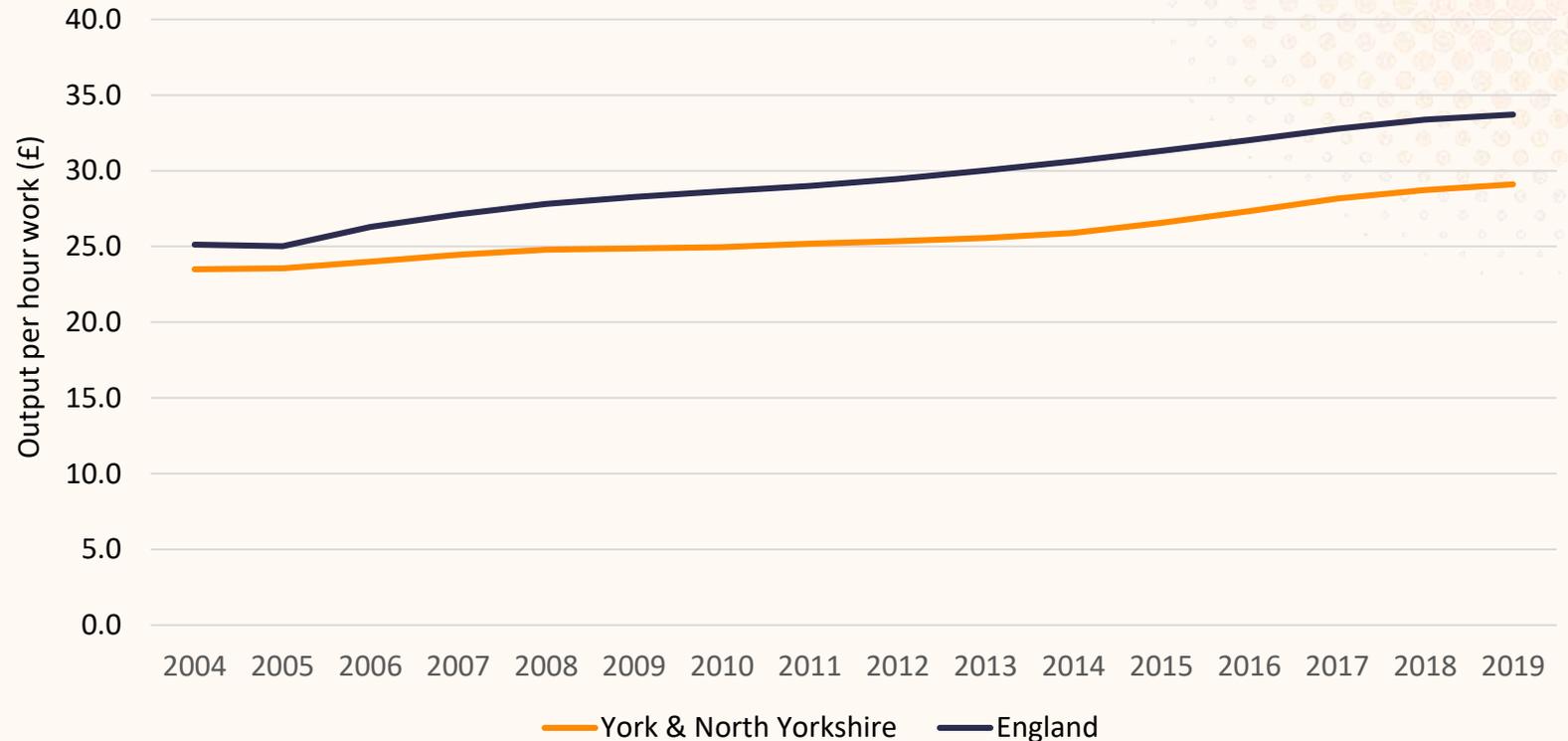
## ❑ Limited Productivity Growth

According to Government’s Plan for Growth, we need to “take action to address weak productivity in order to secure a sustainable increase in growth”. This is no different in York & North Yorkshire, where productivity has been stagnant and significantly dropped below the England average after 2004. In 2019, GVA per filled job in York and North Yorkshire averaged at £46,998, 1% below the regional average (£47,523), but 18% below the England average (£57,583) and the **ninth lowest of all 38 LEP areas**. In order to shift towards a **Greener, Fairer and Stronger** economy, this needs to be addressed. Within YNY, there are also massive disparities across the patch, with outputs substantially lower in some districts

### Output per hour (2019):



### Productivity in North Yorkshire



Source: ONS, 2021

### Why has growth been particularly slow in YNY?

Some possible factors that may have contributed to this gap developing include:

- Shift towards higher levels of activity in less productive sectors (i.e. tourism and hospitality play a big role in this region)
- There is a correlations between R&D spend and productivity, but the investment in this has been limited in YNY
- The region has lower levels of skills, innovation and infrastructure investment than more productive regions

# 03 | Strengths

## Significant natural capital

61% of our land is accounted for by agricultural businesses; it includes the UK's largest area of energy crops and our uplands are also home to 5% of the world's blanket bog, offering an opportunity to secure over 38mt of carbon.



## Leading tourism attractions

Tourism is substantial in YNY in terms of employment, but also, a recent [report](#) stated that North Yorkshire ranked third amongst UK sub-regions for the share of economic output attributable to tourism.



[Staycation destination in the UK in 2020](#)

## Strong knowledge economy

There are 3 universities on the patch and FE colleges offering degree courses, including Askham Bryan, one in ten specialist land based colleges in the UK. York has the highest skills level of any city in the North. There is also nationally important research centres on the patch.



University of York is part of the prestigious Russell Group

## Inward Investment Opportunities

Many of the strengths highlighted below provide York and North Yorkshire with the right assets to attract both businesses and new talent to the area. Alongside this, there are also large sites, such as **York Central (one of the UK's largest brownfield regeneration sites)** to generate inward investment opportunities.

## High value heritage and culture

Is contributed to the GVA of York, North Yorkshire & East Riding through diverse heritage assets, with approx. 41,000 jobs in this sector, but that contribution could be even higher.



## Leaders in the circular economy

A shift to a circular economy means keeping products and materials in use, eliminating waste and pollution, and regenerating natural systems. YNY is pioneering this approach with pilots underway such as **Circular Malton**, which aims to create the UK's first circular economy market town.

In Yorkshire and the Humber, currently ~300,000 tonnes of food is wasted each year.

## Attractive towns and city

York and North Yorkshire has a diverse geography, from the urban city centre of York to it's rural market towns and stunning coastline. Each of these assets make it a desirable location to live, work and learn. Right Move even voted **Skipton the second happiest town in the UK** (Dec 2020), whilst **Harrogate was deemed the best place to work from home in the UK** (Oct 2020).

## Close links to neighbouring geographies

Although neighbouring geographies can sometimes act as competition for inward investment and talent, they can also provide opportunities for collaboration. York and North Yorkshire stands to benefit through the following:

### 1. Energy Cluster Opportunities

17% of all the renewable energy in England is generated via plant biomass produced in Selby. There are strong energy assets locally, including Drax power station, but there are also close links and supply chain opportunities through the Humber's 'Energy Estuary' and Tees Valley's developments in the renewable sector.

### 2. Public Sector Relocation

Government has shown a commitment to invest more in the North by relocating key public sector departments. York has seen civil service relocations and has submitted proposals for Great British Railways. Alongside this, Treasury roles have been moved to Darlington, which is beneficial for the northern parts of the patch, whilst significant developments, including DfT roles, in Leeds provide opportunities for the southern area.

### 3. Sector Development

York and North Yorkshire has certain specialist sectors where it can lead, but equally, mutual sector growth could be achieved at a larger scale. For example, a recent report suggests a Life Science supercluster across the North could double the number of jobs in the sector.

# 03 | Strengths – Priority Growth Sectors

The York and North Yorkshire Local Enterprise Partnership commissioned Kada Research to explore which economic sectors have the potential to make the greatest contribution to future economic growth and employment in the area. This first part of the study involved a fresh look at the evidence using official and commercial data informed by insights from stakeholders. The second part of the study will consider what action the LEP and its partners should take to stimulate economic growth in the chosen sectors.

The first part of the study identified five priority sectors with growth potential, which includes:

1. **Agri-Food Innovation**
2. **Sustainable Energy and Bioeconomy**
3. **Health, Pharma and Life Science Innovation**
4. **Digitech, Data and Creative Industries**
5. **Advanced Manufacturing**

This is still a draft and the final report has not yet been published. This is due in February 2022.



Source: Kada Research

# 03 | Economic Impact of Covid-19

## Business investment remains muted

20%

Due to a lack of confidence about the future and rising prices, business investment has been limited. Nationally, it is 20% below where it was at the end of 2019.

## Unemployment levels have remained relatively static, despite initial forecasts of mass job losses

A surge in unemployment levels was originally forecasted due to the following:

- Major reliance on the Job Retention Scheme, which helped to minimise redundancies. This consistently reduced from January 2021 until its closure in September 2021.
- Claimant count levels increased by 127% in April 2020, but they have consistently decreased since February 2021. **Unemployment Rate:**

2%

2019

2.4%

2020

## Importance of digital connectivity has accelerated

With greater desire for home/hybrid-working, digital connectivity is more important than ever, but many places within YNY still have limited access.

## Increased home-working and changes to working patterns

As of April 2020, nearly half (46.6%) of people in employment did some of their work from home due to Covid-19. Many companies are looking to continue this trend with less priority given to workspaces in urban centres. The greater focus on quality of living provides opportunities for YNY.

## Housing affordability has been exacerbated further

>10%

Between September 2019 and September 2021, average house prices in all York and North Yorkshire districts (except Harrogate and Hambleton), saw an increase of 10% or more. This

could reduce the level of young people in the patch.

## Reduced confidence and usage of public transport

During the pandemic, people were encouraged to avoid public transport. Pre-pandemic, there was already a greater reliance on private car use, with transport being YNY's biggest emitter of carbon.

According to Transport for the North, around 90% of visitors to National Parks will travel by car



## Labour shortages are one of the biggest challenges right now

In particular, these gaps are within logistics, care, agriculture and manufacturing. A number of factors have resulted in this:

- Less migrant workers due to the EU Exit;
- Shifts in employment patterns (i.e. employees moving to more secure sectors that are less vulnerable to the pandemic);
- Vaccination requirements and other regulations (i.e. self-isolation) for certain sectors;
- Changes in consumer habits (i.e. increases in staycations, greater reliance on ecommerce)

## Changes to consumer & business habits

Lockdown and restrictions have accelerated and created new patterns in consumer habits. For example, there has been a greater reliance on ecommerce and restrictions in travelling abroad have led to an increase in staycations. Whilst businesses have looked to shorten supply chains and make better use of technology.



Ecommerce values increased by 46.1% between 2019 and 2020

# 03 | Economic Impact of Covid-19 – 2022 & Future Outlook

## Uncertainties for the future remain and will be dependent upon the following:

- **Businesses ability to adapt to the EU Exit.** With the pandemic dominating public attention, Brexit has often taken a backstreet, but there are many changes still underway which will impact businesses. For example, there will be new rules of origin paperwork requirements and declarations for agri-food sectors and they will see many new additional barriers to moving goods across UK-EU borders in supply chains in 2022.
- **New coronavirus variants.** The recent Omicron variant already poses a threat due to its high transmission levels, although symptoms may be less severe. It could lead to limitations in access to people and trade movements due to self-isolation requirements, adding an extra layer of challenge when many sectors are already struggling for capacity. Early evidence already suggests that there has been a decline in retail footfall and cancellations of bookings in the hospitality sector. But a worst case scenario would be a new variant that is vaccine-resistant.
- **Inflation squeezes household budgets and leads to reduced consumer spending.** This has been a result of disrupted supply chains and a surge in energy prices. Consequently, the Bank of England raised interest rates from 0.1% to 0.25%, the first rate rise in over three years. There is an expectation that inflation will reach a peak of around 6% next April before falling back.
- **Staff shortages continue to be prevalent.** The disruptive impact of labour shortages on the economy has already been seen throughout the pandemic. For example, the shortages in HGV drivers massively impacted the manufacturing sector as they were unable to transport their goods to customers. Could this challenge

be worsened if older workers choose to retire earlier due to health concerns from the pandemic? Not only would this potentially leave employment shortages, but it could create skills gaps in many businesses.

