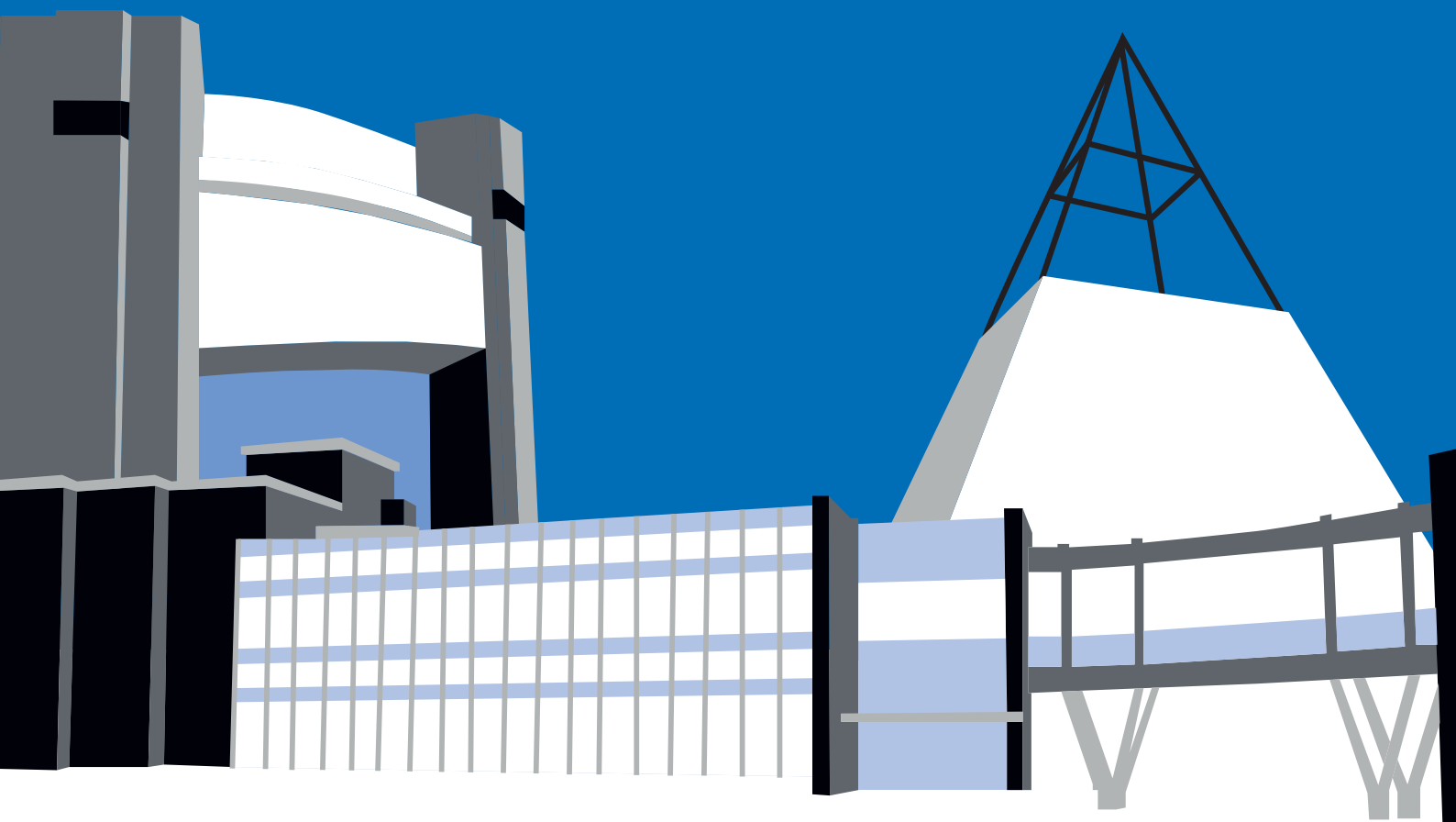


# Economic Growth Strategy for the Harrogate District

## 2017-2035

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- Building on our strengths
- Addressing our economic challenges
- Creating effective partnerships



## Foreword

The aim of Harrogate Borough Council is to make our district the best place to live, work and visit. This is underpinned by our desire to build a strong and sustainable economy that delivers good growth for the benefit of everybody in the district.

