

**North Yorkshire Council**  
**Transport, Economy, Environment and Enterprise**  
**Overview and Scrutiny Committee**

**Monday 10 July 2023**

**North Yorkshire Economic Growth Strategy**

**Report of the Corporate Director of Community Development.**

**1.0 PURPOSE OF REPORT**

- 1.1 To provide a progress update on the development of the North Yorkshire Economic Growth Strategy and seek views on the first draft of the Strategy.

**2.0 BACKGROUND**

- 2.1 The opportunity to create and facilitate economic growth is a key opportunity afforded by Local Government Reorganisation. With a range of factors creating economic uncertainty and inequalities across the new Councils' geography it is a necessity that the Council has a clear, focused set of priorities to drive its economic development ambitions.
- 2.2 There are existing ambitious plans for supporting business growth, key sector development, generating inward investment, firing up the jobs and skills agenda, prioritising regeneration and improving infrastructure and connectivity. Underpinning those ambitions, North Yorkshire needs a sustainable, high-quality offer for residents, businesses, and visitors to make the most of the economic potential.
- 2.3 A new economic strategy for North Yorkshire Council will help to support and accelerate the delivery of these goals. It will provide a clear strategic framework on which to build a fit-for-purpose Economic Development delivery model for the new Council, ensuring that it is well placed to proactively drive future economic growth across the area and the North.

**3.0 PROGRESS ON STRATEGY DEVELOPMENT**

- 3.1 Development of the strategy has been undertaken in five stages, inception and scoping, baselining and evidence review, emerging strategic framework, thematic deep dives, and strategy preparation and finalisation. Receipt of the draft strategy at the end of May places us in the fifth and final stage of the process. The first draft is attached as Appendix A.
- 3.2 The document is a good reflection of the work and findings gathered to date but some strengthening, finessing, improving of structure and presentation will be necessary.

**4.0 CONSULTATION UNDERTAKEN AND RESPONSES**

- 4.1 Consultations to inform the report thus far has occurred in three stages.

- i) A first stage consisted of series of scoping discussions with strategic senior level stakeholders including the Leader, Portfolio Holder, and Chief Executive to understand and set out the ambitions and priorities for the strategy.
- ii) The second round of consultations consisted of 15 semi-structured interviews (either 1-1 or small group interviews), three online workshops focused on Business, Innovation and Growth; Investment and Property; and on the proposed focus on a Agri-Food and Green Energy Cluster. Input was also obtained from attending delivery events of the team leading development of North Yorkshire's Local Skills Improvement Plan to ensure key messages on skills could be fed in.
- iii) A final round of consultations spans June and July 2023 and focuses on feedback on the draft from Members, internal directorates, and key external stakeholders. This will ensure the strategy aligns closely with other Council strategies and with the Strategic Vision and Economic Plan for the new Mayoral Combined Authority.

## **5.0 CONTRIBUTION TO COUNCIL PRIORITIES**

- 5.1 The Council Plan for North Yorkshire Council 2023 to 2024 lists Economy as one of its five key ambitions, with an ambition to deliver economically sustainable growth that enables people and places to prosper and that supports new and existing businesses to thrive and grow. One of the key priorities for the next four years, and a foundation for the Council's ambitions for economic development, is to develop a new economic strategy for North Yorkshire.
- 5.2 The strategy vision is to be an innovative, carbon negative economy driven by our productive and entrepreneurial business base and the places & communities that make North Yorkshire distinctive. As such the strategy has themes and objectives which will contribute to the Place and Environment, Health and Wellbeing and People priorities of the Council.

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 There are no financial implications arising from this report.

## **7.0 LEGAL IMPLICATIONS**

- 7.1 There are no legal implications arising from this report.

## **8.0 EQUALITIES IMPLICATIONS**

- 8.1 Consideration has been given to the potential for any adverse equality impacts arising from this strategy see Appendix B Initial equality impact assessment (EIA) screening form.
- 8.2 The EIA would indicate there are no equalities implications arising from this strategy.

## **9.0 CLIMATE CHANGE IMPLICATIONS**

- 9.1 The vision stated at 5.2 above sets out the ambition of being a carbon negative economy which, when the strategy is adopted and implemented, will have positive implications for climate change.

- 9.2 Consideration has been given to the potential climate change impacts arising from this strategy see Appendix C Climate Change impact assessment screening form.
- 9.3 Whilst there are no climate change impacts directly from this report a full Climate Change Impact Assessment will be required when moving to adopt the strategy.

## **10.0 REASONS FOR RECOMMENDATIONS**

- 10.1 To inform members of Overview and Scrutiny of progress in respect of the development of the Economic Growth Strategy and to seek their feedback on the draft Strategy.

## **11.0 RECOMMENDATIONS**

- i) That the report is noted
- ii) Members are invited to provide feedback on the draft strategy

## **APPENDICES:**

Appendix A – Draft Economic Growth Strategy  
Appendix B – Initial Equality Impact Assessment screening form  
Appendix C – Climate Change Impact Assessment initial screening form

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23 June 2023

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Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

# North Yorkshire Council Economic Growth Strategy

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# North Yorkshire Economic Growth Strategy - Draft

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## Foreword

North Yorkshire is a unique and special place. Its scale and industries make it integral to the North of England's economic future, and its landscapes, culture and history make it a fantastic place to live, work and do business. This Economic Growth Strategy is a key milestone, marking an exciting new phase for our economy. One where we take the lead on tackling some of the big economic challenges of our time such as net zero and energy security, and harness our strengths to combine accelerated economic growth with a carbon negative economy and outstanding quality of life.

The world is in a period of intense technological change, with advances in artificial intelligence, data and materials disrupting the way we all live and work and the way businesses operate. These changes affect us all, but they create the chance for us to rethink our economy and embrace the opportunities for growth that they bring. At the same time, our economic resilience is being tested – first by the pandemic, and then by conflict in Europe and other global uncertainties. We must be alive to these challenges, and ensure we target support at areas where it is needed to overcome them, and at areas where we have a unique part to play in finding solutions.

This Strategy comes at a critical time for North Yorkshire, and one of the most exciting in its recent history. Having recently successfully completed the local government reorganisation of seven district councils and one county council into a single unitary authority, the establishment of the new North Yorkshire Council presents a once in a generation opportunity to embed a new approach to supporting economic growth in North Yorkshire – one which recognises the area's unique scale and character and reflects the diversity and distinctiveness of its component parts.

Not only this, but North Yorkshire, along with its neighbour City of York Council, have successfully secured a devolution deal with Government. Subject to finalisation, this will lead to the creation of a new North Yorkshire Combined Authority, to be led by a Mayor elected in May 2024.

These developments put North Yorkshire at the forefront of economic development in England. This £750m devolution deal brings significant funding and powers to the region, and is a landmark moment in our ability to shape our own economic destiny. This includes £18m a year over 30 years to invest in growth, £13m for new homes and £7m to support our transition to a carbon negative economy. The deal will also provide powers to help shape plans in relation to transport, skills and regeneration.

The opportunities these changes create make this the perfect time to develop this Economic Growth Strategy. The culmination of extensive consultation and robust analysis, this Strategy will ensure that the new council has a clear understanding of its economic strengths, challenges and opportunities, as it embarks on its journey as a unitary authority. This will enable the Council to make informed decisions about how to direct its resources, and the resources available through the MCA, to best support economic growth in the coming years.

Beyond this, the Strategy provides business, investors, and other partners with a clear sense of North Yorkshire's growth ambitions. These can only be achieved by partners from all of these groups working together in partnership to realise our collective ambitions for this great place.

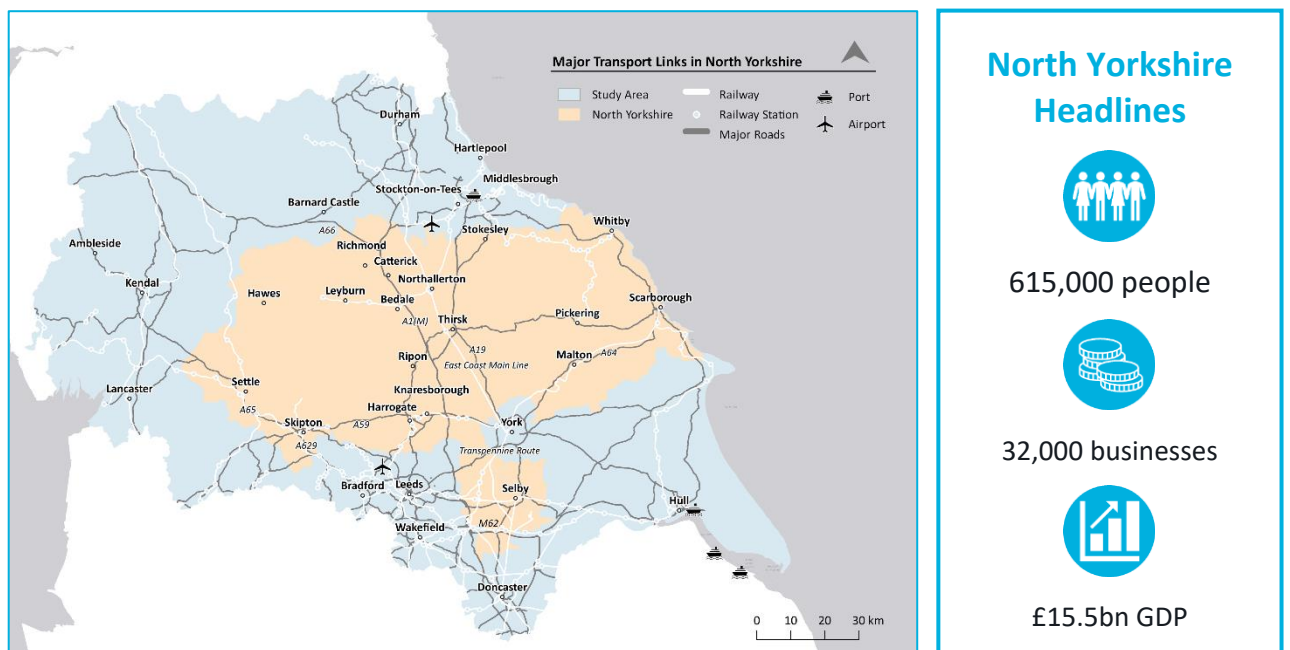
# Executive Summary

# 1 Our Distinctive Places & Economy

## Our distinctive role at the heart of the North

- 1.1 North Yorkshire sits at the heart of the Yorkshire and North East Regions. Its places, people, and businesses look to different places including York, Teesside and the North East, the Humber, West Yorkshire and Lancashire, creating opportunities to capitalise on the opportunities and assets those places offer. Through these relationships, as well as the strengths within its own borders, North Yorkshire has access to a vast range of employment opportunities, talent, research facilities and strategic transport infrastructure.
- 1.2 In a world of hybrid working and digital access, North Yorkshire is perfectly positioned to be an attractive location for business and for new residents who can benefit from its outstanding natural beauty and quality of life, connectivity, and agglomeration benefits of surrounding areas.

Figure 1-1: North Yorkshire's Strategic Location & Links



## Our Distinctive Places

- 1.3 North Yorkshire is a unique mix of high-quality places spanning urban, rural, and coastal locations. A breadth of cultural and heritage assets combine with thriving market towns all contributing to high quality of life and economic vitality. It is home to major towns with complementary strengths. Harrogate and Selby are both highly integrated with our neighbours in York and West Yorkshire, though their economies are markedly different. Selby, with a strong industrial heritage and excellent road links via the A1 and M62, is a major hub for manufacturing and energy generation, whilst Harrogate has a deep history of its own and an economy with strengths in finance and professional services. Scarborough meanwhile is a major service centre on the coast and mixes both manufacturing strengths with its status as a renowned coastal resort.
- 1.4 Alongside this, major employment sites both within and outside of towns, many of which provide links to our area’s proud industrial past, provide opportunities for accelerated future growth.
- 1.5 All of this is surrounded outstanding natural environment. Some of Britain’s finest coastline, two national parks and four Areas of Outstanding Natural Beauty all contribute hugely to North Yorkshire’s character and economy, and present opportunities for further growth whilst also protecting the characteristics which make them so special.
- 1.6 All of these places differ greatly in their economic and social characteristics, which in turn influences their priorities and needs, and their ambitions for the future. As such, in the Strategy we consider how our plans for growth in North Yorkshire may manifest differently in different parts of the County using the below place typology.

**Figure 1-2: Our Place Typology**

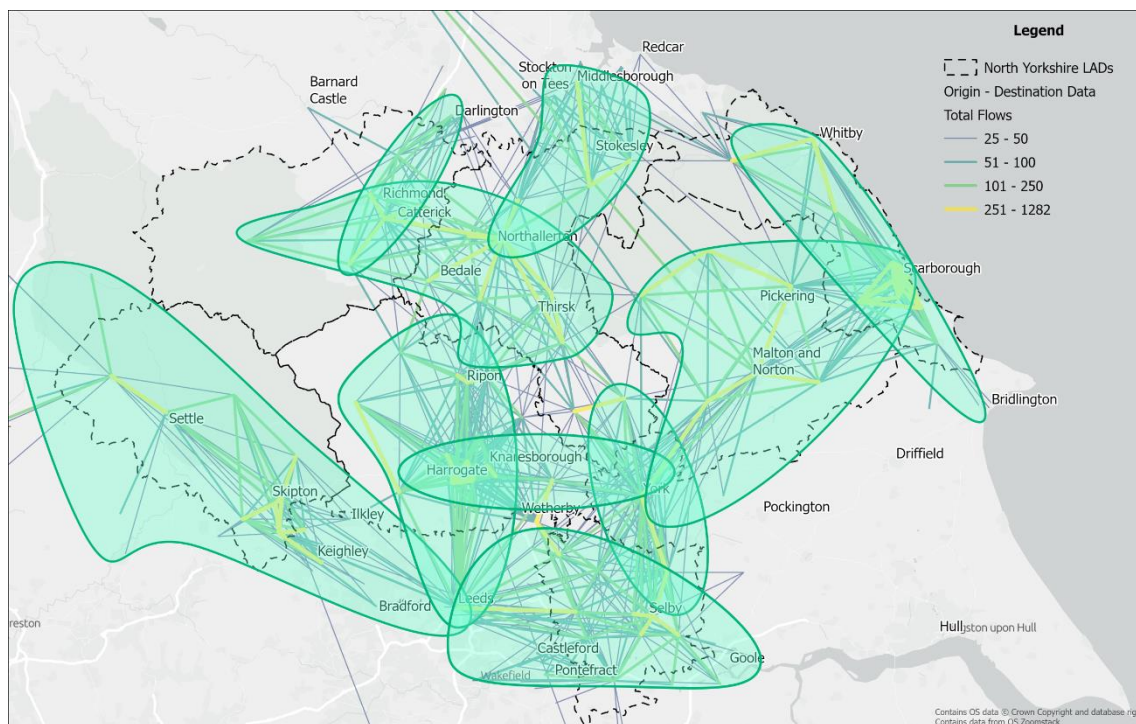


- 1.7 We know that our economy does not exist in isolation and our success and prosperity is deeply intertwined with that of our neighbours. North Yorkshire residents commute beyond our

administrative boundaries to a host of neighbouring places. Critically, we recognise that our places – home to our enterprising businesses and talent pool – are integrated into industrial clusters and supply chains that span the North and beyond.