## Alongside these challenges for the future, there are also potential behavioural changes that need to be considered:

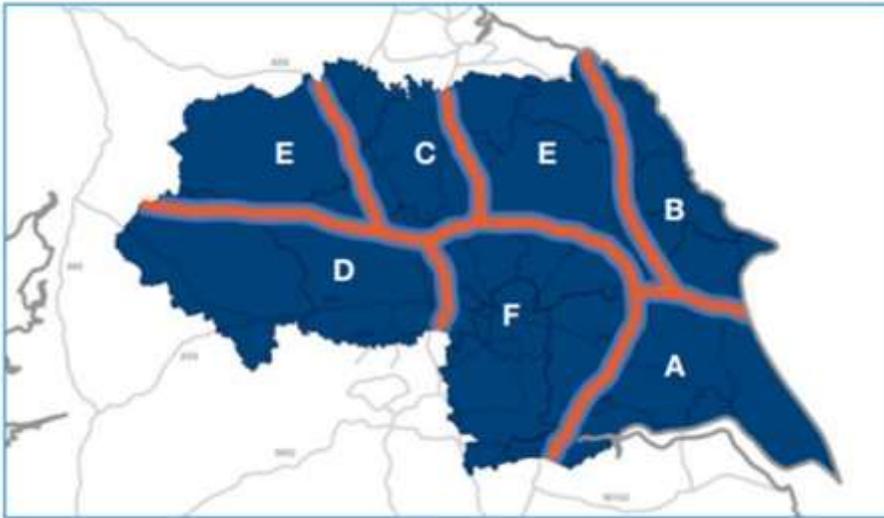
- **Local supply chains become preferable,** as the pandemic and Brexit have forced businesses to build greater resilience in sourcing materials.
- **Hybrid-working becomes the norm for most businesses.** For York and North Yorkshire, this provides a real opportunity to attract a new, diverse talent base. Although the Office for Budget Responsibility suggests that greater home-working could undermine innovation and knowledge sharing.
- **New consumer habits,** for example the acceleration of online consumption and preferences for local, independent businesses caused by the pandemic.
- **Reduced international travel.** The pandemic led to a staycation boom as flights abroad were either fully restricted or limited, with added costs for PCR testing requirements. There is a potential for this pattern to continue, or at least for the hospitality and tourism sector to maximise this new trend further.



# 03 | SWOT Analysis

To support our intelligence about Place, a SWOT analysis for 5 distinct places was undertaken, with support from Economic Development Officers.

The distinct places were previously defined for the Local Industrial Strategy (LIS), with an intention of being closely based around economic geographies. However, the lines are often blurred between these places as it's difficult to create a definitive boundary as businesses and people are rarely confined to this. However, this would help us to articulate what is distinctive about our region and the differences between places within it so that we can understand and prioritise what actions will have the greatest impact on a Greener, Fairer, Stronger economy.



The original geography and boundaries defined by the LIS can be seen in the map below, with the letters representing the following areas:

- A. Hull and East Riding
- B. Coast
- C. A1 Corridor
- D. A59 Western Corridor
- E. Yorkshire's National Parks (Moors and Dales)
- F. York and its Hinterland

Please note area A, Hull and East Yorkshire as well as the southern part of the Coast (B) are out of scope for this exercise. At the time of the LIS, the Local Enterprise Partnership included East Riding within its boundaries, but this is no longer the case and the Plan for Growth will only be representative of York and North Yorkshire. **These current geographies are also under review and will be developed further.**

The SWOT analyses were primarily concerned with the strengths, opportunities, threats and weaknesses that have most recently occurred, particularly as a result of the pandemic. Historical and systemic challenges such as ageing population, unaffordable housing etc. were not the focus and may not have been reflected in this section. However, these factors should have been captured on the 'challenges' and 'strengths' pages for York and North Yorkshire.



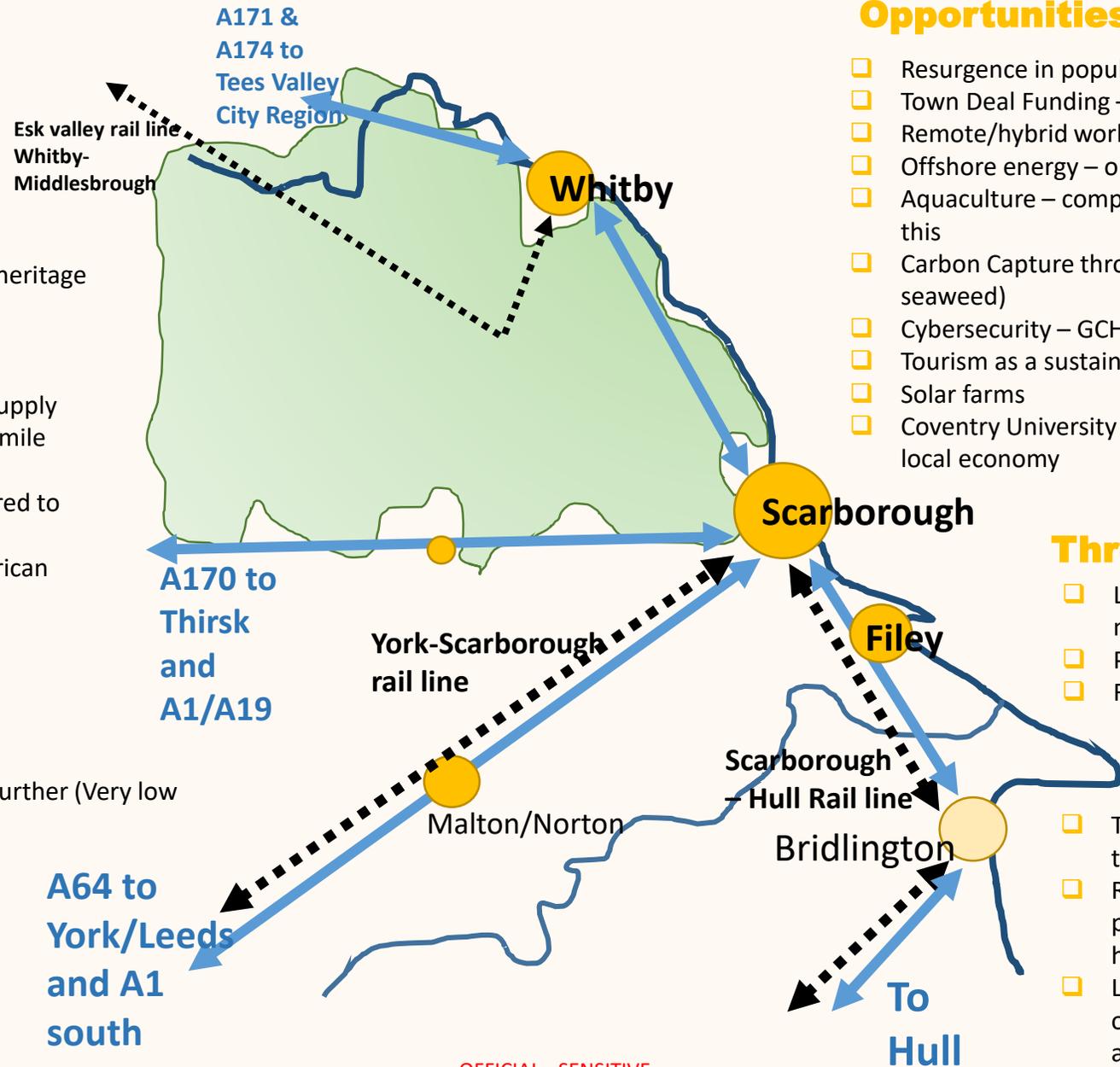
# 03 | The Coast

## Strengths:

- ❑ Attractiveness of the coast and strong heritage asset base
- ❑ Natural Capital – peat bog (carbon sequestration), biodiversity
- ❑ Food manufacturing – could improve supply chains, resilience and reduce last food mile
- ❑ Circular Malton – anaerobic digester
- ❑ Low cost of living – particularly compared to other areas on the patch
- ❑ Big business investments – Anglo American

## Weaknesses:

- ❑ Poor public transport between places
- ❑ Concentrated deprivation – led to poor image/perception of the area
- ❑ Digital connectivity could be improved further (Very low ultrafast broadband coverage)
- ❑ High levels of NEET
- ❑ Seasonal employment prevalent
- ❑ Higher than average health inequalities
- ❑ Grid infrastructure capacity issues
- ❑ Limited number of EV charging points
- ❑ Outmigration of young people



## Opportunities:

- ❑ Resurgence in popularity and attractiveness of the coast
- ❑ Town Deal Funding – Scarborough and Whitby
- ❑ Remote/hybrid working
- ❑ Offshore energy – onshore servicing, supply chain
- ❑ Aquaculture – companies such as Seagrown are maximising this
- ❑ Carbon Capture through natural assets (i.e. peat bogs, seaweed)
- ❑ Cybersecurity – GCHQ, potential for a Centre of Excellence
- ❑ Tourism as a sustainable and resilient career
- ❑ Solar farms
- ❑ Coventry University are supporting higher level skills for the local economy

## Threats

- ❑ Local residents priced out of local housing market if popularity surges
- ❑ Poor housing stock
- ❑ Retail vacancies and declining high street
- ❑ Coastal erosion and pressure on natural resources
- ❑ Traffic congestion during peak tourist season
- ❑ Recruitment challenges, particularly in hospitality and health and social care
- ❑ Lack of high skilled employment opportunities for young people and adults

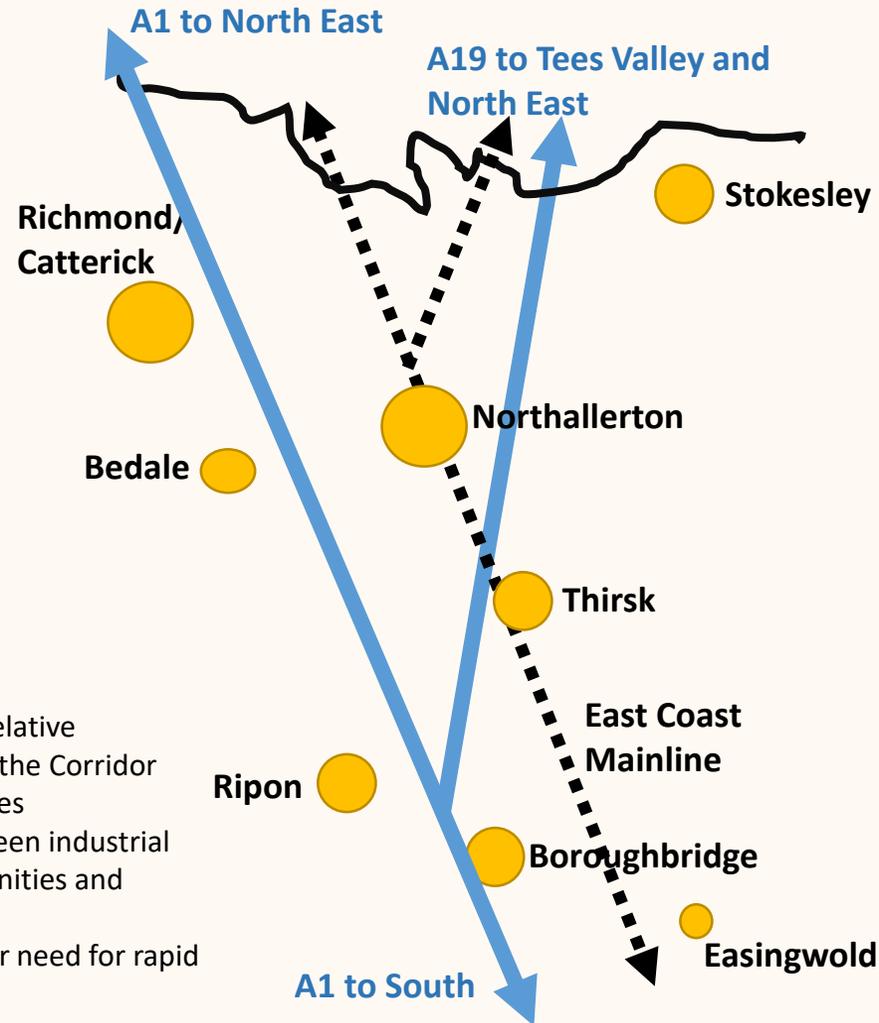
# 03 | A1 Corridor

## Strengths:

- Physical connectivity – regional airports, HS2 stations, road/rail connectivity (north/south, east/west)
- High-quality arable land and close proximity to the National Parks
- Skills base due to army veterans
- High levels of industrial estates and business parks - provision of new sites: A1 J52/53 development land
- Significant MoD presence
- Close proximity to Darlington college and HE options in Tees valley