Harrogate district already enjoys a number of important economic strengths on which to build. We have a long history of successful business start-ups and a well qualified resident population which underpins an enviable, high quality of life in a district that blends outstanding natural beauty and striking architectural features. Our visitor economy is vibrant; our business visitors enjoy the exciting benefits of our convention centre, and our strong, growing rural economy supports over 2,500 jobs. We also benefit from being home to one of the largest Contract Research Operations in the UK; we are home to an established financial technology cluster and have Europe's largest cold storage distribution centre, reflecting a wide range of important and growing businesses.

However we must not be complacent. There are significant challenges to address in order to build a truly sustainable economy that works for all. Our average workplace earnings across the district are lower than regional norms and there is a significant mismatch of earnings to the high cost of living in Harrogate. There is a persistent loss of young talent who are well educated, but leave to work in cities where higher paid jobs exist. There are barriers preventing the growth of higher paid jobs either through specific skills gaps or where transport, accommodation and digital infrastructure is preventing business growth.

This new economic growth strategy is all about providing a long term framework to build on our strengths, address our challenges and deliver positive, focused interventions to create a more sustainable economy for the future.

**Councillor Graham Swift**

Cabinet Member



## Strategic context

Harrogate District's economy is not immune to changing global, national and regional conditions.

Whilst the council's economic policy has been successful in delivering a range of economic measures, it is recognised that there are still challenges to address. Weaknesses in the district's economy are restricting business expansion, limiting opportunities for inward investment and preventing sustainable local economic growth.

This new strategy, although tailored to local opportunities and challenges, has been shaped by national and regional priorities. This will ensure that a local approach to growing the economy is both cohesive and sustainable within those national and regional economic strategies.

Nationally, Government's emerging Industrial Strategy seeks to improve productivity and living standards across the UK. Our Strategy reflects many of the proposed 'pillars' that underpin this aspiration, particularly around cultivating life sciences and creative industries, university led innovation and improving technical skills.

The Government has recently launched its UK Digital Strategy 2017 which aims to create a world leading digital economy that works for everyone. Our Strategy reflects many of the actions outlined in the UK Digital Strategy 2017, particularly around skills, infrastructure and sector support.

The Harrogate district sits within the geographically two business-led Local Enterprise Partnerships (LEPs): Leeds City Region (LCR) and York, North Yorkshire and East Riding (YNYER).

The central principle of the LCR Strategic Economic Plan is 'good growth'. This will only be achieved with:

- Good jobs, higher incomes and less inequality;
- High productivity, innovation and output; and
- Quality places, environment and connections.

Comparatively, the 2016 update of the YNYER Strategic Economic Plan is titled 'Better Jobs, More Homes and New Investment'. Underpinning these ambitions will be profitable and successful businesses, inspired people, distinctive places and a well connected economy.

Similarly, North Yorkshire County Council's emerging Economic Growth Plan has the following aims that align with this strategy:

- To grow the number of good quality jobs in the North Yorkshire economy
- To ensure people across the county have equal access to economic opportunities
- To increase the overall median wage levels

Closer to home, the council's Corporate Plan places 'a strong local economy' as its number one priority; whilst the emerging Local Plan also seeks to address the key economic challenges that we face as a district. The recent Housing and Economic Development Needs Assessment for the district concludes that the council should support proposals for new office space within the town centre, and should protect existing town centre quality office space from change of use.

Additionally, the council's Housing Strategy seeks to address the issue of affordability through a number of strategic aims. The Economic Growth Strategy will supplement these documents, supporting the delivery of 'good growth' to help create a successful and sustainable economic future for Harrogate District.