- 1.8 These relationships are exemplified on the map below looking at commuting patterns between our places and neighbours. This emphasises that North Yorkshire is a series of overlapping functional economic areas and highlights the strength of our integration into the wider Northern economy. From the strong knowledge intensive services sectors connecting Skipton and Harrogate to major cities like York and Leeds, to the manufacturing links between Selby and West and South Yorkshire. Manufacturing also forms part of our bond with the East Coast, where we merge with the Humber to form the Energy Estuary with strengths in renewables and offshore wind. Our energy and food production specialisms also connect us closely to our neighbours to the North, in the Tees Valley and beyond.

**Figure 1-3: North Yorkshire Commuting Flows**



Source: Census 2011 Origin-Destination data, ONS 2011

### Our Distinctive Economy

- 1.9 With a population of 615,000, North Yorkshire is the third biggest unitary local authority in England, behind only Birmingham and Leeds. It is the largest local authority by land area, covering over 800,000 hectares – 5.5 times the size of the Greater London Authority.



Our economy produces **£15.5bn** of Gross Domestic Product (GDP) every year, and growth was outpacing the UK as a whole prior to the financial crash of 2008. Between 2010 and 2019 annual growth of **1.8%** was close to the 2% UK average.



Prior to the COVID-19 pandemic, which led to a 12.1% drop in GDP in 2020, North Yorkshire was making good progress on closing the economic gap to the UK. Productivity increased by **29%** between 2014 and 2020, outpacing the national 17% increase.



We are home to over **32,000 businesses**, predominantly small firms with strong survival rates. Our thriving, entrepreneurial business base is reflected in our business density - **466 businesses per 10,000 people**, increasing to over 500 in places like Craven, Harrogate, and Ryedale.



We have a working population of **295,000** employed across our diverse industrial base. This workforce is highly skilled, with **44% educated to degree level** – higher than the average for England and among the highest in the north. This includes over 50% in Harrogate and Craven, which has the highest proportion of highly skilled residents in the North outside of York. Skills are not however evenly dispersed, falling to 32.4% in Ryedale, and many highly skilled residents tend to commute out to surrounding towns and cities.

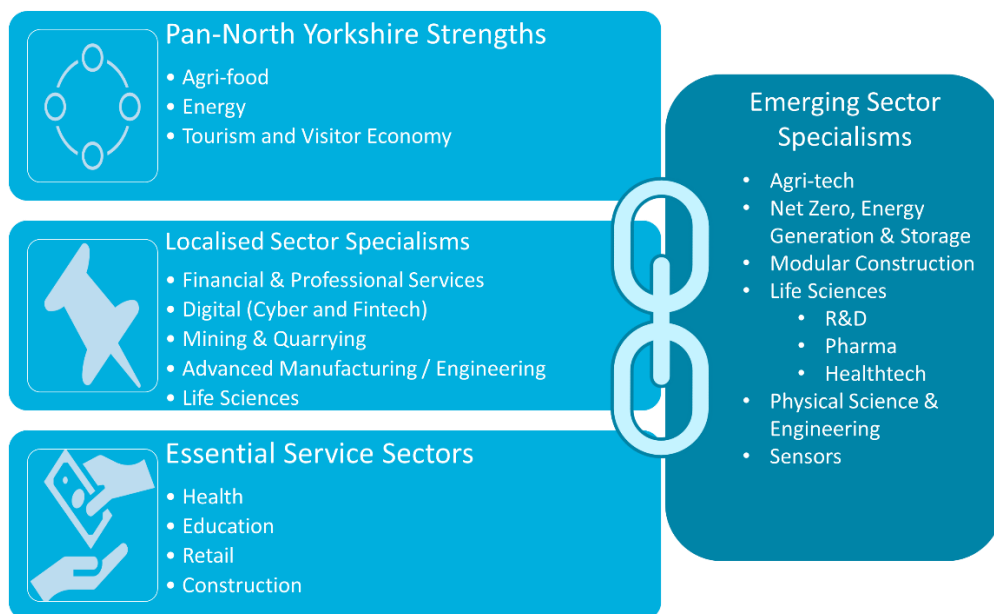


Our labour market is among the strongest in the North with an employment rate of **79.2%** and high levels of self-employment. However our workforce is ageing rapidly. More than 2 in 5 workers are aged 50+, and the area has double the national average share of early retirees.

### Our Sectoral Strengths

- 1.10 Our industrial strengths are as diverse as our places. Many of these are well established and span across the whole of North Yorkshire. Other specialisms, whilst no less important, are more unique to a specific place. Alongside these, it is also vital to recognise the huge importance of essential service sectors, often referred to as the foundational economy, on which we all rely in our daily lives and which also provide tens of thousands of jobs.
- 1.11 Our comprehensive baselining, data analysis and literature review identified the below key sector strengths in existing and emerging industries.

Figure 1-4: Our Sector Strengths



Source: Steer-ED / Data City

### *Pan-North Yorkshire Strengths*

- 1.12 **Agriculture, food and drink production** together directly employ more than 33,000 people – a concentration of employment (location quotient, LQ) more than 5 times higher than the national average with strengths right across North Yorkshire. This includes emerging strengths in agri-tech, with assets including Quorn’s Global Innovation Centre in Stokesely, and vertical farming in Selby where agri-tech employment is 7 times higher than the national average.
- 1.13 Aligned to this, our **energy generation** sector, with Drax at its heart and also encapsulating biorenewables and carbon sequestration, is nationally significant. It is no coincidence that these sectors thrive in North Yorkshire. They all benefit from our fertile land and natural capital to enable them to operate successfully here. They also face many shared challenges and opportunities – particularly as we progress towards a carbon negative economy.
- 1.14 Our **visitor economy** is also a major strength, employing more than 40,000 people and generating almost £1bn of economic output each year. Again, this is spread right across North Yorkshire with a diverse visitor offer in our coastal areas, national parks, AONBs and towns.

### *Localised Sector Specialisms*

- 1.15 Our mix of businesses, assets and institutions gives rise to highly concentrated specialisms in certain places. In some places, these are deep-rooted and well developed such as **financial services** in Craven. Driven by Skipton Building Society, the sector employs 2,000 people in what was Craven district, and 3,000 across North Yorkshire. Other areas, such as Harrogate, have niche and emerging specialisms in areas such as digital payments.
- 1.16 **Advanced manufacturing and engineering** specialisms are located across North Yorkshire with strengths and characteristics varying from place to place. Selby in particular is a manufacturing hub, strongly connected to neighbouring areas in Wakefield and Doncaster with strengths in **manufacturing electrical equipment** and vehicles. Scarborough and Ryedale share some of these manufacturing strengths, particularly electrical equipment. In terms of niche and emerging strengths, Craven has a strong specialism in **pharma**, whilst **modular construction** is a key growth area in a range of places including Selby, Harrogate, Hambleton, and Craven.
- 1.17 The area is also rich in **scientific research & development**, with strengths evident in Harrogate, where life sciences-related R&D employs 1,500 people (LQ=3.6). 600 people are also employed in scientific R&D in both Richmondshire and Ryedale (LQ=4.2), where major assets include the National Agri-Food Innovation Centre and Fera. **Sensors** are a further key emerging specialism, with strengths evident across North Yorkshire but notably in Richmondshire and Harrogate.
- 1.18 The presence of GCHQ and the National Cyber Security Centre in Scarborough present an opportunity in the growing **Cyber** sector particularly when aligned to the activity of Anglo-American locally and the defence assets in Catterick and Leeming. The presence of Anglo-American’s polyhalite mine near Whitby underpins a highly concentrated mining & quarrying sector which employs 600 people locally.

### *Essential Service Sectors*

- 1.19 These industries are a critical part of the economy – not only because they provide services which we rely on each day, through **health, education, and retail**, but also because they employ over 90,000 people in North Yorkshire. This includes 30,000 in health and care, 22,000 in education, 23,000 in retail and 15,000 in **construction**. Ensuring that jobs in these sectors are offer opportunities for entry, progression, and good pay, whilst also adopting new

practices and technologies which help them to become more productive, is therefore essential to the overall success of our economy.

## **Our challenges and opportunities for growth**

### **Unique economy and unique opportunities...**

- 1.20 Our Economic Growth Strategy reflects North Yorkshire's unique geography, history and industrial strengths, and positions us to realise our ambitious growth plans in a changing national and international economy. It builds on the substantial work delivered by local authority partners and the York & North Yorkshire Local Enterprise Partnership in recent years to develop and articulate North Yorkshire's distinct offer.

### **Technological change and the new normal...**

- 1.21 However, this is not just business as usual and nor can it be. Both in North Yorkshire and beyond, there are fundamental shifts in how we live, work, and consume in our daily lives. The COVID-19 pandemic caused huge upheaval to people and businesses alike, and whilst many places are recovering well, there will be lasting impacts on how we commute, socialise, and do business. These in turn will shape the choices we make about where to live and how we travel.

### **Energy security and the Net Zero imperative...**

- 1.22 Similarly, the net zero imperative continues to increase in importance and urgency, and the debate around energy generation, storage and consumption has been further disrupted by events in Ukraine and beyond. This has increased the focus of national government on energy security, and on related issues affecting the cost of living including food production and security.

### **Cost of living and inclusive growth...**

- 1.23 These issues have direct implications for our businesses, residents, and communities. They increase cost pressures for business and for households and cause us all to reprioritise where we focus our spending and our time. For more deprived communities where budgets are already stretched, it is essential to ensure that there is sufficient secure employment with decent pay to enable people to live fulfilling lives.

### **Growth through innovation and collaboration...**

- 1.24 North Yorkshire is already at the vanguard of efforts to tackle these challenges. It is a national leader in energy generation and food production, and has been ahead of the curve in its ambition to transition to a carbon negative economy. However, we still see relatively low levels of R&D investment locally and nationally with significant uplift in investment needed to drive productivity improvements. The opportunity to leverage our strengths to address these challenges is at the heart of our vision for this Strategy. To achieve this, we will need to be bold, innovative, and open for collaboration with our businesses and communities.

### **Trade and International Investment...**

- 1.25 That collaboration does not stop at our borders. We will need to work more closely than ever with our neighbours around our sector strengths and complementary research assets. We will also need to work harder than ever to attract international investment into North Yorkshire to provide the space and capital needed to sustain higher growth and productivity. Through this, and through supporting our businesses to trade internationally, we can play our full role in the global economy.



## 2 Our Vision for Growth

### Our Vision:

- 2.1 We want to attract investment and grow our economy to create opportunities for our residents and businesses. To achieve this, we need to make the most of our unique economic offer and set a new level of ambition for sustainable growth.

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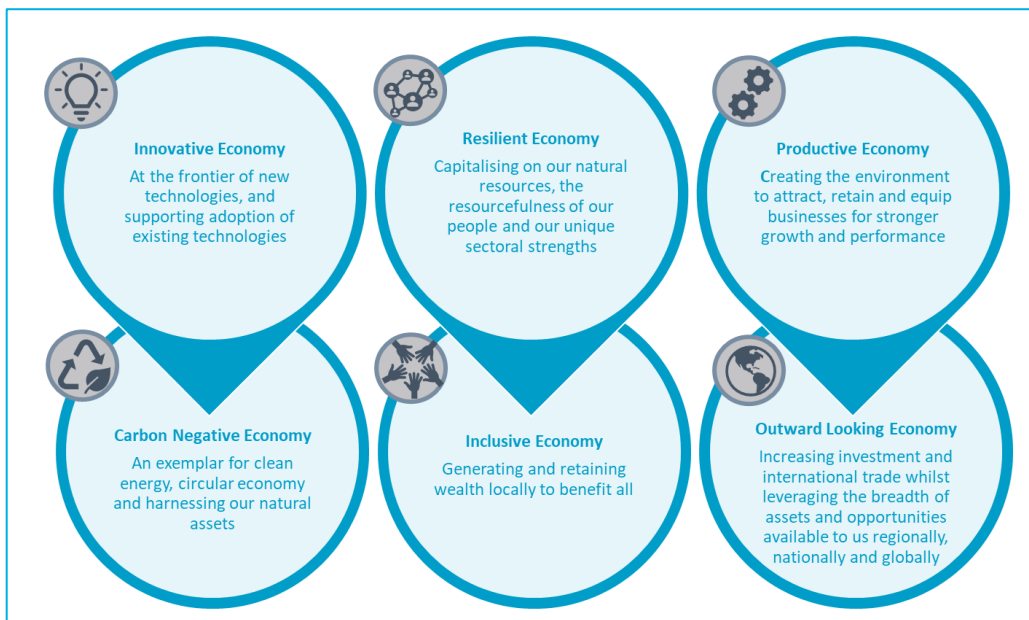
Our vision is to be an innovative, carbon negative economy driven by our productive and entrepreneurial business base and the places & communities that make North Yorkshire distinctive.

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### Our Principles

- 2.2 In achieving this vision, our activity will be underpinned by six principles. These principles will guide both the content and priorities of this Strategy, and the strategic and investment decisions that flow from it as it moves into delivery.

Figure 2-1: Our Principles



### A Strategy Built on Three Pillars

- 2.3 Our Strategy is built on three pillars - Enterprise, Infrastructure, and People. These are the foundations upon which our economy is built and the key foci of our attention if we are to successfully deliver the accelerated and sustainable growth we want to see. They are all interdependent. Whilst the Enterprise pillar sits at the heart of our Strategy, all pillars acting together are necessary, but no one pillar alone is sufficient to achieve our goals. This is a point

emphasised by businesses, who consistently tell us that access to skills and people is a key barrier to growth, as is constrained infrastructure.