## Weaknesses:

- Digital/mobile connectivity
- Low wage economy and large areas of relative deprivation in some more rural areas of the Corridor
- Isolation of residents in rural communities
- Public transport lacks connections between industrial parks and job opportunities and communities and learning opportunities
- Lack of sufficient EV chargers – particular need for rapid chargers & freight associated with A1



## Opportunities:

- Relatively cheap cost of land in the A1/A9 Corridor means that the area is attractive for investment by businesses and developers
- Capitalise on the area's popularity for cycling
- Regenerative agriculture
- Low carbon logistics – freight consolidation, chargers
- Potential for EV charging – e.g., Scotch Corner (in development, potential for further development/expansion)
- Potential for hydrogen transport fuel (future opp; also relevant to Coast)
- C4DI digital training hub
- Significant developments at Darlington (Civil Service relocation)
- Durham/Tees Valley Airport
- Green/Biotech Development (Teesside energy corridor)
- A1 J47 upgrade and adjacent business park
- Amey site and waste energy

## Threats

- Labour market shortage due to the EU Exit could lead to relocation of large businesses
- Large base of low paid jobs
- Housing in the Corridor is relatively unaffordable for young adults
- Strong demand for development land threatens the future of this environment
- Local infrastructure and services unable to cope with increased housing (doctors, schools etc)
- Increased flooding from over-development
- High levels of public sector workers – Local Government Reorganisation
- Degrading soil quality
- Lack of integration of garrison in to local community



# 03 | A59 Corridor

## Strengths:

- Links to urban centres (York, Leeds, Bradford) and physical connectivity
- Harrogate and its wider area has a strong place brand which acts as a major driver for inward investment
- Landscape quality
- Gateway to the Yorkshire Dales and Nidderdale AONB
- Skills strengths – growing offer and driving forward green agenda
- Harrogate & Craven have invested in EV charging points
- Concentration of historic buildings
- Life Sciences Corridor

## Weaknesses:

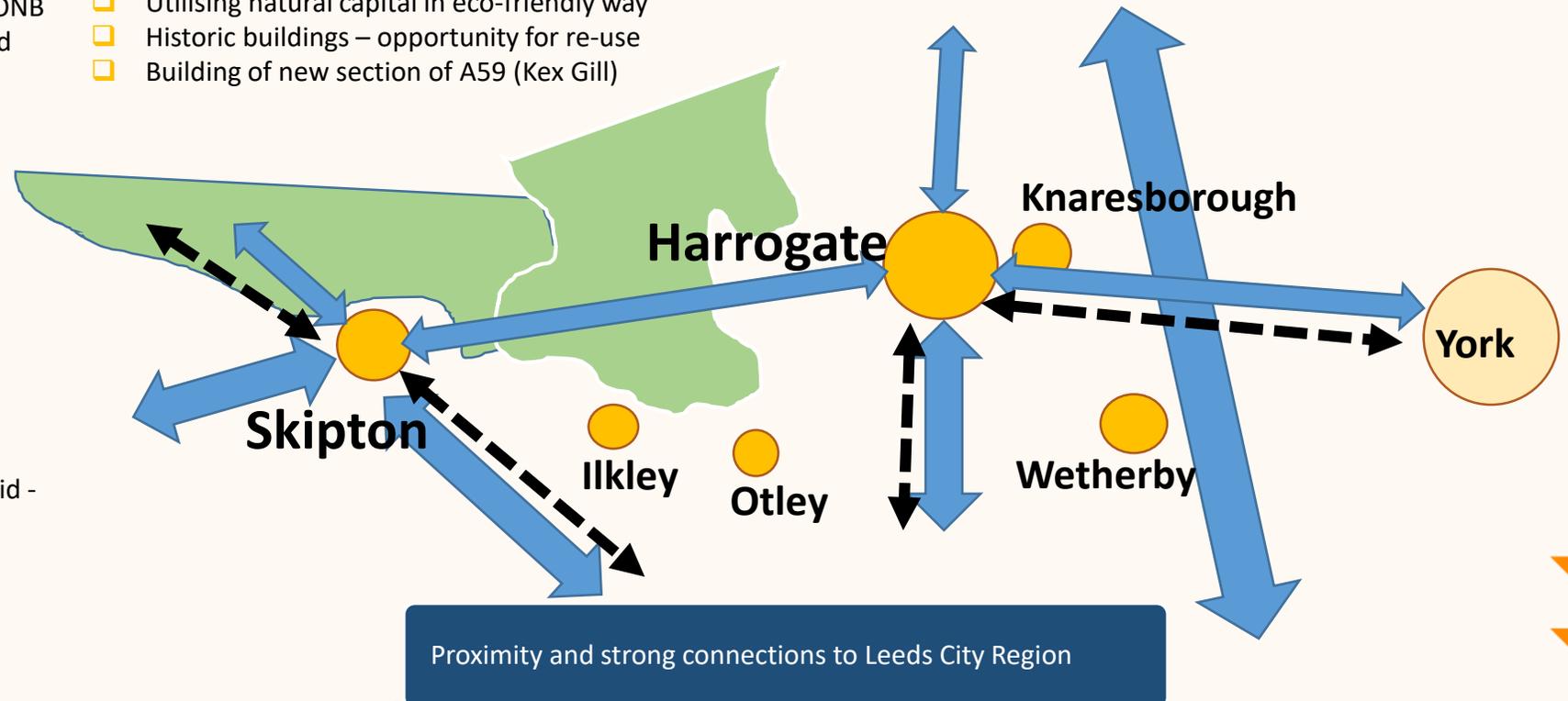
- House prices in the A59 Corridor are amongst the most expensive in York and North Yorkshire
- Greater provision of digital infrastructure needed across the whole patch
- Many local employment opportunities are low paid - people with higher earnings who live in the town often work elsewhere
- In rural areas public transport networks are poor
- Ageing population puts high demand on local services

## Opportunities:

- Large employment/development sites (due online)
- Growth in staycations and sustainable vacations
- Circular towns and villages
- Prevalence of digital businesses
- Covance and STEM
- Ilke homes – supporting LEP low carbon ambitions
- Potential for circular towns & communities
- Opportunity for anaerobic digestion plants
- Utilising natural capital in eco-friendly way
- Historic buildings – opportunity for re-use
- Building of new section of A59 (Kex Gill)

## Threats

- Housing affordability
- Remote working effect on people travelling to key employment sites in Skipton
- Pressure on land for development and other uses represents a challenge to the Corridor's natural environment and biodiversity
- 20% of residents in Craven live in areas at risk of flooding
- Craven can be isolated from rest of YNY
- Dairy & beef – contributing to climate change, water pollution, risks relating to changing consumer tastes
- Isolated from wider network of support organisations (e.g. Chamber of Commerce etc)



# 03 | The National Parks

## Strengths:

- Quality landscape, habitat, Natural Capital
- Strong Heritage – railways, castles, green space, lakes, hills etc.
- Health and recreational resource
- Rich and varied visitor economy
- Significant carbon sequestration within the woodlands and grasslands

## Weaknesses:

- Reliance on low paid jobs in the National Parks, with few opportunities for highly paid employment
- Cost of housing is high, exacerbated by limited supply and a demand for second homes
- Digital and mobile connectivity
- Limited public transport
- Remote, insular and isolated communities

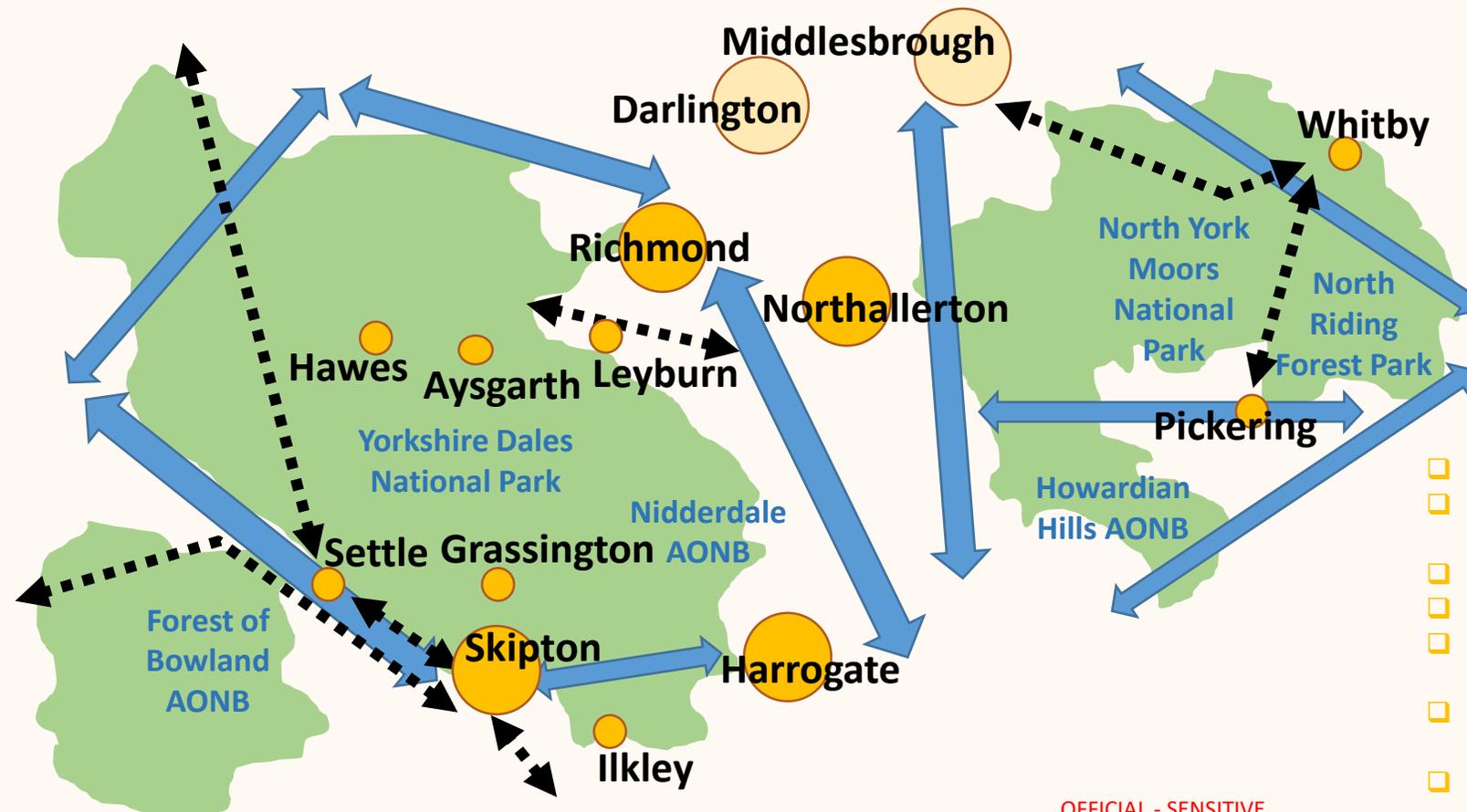
- Lack of skilled and unskilled workers to fill vacancies
- Young people struggle to find local work experience and industrial placements
- Barrier to change – views to maintain heritage & culture
- Lack of EV charging points and grid capacity for rapid chargers