## Harrogate district's economy

The Harrogate district has a number of economic strengths:

 <p>High levels of employment</p>	 <p>Vibrant urban centres, characterised by low retail vacancy rates</p>
 <p>A well qualified resident population</p>	 <p>A good strategic location, with the A1(M) allowing for efficient movement of goods and services across the UK</p>
 <p>High business start-up rate</p>	 <p>A strong visitor facing brand, particularly following the successful hosting of the Tour de France: Grand Depart in 2014</p>
 <p>Prominent high value sectors including logistics, financial and professional services, creative and digital and scientific research and development</p>	 <p>Good broadband infrastructure, with significant recent investment resulting in around 93% of properties now being served by superfast broadband</p>
 <p>A number of world-leading businesses in our key sectors</p>	 <p>A strong rural economy with a quarter of the district's economy based within a rural area</p>
 <p>A thriving visitor economy and environmental assets which contribute to a high quality of life</p>	 <p>Good school level education provision with high levels of academic attainment</p>

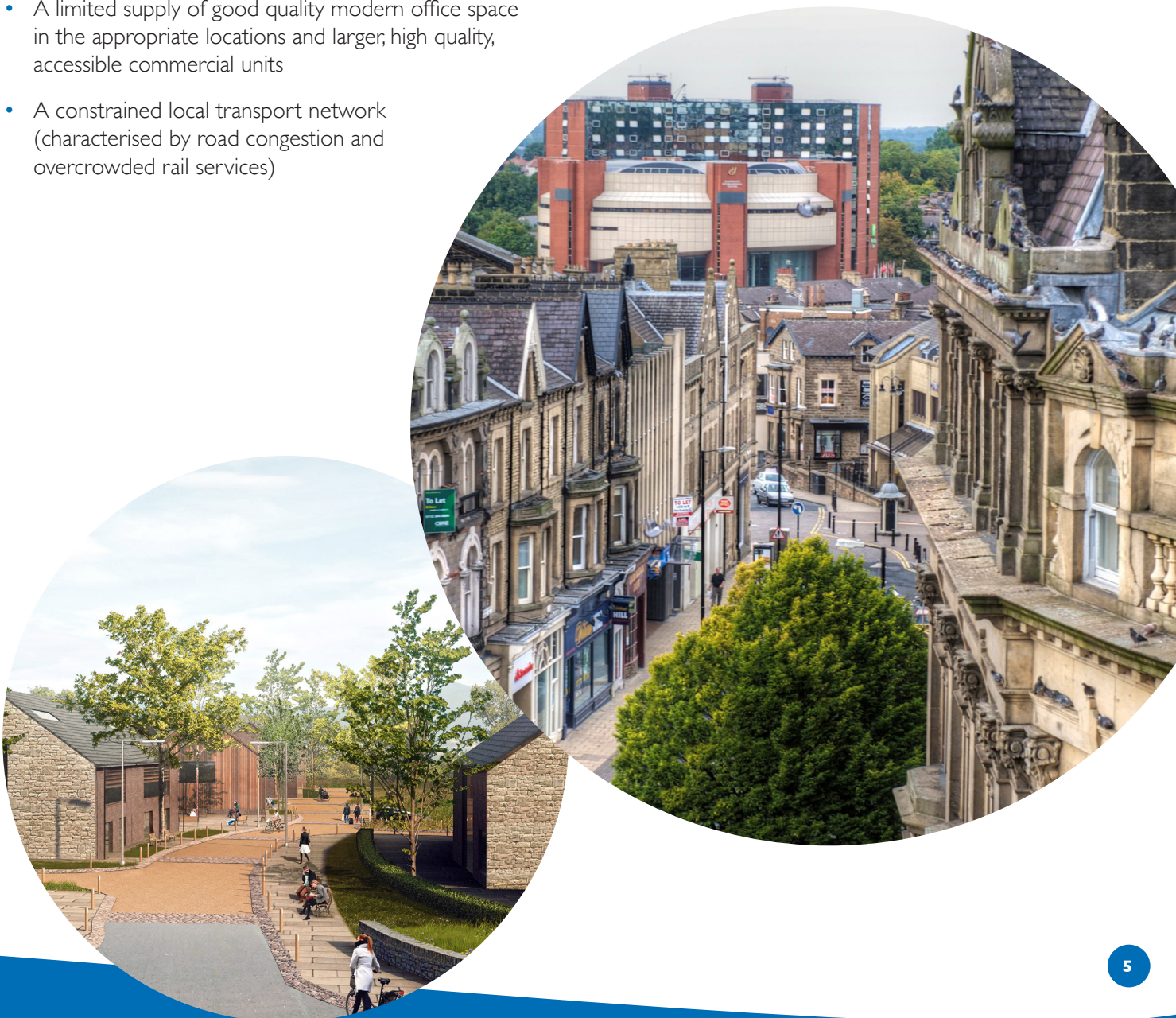
In contrast, economic statistics as well as engagement with local businesses, investors and developers, reveal that the district also faces a number of significant economic challenges. These include:

- Below average workplace earnings, driven by high levels of local employment within lower value sectors
- A daily export of many high earning residents
- Unaffordable housing costs for an increasing number of local employees and residents
- A limited supply of good quality modern office space in the appropriate locations and larger, high quality, accessible commercial units
- A constrained local transport network (characterised by road congestion and overcrowded rail services)

Without intervention it is likely that these challenges will worsen over time, creating an underperforming and unsustainable local economy.

A more detailed analysis of the district economy can be found on the website -

**[www.harrogate.gov.uk/economicgrowthstrategy](http://www.harrogate.gov.uk/economicgrowthstrategy)**



# Key business parks/ employment land



## Current

### 1. New York Mills, Summerbridge

New York Industrial Estate, Summerbridge, Harrogate, North Yorkshire, HG3 4BW  
Light industrial

### 2. Bar Lane, Boroughbridge

Bar Lane, Roelcliffe, Boroughbridge, TO5 1 9NR  
Industrial and distribution

### 3. King Street Workshops, Pateley Bridge

King St, Pateley Bridge HG3 3LE  
Creative

### 4. Phoenix Business Centre, Ripon

Low Mills, Phoenix Business Centre, Ripon, North Yorkshire, HG4 1NS  
Creative and digital

### 5. Melmerby Business Park

Barker Business Park, BBP House, Keld Close, Melmerby, Ripon, HG4 5NB  
Food and drink manufacturing and distribution

### 6. Dallamires Lane, Ripon

Dallamires Ln, Ripon HG4 1TT  
Industrial

### 7. St James Park, Knaresborough

Grimbald Crag Road, Knaresborough, HG5 8PZ  
Retail

### 8. Cardale Park, Harrogate

Cardale Park, Beckwith Head Road, Harrogate, North Yorkshire, HG3 1RY  
Financial technology and digital

### 9. Claro Court Business Park, Harrogate

Claro Court Business Park, Claro Rd, Harrogate HG1 4BA  
Mixed use

### 10. Hornbeam Park, Harrogate

Fourth Avenue, Hornbeam Park, Harrogate, HG2 8QT  
Mixed use

### 11. Knaresborough Technology Park

Manse Lane, Knaresborough, HG5 8LF  
Serviced offices and manufacturing

### 12. A150 M Industrial/Distribution Park

Keld Close, Melmerby, Ripon, HG4 5NB  
Logistics and distribution

## Future

### 13. Flaxby Green Park

Future high tech park

### 14. Melmerby Business Park Extension

Barker Business Park, BBP House, Keld Close, Melmerby, Ripon, HG4 5NB  
Food and drink manufacturing and distribution

### 15. Beckwith Knowle

Beckwith Head Road, Harrogate, North Yorkshire, HG3 1RY  
Mixed use

## Our aim

The Economic Growth Strategy (2017-2035) is about the council adopting a co-ordinated, corporate approach to prioritise and support 'good growth' in the district, to achieve a sustainable and resilient economy by 2035 (featuring new higher value jobs, an increase in Gross value added (GVA) and a boost in average workplace wages to at least the regional average).