- 2.4 Given the centrality of the Enterprise pillar, this is covered in more detail than the others in this Strategy. In other Pillars, where this Strategy has less direct control over activity, we have taken a lighter touch approach but have identified actions that are essential to our growth ambitions. To make these actions a reality, we will collaborate closely with our partners across North Yorkshire and beyond to develop more detailed action plans for the aspects over which we have control, and to influence those areas for which primary responsibility for delivery largely sits elsewhere.



**Pillar 1: Enterprise, Innovation & Growth Sectors** supporting the growth of businesses in North Yorkshire with a focus on our existing and emerging sectoral strengths. **This is the central pillar and the primary focus of this Strategy.** We will target accelerated growth through increased investment and innovation among our own businesses, and through attracting new business aligned to our high growth, high skilled ambitions. Alongside this, we will support businesses throughout the economy to modernise and adapt to change through adopting new practices and technologies.



**Pillar 2: Investment, Infrastructure & Connectivity** recognises the critical role that physical and digital infrastructure plays in enabling growth and prosperity. This includes making sure that our town centres are equipped to thrive in the 21<sup>st</sup> century, and realising the vast potential that our strategic development sites offer. To achieve this, we will need significant enhancements to our infrastructure, including transport, energy, digital and housing.

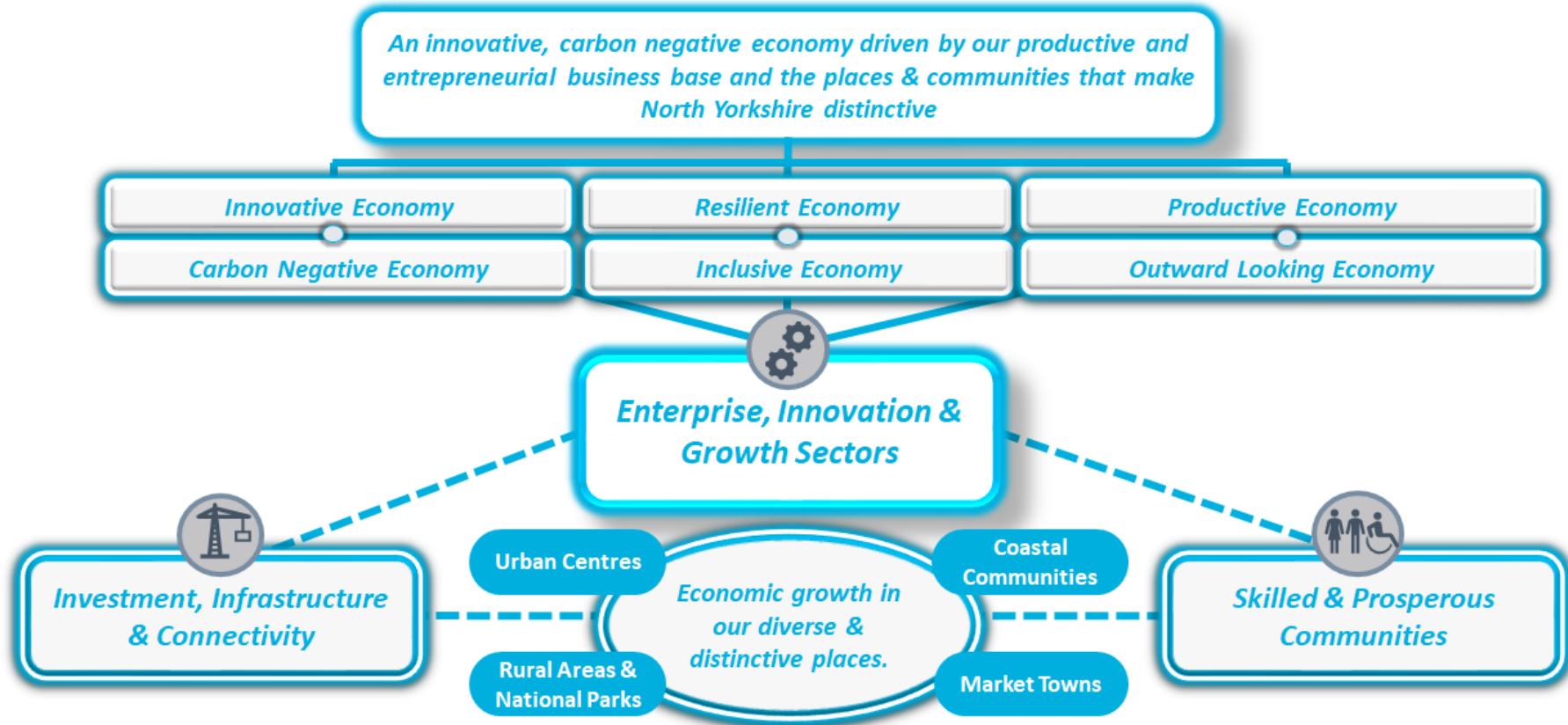


**Pillar 3: Skilled & Prosperous Communities** enabling all of our communities are able to participate in the economy and benefit from its success. Many of our residents are highly skilled and live in thriving, prosperous communities. But this is not the case for all, and demographic change risks exacerbating economic challenges. To address this, we aim to attract and retain a stronger mix of people at all life stages, and to ensure that our workforce has the skills business needs to grow whilst providing high quality, well-paying jobs.

- 2.5 The opportunities and challenges in each of these three pillars, and the actions required within them if we are to achieve our vision for growth, are identified in the subsequent chapters of this Strategy.

## Our Strategic Framework

Figure 2-2: Our Strategic Framework



# 3 Pillar 1: Enterprise, Innovation & Growth Sectors

## Introduction

- 3.1 This Pillar is about the business base that powers North Yorkshire’s economy and how it can further grow and prosperity. Our economy includes world leading businesses, a multitude of dynamic SMEs, and distinctive and sizeable sectors ripe for rapid and sustainable growth. Our ambitions are to unlock this potential and harness innovation to achieve growth that combines increases in business profits and productivity with good jobs and wages, and which supports our goals for a carbon negative economy.
- 3.2 To achieve this we must build on recent productivity improvements and capitalise on our sector strengths, whilst enabling good growth across the whole economy and creating an environment where more businesses start, survive and thrive. To do this, we will take forward action within the following themes:



**Integrated Growth Sectors and Clusters**



**Innovation and enterprise**



**Essential service sectors and thriving local economies**

- 3.3 We will build on and align with economic strategies covering York & North Yorkshire, neighbouring Combined Authority/LEP areas, and the City of York, as well as the York and North Yorkshire Routemap to Carbon Negative and the suite of key North Yorkshire strategies. Strong interlinkages with the other pillars in this Strategy include the importance of tackling infrastructure (Pillar 2) and skills (Pillar 3) based barriers to business growth.
- 3.4 Assets and opportunities that can support business growth across the themes covered in this pillar, including in key sectors, essential services, and innovation across the economy include:

<b>University/HE expertise in nearby centres including York, Hull, Leeds and Teesside</b>	<b>GCHQ and Anglo American in Scarborough and its expertise in cybersecurity</b>
<b>Coventry University campus in Scarborough and University of Sunderland in Northallerton</b>	<b>P3P Horticultural Technology Park in Camblesforth, Stockbridge Technology Centre, and Co-lab Harrogate</b>
<b>Specialist FE colleges including Askham Bryan and Bishop Burton</b>	<b>Key initiatives such as Grow Yorkshire and BioYorkshire</b>

<p><b>National Agri-Food Innovation Centre/York Biotech Campus and FERA at Sand Hutton</b></p>	<p><b>Business support via York &amp; North Yorkshire Growth Hub - finance, skills, property, innovation, IT, trade and sustainability</b></p>
<p><b>Drax, bioenergy and carbon capture and storage opportunities</b></p>	<p><b>Large public sector employers/anchor organisations, their jobs and supply chains</b></p>



## Theme 1: Integrated Growth Sectors and Clusters

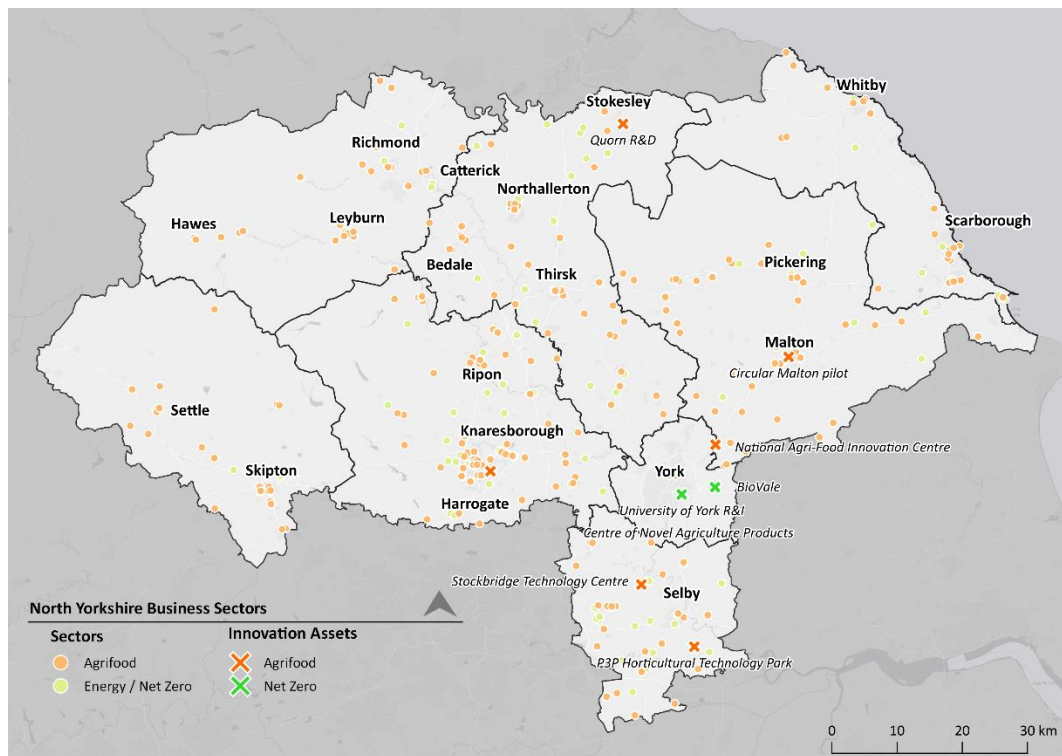
### Overview

- 3.5 The success of key sectors within the North Yorkshire economy is vital. They make up a sizeable share of our business base and employment, and have the potential to drive future growth. Evidence shows that a ‘clusters’ approach which focuses on sectors with distinctive strengths; links businesses and their supply chains and academic expertise and public sector support; and fosters innovation and collaboration; can fast track success. Our approach is to do just that, based on industries that are especially pronounced here, whether across the whole County or in localised concentrations.
- 3.6 Our approach is informed thorough analysis of the North Yorkshire economy and the sectors within it, including looking at which are the most pronounced locally compared to national average. Our biggest specialisms are in crop, animal production, food, and beverage production. These, along with their supply chains, support sectors and related land-based industries (e.g. agri-tech, veterinary, forestry) which are four to five times more pronounced here than nationally.
- 3.7 Our green energy sector, anchored by Drax, is nationally leading and laden with growth potential. North Yorkshire produces far more bioenergy than any English region, and net zero industries such as renewable energy generation and energy storage and management are growing fast. Given the connection to land and natural capital, there are strong links to make between the County’s green energy, food, and agriculture strengths.
- 3.8 Beyond this, the visitor economy sector is also pronounced across the County, and there are localised specialisms unique to their local areas which play crucial roles in local economies.

### Objective 1: Grow an Integrated Agri-Food-Green Energy Cluster

- 3.9 This cluster combines agriculture and related support services, agri-tech, food and drink production, land management and forestry, and green energy - including biorenewables, solar, other renewables and carbon sequestration. Evidence suggests that innovation can often occur at the intersection of related but different industries such as these, and there are wider connections and opportunities given shared core resources and challenges.

**Figure 3-1: Agri-Food-Green Energy Businesses and Assets**



Source: Steer-ED analysis of Data City, 2023

**Action**

3.10 Bringing together businesses and other bodies within the cluster will itself help to identify, refine, and develop key actions and initiatives, which will include:

- Establishing a driving force champion for the cluster, fostering networking and collaboration building on existing initiatives such as Grow Yorkshire and BioYorkshire;
- Driving innovation through enabling collaboration, linking businesses to centres of expertise and innovation within North Yorkshire and beyond; encouraging R&D;
- Launching ‘innovation challenge’ initiatives such as how to gain maximum value from a limited land resource and combining crop growing with renewable energy;
- Championing the development and adoption of new tech and digital solutions;
- Supporting cluster businesses with the transition to carbon negative, exploiting net zero opportunities such as around carbon offset and the circular economy; and
- Key Account Management (KAM) with cluster businesses and representatives to identify and address key barriers and opportunities.

3.11 Action will span the whole of North Yorkshire, but the nature of it will vary according to topography and geography – for example with different types of agriculture and land use in flatter areas compared to upland areas such as the North York Moors, and with R&D/expertise and larger businesses often based in or near urban centres.

**Figure 3-2: Drax Power Station and the Pursuit of Carbon Negative**

### Drax Power Station and the Pursuit of Carbon Negative

Drax Power Station is the UK's largest producer of renewable energy, providing 12% of the UK's renewable power. That is 14 Terawatt-hours (TWh) or enough electricity to power 5 million homes. Over 700 people are currently employed at Drax and it supports 4200 jobs in Yorkshire & Humber. Coal was completely phased out in Spring 2023 and the plant now runs 100% on renewable biomass.