## Threats:

- Overcrowding (tourist activity) leading to land management issues
- Rise in irresponsible behaviour which harms the environment
- Upland/natural flood risk/management
- Agriculture is integral to the area - Brexit and the changing status of farming support represents a major risk to the industry
- Problems with recruiting could force businesses to move to more urban areas
- Climate change impacting biodiversity

## Opportunities:

- Staycations and eco-tourism
- Growth in demand for outdoor pursuits and rural retreats during Covid-19
- Leaders in sustainable tourism
- Heritage (built & landscape) skills/jobs
- Adaption to climate change (i.e. Land management and agricultural practices)
- Increasing National Park flexibility in terms of developing unused buildings into local occupancy dwellings
- Creating net-zero, or carbon-negative farms



# 03 | York & Its Hinterlands

This economic geography differs to the others represented as there is often a jarring contrast between central York and the surrounding towns. Although the challenges may differ, the fact that these economies are interconnected can't be ignored. The weakness of one area could be supported by an opposing strength in its neighbour.

## Strengths:

### York:

- Government commitment to investment in York
- Relatively young population
- Significant rail sector and innovation strengths
- Public transport & active travel
- Askham Bryan college, 1 of 10 dedicated Land-based colleges in UK, lead in agritech and farming technology

### Its Hinterlands:

- Significant strengths in construction, manufacturing and energy

### Both:

- Internationally-renowned heritage and cultural offer
- Strong knowledge economy – 2x universities, nationally important research centres
- Strong rail connectivity (North/South)

## Weaknesses:

### York:

- East-West connectivity
- Unaffordable housing

### Its Hinterlands:

- Pockets of poor digital connectivity represent a barrier to growth
- Pockets of deprivation
- Remoteness from major centres of population restricts workforce supply
- Town centres that don't meet their potential
- Image and perception
- Impact of reduction of meat consumption

### Both:

- Attraction and retention of skilled young adults
- Extent of flood plain
- Relatively poor road communications to coast (A64) and west (A59) and to south east
- High proportion of energy inefficient listed buildings

## Opportunities:

### York:

- Remote/hybrid working
- Civil Service Relocation and potential home for Great British Railways
- York Central

### Its Hinterlands:

- Large well-connected employment sites in surrounding hinterland
- Drax and carbon capture
- Gascoigne railhead
- Energy Estuary

### Both:

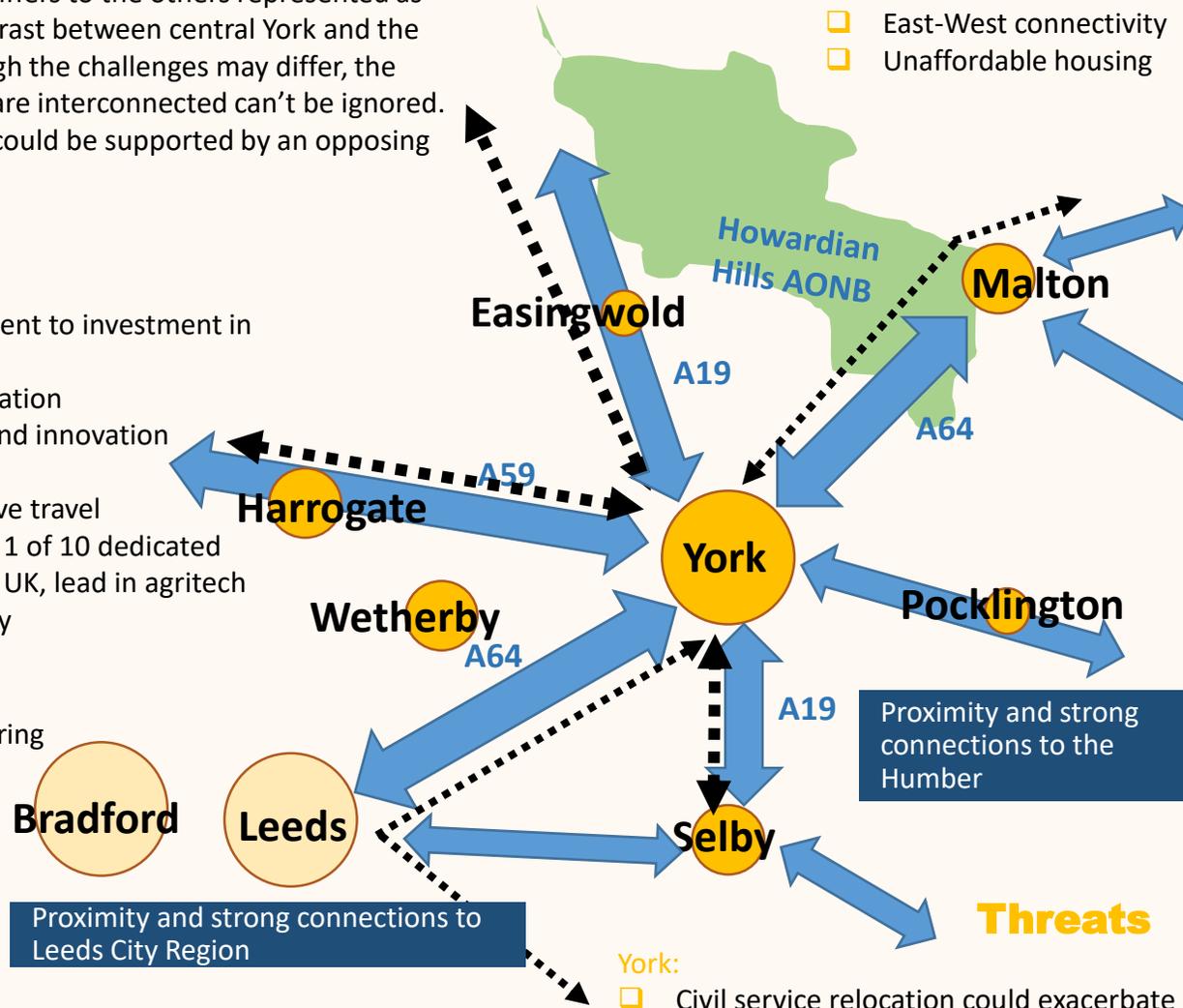
- Bioeconomy innovation
- Build stronger innovation links with the city of Leeds

### Its Hinterlands:

- Access to workforce
- Public transport links to major employment sites
- Leakage of workers to Leeds and surrounding urban areas
- Domination of logistics
- Increasing flood risk

### Both:

- Impact of retirement on key sectors (loss of skills)



### York:

- Civil service relocation could exacerbate housing supply and affordability
- Loss of employment space to other use
- Lack of new development sites



A coastal scene featuring a yellow boat with a white cabin on the water. In the background, a stone pier with a lighthouse stands under a blue sky. The foreground is filled with fishing gear, including ropes and nets with orange and blue floats.

## Part 4: Plan for Growth

- Emerging priorities and objectives

# 04 | Plan for Growth Framework



# Attracting new investment and jobs through good growth in key sectors and strategic places

Improving productivity has been a longstanding national priority, particularly as the UK's outputs are generally much lower than its main international competitors. The challenge is even more prominent at a local level – in 2019, York and North Yorkshire had an average output per hour that was 14% lower than England's outputs. This gap has been widening over the years and is now nearly 3x greater than it was back in 2005.

The widening productivity gap has partly been a result of growth in low productivity sectors, for example, the largest employment sectors within York and North

Yorkshire are Wholesale and Retail (40,000), Health and Social Care (48,000), Manufacturing (36,000) and Accommodation and Food Services (39,000). Although these sectors play a pivotal role in the region and cannot be ignored, there is also an opportunity to support new and innovative, growing sectors, particularly through inward investment and promotion of our key strategic sites (i.e. York Central is one of the largest brownfield sites in England), which will support the shift to a greener, fairer, stronger economy.

These “new” sectors will be invaluable to our ambitions around decarbonisation of our economy, increasing productivity and providing inclusive, better paid jobs.

## Emerging Objectives:

- World-leading Bioeconomy
- World-leading Controlled Environment Agriculture
- A Focal Point for Rail and Transport Innovation
- Green Industries
- A1 & M62 Corridor
- York Central



# Driving forward the opportunities of our existing businesses and industries to innovate, decarbonise and become more resilient and productive

There are nearly 40,000 businesses in York and North Yorkshire with 98% of them either small or micro (ONS, 2021). A large proportion are in traditionally low productivity sectors; for example, the tourism sector includes the following, accommodation and food services (3,155) and arts, entertainment and recreation (2,475), which are some of our largest employment sectors.

During the spring 2020 lockdown, nationally more than 80% of these sectors were temporarily closed; this then dropped to around 55% during January 2021 (ONS). Although the pandemic has been

damaging for many, it taught businesses to adapt and innovate in order to survive. This mentality within businesses needs to be strengthened further to improve resilience, especially as the regulatory landscape is shifting:

- There will be decarbonisation requirements, particularly for those SMEs that are looking to supply into larger businesses;
- The EU Exit continues to bring new requirements and pressures

## Emerging Objectives:

- A strong, productive net zero food and farming sector
- A world-leading sustainable visitor economy
- Highly innovative, circular and resilient businesses



# Ensuring our people reach their full potential

People are key to raising productivity and wages within York and North Yorkshire. By lifting productivity to England's average, this would grow the local economy by £4 billion.

To achieve this, it's important not to overlook those that are furthest away from the labour market, such as the 30,000 unemployed or inactive people who would like to work. Promoting workplace inclusion leads to innovation through harnessing the creativity, experience and background of a truly diverse workforce.

Although 13% of businesses report skills gaps, 37% of employers acknowledge they under-invest in training. Addressing the 20% reported skills gap among managers would raise aspirations, deliver increased productivity and drive the innovation the local economy needs.

A challenge of skills underutilisation also remains. There persists a mismatch between educational attainment - 40.6% in YNY are educated to NVQ4 and above – and the current lower demand for skills at this higher level.

Although 26,000 HE students are enrolled across 3 universities in YNY, there remains a pressing need to improve graduate retention within the local labour market and reduce the outflow of highly qualified people.

York and North Yorkshire already provides its young people with high quality careers education (all local secondary schools and colleges in the YNY Careers Hub).

## Emerging Objectives:

- Create, Retain and Attract Talent
- A Highly Skilled Workforce
- Healthy, Inclusive and Productive Workforce



# Maximising our high quality high value heritage and natural capital

York and North Yorkshire has incredible natural capital through two National Parks and three Areas of Outstanding Natural Beauty. But climate change poses a risk to this and regional economic performance from more extreme drought/heatwaves, flooding and fire risks. For example, the 2015 Boxing Day Floods in parts of North and West Yorkshire led to over 4,000 homes, almost 2,000 businesses and over 100km<sup>2</sup> of urban and farm land flooded, causing an economic cost of over half a billion pounds (Leeds City Region Flood Review Report, 2016).