By working together with partners across the public and private sectors we will build on our existing strengths, proactively address the challenges that the district's economy faces and create effective partnerships, thereby securing a successful and sustainable economic future for Harrogate District.

This will be characterised by:

- More higher value jobs and higher average workplace wages, generating greater expenditure in the district
- Less commuting out of the district to take up employment and skills training
- More working-age people able to afford housing in the district
- A good supply of quality employment space in the appropriate locations, encouraging business growth and inward investment
- Good transport and digital infrastructure to support business growth
- An increase in the district's productivity and GVA
- An image as a great place to invest and do business.

Whilst working with partners is key to the success of the Strategy, it should be noted that the council itself has a unique role to play, using its own resources, land assets and powers to proactively support the aim.

Whilst our aim is to adopt a co-ordinated, corporate approach to prioritise and support good growth with a focus on four key sectors, the council recognises that other sectors that currently underpin our economy are also important. Sectors such as tourism and the wider visitor economy add to the vibrancy and culture of the district and will continue to be supported by the council.



## How will we achieve our aims?

We will work with partners to deliver a series of prioritised and targeted interventions to grow and attract businesses in key sectors that will create higher value jobs and achieve our vision of a sustainable and resilient economy by 2035.

We recognise that our local economy is large and varied; therefore, whilst some interventions will be district-wide, others will be centred upon a defined project site or tailored to reflect specific opportunities or challenges in different parts of the district, such as the rural economy.

**Interventions will be delivered through the following strategic themes:**



### **Land and Buildings for Growth**

Taking an active role in the development of land and buildings for employment use, enabling local companies to stay and grow, and attracting inward investment in to the district.



### **Skills for Growth**

Retaining and developing the skills available in the labour market for business growth by supporting investment in the skills that businesses require.



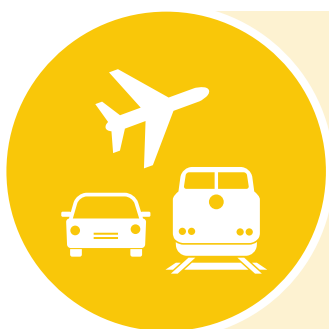
### **Targeted Business Support**

Facilitating access to targeted business support, to grow and attract high-value sectors that support the creation of high value jobs.



### Conditions for Growth: Digital and Telecoms

Work with partners to address current and future operational barriers to business growth by securing investment and improvements in digital infrastructure.



### Conditions for Growth: Transport

Work with partners to address current and future operational barriers to business growth by securing investment and improvements in transport infrastructure.



### Branding and Promotion

Promoting the district as an attractive, quality environment in which to invest and do business.

#### Key Sectors

The interventions within these aims will be focused on four key sectors:



Creative and Digital



Financial and Professional Services



Logistics



Scientific Research and Development

## How will we measure the impact?

This is a long term strategy, recognising that meaningful change of this nature and scale can only be achieved by collaborative and targeted action over a number of years.

We will seek to measure the impact of the strategy on both a project by project basis and the aggregated effect of these interventions.

Measurements for project-by-project interventions will be bespoke to the specific intervention but will include measures such as:



**Number of higher-valued jobs created**



**Impact on GVA**



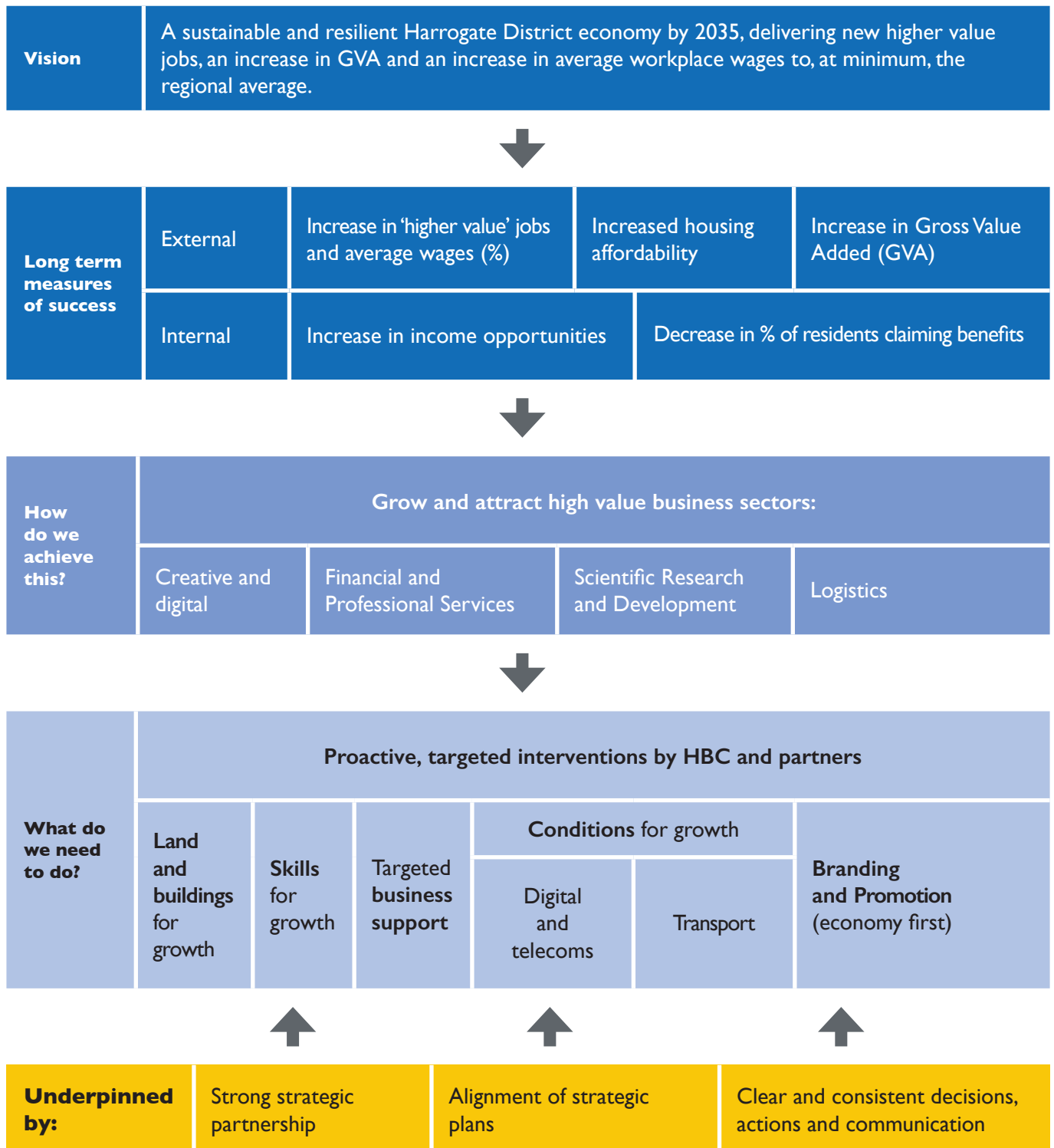
**Return on Investment**

Potential measurements for the aggregate effect of interventions will be:

- Increase in number of jobs in key sectors
- Increase in average workplace earnings
- Increase in the amount of 3 star office space created
- Increase in GVA above current forecasts
- Increase in relative proportion of businesses in target sectors against the total stock
- Decrease in the % of residents claiming in work benefits
- Reduction in the need to commute out of the district to take up employment and skills training
- Number of inward investment successes.

The 'Plan on a Page' summarises the vision set out in this strategy and the interventions prioritised in order to achieve it.

# Economic Growth Strategy for the Harrogate District (2017-2035) 'Plan on a Page'



## **Economic Development**

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