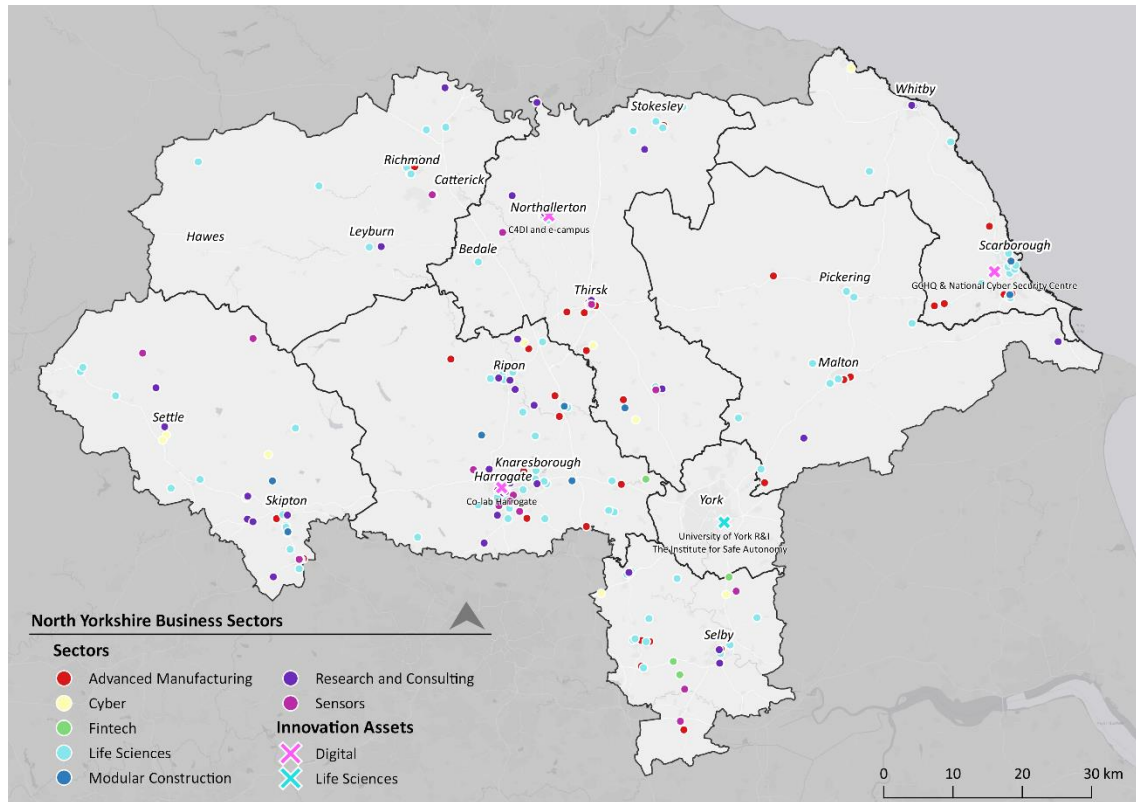
As part of the East Coast Energy Cluster, Drax sits at the heart of the UK's drive towards green energy and aims to be zero carbon by 2030. The £2bn BECCS (Bio-Energy with Carbon Capture & Storage) project aims to remove 8Mt of CO<sub>2</sub> from the atmosphere annually by 2030, significantly contributing to the UK's net zero ambitions as well as stimulating the local economy; 80% of the supply chain for the project will be UK sourced.

Drax also has a long history of in supporting renewable power generation in the UK, currently working with 2300 independent renewable generators, acting as a hub and distribution point for green energy to connect to the national grid. SEGL2 (proposed High Voltage Direct Current Superhighway from North Sea wind farms to Drax) and two huge proposed local solar farms (400MW and 250MW) connecting to Drax will significantly scale up those renewable resources in support of the UK's commitment to a carbon net zero energy system and North Yorkshire's carbon negative ambition.

### Objective 2: Support the growth of localised sectors and clusters

- 3.12 This objective is about supporting the growth of sectors/clusters that are concentrated in particular localities. The sectors we focus on may evolve over time depending as local economies and their needs and opportunities change and evolve. In the first instance and based upon analysis of our existing and emerging strengths we will look to support and grow sectors/clusters focused on:
- Cyber - in and around Scarborough;
  - Engineering and advanced manufacturing (including modular construction) – mainly in the east of the County; and
  - Life sciences, pharma and healthtech – in and around Craven, Harrogate, and Selby.
- 3.13 Other areas for future consideration include defence related industries, sensors, professional/financial services and fintech.

**Figure 3-3: Localised and emerging sector specialisms**



Source: Steer-ED analysis of Data City, 2023

**Action**

- 3.14 Our first step will be to map and consult with the relevant businesses and stakeholders in more detail and to identify key needs, actions, and initiatives from the ‘bottom up’. We will look to develop sustainable and targeted approaches that focus on the few key things that will best deliver high quality and lasting growth. We expect activity to encompass networking, championing, and sector profile building, including working with the LEP/MCA to increase our international profile and promote our strengths to key markets. KAM activity and promoting innovation and advanced technology uptake will also be key to promoting growth.
- 3.15 This action is place based by its nature and opportunities will be taken to ensure that action supports wider principles in the Strategy such as transition to net zero, supporting good jobs and inclusion, and making links to assets, places, and businesses outside of North Yorkshire.



**Figure 3-4: Anglo American and North Yorkshire’s Cyber Cluster**

**Anglo American and North Yorkshire’s Cyber Cluster**

The Woodsmith Project is a truly unique development currently under construction in North Yorkshire. The state-of-the-art mine, owned by global mining operator Anglo American, is being constructed two miles south of Whitby in the North York Moors National Park.


Polyhalite ore will be extracted and transported outside of the National Park to Teesside on a conveyer belt system in an underground tunnel, avoiding any impact on the countryside above. It will then be granulated at a materials handling facility, with the majority exported overseas.

A key priority for Anglo American is to keep operations and employees safe and resilient in an ever-growing digital world. Across every aspect of the business, innovation is applied to ensure the safety of the workforce, sustainability and corporate performance. This is developing a replicable model of differentiated practices and capabilities designed to deliver superior value to all stakeholders.

Anglo American is a key stakeholder in the development of the North Yorkshire Cyber Security Network, alongside GCHQ, North Yorkshire Council and Coventry University Scarborough. Cyber security is a key sector for economic growth in the region, and as part of that opportunity, Anglo American launched its groundbreaking Cyber Security apprenticeship programme in Scarborough.

The course is demanding, combining work and study simultaneously, learning the most advanced cyber security tools available and working alongside experienced cyber security professionals to build the required knowledge and skills. Apprentices study for a nationally recognised qualification, gaining hands on experience with the latest security technologies to prepare them for a career in Cyber.

It is an exciting, comprehensive apprenticeship programme which focuses on developing sound knowledge of cyber security tools, network intrusions, penetration testing, threat intelligence and how to identify and protect against cyber threats. The two-year course leads to a Level 4 qualification and prepares candidates for roles including Cyber Threat Intelligence Analyst, Security Operations Analyst and Cyber Security Risk Analyst.



**Objective 3: Develop and deliver a Visitor Economy Strategy**

3.16 Tourism and the visitor economy is a key sector across North Yorkshire, and is closely linked to quality of place, culture, and the natural environment. It is underpinned by tremendous and distinctive local assets – including national parks and areas of outstanding natural beauty (AONBs), coastal resorts, and attractive centres such as Harrogate and our market towns - and has enjoyed some major successes in recent years. However, challenges remain including how to maximise the value and sustainability of tourism, not just visitor numbers; how to enhance the quality and pay of jobs within the sector; and how to address workforce and labour challenges.

**Action**

3.17 Given its centrality to North Yorkshire’s economy and the range of stakeholders involved, a Tourism & Visitor Economy Strategy is needed to understand in more detail the challenges and

opportunities in this space, and the actions required to grow the sector. This should seek to address the issues raised in this Strategy, including ways to increase both productivity and job quality in the sector, identify opportunities for year-round tourism activity, and to align the sector with North Yorkshire’s carbon negative principals.



## Theme 2: Innovation and Enterprise

### Overview

- 3.18 Innovation and enterprise will be pivotal to the future productivity, growth, and resilience of the North Yorkshire economy. That includes more new businesses and social enterprises starting and existing ones scaling up, and accelerating innovation in businesses of all sizes and in every sector to drives new and improved products, services, and business models.
- 3.19 Evidence points to some undoubted positives in this space, but also some challenges:
- Productivity (output per hour worked) increased by 29% between 2014-20, far outpacing the 17% increase nationally. This is now 86% of UK levels (compared to 78% in 2014), so there is further to go but an excellent trend to build on;
  - North Yorkshire is home to over 32,000 businesses, almost 90% of which have fewer than 10 employees. Business survival rates are above UK levels but start up rates are only three quarters of national average; and
  - Levels of business innovation and tech adoption are relatively low. Addressing this will be important for growth and productivity particularly linked to opportunities such as around tech, digital and net zero.
- 3.20 A clear and collaborative approach that aligns closely with the business support offer at York & North Yorkshire level will be vital. We will ‘hide the wiring’ and connect businesses with the range of support they could benefit from. There will be strong links to the Pillars covering skills and infrastructure, as businesses regularly identify these as barriers to growth. We will make best use of innovation assets within North Yorkshire and also connect businesses to nationally leading expertise in neighbouring areas, such as universities and centres of excellence in West Yorkshire, Hull, Teesside, and York.

### Objective 1: Connect businesses to support that helps them to thrive

- 3.21 Creating an environment, culture and business support offer that facilitates business formation, growth, and sustainable success. Much of this will be about signposting to and coordination with existing business support offers, with communication and uptake of this a key focus.
- 3.22 Business support should span the whole of North Yorkshire and be accessible to firms in more deeply rural areas (e.g. the national parks) as well as market towns and larger centres. Key principles such as inclusion (via employment/skills), being outward looking and transition to a carbon negative economy will be integrated into provision and given appropriate prominence.

### Action

- 3.23 We will start by assessing the current and future business support offer with those already providing it locally and with business organisations, identifying any gaps or opportunities to widen, improve or refocus available support. We will proactively communicate available support and work with partners to promote a clear and integrated offer covering:

- Signposting or provision of general and rounded advice/support to SMEs covering core areas such as business planning, leadership and management, regulation, sales and marketing. This will combine basic advice for all businesses with more targeted support for scale ups and businesses in key sectors/clusters;
- More specialist areas of advice such as premises, resource efficiency/net zero, exports, local access to finance (as well as on innovation and tech/digital IT – see objective 2);
- Skills/labour issues and high performance working practices;
- A specific programme of activity to encourage and assist new business start-ups; and
- Key Account Management with large businesses and investors to identify specific issues and solutions for firms with the biggest economic impact, including in key sectors.

### **Objective 2: Promote and enable innovation**

3.24 Innovation is a key driver of productivity, and is a pivotal factor that can support long term competitiveness and sustainable growth. We will adopt a twofold approach to innovation. Firstly, we will promote investment in and access to R&D and expertise to drive ‘frontier’ innovation in our high growth, high tech businesses and clusters. Secondly, we will encourage more widespread adoption of innovative technologies, processes and cultures across our business base, enabling all businesses to become more productive and competitive.

#### **Action**

3.25 The detail of action on innovation will be developed in collaboration with relevant partners, and be joined up with action on clusters/sectors and business support. It will include:

- Encouraging investment in innovation and R&D by connecting more businesses to centres of expertise such as universities and technology centres, with focus on the agri-food-green energy cluster and our specific localised key sector strengths. This will involve building on previous work to help higher education to become more tuned to business needs and opportunities, and make businesses more aware of the expertise available. Work will include promotion of mechanisms such Knowledge Transfer Partnerships which both help to seed innovation and expertise within companies, and help to channel and retain more graduates/postgraduates into businesses and the North Yorkshire economy;
- Making support available that will assist SMEs to respond to change and innovate in ways that keep them competitive long term and open up growth potential. We will focus effort and assistance on two areas where businesses will get left behind if they do not, and which offer considerable opportunity for generating efficiencies and for product and process development, these are:
  - Uptake of digital and advanced technologies, including fourth industrial revolution technologies such as automation, robotics and the internet of things; and
  - Adoption of practices and equipment that support transition towards net zero carbon.

3.26 These actions are relevant to businesses across North Yorkshire, and centres with a higher education presence (e.g. Northallerton, Scarborough) or technology/expertise centres (e.g. Selby, Ryedale, Harrogate) will have added focus as assets for others to connect to.

Figure 3-5: C4DI, Treadmills, Northallerton

### C4DI, Treadmills Northallerton

Northallerton prison's long history is now embracing a digital future. Closed by the Ministry of Justice in 2013 it left a 4 acre brownfield site in the heart of the market town, with Historic England listing some of the very earliest buildings on the site that had been in use since 1788.

Hambleton District Council purchased the site and

undertook a masterplanning exercise to explore best use of the site, keen to have a strong economic element to help replace the jobs lost with the site's closure. Through a procurement exercise to secure a development partner developer Wykeland and tech hub operator the Centre for Digital Innovation (C4DI) came on board. Together the three parties have transformed the site which now includes C4DI Northallerton.

C4DI Northallerton helps digital business to grow and traditional business to innovate. The facility is a digital tech workspace with offices, touch down and collaboration spaces open on a community membership basis.



The facility's initial focus is on agriculture and food manufacturing due to the high concentration of these businesses in the area. By bringing together food and agriculture sectors with the tech sector, C4DI helps these sectors innovate and grow and is building an ecosystem of tech companies with unique supply chain and mentor access. This focus will broaden to serve other sectors over time.

C4DI provides access to a unique community of talented businesses and people who can accelerate innovation within their business as well as provide a perfect environment for team members to work and collaborate.

The economic element of C4DI sits amongst a mixed leisure and retail development, Treadmills which itself is adjacent to the historic High Street. Together they function as vibrant and complementary offers, an eclectic mixture old and new, that is proving a strong base for an emerging digital cluster.