So, protecting and maximising our natural capital is paramount to our economy, but it is also integral to our

carbon negative vision and Government's net zero ambitions. Through peatland restoration, we can abate significant GHG emissions (saving over £3 billion of emissions over 80 years) (York, North Yorkshire & West Yorkshire Natural Capital Study, May 2020).

Alongside our natural capital, York and North Yorkshire also has an incredibly rich and diverse historic environment. Heritage assets are estimated to account for GVA of £2.1bn and 41,000 jobs across the wider region – but this contribution could be much more significant.

## Emerging Objectives:

- Land use and natural capital
- Strengthening our heritage and culture
- Marine/coast



# Reshaping our Towns and Cities

York & North Yorkshire has a diverse geography, ranging from market towns and a striking coast to significant rurality with two National Parks and York as its key urban centre. This makes the region a very attractive place to live, work and learn – according to Uswitch, Harrogate in North Yorkshire is the best place to work from home in the UK, due to its high levels of digital connectivity, expansive green spaces, low crime rates and good schools (Oct, 2020). Right Move voted Skipton as the second happiest town in the UK (Dec, 2020).

But not all of our towns have maximised their potential. 6% (30) of our Lower Super Output Areas are in the 20% most deprived locations in England and this is particularly concentrated in Scarborough (Indices of Multiple Deprivation, 2019). The prosperity of the region often conceals these pockets of deep-rooted deprivation.

There are also challenges around connectivity, both for digital and transport. Covid-19 accelerated the reliance on technology; for example, online retailing values increased by 46.1% in 2020 when compared with 2019, the highest annual growth reported since 2008 (ONS). So, more than ever, it's important to resolve digital exclusion, as this provides opportunities for how businesses operate and how people learn.

Similarly, due to the rurality of the patch, public transport is often limited and much better connected to places outside of York and North Yorkshire (i.e. York to London is under two hours by train). Transport is our largest emitting sector, with emissions currently dominated by road transport, primarily private vehicle use.

To contribute towards Government's Levelling-Up and Net Zero ambitions, reshaping our towns and bringing them into "21<sup>st</sup> Century Towns"\* will be paramount.

## Emerging Objectives:

- Ensuring our towns have 21<sup>st</sup> century connectivity
- Reshaping our towns and city centres



## York & North Yorkshire Local Enterprise Partnership

LEP Board

28 January 2022

### Communications

#### Report of the Head of Communications and Organisational Development

##### 1.0 Purpose of the Report

1.1 This paper reports on progress against key communications activities for YNY LEP within our Festival of Engagement programme, which included our Annual Conference event.

##### 2.0 Background

2.1 Between September and December 2021, YNY LEP staged a series of events under the umbrella of the 'Festival of Engagement'. Running between September 2021 and January 2022, the concept of a festival brought together under a single banner, a number of existing activities that which traditionally sit in Q3. The aim was also to fill any identified gaps with events to target key audiences. Staged within a period of changeable Covid regulations, the majority of the events were held online. These included events led by the YNY LEP and those by partners.

2.2 The programme included the YNY LEP Annual Conference, York Business Week, Circular Yorkshire Week and the YNY LEP Skills Conference. The YNY LEP Communications Team led the curation and delivery of the Festival.

##### 3.0 Festival Programme and evaluation

3.1 The final programme ran as follows. Every team across the LEP ran events in the period Sept-November and the Skills team closing out the festival with their conference event in January.

3.2

Date	Event	Lead organisation
<b>22 September</b>	Developing a Yorkshire Circular Economy Strategy: Workshop One	Yorkshire Circular Lab
<b>13 October</b>	What international opportunities await your business?	YNY LEP / Growth Hub
<b>13 October</b>	The UK Exit from the EU and its Effects on the Agricultural Industry	Grow Yorkshire/ Growth Hub /Agricultural Business Training
<b>15 October</b>	BEIS Net Zero Battle Bus – local level targeted campaign	Harrogate District Climate Change Coalition + PlanetMark
<b>18 October</b>	Circular Towns Guide Launch	YNY LEP
<b>19 October</b>	Hemp Roundtable	Clarion Solicitors
<b>20 October</b>	Developing a Yorkshire Circular Economy Strategy: Workshop Two	Yorkshire Circular Lab
<b>20 October</b>	Circular & Bio Construction Research Launch	YNY LEP & North East and Yorkshire Energy Hub
<b>20 October</b>	Innovate Local Yorkshire, Humber & the North East	Innovate UK

<b>20 October</b>	Social Mobility – Skills Partner Network Special	YNY LEP
<b>21 October</b>	Waste No More: From Waste to Resource Management, changing views on waste	Yorwaste
<b>21 October</b>	Food Waste: Rethink, Reduce, Recoup	Too Good To Go
<b>22 October</b>	Capturing the Benefits of Circularity	CRESTING
<b>1 November</b>	Plan for Growth engagement	YNY LEP
<b>2 November</b>	York & North Yorkshire Economic Growth and Development Conference	Built Environment Networking / YNY LEP
<b>10 November</b>	Re-writing the Rules; What Makes a Successful Entrepreneur? (York Business Week)	University of York
<b>10 November</b>	Farm Business Basics	Grow Yorkshire/ Growth Hub /Agricultural Business Training
<b>11 November</b>	The benefits of doing business sustainably (York Business Week)	City of York Council
<b>18 November</b>	How to Level Up: Extending and Transforming Leadership of the Future (Postponed)	University of York
<b>24 November</b>	Richmondshire Business Week	Richmondshire District Council
<b>26 November</b>	LEP annual conference	YNY LEP
<b>8 December</b>	Farm Business Skills and Future Opportunities	Grow Yorkshire/ Growth Hub /Agricultural Business Training
<b>19 January</b>	LEP skills conference	YNY LEP

3.3 Using the ‘Festival of Engagement’ as a marketing strategy for a programme of stakeholder engagement yielded a 12% increase in registrations for YNY LEP-led events between September and December 2021, compared to the same period in 2020 (729 to 820). From events using YNY LEP platforms for both registration and hosting, we can see a conversion rate (registrants to attendees) of 69% on average. Eventbrite determine 23% as the average conversion rate for conference style events. The table below shows in detail the conversion rate for some of the events with registration hosted on our CRM. This figures indicate a well engaged audience and interest in the LEP led events within the programme

<b>Date</b>	<b>Event</b>	<b>Registrations</b>	<b>Unique Viewers</b>	<b>Conversion Rate</b>
Oct 20, 2021	Circular & Bio-Construction Research Launch	78	66	85%
Oct 20, 2021	Social Mobility – Skills Partner Network Special	91	52	57%
Oct 18, 2021	Circular Towns Guide Launch	58	47	81%
Nov 26, 2021	York & North Yorkshire LEP Annual Conference – Reshaping Our Economy	247	167	68%
Nov 11, 2021	The Benefits of Doing Business Sustainably	18	10	56%
Nov 10, 2021	Re-Writing the Rules – What Makes a Successful Entrepreneur?	18	8	44%
<b>Totals:</b>		510	350	69%

- 3.4 Our refreshed YNY LEP website, which included a Festival of Engagement page, saw a 15% increase of total page views in September and October 2021 over the same period in 2020. Session duration for this period also increased by 13% year-on-year, meaning that our audience are looking at more pages per visit and staying on the site for longer.
- 3.5 Videos content developed through the Festival of Engagement has increased traffic to our YNY LEP YouTube channel. Between September and November 2021, there were 442 views over 41 hours – compared to 285 views and eight hours for the same period in 2020 showing a greater level of engagement with LEP led content, by a larger number of stakeholders.
- 3.6 While we don't have comprehensive attendee details for all the partner-led events in the programme, the 800+ registrations of YNY LEP-led activity compares favourably to similar events. York Business Week 2021, for example, reports 600+ registrations across a programme of “over 35 events”.

#### **4.0 Lessons learned**

- 4.1 The Festival programme was a new concept and provided a platform for further innovation. Whilst the concept was well received by internal teams and partners, the programme ballooned in size – 23 events, from an initial programme of around a dozen. Learning from this years' successes to shape and thematise future programming and shortening the duration of the festival will maintain a regular flow of events, ensuring sustained momentum and limiting any fatigue among target audiences.
- 4.2 We took up an opportunity to partner with a conference specialist Built Environment Networking (BEN) who wanted to host an economic conference for the region, targeting investors and developers. They approached YNY LEP to sponsor the event and help shape the agenda. Whilst this partnership did help us to reach new audiences, the event with BEN was challenging from a stakeholder management perspective in particular. We have taken feedback from all stakeholders involved, working with BEN to review lessons learned. Taking this reflective approach has supported us to learn from the event, maintaining a positive working relationship with BEN. The experience provided learning that will improve the branding, marketing, stakeholder management and formalising of partnerships and work plans for such events in the future.
- 4.3 Our Annual Conference was staged as a hybrid event, streamed live from York Racecourse. The event blended presentation, case study films, interview and panel discussion and was well received, retaining high viewing figures throughout the 2-hour event. The aim of the event was to give voice to business leaders and host a conversation to inform the strategic direction of the economy. Each of the films addressed key themes inspired by the campaign heading 'Together we can', a call to action towards our vision for the region. Feedback has been positive and has also challenged the LEP to better illustrate impact in the region.
- 4.4 Whilst numbers were down on registrations and attendees for the Annual Conference this year compared to last year, across the FoE programme, we reached higher audience figures. A key learning for the future is to ensure that specific stakeholder plans are drawn up in advance to ensure that the annual

conference and event programmes have key stakeholders identified, mapped against strategic outcomes and robust stakeholder management and communications plans alongside promotional communications.

- 4.5 Due to the improved functionality of our new website we were able to develop events registration and 'on demand' functionality within the site. This allows us to better engage with registrants, understand their interests and extend the life of the event materials across the year.
- 4.6 Due to staff shortages in the communications team and moving timelines around external factors such as LEP review, Levelling Up white paper, COVID etc., the lead in for the annual conference event and the FoE programme event was short and intensified. A lead-time of at least 6 months before any events commence is preferable for a programme of this magnitude.
- 4.7 To align with currently proposed timelines for the Plan for Growth and Carbon Routemap launch activities we propose face-to-face annual conference for 2022, in early July. A targeted and structured programme is proposed for Q3 2022, informed by the stakeholder engagement strategy that will be drawn up for 2022-23.

## 5.0 Corporate and Strategic Implications

<b>Legal</b>	Details
<b>Financial</b>	Details
<b>Governance and Assurance</b>	Details
<b>Equalities</b>	Details
<b>Data Protection and Privacy</b>	Details
<b>Communications and Engagement</b>	Implications for Communications strategy and budgeting for 2022-23
<b>Business &amp; Innovation</b>	Details
<b>Low Carbon &amp; Environment</b>	Details
<b>Places</b>	Details
<b>Skills &amp; Employability</b>	Details

## 6.0 Recommendations

- 6.1 The Board are asked to offer comment on the festival evaluation and the proposed format and date for the 2022 conference and stakeholder engagement programme.
- 6.2 Contact –

<b>Name/Title:</b>	<i>Aissa Gallie</i>
<b>Contact:</b>	<i>Aissa.gallie@ynylep.com</i>

## York & North Yorkshire Local Enterprise Partnership

LEP Board Meeting

28 January 2022

### Organisational Development

#### Report of the Head of Communications and Organisational Development

#### 1.0 Purpose of the Report

1.1 This paper reports on progress against the organisational development (OD) strategy and indicates the focus for this work going forward.

#### 2.0 Background

2.1 The OD strategy was signed off in June 2020. Over the last 18 months, activities have progressed all four pillars of the strategy. OD has led a LEP response to changing work practices as a result of the pandemic.

#### 3.0 OD strategy pillars

3.1 The OD strategy shows four key pillars as outlined below:

We want to develop the LEP as a “good growth business”, a modern and sustainable organisation with a high performing culture, that models and enables transformation to a greener, fairer, stronger economy			
People	Place	Platforms	Performance
<ul style="list-style-type: none"> <li>• Leadership</li> <li>• Talent</li> <li>• Culture</li> </ul>	<ul style="list-style-type: none"> <li>• Carbon neutral</li> <li>• Digital solutions</li> <li>• Collaboration</li> </ul>	<ul style="list-style-type: none"> <li>• Branding</li> <li>• Websites</li> <li>• Data compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Governance</li> <li>• Business planning</li> <li>• Performance management</li> </ul>
<ul style="list-style-type: none"> <li>➤ Integrated, highly skilled teams embracing collaboration and driving performance through effective strategic planning and stakeholder management.</li> <li>➤ Highly integrated secretariat and Boards. Officers have insight and skill and engage governance structure to achieve best outcomes.</li> <li>➤ Work environments and practices to deliver environmentally sustainable and flexible ways of working</li> <li>➤ Fit for purpose and high performing digital platforms and new technologies to improve ways of working and drive transparency and assurance practices.</li> <li>➤ A united and collaborative leadership team guiding high-performing teams and leveraging diversity of thinking, empowering excellence and supporting wellbeing.</li> <li>➤ Talented individuals are identified and supported with clear development pathways.</li> </ul>			

- 3.2 The Place pillar has been addressed by reactive action throughout the pandemic to deliver home and hybrid working. The OD function has led on all activity regarding internal staff surveys, NYCC processes for new ways of working and practical action to deliver hybrid-working spaces for the LEP team. To support well-being whilst working from home, a 'well-being charter' was developed in collaboration with the full LEP team. Collaboration is a central theme of this pillar developed across the leadership through monthly OD meetings, delivery planning workshops and away days.
- 3.3 The Platform pillar has launched two new websites, the Growth Hub and the LEP, with a branding and domain names refreshed. Elevating design across internal and external activities positions the LEP and Growth Hub brands as professional, personable and future focussed.
- 3.4 The Performance pillar has focussed on performance management through SMART objective setting, objective cascading and the introduction of a shared objective for the leadership team that sets a standard for people management, through regular 121s for example. An OD tracker to monitor KPIs on the leadership objective has been established and SMT supported in closer analysis of HR reporting. The Assurance team have led on upskilling the leadership team in board paper and business case writing. The entire LEP team completed project management training this year, setting a minimum standard of knowledge and practice.
- 3.5 The People pillar has progressed a programme of leadership development over the last 18 months. The programme for the leadership team has included coaching training, team coaching, problem solving skills to aid diversity of thinking and leadership away days to help build trust, communication, collaboration and healthy conflict. A full LEP skills audit has been completed and personal development plans for every team member are in progress. Individual teams have development plans and the OD function has one drawn up for the full LEP team. The leadership team have engaged closely with employee engagement survey results, taking on a responsive approach to employee needs. Leaders have been encouraged to engage with the abundance of tools and processes available to the workforce. The visual at Annex A shows the OD frameworks, processes and activities that are available or in development to support the LEP team at every level from the inside of the organisation out.

#### **4.0 Managing Change**

- 4.1 Below is intended as a high-level summary of the OD priorities to manage change over the next 18 months.
- 4.2 The OD function is closely supporting the delivery planning process and the development of a 'one team' approach within the LEP. A proactive approach to collaboration through the middle management team has developed and clarity on the roles of the teams within the leadership can support consisted, coherent messaging and a focus on the benefits of change. Our internal communications framework will support two-way communications across the LEP.

- 4.3 Although a huge challenge for the LEP whilst uncertainty continues, it is vital that the OD function supports a proactive approach to retention. As clarity emerges on the Combined Authority (CA), the skills audit and PDPs can be adapted to aid progression within the CA. A robust approach to workforce planning will identify pivotal roles. Employee engagement activities will deliver reward and recognition by sharing of impact and expertise across teams and 'Toolkit talks' will aid skills development.
- 4.4 The LEP has led a proactive approach to promoting well-being with an open door policy for all staff. Whilst some of the team may be excited about the prospects within a CA, for others this is far more challenging. Over the next 18 months, this approach will continue through internal campaigns and a proactive embodying of our organisational values. Well-being will also be approached through a commitment to employee led 121s, coaching skills and development.
- 4.5 Maintaining a focus on performance will be essential over the next 18 months. The readiness, agility and adaptability of the leadership team will be pivotal. The objectives setting process at the start of April 2022 will include a peer review to better support collaboration. Alongside a focus on our values, the NYCC behaviours framework will support performance and collaboration across the LEP team. Crucially, the clarity around team roles and a refreshed scheme of delegation will develop more efficient working across LEP teams.

## 5.0 Corporate and Strategic Implications

<b>Legal</b>	Details
<b>Financial</b>	Details
<b>Governance and Assurance</b>	Prioritisation of organisational development within change management.
<b>Equalities</b>	Details
<b>Data Protection and Privacy</b>	Details
<b>Communications and Engagement</b>	Internal communications prioritised to support change management.
<b>Business &amp; Innovation</b>	Details
<b>Low Carbon &amp; Environment</b>	Details
<b>Places</b>	Details
<b>Skills &amp; Employability</b>	Details

## 6.0 Recommendations

- 6.1 The Board are asked to offer comment on the progress made against the strategy and future direction for OD.

## 7.0 Additional Information

- 7.1 Annex A – OD Frameworks visual.

- 7.2 Contact –

<b>Name/Title:</b>	<i>Aissa Gallie</i>
<b>Contact:</b>	<i>Aissa.gallie@ynylep.com</i>



## York & North Yorkshire Local Enterprise Partnership

### Board Meeting

28 January 2021

### Capital Programme Delivery - Getting Building Funding Progress

#### Report of the Head of Delivery

#### 1.0 Purpose of the Report

This report provides an update on the current position of capital investment programmes in York & North Yorkshire LEP (YNY LEP) area for Getting Building Funding (GBF). The Board is requested to note the details set out in the report and the delivery risk issues currently identified for the programme up to financial end in March 2022. Contracted delivery with Department for Levelling Up Housing and Communities is for £15.4m of grant funded activity to be completed on approved projects by 31 March 2022.

#### 2.0 Background

2.1 2021/22 Target - £7.7m Investment of grant into projects which was achieved. The table below summarises the current position :

- the GBF grant approvals;
- the total amount of claims received up to 31 Dec 2021 i.e. 2021-22 Quarter 3
- Grant balance to claim by 31 March 2022 with Red Amber Green (RAG) ratings.

<b>YNY LEP - Getting Building Programme</b>			
<b>Financial Profile Summary (Total reported to Q3 end)</b>			
<b>Project Name</b>	<b>PROJECT GBF APPROVALS</b>	<b>Total claims to 31 Dec 2021</b>	<b>GBF BALANCE TO CLAIM to 31/3/22</b>
NY Digital Infrastructure Programme	3,600,000	2,204,709	1,395,291
Thornton Rd Business Park Phase 3	880,000	-	880,000
Whitby Business Park	1,079,058	1,079,058	Complete
A19 Chapel Haddlesey	6,000,000	6,000,000	Complete
Digital Skills Academy	1,000,000	345,069	654,931
Scarborough TEC Electric Vehicle Skills	97,000	97,000	Complete
York College Electric Vehicle Skills	150,000	149,420	580
Harrogate West Business Park	1,500,000	1,500,000	Complete
Enhancement to the Digital Hub Central Northallerton - eCampus	725,000	725,000	Complete
York Guildhall - fit-out	300,000	-	300,000
Development Programme (staff costs)	368,942	184,470	184,472
<b>TOTAL GBF Award</b>	<b>15,700,000</b>	<b>12,284,726</b>	<b>3,415,274</b>
		<b>Prog Total</b>	<b>15,700,000</b>

- 2.2 The YNY LEP Board approved over-commitment of £355,000 at the meeting on 24 September 2021 (Minute LEP21-41 refers) to be met from the YNY LEP Growing Places Funding, to allow greater flexibility at programme end. If necessary, the Freedoms and Flexibilities of North Yorkshire County Council (NYCC) as Accountable Body may also need to be utilised to deliver the programme in full.
- 2.3 The key areas of the Programme that are being closely monitored to identify and manage potential delivery risks are :
- **North Yorkshire Digital Infrastructure** – delivery work to service towns and business parks across North Yorkshire remains on target to deliver the on-going programme of work, including the extended activity enabled by the additional funding referred to in Section 2.2. Progress was reviewed by the Performance Group in detail on 3 Dec 2021 with granular breakdown of the delivery programme and forecast expenditure to show how the delivery will be achieved by March 2022;
  - **Pickering Thornton Road** – good progress has been made by the project team to remove delivery risks, although still rated red as all expenditure now forecast to fall in Q4 (up to 31 March 2022). A target date for completion of land acquisition from Northern Gas Networks has been set for 31 January 2022, enabling a significant claim for preliminary development costs to date. This stage will spontaneously trigger advance payments to utilities for site servicing which are attributed to the bulk of the remaining grant, and therefore are not at risk from weather conditions, so still considered achievable by 31 March 2022. Site works are programmed to commence after Easter 2022, with the balance of construction costs being met by the developer in 2022/23;
  - **Digital Skills Academy, Askham Bryan College** – grant claims continue in Q3 and Q4, construction progress is good and on target for completion during February, to be followed by internal fit out;
  - **York Guildhall** – current review of the delivery programme may lead to amendments being required to the eligible activity to meet target spend, due to supplier delays of the original internal fit-out materials which were to be grant funded. Details will be referred to the next Infrastructure Board meeting on 24 Feb 2022;
  - Some GBF projects will claim more frequently than quarterly through to 31 March 2022, improving cash flow to the projects and also performance of grant monitoring against delivery.
- 2.4 To ensure that the contracted delivery will be achieved at the required out-turn level of £15.4m by 31 March 2022, agreement is in place with the Accountable Body (NYCC), for the use of permitted Freedoms & Flexibilities for capital funding, if necessary. This arrangement has been confirmed to the Area Cities & Local Growth Unit of the Department for Levelling Up Housing and Communities.
- 2.5 Any changes to individual projects which are required to manage risk and meet targets will be subject to approval via Infrastructure Board and also by Cities and Local Growth Unit of the Department for Levelling Up Housing and Communities.
- 3.0 Programme Risk Management**
- 3.1 From the main areas set out in Section 2, delivery of the grant funded activity in Quarter 4 will be kept under regular review. To highlight the potential risks and the possible mitigations, possible scenarios are under review and will be presented to Performance Group when they meet on 21 January 2022. A detailed GBF programme report will also be presented to the Infrastructure Board meeting to be held on 24 February 2022.

#### 4.0 Local Growth Fund

4.1 Following the end of Local Growth Fund grant funding on 31 March 2021, projects continue to be monitored and details will be presented to the Infrastructure Board. On-going monitoring and reporting will be required by BEIS until March 2025 for projects supported by Local Growth Fund grant. The main areas of reporting are match funding, leverage (investment as a result of the capital project), jobs created, houses completed and learners/apprenticeships supported.

#### 5.0 Corporate and Strategic Implications

<b>Legal</b>	All activities are complaint with the YNY LEP Assurance Framework and North Yorkshire County Council's requirements as the Accountable Body for YNY LEP
<b>Financial</b>	
<b>Governance and Assurance</b>	All activities are complaint with the YNY LEP Assurance Framework
<b>Equalities</b>	All activities are complaint with the YNY LEP Equalities Statement
<b>Data Protection and Privacy</b>	All activities are complaint with the YNY LEP Assurance Framework and North Yorkshire County Council's requirements as the Accountable Body for YNY LEP
<b>Communications and Engagement</b>	All activities are developed through the YNY LEP Communications and Engagement Strategy, and in collaboration with relevant delivery Partners
<b>Business &amp; Innovation</b>	Some projects will support business growth opportunities across the YNY LEP area
<b>Low Carbon &amp; Environment</b>	Some projects will contribute to YNY LEP Circular Economy objectives
<b>Places</b>	Some projects will support YNY LEP Place agenda
<b>Skills &amp; Employability</b>	Some projects will contribute to the YNY LEP Skills priorities

#### 6.0 Recommendations

It is recommended that:

- the current Getting Building Fund programme position be noted;
- the Board note the continued work of the Performance Group to monitor and review project progress and consider programme risks; and
- the Infrastructure Board and Performance Group be delegated to manage programme risks, for referral back to this Board at the March meeting.