## Theme 3: Essential service sectors and thriving local economies

### Overview

- 3.27 The majority of businesses and jobs within North Yorkshire are in high volume employment sectors across the public and private sectors. The performance of organisations in the ‘foundational economy’ is vital to our overall productivity, the profits of businesses and wages of their workers. Essential services like education, health and transport underpin a successful economy and quality of life.
- 3.28 It is vital to promote the efficiency and sustainability of businesses and organisations in these sectors across North Yorkshire. Whilst Theme 2 outlines our core business support for SMEs, this theme goes beyond that to focus on the economic benefits of high performance working practice and good jobs across the economy, and the role that ‘anchor organisations’ and others embedded in their local economies can play. These organisations help shape their local economies through local supply chains as well as local employment, and the services they deliver in their communities.
- 3.29 The evidence base shows that:
- Half as many businesses in York & North Yorkshire as nationally (4% v 9%) employ a set of high performance working practices - integrated processes, practices and policies which serve to deliver improved employee motivation and performance<sup>1</sup>;
  - North Yorkshire has a higher than average employment rate, but at £556 per week (2021), median workplace earnings are below those in West Yorkshire and only 91% of national average. 20% of jobs (54,000) pay below Real Living Wage compared to 17% nationally, with low earnings more common in places such as Craven, Richmondshire and Ryedale;
  - Estimates suggest there to be around 180 sizeable anchor organisations rooted in York and North Yorkshire, including government, education and health organisations and large businesses. These are likely to employ over 100,000 people and have procurement budgets well into the billions of pounds<sup>2</sup>; and
  - The extent of local procurement and supply chains is uncertain, but could undoubtedly be strengthened.
- 3.30 There are opportunities to raise productivity and local health and wellbeing by increasing the adoption of best practice and building on assets such as anchor organisations, our skills base, community infrastructure and local identity. Doing so would link strongly to Pillar 3 on skills, to local level strategies and plans, and corporate policies across a range of organisations.

### Objective 1: Support high performance working to raise productivity across the economy

- 3.31 This action is intended to enhance recruitment, retention, and productivity, as well as wellbeing, by enabling wider roll out of best practice in the private and public sector.

<sup>1</sup>

<https://www.ynylep.com/Portals/0/adam/Stories/OhqqpV3Rg0aL68WCU08pNA/Body/High%20Performance%20Working%20practices.%20Research%20report.%20April%202022.pdf> (Data relates to adopting 14+ of 21 practices)

<sup>2</sup> Les Newby Associates and Nicky Denison/Wordfern Ltd for York & North Yorkshire LEP, York and North Yorkshire Anchor Organisations Research, June 2020

3.32 High-performance working practices (HPWPs) include business leadership, devolved decision making, performance and support systems which build trust, engagement and commitment with a few to driving greater performance and productivity. Activities can be applied across sectors including public sector bodies and the foundational economy. Research for YNY LEP cited above shows evidence of these practices being adopted in North Yorkshire but more needs to be done to raise awareness and increase uptake.

**Action**

3.33 Action will include:

- Raising awareness of high-performance working practices that can support recruitment, retention and productivity, and integrate best practice in this areas into business support advice, leadership and management skills support, and anchor organisation activity. This will include building HPWP into the future business support offer alongside YNY LEP, and adoption language and communication channels that resonate with business.

**Objective 2: Harness the potential of anchor organisations and strengthen local supply chains**

3.34 We want to strengthen local supply chains across the economy, and maximise the impact of anchor organisations – those who are rooted in an area and have a large impact on it through their employment, spending or functions. There is huge potential to develop local supply chains, increase the resilience of our economy and the proportion of wealth that is retained locally. Given the rural nature of North Yorkshire, anchor organisations can be considered to include key voluntary and community sector organisations, as well as sizeable businesses, local government, higher and further education, health bodies and housing providers.

**Action**

3.35 Action will include:

- Identify and connect anchor organisations who are interested in enhancing their economic impacts and wider benefits in North Yorkshire (or an area within it) through their employment, procurement and service delivery functions, their environmental policies or the way they connect to local communities;
- Review policies and practice and adopt new and innovative approaches that will enhance local impacts, including procurement policies/approaches that will increase opportunities for local businesses and SMEs to win contracts and deliver social value; and
- Carry out supply chain mapping in key sectors or targeted localities to identify opportunities where local supply chain development could facilitate local business growth

3.36 Anchor organisation-focused action is most likely to centre on urban centres and market towns where most anchors are based, but supply chains and employment connections to them can cover a much wider area. Action in this area has great potential to support an inclusive and resilient economy principles as well as carbon negative transition. As such, North Yorkshire Council itself has a key role to play in acting as a role model to champion this approach.



## Driving Growth Across Our Distinctive Places

	<b>Market Towns</b>	<p>As hubs where many businesses are concentrated, including in the agri-food-green energy cluster and local sectors, market towns will benefit strongly from business growth and support. They will also benefit from anchor organisations and supply chain-based activity.</p>
<p>As well as the benefits above, urban centres have pivotal roles around innovation, given presence of R&amp;D, HE expertise and technology centres in/near to Harrogate, Selby and Scarborough. The latter also has a concentration of anchor organisations.</p>		
	<b>Rural Areas</b>	<p>Much of the agri-food-green energy cluster is based in rural areas, and they will benefit from higher value businesses and jobs. Designated areas are also likely to gain from higher value tourism, and from economic opportunities around stewardship of natural capital and carbon offset potential.</p>
<p>Scarborough will benefit as an urban centre and the heart of cyber sector growth, and coastal areas are also well placed to benefit from servicing offshore renewables growth. Other parts of the coast will benefit from the visitor economy, with Whitby benefiting as a market town and a tourism hotspot.</p>		

# 4 Pillar 2: Investment, Infrastructure & Connectivity

## Introduction

- 4.1 One of North Yorkshire’s key strengths is the diversity of its places – its urban centres, market towns, national parks and rural and coastal areas all play critical roles in the economy. But each of these places has different needs in terms of the infrastructure within them – their mix of residential and commercial property, energy supply, digital and transport connectivity and their unique culture and heritage all shape opportunities for development and regeneration.
- 4.2 Strong connectivity between places is equally important. This is particularly critical in an area as vast as North Yorkshire, where the distance between places can make connectivity complex and challenging, and where strong enabling infrastructure such as digital and energy can often mean the difference between success and failure for business.
- 4.3 This Pillar is about making the most of our opportunities for development to deliver enhanced growth, good jobs and high quality developments befitting our places and communities. To achieve this, it is imperative we have excellent infrastructure that enables growth, whilst maintaining and enhancing the character, quality and accessibility of our places and environment.
- 4.4 Our economic ambitions must both influence and align to the York & North Yorkshire Spatial Framework and Plan for Growth, and North Yorkshire’s Strategic Transport Prospectus and Local Transport Plan. Our Economic Growth Strategy will inform refreshes to these plans as they emerge under the new council, as well as plans for housing and affordable homes.
- 4.5 To do this, we will deliver actions against the following three themes:



**Enabling Growth & Development**



**Transport & Digital Connectivity**



**Housing Supply & Affordability**





## Core Theme: Enabling Growth & Development

### Overview

- 4.6 The entrepreneurial spirit North Yorkshire is famous for is reflected in its high business density and high concentrations of SMEs. However, many of these businesses have historically struggled to grow and scale within North Yorkshire, often forcing them to look further afield to realise their growth ambitions. This, in part, reflects a lack of suitable accommodation to enable them to grow locally.
- 4.7 Meanwhile, North Yorkshire has historically not punched its weight in attracting the private investment it needs from external investors. This has made unlocking our major development sites more challenging, and has meant that such sites have not always attracted the inward investment the area needs to drive growth, innovation and productivity.
- 4.8 This Strategy commits us to a more proactive, collaborative approach to delivering our sites and attracting increased levels of private investment aligned to our strengths and strategic priorities.
- 4.9 We must capitalise on our sectoral strengths and our strategic location at the heart of the North - with access to ports in the Humber and Teesside, airports in the North East and West Yorkshire, strategic rail links via the East Coast Mainline and strong North-South road links via the A1. Activity in this pillar aligns strongly with our principles for an outward looking economy that is well connected to its neighbours and global in its ambition for growth and investment.
- 4.10 Many of our key development sites are ideally located to capitalise on this but these sites share some common challenges to meet the needs of high value investors. Chief among these is ensuring that they have the energy infrastructure and grid connections needed to both provide occupants with the capacity they need, and to enable businesses to return renewable energy to the grid.
- 4.11 Our myriad urban centres and market towns are another key strength. Their outstanding quality of life is part of what makes North Yorkshire such an attractive place to live, and to start and grow a business. But as our previous Future Towns analysis has identified, these towns must continue to evolve if they are to remain attractive and prosperous in the modern economy. Significant strides have already been made in this space, with major investments in digital infrastructure and town centre Wi-Fi one key example. But the Covid-19 pandemic has had, and will continue to have, profound implications for how residents, visitors and businesses use town centres. Our town centre offer must therefore adapt and keep pace.
- 4.12 Growth will predominantly occur in our urban centres and market towns, and on the brownfield development sites across North Yorkshire, generally closely aligned to our key transport corridors. However, all places have their role to play in supporting economic growth, including in the national parks which offer significant potential. Coastal areas too have much to gain from accelerated growth and diversification.

### Objective 1: Equipping our Towns for the 21<sup>st</sup> Century

- 4.13 Substantial work has been undertaken to understand and evidence the critical role North Yorkshire market towns, and our larger centres in Harrogate, Scarborough, and Selby, play in

driving growth. We also have a strong understanding of the challenges they face post-Covid, when digital connectivity is more important than ever, and both businesses and people demand high quality spaces, flexibility and sustainability. Now is the time to drive forward our ambitions to make our towns exemplars for modern living, with the mix of homes to meet the needs of people at all stages of life and the business environment to enable growth and investment whilst protecting our towns’ unique character.

**Action**


4.14 We will develop investment plans for our town centres to enable them to thrive in the modern economy. Whilst the type and scale of interventions required will differ from place to place, these investment plans should seek to ensure towns are:

- Enabling enterprise through digital infrastructure and highly connected business hubs which provide flexible space to enable collaboration and support growth. A proactive approach is required to ensure town centre premises meet business need and provide an appropriate mix of retail, leisure and commercial property – enabling changes in use type where appropriate;
- Sustainable settlements with significantly enhanced active travel options (particularly in urban centres), public transport which connects residents to employment and education, and investment in infrastructure which improves climate resilience. We will support businesses and communities to build on existing circular economy strengths to drive sustainable growth in our towns; and
- Protecting heritage and promoting growth with targeted investments which regenerate and protect our towns’ cultural and heritage assets. Ensuring the viability of our heritage through identifying appropriate uses for underused buildings, and enhancing our public realm to attract a diverse range of visitors. Ensuring that future investment in town centre infrastructure from highways to digital and energy is aligned to growth ambitions and recognises each town’s characteristics and growth potential.

**Figure 4-1: Selby Station Gateway Programme**

**Selby Station Gateway Programme**

This programme, funded through West Yorkshire Combined Authority’s Transforming Cities Fund, aims to strengthen links between the station and the town centre and create brand new connections between the station and proposed new homes and business developments in the area. It will boost public transport use, build high quality infrastructure for people to travel by bike or on foot, and help reduce reliance on travel by car.



£17.5m has been allocated for the work plus a further £8m capital funding committed by the former Selby District Council. The project will deliver:

- New access from the east side of the station
- New station frontage and public space, with a direct walking and cycling route through Selby Park to the town centre.
- A new walking and cycling route beneath Bawtry Road bridge.
- Reconfiguration of the bus station and improved facilities for, with better links between buses and trains

- Relocating parking to the east side of the station
- Upgrading footpaths and cycle routes along Ousegate

The project is due to start on site in January 2024, with completion by the end of 2026.

## Objective 2: Delivering Sites for Growth and Investment

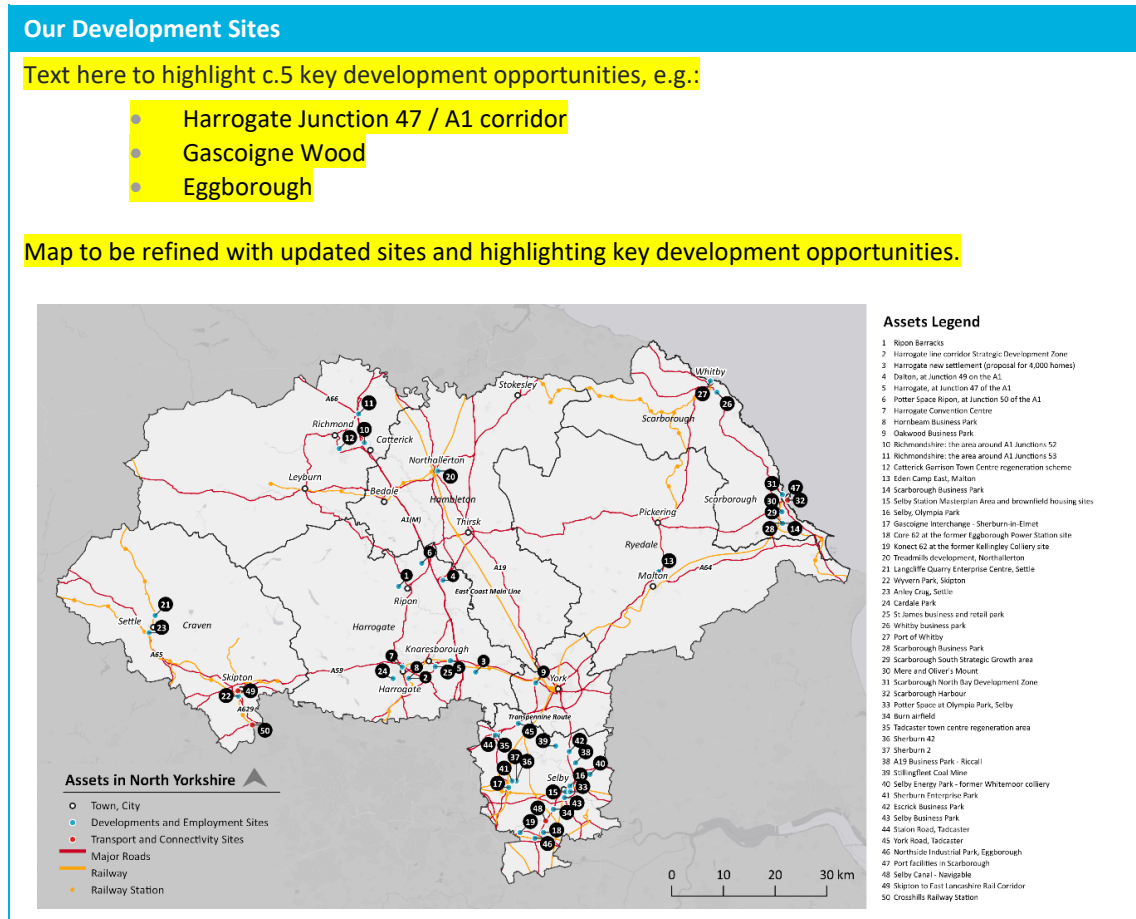
- 4.15 North Yorkshire has a number of large, nationally significant development sites either ready for development or in the pipeline. These include key sites along the A1 corridor, with opportunities for development from Harrogate (Junction 47) through Hambleton (Dalton, Leeming Bar) and Richmondshire (Junctions 52 and 53). These sites alone provide over 100ha of land for uses including food & drink manufacturing, logistics and office space. A similar quantum of developable land is in the pipeline on former colliery and power station sites at Kellingley and Eggborough respectively.
- 4.16 The successful development of these sites and others, and securing occupiers who generate highly skilled, well paid and productive jobs, will be critical to realising our growth ambitions.
- 4.17 A lack of suitable sites and premises is a common constraint on business growth. This ranges from a lack of start-up / incubation space, through mid-sized units looking for businesses to scale and grow and larger premises for larger businesses and inward investors.
- 4.18 There is evidence of all these accommodation types being available and working well in parts of North Yorkshire, but there remain significant gaps. Existing available high-quality stock is limited and these issues stifle the growth ambitions of our local entrepreneurs, or force them to relocate activity in neighbouring areas to realise their plans.
- 4.19 Addressing these issues is particularly pertinent right now, when construction costs and labour constraints continue to affect the viability of many sites.