## 7.0 Additional Information

7.1 Appendices - none

7.2 Background Documents – previous reports to Infrastructure & Joint Assets Board for GBF project decisions at meetings held on 3 Sept 2020, 24 Sept 2020, 22 Oct 2020, 10 Dec 2020, 29 January 2021, and 4 March 2021. Additional project approvals at meeting held on 24 June 2021.

7.3 Contact –

<b>Name/Title:</b>	<i>Liz Philpot, Head of Delivery</i>
<b>Contact:</b>	<a href="mailto:liz.philpot@ynylep.com">liz.philpot@ynylep.com</a> 07815 994163



## York & North Yorkshire Local Enterprise Partnership

LEP Board Meeting

28 January 2022

### Assurance Update

#### Report of the Head of Assurance

#### 1.0 Purpose of the Report

1.1 To provide the Board with a progress update, in line with 2021/22 Delivery Plan objectives, on the governance and finance matters of the York and North Yorkshire Local Enterprise Partnership (LEP).

#### 2.0 Background

2.1 Not applicable.

#### 3.0 Assurance

Objective: Ensure the LEP operates to the defined Local Assurance Framework, meeting the minimum requirements of the National Assurance Framework and any other Assurance requirements set out by Government.

3.1 The Annual Performance Review with Government took place on 19<sup>th</sup> January 2022 as part of the annual assurance cycle. The review focused on three main areas; Governance, Delivery and Strategy. A verbal update will be provided at the meeting.

#### 4.0 Governance

Objective: Ensure that LEP Governance structures are “fit for purpose” to deliver the Greener, Fairer, Stronger strategy.

4.1 The LEP Board currently meets the minimum public/private/gender representation balances as required by Government although must ensure 50:50 representation of male and female members by March 2023.

<b>Full Board Members</b>	<b>17</b>		<b><u>Target</u></b>
<b>Private Sector</b>	<b>12</b>	<b>70.6%</b>	<b>66.7%</b>
<b>Public Sector</b>	<b>5</b>	<b>29.4%</b>	
<b>Co-Opted Members</b>	<b>1</b>		
<b>Male</b>	<b>9</b>	<b>52.9%</b>	
<b>Female</b>	<b>8</b>	<b>47.1%</b>	<b>33.3%</b>

4.2 David Dickson’s three-year term as a Board member expires in March 2022, taking the total number of years served on the Board to six. **It is recommended that the Board approve a further two-year appointment extension up until March 2024.**

## 5.0 Risk Register

5.1 The latest reviewed risk register is attached at Appendix A. The Board is asked to consider and discuss as appropriate.

## 6.0 Finance

Objective: Ensure the LEP is financially well managed and sustainable.

6.1 The December 2021 Finance Report is attached at Appendix B. The Board is asked to consider and discuss as appropriate. David Dickson, as Board Member with financial oversight responsibility, has already reviewed on behalf of the Board.

6.2 The Growing Places Fund (GPF) was a one-off capital programme allocation provided by Government to LEP's in 2011 with the aim of reducing barriers to investment mainly on the back of the financial crisis and access to finance issues.

6.3 The balance of the YNY Growing Places Fund is currently £4.04m and includes £511.3k of interest generated from successful investments at Sherburn2 and A1M50 Business Park. It is proposed to transfer the interest received into core reserve to assist with the future funding of the LEP. **It is recommended that the Board approve this.**

6.4 Given the above at (6.3) and the over-commitment provision of £355k to ensure the Getting Building Fund delivers its total target programme expenditure, the remaining balance of the GPF would be £3.18m at March 2022. **It is recommended that the Board approve ring fencing the remaining GPF to potentially utilise for further future funding of the LEP (although this requirement would not be likely until the 2023/24 financial year).**

6.5 The use of GPF to offset running cost expenditure will only be allowed, however, in line with Accounting Standards to satisfy Audit requirements and must be agreed with the Accountable Body in advance.

6.6 Funding of the LEP beyond the 2022/23 financial year will need to be resolved over the next twelve months given the proposed Combined Authority is unlikely to be in place by 2023/24. District Council funding of £140k will disappear as a result of the Local Government Review so a revised funding package between Government, the City of York Council and the new North Yorkshire Unitary Council will need to be agreed as soon as possible for planning purposes.

## 7.0 Corporate and Strategic Implications

<b>Legal</b>	Not Applicable
<b>Financial</b>	As outlined in the paper
<b>Governance and Assurance</b>	As outlined in the paper
<b>Equalities</b>	Not Applicable
<b>Data Protection and Privacy</b>	Not Applicable
<b>Communications and Engagement</b>	Not Applicable
<b>Business &amp; Innovation</b>	Not Applicable
<b>Low Carbon &amp; Environment</b>	Not Applicable
<b>Places</b>	Not Applicable
<b>Skills &amp; Employability</b>	Not Applicable

## 8.0 Recommendations

- 8.1 Extend David Dickson's Board Membership for a further 2 years until March 2024.
- 8.2 Approve the transfer of £511.3k interest generated on Growing Places Fund investments to LEP Core Reserve
- 8.3 Approve the ring fence of the remaining Growing Places Fund balance (£3.18m) for potential use for LEP running costs subject to Accountable Body approval and Accounting Standards and Audit Requirements.

## 9.0 Additional Information

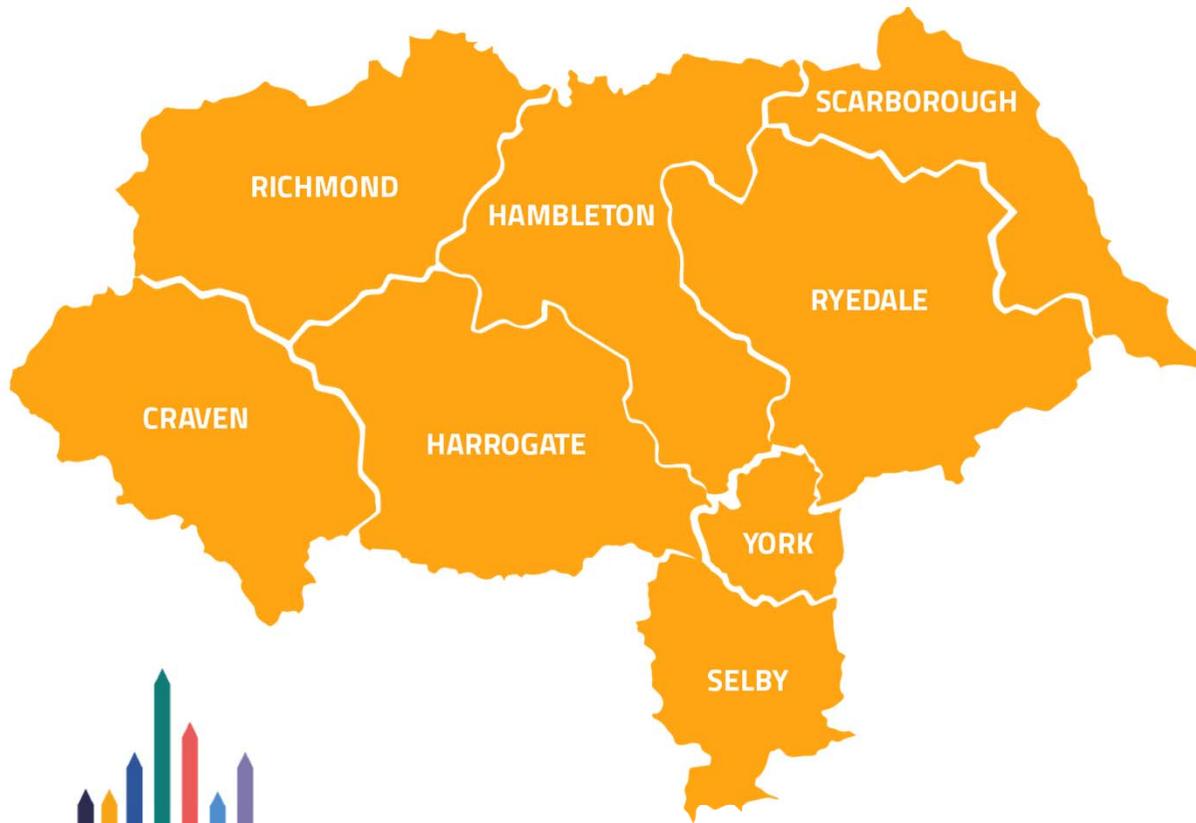
### 9.1 Appendices:

- Appendix A – Risk Register
- Appendix B – December 2021 Finance Report

### 9.2 Contact:

<b>Name/Title:</b>	<i>Adrian Green, Head of Assurance</i>
<b>Contact:</b>	<i>Adrian.Green@ynylep.com</i>