### Action

- 4.20 To attract investment and accelerate development we will:
- Forge stronger, more collaborative relationships with developers to accelerate delivery of development sites. We will proactively explore available levers, financial instruments and delivery models to enable the development of sites with viability challenges, including exploring what additional levers may be available through devolution;
  - We will use the opportunities presented by local government reorganisation to be more proactive and solutions-orientated in bringing forward key developments, from pre-application engagement to land acquisition and joint ventures. This will also include a multiagency approach to addressing key development challenges such as energy and digital infrastructure;
  - Working in partnership with the new MCA via Invest in York & North Yorkshire and the increased profile an Elected Mayor will bring, we will take a more proactive and targeted approach to attracting investment, both for the development of our sites and for attracting occupants. We will work closely with the MCA's trade & investment and sector development teams to promote and target inward investment linked to our key growth sectors and emerging opportunities.
- 4.21 To address the lack of supply lack of premises so that we can grow, retain and attract business across their growth cycle, we will:

- Undertake a business space demand study to provide a holistic view of North Yorkshire’s business premises and identifying gaps for start-ups on the small to medium scale. This will include studies in the National Parks with a view to potentially creating Rural Business Hubs if demand is there; and
- Work closely with developers to align development with identified business need and market sites strategically in line with growth opportunities.

Figure 4-2: Our Development Sites



### Objective 3: Future Proofing Energy Infrastructure

- 4.22 Challenges in grid connectivity are currently viewed by business as a key barrier to growth and a threat to North Yorkshire realising its carbon negative ambitions. Nationally 40% of renewable energy projects face a wait of more than a year to connect to the grid. North Yorkshire businesses cannot wait that long. This is holding up site development and preventing renewable energy projects from getting off the ground.
- 4.23 Our strengths in energy generation and net zero mean we are both at the sharp end of the issue, and ideally placed to find solutions. Addressing this challenge will be critical to achieving our ambitions – both for accelerated economic growth through unlocking key sites, and for our transition to a carbon negative economy.

#### Action

- 4.24 To find solutions to this challenge we will:

- Adopt the collaborative approach to enabling development outlined above. We will play a proactive role in convening partners to find solutions to our energy infrastructure challenges; and
- Building on work already underway through the LEP, we will come together with partners including the National Grid, Northern Powergrid, developers, business, and public sector institutions to resolve issues connecting our sites to the grid with a laser-focus on unlocking our most strategically important sites.

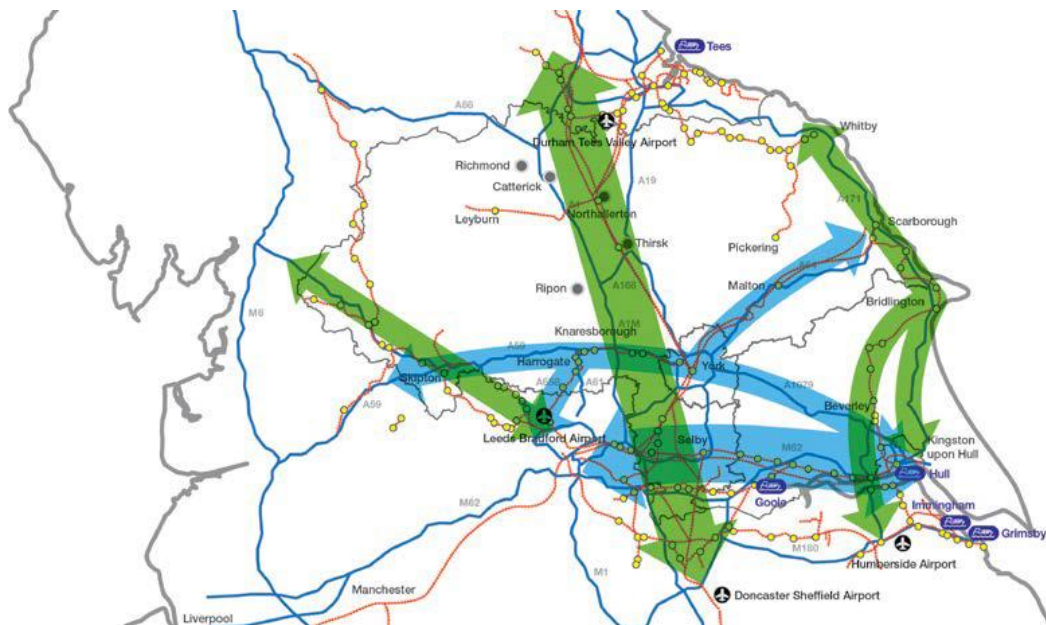


## Enabling Theme 1: Transport & Digital Connectivity

### Overview

- 4.25 Connectivity plays a critical role in driving economic growth, and that is undoubtedly true in North Yorkshire. Although commuting patterns have changed post-covid, it remains vital for workers to be able to access jobs, learners to be able to access education, and residents to access services, meaning strong transport connections are vital. Similarly, significant industries in North Yorkshire are highly reliant on efficient and integrated transport networks. This includes, for example, the energy sector where the role of rail in providing freight to Ferrybridge and Drax is key, and in tourism, where visitor destinations must be accessible via an integrated passenger transport offer.
- 4.26 Both within North Yorkshire and beyond, we have strong North-South connections, by rail via the East Coast Mainline, and by road via the A1 which, as noted above, provides a strategic growth opportunity in its own right. The LEP’s Spatial Framework (2019) highlighted the A1 corridor as a Strategic Transport Corridor running North-South, as well as corridors up the coast from Hull and North West from Leeds.

Figure 4-3: North Yorkshire Strategic Transport Corridors



Source: York, North Yorkshire, East Riding and Hull Spatial Framework, Richard Wood Associates, 2019

- 4.27 The same study also highlighted East-West Strategic Transport Corridors, on the A59 from Skipton to York via Harrogate, and the A64 east of York to Scarborough. However, East-West

connectivity remains a barrier to growth in many places, with upgrades required to East-West road links, particularly the A59, A64 and A66, to enable our growth ambition. Whilst some improvements to these roads are planned, early delivery of elements such as the dualling of the A64 east of York are a priority, although part of Highways England's Road Investment Strategy are yet to be delivered.

- 4.28 On rail, there are significant potential growth opportunities arising from the Transpennine Route Upgrade but it is imperative that North Yorkshire continues to make the case, along with its Northern partners, for high speed rail investment in the North via the full delivery of Northern Powerhouse Rail and the delivery of HS2 East north of the Midlands.
- 4.29 Access to opportunities for learning and employment remains a challenge in parts of North Yorkshire, where a lack of regular, reliable bus services outside of core hours makes commuting via public transport all but impossible. This issue is not exclusive to rural areas but is also evident in some more developed places including Scarborough. This can inhibit aspiration, ambition and therefore long-term economic prospects in these communities. Similarly, the lack of early/late bus provision prevents people from accessing shift-based employment, as well as the evening and night time leisure offer.
- 4.30 Improving the frequency and reliability of public transport is a vital component of our carbon negative ambitions, as is increasing active travel which can also help to ease congestion in towns such as Harrogate and Scarborough.
- 4.31 Whilst this Strategy is not the primary vehicle for addressing all these connectivity issues, it is vital to emphasise that accelerated economic growth and the transition to carbon negative cannot be achieved without complementary investment in strategic transport initiatives which align to the identified sectoral and spatial opportunities. We must align our economic, land use and infrastructure planning strategies to unlock and achieve our sustainable growth ambitions. Our Economic Growth Strategy will be a material consideration for our forthcoming Local Transport Plan (LTP5), refreshed Strategic Transport Prospectus and as the new MCA develops its Key Route Network.
- 4.32 Digital connectivity will also play a vital role in connecting people to jobs and opportunities for learning and leisure. Whilst significant progress has been made on digital infrastructure in many parts of the County, there remain areas with little or no broadband or cellular internet coverage. Significant investment in Wi-Fi in town centres has provided strong connectivity in these places, and there are further opportunities to leverage this for business growth and service provision.

#### **Priority 1: Ensure alignment of economic growth ambitions with connectivity plans**

- 4.33 In order for the economic growth ambitions set out in this Strategy to be realised, there must be strong complementary investment in transport and digital connectivity. Investments required on specific routes and corridors are outlined above, but future plans for strategic investment in transport and digital connectivity should explicitly consider how they support accelerated growth and increased economic participation.
- 4.34 Similarly, major improvements to key transport infrastructure such as the Transpennine Route Upgrade, Northern Powerhouse Rail and major road schemes have the potential to have a catalytic impact on North Yorkshire's economy in the coming years. Maximising the benefits of these plans should be a priority when shaping local economic growth interventions.

### Priority 2: Future-proofing the transport system

- 4.35 The push towards more sustainable travel across all modes will have profound implications for all places, but this is particularly true in North Yorkshire where private car use is relatively high. Significant investment in Electric Vehicle infrastructure is planned, with 3,500 charging points in the pipeline in North Yorkshire. Ensuring that this rollout, and associated investment in the energy grid, can keep pace with demand is vital to delivering growth and carbon reduction targets.
- 4.36 Alongside this, the Local Government Reorganisation and forthcoming devolution provide opportunities to explore a new approach to public transport. This is essential if workers and learners are to use public transport to access opportunities, particularly from rural areas. Active travel, public transport connections and digital connectivity should be key considerations in bringing forward new sites for employment and housing to ensure people and places are sustainably connected to learning and employment opportunities.

### Priority 3: Remaining a pioneer in digital connectivity

- 4.37 North Yorkshire has led the way in digital connectivity among areas with similar mixes of urban and rural places. Through Nynet, the Council-owned fibre network provider, North Yorkshire has provided public WiFi in 20 of its town centres. This is providing opportunities for innovation in delivering public services and new growth opportunities for business. It is important to continue to drive forward investment in digital connectivity, including a push towards full fibre in all towns, and providing connectivity to all properties. These investments will be vital in ensuring North Yorkshire's towns and communities can participate fully in the post-covid economy and should be considered as part of Town Centre Investment Plans.



## Enabling Theme 2: Housing Supply & Affordability

### Overview

- 4.38 Our economy faces challenges around labour supply, with an ageing workforce and difficulties around attracting and retaining younger people. Ensuring access to an appropriate mix of affordable, high quality housing is crucial to attracting new residents of all ages to North Yorkshire, and ensuring that those raised here are able to continue to live and/or work in their local communities.
- 4.39 Housing affordability is a key challenge for North Yorkshire. Average house prices exceeded ten times workplace earnings in Harrogate in 2020, and exceeded 8 times earnings in three other districts. Only Selby and Scarborough had affordability ratios below that of the national average. The picture is similar when looking at private rented properties, with rents in Harrogate almost 50% higher than in Scarborough.
- 4.40 Housing also forms an important element of our drive towards becoming a carbon negative economy. More than a quarter (29%) of our emissions come from domestic sources, and 15% of households live in fuel poverty, increasing to almost 19% in Scarborough. Addressing these issues will require significant investment in housing retrofit, alongside ensuring that new developments meet the highest standards of efficiency and sustainability.
- 4.41 The changes in commuting patterns and increased home working seen during and post-covid present an opportunity for North Yorkshire to capitalise on its high quality of life offer and

strong transport links to major cities such as Leeds and York. This has the potential to attract a broader range of residents, including younger people and families for whom a high degree of home working is now the norm. It is important our housing offer is an enabler not a barrier to this, with new builds providing full fibre digital connectivity, and space at home to both live and work. This offer should also integrate with town centre proposals outlined above, to provide space for remote workers to co-locate and collaborate in our places.

- 4.42 A refreshed Local Plan for the new Council, as well as close collaboration with partners such as Homes England, will be key delivery routes for the above ambitions.

**Priority 1: Enable availability of an appropriate mix of housing tenure and stock to attract and retain people of all ages**

- 4.43 Future plans for housing development should consider the issues raised above and ensure that new homes provide opportunities for those of all ages and demographics to live in North Yorkshire. We recognise the need for additional housing in North Yorkshire, with a diverse mix of housing types including affordable and social housing alongside wider housing development.

- 4.44 In delivering a mix of property types and tenures, we must increase the overall supply of housing to attract and retain residents. New housing supply should link to wider objectives for well connected places:

- physically through enhanced transport infrastructure and public transport options;
- sustainably through an increased focus on active travel modes; and
- digitally through equipping homes with the best possible digital connectivity and spaces that enable home working.

- 4.45 We also expect all new homes to meet excellent design standards – both environmentally, and in terms of design standards that are sympathetic to their location. Through this, we can increase the supply of high quality housing, attracting more workers businesses tell us they need in all sectors of the economy.

**Priority 2: Identify economic opportunities from housing decarbonisation**

- 4.46 North Yorkshire’s carbon negative ambitions, combined with high energy costs and elevated levels of fuel poverty means that further work is needed to identify opportunities to decarbonise housing. This should be a consideration for all new developments, whilst also analysis should also be undertaken of options for decarbonising existing properties and the economic benefits that activities such as retrofitting housing stock could bring.






**Driving Growth across all our Distinctive Places**



**Market Towns**

Specific investment plans developed, unique to each town, to reflect their specific needs and opportunities and ensure they remain thriving places to live, visit and do business in the 21st century. A proactive, collaborative approach to accelerating development increases supply of premises in and out of towns



	<p>whilst Increased connectivity (digital and physical) can drive growth.</p>
<p>As above, but with enhanced focus on ensuring that public transport and active travel infrastructure helps to reduce congestion, enhance liveability and attract investment. Major investments in connectivity increase employment opportunities for residents and in-commuters alike.</p>	 <p><b>Urban Centres</b></p>
 <p><b>Rural Areas</b></p>	<p>Enhanced physical connectivity ensures the viability of the visitor economy, whilst digital connectivity enables rural businesses to thrive in diverse industries. Identification of appropriate and sympathetic opportunities for development of business premises enables local businesses to remain local whilst scaling.</p>
<p>Similar to rural areas, the visitor economy is supported by stronger connectivity. Enhanced digital connectivity provides opportunities for diversification and personalisation of services. Coastal areas with higher levels of deprivation are better connected to employment and learning opportunities.</p>	 <p><b>Coastal Communities</b></p>

# 5 Pillar 3: Skilled & Prosperous Communities

## Introduction

- 5.1 North Yorkshire offers people of all ages so much. People do well in our great schools, are inspired to start and run their own businesses, and enjoy an exceptional quality of life across our towns, rural and coastal areas. Opportunities to work in good jobs – be that in our world leading businesses or dynamic SME base – are plentiful, including in new, exciting and globally relevant fields such as agri-tech and green energy.
- 5.2 This Pillar is about unlocking our people power to drive the growing, innovative, carbon negative economy we aspire to. It focuses on interventions that will attract more young people and keep older talent in the workforce for longer. It seeks to generate business appetite for, application of and access to increasing levels of skills, and aims to open up opportunities and progression for more people, especially those who are disconnected from the labour market. To do this, we will take forward action within the following themes:



**Widening the workforce to meet business need**



**Skills provision, pathways and brokerage**



**Inclusion, health and employability**

- 5.3 Our approach aligns with the existing Skills Strategy for York & North Yorkshire 2021-26 and its focus on addressing local skills challenges and raising productivity, earnings, and performance. It also recognises the intensive work to develop North Yorkshire's Local Skills Improvement Plan (LSIP), led by the West & North Yorkshire Chamber of Commerce, to better align post-16 technical education and training to local labour market needs to support economic growth, boost productivity, and improve employability and progression for learners. Both have been developed in close collaboration with business and stakeholders and underpinned by detailed labour market analysis. As such, this Strategy does not seek to rehearse or duplicate either, instead spotting opportunities for additional, complementary action. There are strong interlinkages with the other pillars in this Strategy including supporting businesses to start, survive and thrive (Pillar 1) and tackling infrastructure issues impeding people's access to learning or work (Pillar 2).
- 5.4 Assets and opportunities that can support our skilled and prosperous communities include:

<b>Universities in York, Hull, Leeds, Bradford, Huddersfield, Teesside and beyond</b>	<b>High levels of skills and strong educational attainment</b>
<b>Coventry University campus in Scarborough and University of Sunderland in Northallerton</b>	<b>Dynamic business base with opportunities for quality, high skilled, well paid work</b>
<b>A strong FE sector and specialist FE colleges including Askham Bryan and Bishop Burton</b>	<b>Well-established Business Education Partnership connecting business &amp; young people</b>
<b>Institute of Technology Yorkshire and Humber (based in York but with local membership)</b>	<b>Distinctive, attractive places to live and work with place-based, social and cultural assets.</b>



## Core Theme: Widening the Workforce to Meet Business Need

### Overview

- 5.5 Our businesses are clear that recruiting and retaining talent is a fundamental issue, impacting on their long term survival, competitiveness and growth ambitions. This spans accessing and attracting a young, ready and diverse pipeline of new workers; as well as retaining older workers for longer, with the accumulated skills, experience and knowledge they hold. This is especially true for businesses located in more rural areas of North Yorkshire, where additional connectivity access barriers exist. It is also a cross-sectoral issue – spanning our well-established sectors such as engineering and agriculture, as well as those that are emerging like cyber and green energy, and those that provide essential services such as health and social care.
- 5.6 The evidence highlights:
- Apprenticeship starts have fallen, mirroring the national trend, from a high of 8,500 in 2016/17 to just over 6,000 in 2020/21. The drop in apprenticeship achievements has been steeper, falling from 5,500 to under 3,000 over the same period;
  - Our young people tend to go further afield to study. Only 31% of people going to university in 2020/21 did so in Yorkshire & Humber, lower than in other parts of the North;
  - Declining population in all under 40 age groups between 2021-31, whilst the number in all 60+ age groups will rise. This highlights the need to attract and retain more young people including by offering them strong prospects for building their lives and careers here;
  - Our workforce is ageing at pace, with a 16% increase in workers aged 50+ in the past decade, compared to 1% overall. Workers aged 50+ now comprise 42% of the workforce versus 34% nationally. Yet, a quarter of our economically inactive population are early retirees – almost double the proportion seen in the rest of Yorkshire and indeed the UK; and
  - Skills shortage vacancies endure, notably at technical levels. This is true in health and social care, engineering, manufacturing, and agriculture, as well as in digital technology and across jobs relevant to the green economy.

### **Objective 1: Attract and enable more young people to take up local employment opportunities**

5.7 This objective focuses on growing the rich and diverse pipeline of talented young people that businesses need to survive, thrive and grow; and on equipping them with the skills, experiences and attitudes they need to successfully transition into the world of work. It goes hand in hand with a resolute focus in Pillar 1 on generating high-quality, well paid jobs in our economy that offer scope for progression; and backed by commitment in Pillar 3 to improve housing and transport provision so that young people are not excluded from living and working where they grew up.

#### **Action**

5.8 Action will include:

- Make it easier for businesses to find, take on and administer apprentices and T Levels, including through shared or flexible approaches and courses designed to fit their needs;
- Making the case for technical education and ‘learning and earning’ to young people and their teachers and parents/carers, backed by support to connect them to progressive employers and to opportunities in the local economy;
- Brokering more businesses to connect with young people and the education system, using sector and place networks to bring the two together, and with practical components including work experience, mentoring and enterprise education that can boost employability and work readiness, transferable skills, and aspirations;
- Aligning Careers Education, Information, Advice and Guidance provision to proactively promote awareness of and connection to opportunities locally;
- Connecting businesses to academia to unlock opportunities for students seeking industry placement, graduate employment and knowledge transfer partnerships (linked to Pillar 1);
- Working with partners to support young people in overcoming barriers to learning and/or work, including with health and community partners in respect to mental health; and
- Activating a ‘wheels to learn/work’ style or similar transport interventions.

### **Objective 2: Attract and retain the talents of older workers**

5.9 Businesses, especially smaller ones, are significantly impacted by an inability to recruit and the loss of experienced staff. Furthermore, finding new staff can be difficult, expensive and time consuming. As our workforces ages, there is a real opportunity – and imperative – to act. Businesses who are prepared to take a fresh look at their employment practices can create a win-win-win scenario – retaining talent, providing new work-life balance for older staff, and effectively succession planning and ‘handing down’ knowledge to newer team members.

#### **Action**

5.10 Action will include:

- Gaining maximum local benefit from DWP programmes including expansion of mid-life MOTs to support over-50s to get back to work, boost their earnings, access lifelong learning provision, and get personalised guidance from work coaches;
- Promotion of and support to businesses looking to adopt flexible working practices or adjustments to employment patterns that allow workers to ‘semi’ retire whilst retaining them to carry out work and to mentor younger or new recruits;
- Promotion of other age-friendly employment practices including paid carers leave, reasonable adjustments to the workplace, and support for retirement planning; and

- Supporting armed service leavers into work through effective career guidance; and connecting into Catterick Garrison’s potential workforce through the ‘Spouse Force’ initiative.

5.11 Action to widen the workforce (and the enabling skills themes which follow) will support the principles of an inclusive, productive and resilient economy, for example by making the most of all our people and their latent potential and linking them to long term business and career opportunities. Action focused on recruiting/retaining young people and those in older age brackets are relevant across the County given an ageing demographic, especially in the more deeply rural places where this is most pronounced. Spouse Force is a good example, drawing on the population within Catterick Garrison and linking it to workforce needs in a wider catchment (e.g. in Richmondshire).

**Awaiting vignette – Spouse Force**



## Enabling Theme 1: Skills provision, pathways and brokerage

### Overview

5.12 Connecting business to the design of post-16 and technical education is key to a skills system that is fit for purpose and meets employer needs. This principle sits at the heart of the new York & North Yorkshire Local Skills and Investment Plan, to which this Strategy is aligned. We want more people to continue their learning, often into higher education, and to gain qualifications and transferable skills which support progression into careers and economic prosperity. That includes supporting educational aspirations, outcomes and social mobility in communities where this transition is less commonplace. Whether they study close to home or further afield, we want students to know that they can return and secure suitable graduate employment here.

### Priority 1: Delivery of North Yorkshire’s LSIP

5.13 North Yorkshire’s LSIP will provide the framework for ensuring FE (and wider) provision meets business needs. Delivery of the LSIP will support our ambitions for addressing the pressing skills gaps in businesses and supporting skilled and prosperous communities. We will focus on supporting delivery of the LSIP and its actionable priorities as they emerge. We will work to maintain alignment between this Strategy’s sectoral priorities and those in the LSIP, which include agri-skills; engineering and advanced manufacturing; digital and technology; construction; health and social care; and the visitor economy. The LSIP’s focus on the cross-cutting themes of low carbon, innovation, green skills, emerging technologies and rurality also fit well with the principles and priorities underpinning.

### Priority 2: Widen access and connection to higher education

5.14 We will support initiatives that seek to expand the number of students achieving higher level qualifications in North Yorkshire linked to business needs. This will increase the number retained locally and help to meet skills shortfalls and improve the region’s profile and attractiveness to investors. A key opportunity to do this will be to support and accelerate any ambitions for Coventry University’s presence in Scarborough to become a more standalone University of Scarborough over time. We will also support wider expansion of higher education

provision, whether that be through campus-style university provision (such as the new University of Sunderland Campus at Northallerton) or through expansion of HE level provision in FE colleges. There is also scope to widen participation and routes into HE for less advantaged communities to support social mobility.

**Figure 5-1: CU Scarborough**

**CU Scarborough**

CU Scarborough is part of the Coventry University Group and is situated on a £50m sport and education complex in Scarborough.

CU Scarborough works closely with the Local Authority on several innovative opportunities, including projects such as the Scarborough FabLab+ and Scarborough Fair projects, and have also collaborated with the Council, Anglo American, Plexal Cyber, GCHQ Scarborough, and Coventry University’s Enterprise and Innovation team to establish the North Yorkshire Cyber Security Network (NYCSN) pilot project. This project was developed together with a range of local stakeholders, with the ambition to:

- Make North Yorkshire a safe and secure place to live and work, by raising awareness of online harms and cyber best practice
- Create a resilient, circular economy for up-skilling small and medium enterprises (SMEs) in digital skills and cyber security
- Make Scarborough a centre of excellence for Operational Technology security

The Network is focused on delivering several interventions to citizens, SMEs, Industry, Research and Government, including cyber security awareness sessions, a citizen science challenge, taking the nationally recognised Cyber First programme to local schools and working with industry to provide work placements and solve operational technology challenges.

The collaboration and project outcomes have been extremely positive and we are now planning to roll-out delivery across North Yorkshire. CU Scarborough is working with the Security Awareness Special Interest Group (SASIG) and the NYCSN to deliver the Cyber-by-the-Sea event in July 2023.

CU Scarborough deliver Cyber Security and Computing Science and will deliver the new Department for Education funded Higher Technical Qualification (Cyber Security Technician) in September 2024.



**Priority 3: Skills brokerage to connect employers to skills support and employees**

5.15 We will demystify the skills for business offer, using an impartial brokerage service to engage with businesses to ensure the message on what provision and funding is available is clear, consistent and well communicated. Supporting LSIP delivery, we will help businesses to identify what they need and where to get it in order to drive up access and application of skills. This will also provide an important feedback loop for the business voice to be heard in the design and development of skills and wider business support interventions.



## Enabling Theme 2: Inclusion, Health and Employability

### Overview

- 5.16 We want to provide all of our residents with the opportunity to engage in and benefit from our growing economy, including health and wellbeing benefits derived from increased household incomes and from participation in the workforce. This means a focused effort on tackling enduring pockets of sometimes hidden poverty, and supporting people to overcome barriers that hold them back from moving into employment or from progressing within work, including from low paid or insecure work into more skilled, secure and higher value roles. We will do this through an integrated and place-based approach that taps into funding opportunities, our excellent networks of third sector partners, and businesses who are looking both to attract recruits and to make a social contribution. There are considerable win-win opportunities to support health and economic outcomes together, and North Yorkshire will capitalise on these through a joined-up approach and taking action at local as well as Countywide level.

#### Priority 1: Develop an employability skills and inclusion action plan

- 5.17 Whilst the LSIP will provide North Yorkshire with a vehicle for connecting skills provision (e.g. by FE colleges) to employer needs, there is a gap around having a plan to upskill those further away from the market and help them move into employment. This is important in order to expand the workforce (given high job vacancies), to regenerate deprived areas, and to bring social and health benefits. Reflecting this, we will develop an Employability and Inclusion Action Plan setting out how we will connect individuals and communities to economic opportunity, through developing skills and employability and tackling barriers to work. The approach will include addressing barriers such as around confidence, physical and mental health and transport; and focus on local opportunities where needs are greatest, including through community led economic development. The first step will be to identify who leads on developing the plan and having clear lead roles and resources to take action forward.

#### Priority 2: Build and utilise connections between health and the economy

- 5.18 Our joined-up approach will ensure that North Yorkshire's Economic Growth Strategy and its forthcoming Health and Wellbeing Strategy support one another and realise the benefits that come from addressing economic, environmental, health and wellbeing goals together. For example, good health enables more people to access work and to be more productive in work, whilst being in a good quality job supports health and wellbeing. To take this approach forward, we will identify mechanisms for those working on health and economic agendas to collaborate, and pinpoint ways in which both agendas can be progressed together. This will include:
- Establishing place-based networks that bring partners, communities and systems together with a view to aligning health, economy, social and environmental interventions;
  - Improving access to mental health support, given its impact on individual wellbeing and on economic inactivity;
  - Helping more people who are economically inactive, unemployed or in poor quality and low paid jobs into good jobs;

- Economic opportunities from growth in the health and social care sectors;
  - The role of high quality, affordable low carbon housing in meeting the economic need for more workers, and in contributing to health, poverty reduction and net zero goals;
  - Opportunities for purchasing more local and healthy food linked to North Yorkshire’s Agri-food-green energy cluster; and
- Incorporating green infrastructure and active travel into developments and place-making.