	HEADLINE RISK	RISK DESCRIPTION	INHERENT RISK RATING	HEADLINE RISK MITIGATION	IS RISK DECREASING, INCREASING OR STATIC?	RESIDUAL RISK RATING	RISK OWNER
1	<b>Covid-19</b>	Widespread pandemic escalation across the LEP Area has a catastrophic effect on business, employment and living standards.  Social distancing measures have been reduced and the vaccination rollout continues, but the Government's Winter Covid Plan does not rollout further restrictions or lockdowns if appropriate.	20 Likelihood (4) Impact (5)	Whilst the LEP obviously cannot directly impact on the reduction of the Covid-19 pandemic, it has - provided intelligence on the impact to the local YNY economy - signposted businesses to appropriate financial support and general advice - created new business support services, such as webinars and new platforms such as ShopAppy - coordinated work across the region with Local Authorities and partners to establish an Economic Covid Recovery Plan. Working within a phased framework for communication, the LEP is promoting the Growth Hub as the place for business to seek a simplified and trustworthy messages of what they can do to survive and adapt. The Growth Hub also has developed a package of support which will assist SMEs to grow through innovation in process and product development, therefore, not losing sight of the current and post-Covid opportunities for some businesses by simply focusing on those which are struggling to survive.	↔	12 L (4) I (3)	Senior Management Team
2	<b>Plan for Growth</b>	A Plan for growth for York and North Yorkshire is being prepared that will help with attracting future funding. The aim is that this will be completed and agreed by March 2022. The engagement of partners during LG reorganisation, changes in and announcements by Government and the LEP review could shift the timing and importance of this Plan, also potentially the lack of buy-in and stakeholder engagement.	8 Likelihood (2) Impact (4)	The framework of the Plan for Growth will align as much as possible with other Government strands such as the National Plan for Growth. Early engagement with Partners will be undertaken and also the plan will be written in a way that it can be adopted easily by the new Unitary and the proposed Combined Authority in the future.		4 L (1) I (3)	Andrew Leeming
3	<b>LEP Funding (Revenue)</b>	Potential operational revenue funding shortfall in 2022/23 due to time extension of LEP transition into a Combined Authority and uncertainty on future revenue funding of LEPs.	8 Likelihood (2) Impact (4)	Budgets and reserves are being effectively managed to ensure financial stability until the creation of a Combined Authority. A capital/revenue swap of £385k on the "Getting Building Fund" has already been approved "in-principle" by the LEP Board for 21/22 and a further revenue/capital swap in 22/23 from the Growing Places Fund ensures sustainability until March 2023.	↔	3 L (1) I (3)	Adrian Green
4	<b>LEP Funding (Capital)</b>	Local Growth Funding expired March 2021. Getting Building Fund expires March 2022, and successor programmes (CRF/Levelling Up Fund) to be delivered by Local Authorities.	16 Likelihood (4) Impact (4)	The ongoing LEP Review is likely to shift its function away from capital investor to enhance its role as a strategic business-led influencer. LEP will retain responsibility for extant programmes such as the Getting Building Fund - some projects currently rated Red risk due to high levels of spend in remaining Q3/Q4 of 2021/22. Performance Sub-group will continue to review programme progress/delivery.	↑	16 L (4) I (4)	Adrian Green / James Farrar
5	<b>Resource and Capacity</b>	Capacity loss within the LEP due to continuing uncertainty regarding a future organisational model and timing transition to a Combined Authority. Redeployment of staff may be required to respond to shortages in critical NYCC services.	8 Likelihood (2) Impact (4)	Stability was achieved in the knowledge of progression to a future YNY Combined Authority employment status, coupled with the Accountable Body remaining employer up to the point of potential transfer. Fixed term contracts have now been extended to March 2022 and are being reviewed again upto March 2023. The uncertainty around the release and content of the LEP Review is beginning to cause some degree of concern	↔	6 L (2) I (3)	Adrian Green
6	<b>Getting Building Funding</b>	Non delivery of the GBF programme by the final end date of March 2022. Delivery risks may occur relating to availability of construction materials, labour and associated price increases and/or delays – nothing flagged to date. The annual financial profile set by Government is also challenging and adds heightened risk of non-delivery.	16 Likelihood (4) Impact (4)	Year 1 2020/21 delivered to BEIS target of £7.7m. Forecast balance in Q4 of approx. £4.2m remains to be claimed by 31st March 2022 – although claim for Digital Infrastructure (of overall balance £2.2m to claim) is not yet received and due mid-Jan. Over-commitment of £300k approved at September LEP Board (from Growing Places Fund) to increase scope/scale of work on NY Digital Infrastructure and help risk management of delivery. Also potential to seek agreement for use of Freedoms & Flexibilities with NYCC if necessary to optimise GBF at year end 31st March 2022. Thornton Road Pickering – is contracted - remaining risks being actively managed by developer and current forecast is still to complete eligible GBF work by 31st March 2022. Performance sub-group continue to review risks and mitigations.	↔	9 L (3) I (3)	Liz Philpot
7	<b>Local Government Reorganisation</b>	Government has agreed a future model for local government in North Yorkshire and York. This model will keep City of York Council in its current form and create a new Unitary Council for North Yorkshire by May 2023.  The transition period will be demanding for all local authority partners and risks may arise for delivery of existing projects and in maintaining strategic focus in levelling up the region.	8 Likelihood (2) Impact (4)	The LEP continues to work closely with all Local Authorities to support the transition to a new unitary North Yorkshire Local Authority	↔	6 L (2) I (3)	James Farrar
8	<b>Staff Wellbeing</b>	Working from home in the current lockdown for an extended period is new to staff. Individual pressures including isolation, pressure to work independently, family caring/schooling commitments and dealing with businesses and people in distress on a daily and continual basis can impact on mental health resulting in increased sick days and loss of capacity resulting in increased workload and stress for remaining team members	12 Likelihood (3) Impact (4)	Daily or regular contact undertaken by line managers with staff. Office values and culture developed over the previous 12-18 months of openness and trust empowers staff to raise concerns and issues with managers and aligns with our Organisational Development Plan and One Team ethos. Teams are undertaking video-conferencing to stay in touch and guidance has been issued around working hours, work/home boundaries and flexibilities given potential family caring/schooling commitments. All line managers attending mental health awareness training to help increase response flexibility when issues around well-being arise. Managers and staff are engaged in preparatory work for a return to hybrid working arrangements.	↔	6 L (2) I (3)	Senior Management Team
9	<b>Data Governance</b>	New home working arrangements present potential risks to the security of personal information held and processed by LEP staff. Data breaches may lead to significant financial penalties and reputational damage.	8 Likelihood (2) Impact (4)	Staff undertake mandatory data governance induction training. Additional formal training has been arranged with NYCC's internal auditors, Veritau, to cover data security and GDPR requirements. Personal data may only be accessed using secured NYCC IT. Mandatory training has been arranged for all staff covering Cyber Awareness and Security.	↔	3 L (1) I (3)	Paul Clark / Aissa Gaille
10	<b>LEP Review 2021</b>	A Government review is underway with the aim of evolving the form, functions and geographies of Local Enterprise Partnerships to respond to changes in Central Government policy. This may lead to some LEP functions being redirected elsewhere to Local Authorities.	16 Likelihood (4) Impact (4)	The LEP Chair and Chief Operating Officer are actively engaging with Central Government to advocate on behalf of the LEP and the York & North Yorkshire region.	↑	16 L (4) I (4)	Senior Management Team
11	<b>Community Renewal Fund</b>	Successful CRF schemes were announced by the Department for Levelling Up, Housing and Communities on 3 November 2021. DLUHC have confirmed that the delivery deadline has been extended from 31 March to 30 June 2022. The LEP is the delivery agent for a successful North Yorkshire County Council bid.	6 Likelihood (2) Impact (3)	Resource allocation, project planning and performance monitoring to key milestones to ensure delivery by 30 June 2021. Real or potential risks will be identified and mitigated with regular reporting to the LEP Board.	↔	3 L (1) I (3)	Senior Management Team



# December 2021 Finance Report

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# Core Funding

Y&NY LEP Income & Expenditure Statement as at 31 December 2021/22					
	Y-T-D December 21/22	Original Budget 21/22	Revised Budget 21/22	Projected Outturn	Projected Variance
<b>INCOME</b>					
BEIS Contribution	£500,000	£500,000	£500,000	£500,000	£0
Government Grant/Other Contributions	£386,850	£386,800	£386,800	£386,800	£0
Staff Recharges	£30,217	£21,300	£99,800	£99,800	£0
Bank Interest	£0	£0	£0	£15,050	£15,050
Released From Reserves/Balance Sheet	£100,095	£511,200	£511,200	£511,200	£0
<b>TOTAL INCOME</b>	<b>£1,017,162</b>	<b>£1,419,300</b>	<b>£1,497,800</b>	<b>£1,512,850</b>	<b>£15,050</b>
<b>EXPENDITURE</b>					
Staffing (Salary + on-costs)	£842,020	£1,092,500	£1,135,600	£1,114,600	£21,000
Secondments	£50,671	£74,900	£110,300	£110,300	£0
Other Hired & Contracted Services	£15,816	£38,000	£38,000	£38,000	£0
Staff Travel	£364	£10,500	£10,500	£2,000	£8,500
Staff Recharges	£0	£0	£0	£0	£0
Training	£1,895	£15,000	£15,000	£15,000	£0
Recruitment Costs	£0	£0	£0	£0	£0
Rent	£27,861	£26,900	£26,900	£29,000	-£2,100
Venue Hire and Conference	£14,638	£25,000	£25,000	£20,000	£5,000
Entertainments & Refreshments	£16	£0	£0	£0	£0
Subscriptions/Sponsorships	£11,820	£7,000	£7,000	£11,800	-£4,800
IT	£19,542	£29,400	£29,400	£29,400	£0
Marketing	£31,048	£40,000	£40,000	£40,000	£0
Pool Car Charges	£0	£0	£0	£0	£0
External Audit Fees	£0	£0	£0	£0	£0
Other General Expenses	£3,203	£1,600	£1,600	£3,500	-£1,900
Professional Fees	-£1,732	£58,500	£58,500	£58,500	£0
Grants Paid	£0	£0	£0	£0	£0
<b>TOTAL EXPENDITURE</b>	<b>£1,017,162</b>	<b>£1,419,300</b>	<b>£1,497,800</b>	<b>£1,472,100</b>	<b>£25,700</b>
<b>Net Income , minus value expenditure</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£40,750</b>	<b>£40,750</b>

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# Core Funding Headlines

## Revised Budget Amendments

- Budget revised on staff recharges to £99.8k as we look to further maximise staff cost charges from core costs to programme costs
- Budget revised on staffing costs to £1,135.6k (+£43.1k) due to incorrect budgeted salary allocation for a member of staff (originally allocated to GBF costs when core costs)
- Budget revised on secondment costs to £110.3k (+£35.4k) due to two secondees being originally budgeted to core costs

## Projected Outturn to Revised Budget

- Projected overall saving to revised budget of £40.8k
- Projected non-budgeted bank interest estimated (+£15.0k)
- Projected salary savings (+£21.0k) due to upcoming staff vacancies.
- Projected staff travel savings (+£8.5k) due to continuing reduced travel re: covid
- Projected rent (-£2.1k) due to incorporation of all office costs under rent (telephones/photocopier etc)
- Projected venue/conference hire savings (+£5.0k) due to continuing requirements re: covid
- Projected subscriptions/sponsorships (-£4.8k) due to non-budgeted charges (S.E.W.; WY Chambers)
- Projected other general expenses (-£1.9k) due to non-budgeted staff homeworking support - chairs etc)



# Reserves

<b>Reserves</b>	<b>£'000</b>
<b>Balance Carried Forward to 2021/22</b>	<b>919.6</b>
<b>2021/22 Movement On Funds</b>	
Projected Reserves To Be Utilised (as per budget)	-511.2
Current Projected Underspend Variance To Budget	40.8
2020/21 Writeback of LGF Revenue Over Accrual	12.1
Add Growing Places Fund Interest Generated	511.3
- Sherburn2 investment (£424.8k)	
- A1M50 Business Park investment (£86.5k)	
<b>Projected Balance Carry Forward to 2022/23</b>	<b>972.6</b>
<b>2022/23 Movement On Funds</b>	
Projected Reserves Utilised For 2022/23 Budget	-936.2
- assume 21/22 budget plus inflation reserves utilised (-£551.2k)	
- absorb staff costs previously paid by GBF cap/rev swap (-£385.0k)	
<b>Projected Closing Balance at 31 March 2023</b>	<b>36.4</b>

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# Reserves Headlines



- Projected carry forward of reserves into 2022/23 is currently forecast at £972.6k (subject to the LEP Board recommendation agreeing to switch interest earned on Growing Places Fund investments to LEP Reserves)

## 2022/23 Financial Year

- Going forward into next year, the current assumption is that all staff will be retained and a similar budget to 2021/22 will be set with inflation built in. Estimated reserves to be utilised to cover (£551.2k)
- The LEP will also however, have to absorb the cost of project delivery staff whose salaries are charged to the “Getting Building Fund” capital/revenue swap (£385.0k) - which will end this financial year.
- Total reserves projected to be utilised therefore in 2022/23 are £936.2k.
- This would then leave a residual balance of £36.3k to carry forward into 2023/24.
- For 2023/24, a revised partner funding package will need to be agreed for continuation to CA status.



# Growing Places Fund

<b>GPF Current Balance</b>	<b>£4,046,411</b>
<b>Transfer Investment Interest Generated</b> - Sherburn2 (£424,800) - A1M50 Business Park (£86,500)	-£511,300
<b>GBF 'Over-Commitment' Provision</b>	-£355,000
<b>Projected Balance @ 31/03/22</b>	<b>£3,180,111</b>

- The current balance of the Growing Places Fund is £4.04m
- In-year proposals to;
  - Utilise up to £355.0k for Getting Building Fund over-commitment to ensure delivery
  - Transfer interest earned on investments to LEP Reserves
- End of year (2021/22) balance to reduce to £3.18m
  
- It is proposed to ring fence the remaining funds to potentially draw upon for future LEP running costs.
  - Any usage of the remaining GPF would not be required until 2023/24
  - Usage of GPF to cover running costs would need to comply with Accounting Standards and Audit Requirements.