## Driving Growth across all our Distinctive Places

 <p><b>Market Towns</b></p>	<p>These towns are homes to a significant volume of our population and our businesses. This pillar will better connect the two, bolstering them as sustainable hubs for people to live, work and thrive and to build fulfilling careers.</p>
<p>As well as the benefits above, urban centres will have additional pivotal roles in the provision of high skill opportunities, linked to HE expertise and presence of clusters e.g. of cyber in Scarborough, and pharma in Harrogate.</p>	 <p><b>Urban Centres</b></p>
 <p><b>Rural Areas</b></p>	<p>Our rural areas and national parks offer outstanding quality of life but can present people who live there with barriers to accessing good work and learning opportunities. Similarly, businesses operating there can struggle to attract the skilled labour they need. The focus in this pillar will be to help unlock this blockage. An employability and inclusion plan will support and provide a holistic approach that helps tackle rural isolation and poverty.</p>
<p>Coastal communities are home to some of our enduring pockets of poverty. The focus of this pillar on connecting more people to learning and economic opportunity will be key to our ambitions for inclusive growth, with important knock on impacts on tackling health inequalities. Scarborough in addition will benefit from the further development of its further education offer and ambitions linked to university presence.</p>	 <p><b>Coastal Communities</b></p>



# 6 Making it Happen

## Strategic Alignment

- 6.1 The Economic Growth Strategy comes at a time of huge change and opportunity for North Yorkshire. As the new North Yorkshire Council is established, this Strategy represents a once in a generation chance for a fresh approach to achieve ambitious economic growth. We are clear that this can't be achieved in isolation. This is one of a number of strategies which are critical to setting the new council on the right path, and it is imperative these strategies understand the complementary roles they play in helping North Yorkshire realise its potential.
- 6.2 Many of these strategies will be developed, like this one, within North Yorkshire Council. This strategy makes clear the fundamental role that plans and strategies such as the new Local Plan, Local Transport Plan, Housing Strategy, and others will play in successfully realising our growth ambitions. We will work closely across the Council with those developing these plans and strategies to ensure they recognise these interdependencies and align to deliver the best possible outcomes for businesses and people.
- 6.3 North Yorkshire and York's Devolution Deal represents a step change in our collective growth ambitions for our area and will unlock new powers and funding streams which can help deliver this Strategy. As such, this Strategy should act as a touchstone for our relationship with the new Mayor and Combined Authority and will guide our work with the MCA, building on our already close collaboration with York and North Yorkshire LEP.
- 6.4 But the Council and MCA are only a small part of the story. To ensure this strategy is successful, we will work closely with our business and developer community, our Area Committees, Community Networks and other partners such as the National Parks and national agencies to grow the economy we all want to be part of.

Figure 6-1: Strategic Alignment



## Delivery, place-making and engagement

- 6.5 This Strategy aims high, thinks long term and fits with the values and ambitions of the new North Yorkshire Council, local businesses and stakeholders. It is purposefully high level and sets a direction of travel and key objectives, not the minutiae of every action. Hence, follow-on action planning will support delivery and include detail on what will be delivered, where, by who and when, and the outcomes that will follow.
- 6.6 North Yorkshire is both one place and many places. We have a shared, coherent identity that people feel part of and proud of. But we are also incredibly diverse, with different types and scales of settlements, inland and coastal communities and varied topography. Given the large area North Yorkshire covers and our onus on distinctive places and engaging with communities, it will be important for place-based local economic action plans to be developed showing how things come together at local level.
- 6.7 The detail, ambit and geographic coverage of these action plans will be determined by North Yorkshire Council, linked into area committees, community networks and the principles of double devolution. As with other interventions in this Strategy, they will continue to be shaped and informed by an open and collaborative relationship with businesses, sector/industry groups and representative bodies, as well as communities and wider stakeholders.
- 6.8 Whatever their specific form, the key role action plans will play is in providing an action focused juncture where the roll out of the priorities of this strategy across North Yorkshire meets a bottom-up, holistic process that looks at what this means in specific places and the best opportunities to take them forward.
- 6.9 This should fit with having a long-term vision about the role and future of our specific places – whether urban centres and market towns or wider areas – and how economic development and place-making can combine to make them thriving places for business, and great places to live, work in and visit well into the future. Having clarity on this vision and objectives will provide a framework for local activity in relation to actions such as the Town Centre Investment Plans outlined in Pillar 2, but also broader activity wherever the proposals in this Strategy have a distinctly place-based element. This should ensure activity reflects local circumstances whilst also remaining coherent and aligned with this Strategy’s overarching objectives.
- 6.10 As noted above, the development of this Strategy has aligned with other key North Yorkshire (or wider) strategies and plans that can help to deliver its goals, for example covering enabling themes such as transport, housing, skills, climate change, tourism, and culture. We will continue to influence, deliver through, and support these as this Economic Growth Strategy is delivered, and as plans and strategies in those policy areas continue to evolve.
- 6.11 Likewise, we will continue to look outward and make good links to neighbouring areas and pan-regional partners across the North, identifying areas where our collective strengths and assets create opportunities which are greater than the sum of their parts. We will make sure that these partners and those in national government – particularly the Departments for Energy Security and Net Zero, and Business and Trade – understand the strength of our offer and our ambition to ensure we contribute fully to our collective future economic success.

## Partnership & Governance

- 6.12 The priorities identified in this Strategy have been developed through intensive analysis of the evidence and extensive engagement from key partners and stakeholders.
- 6.13 To build on this foundation, we will continue to work collaboratively across the Council and with partners to develop these actions further. This development process will be guided by logic model principles and will include:
- refining objectives and rationale;
  - defining required inputs, activities and resource requirements;
  - identifying leadership and delivery roles and responsibilities;
  - identifying interdependence and risk; and
  - assessing outputs, outcomes, and impacts.
- 6.14 Some activities will require additional investment and funding streams to be identified but, as noted above, partnerships will be key to the Strategy’s successful delivery. This document sets the ambition for growth in North Yorkshire and many of the actions required to achieve that require us to work consistently and collectively across North Yorkshire. But it is vital that places and communities are able to shape what this means in practice for their places.
- 6.15 Decisionmakers, both at the North Yorkshire level and below, will be able to draw on the Economic Growth Strategy to help shape local visions and action plans for their places. The Council’s Area Committees lead on developing local economic action plans for their areas, based on the priorities identified in this Strategy but reflecting local needs and priorities. These Plans will be co-developed with other local decisionmakers including, where they exist, Community Networks.

Beyond North Yorkshire, this document will act as a touchstone for the new MCA, as well as central government and our regional and pan-regional partners. It will act as a catalyst for North Yorkshire’s involvement in new partnerships which enable us to fully realise our ambitions for a higher growth, carbon negative economy.

## Performance Monitoring

### How will we measure our success?

- 6.16 Through the development of this strategy, we are clear on the issues we must address and the opportunities we must seize to deliver higher growth which benefits our people and places. Below are the indicators against which we will benchmark our success.

**Table 6-1: Our Indicators**

Indicator	Source	Latest Data	Unit
<b>Enterprise, Innovation &amp; Investment</b>			
Nominal GDP	ONS Regional GDP	2021	£
GVA Per Hour Worked	ONS Subregional Productivity	2020	£
GVA Per Filled Job	ONS Subregional Productivity	2020	£
Business Counts	ONS UK Business Counts	2022	Count
Business Birth Rate	ONS Business Demography	2021	%
Business 3 Year Survival Rate	ONS Business Demography	2021	%

<b>Quality Infrastructure &amp; Connectivity</b>			
Town Centre Occupancy Rates	Commercial Data	2023	%
Additional land developed for commercial / industrial use			
Inward Investment Earnings	ONS Subnational FDI data	2021	£
CO2e Transport, Domestic and Industry/Commercial	BEIS / DESNZ	2020	Tonnes
<b>Skilled &amp; Prosperous Communities</b>			
Total Employee Jobs	ONS BRES Survey	2022	
Employment Rate (16-64)	ONS Annual Population Survey	2022	%
Economic Inactivity Rate (16-64)	ONS Annual Population Survey	2022	%
NVQ4+ Qualification Levels (16-64)	ONS Annual Population Survey	2021	%
Median Gross Weekly Pay	ONS ASHE Survey	2022	£

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# Progressive thinking

## No time for business as usual

We are a boutique economic development consultancy firm. We don't just offer strategies for economic development, we change the way our clients think about it. Bringing together a wealth of experience, we deliver a bold, rigorous, integrated vision of the future. We challenge assumptions, and leave our clients with the knowledge and capabilities to succeed.

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<b>Initial equality impact assessment screening form</b>			
<b>This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.</b>			
<b>Directorate</b>	Community Development		
<b>Service area</b>	Economic Development, Regeneration, Tourism & Skills		
<b>Proposal being screened</b>	Draft Economic Growth Strategy for NYC		
<b>Officer(s) carrying out screening</b>	Julian Rudd		
<b>What are you proposing to do?</b>	Seek the views of the Transport, Economy, Environment and Enterprise Overview and Scrutiny Committee on the draft NY Economic Growth Strategy.		
<b>Why are you proposing this? What are the desired outcomes?</b>	A range of officer and member consultations on the draft Strategy are taking place to refine the content and approach before a revised strategy is submitted to the Executive.		
<b>Does the proposal involve a significant commitment or removal of resources?</b> Please give details.	The Strategy, when adopted, will guide the priorities and approach of NYC towards economic development and regeneration. The Strategy itself will not involve decisions on resources but it will influence subsequent decisions on resource allocations.		
<b>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC's additional agreed characteristics</b>			
As part of this assessment, please consider the following questions:			
<ul style="list-style-type: none"> <li>To what extent is this service used by particular groups of people with protected characteristics?</li> <li>Does the proposal relate to functions that previous consultation has identified as important?</li> <li>Do different groups have different needs or experiences in the area the proposal relates to?</li> </ul>			
<b>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your <a href="#">Equality rep</a> for advice if you are in any doubt.</b>			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		X	
Disability		X	
Sex		X	
Race		X	
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		X	
Marriage or civil partnership		X	
People in rural areas		X	
People on a low income		X	
Carer (unpaid family or friend)		X	
<b>Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.</b>	The Strategy supports inclusive economic growth and improvement of place. It aims to benefit all residents of North Yorkshire.		
<b>Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of</b>	The Strategy sets the policy direction for NYC, including how it works with others to deliver economic growth. The partner organisations are not expected to include		

<p><b>these organisations support people with protected characteristics?</b> Please explain why you have reached this conclusion.</p>	<p>those focussed on people with protected characteristics. Where more detailed proposals are brought forward to implement elements of the Strategy, these will be subject to a future screening.</p>			
<p><b>Decision (Please tick one option)</b></p>	<p>EIA not relevant or proportionate:</p>	<input checked="" type="checkbox"/>	<p>Continue to full EIA:</p>	
<p><b>Reason for decision</b></p>	<p>No adverse impact expected for people with protected characteristics.</p>			
<p><b>Signed (Assistant Director or equivalent)</b></p>				
<p><b>Date</b></p>	<p>23 June 2023</p>			



## Initial Climate Change Impact Assessment (Form created August 2021)

The intention of this document is to help the council to gain an initial understanding of the impact of a project or decision on the environment. This document should be completed in consultation with the supporting guidance. Dependent on this initial assessment you may need to go on to complete a full Climate Change Impact Assessment. The final document will be published as part of the decision-making process.

If you have any additional queries, which are not covered by the guidance please email [climatechange@northyorks.gov.uk](mailto:climatechange@northyorks.gov.uk)

<b>Title of proposal</b>	<b>NYC Draft Economic Growth Strategy</b>
<b>Brief description of proposal</b>	<b>A new economic growth strategy for the council.</b>
<b>Directorate</b>	<b>Community Development</b>
<b>Service area</b>	<b>Economic Development, Regeneration, Tourism and Skills</b>
<b>Lead officer</b>	<b>David Caulfield</b>
<b>Names and roles of other people involved in carrying out the impact assessment</b>	<b>Mark Haynes &amp; Julian Rudd</b>


The chart below contains the main environmental factors to consider in your initial assessment – choose the appropriate option from the drop-down list for each one.

Remember to think about the following;

- Travel
- Construction
- Data storage
- Use of buildings
- Change of land use
- Opportunities for recycling and reuse

<b>Environmental factor to consider</b>	<b>For the council</b>	<b>For the county</b>	<b>Overall</b>
Greenhouse gas emissions	Decreases emissions	Decreases emissions	Decreases emissions
Waste	Decreases waste	Decreases waste	Decreases waste
Water use	No effect on water usage	No effect on water usage	No effect on water usage
Pollution (air, land, water, noise, light)	Decreases pollution	Decreases pollution	Decreases pollution
Resilience to adverse weather/climate events (flooding, drought etc)	No effect on resilience	No effect on resilience	No effect on resilience
Ecological effects (biodiversity, loss of habitat etc)	No effect on ecology	No effect on ecology	No effect on ecology
Heritage and landscape	Increases protection of heritage and landscape	Increases protection of heritage and landscape	Increases protection of heritage and landscape

If any of these factors are likely to result in a negative or positive environmental impact then a full climate change impact assessment will be required. It is important that we capture information about both positive and negative impacts to aid the council in calculating its carbon footprint and environmental impact.

<b>Decision (Please tick one option)</b>	Full CCIA not relevant or proportionate:		Continue to full CCIA:	<input checked="" type="checkbox"/>
<b>Reason for decision</b>	<p>The Economic Growth Strategy vision is stated as :</p> <p>Our vision is to be an innovative, carbon negative economy driven by our productive and entrepreneurial business base and the places &amp; communities that make North Yorkshire distinctive.</p> <p>Given this has the consequence of delivering a positive environmental impact a full climate change impact assessment is required.</p>			
<b>Signed (Assistant Director or equivalent)</b>				
<b>Date</b>	23 June 2023			