

Economy of the Harrogate District



November
2013

Barriers and Blockages to Economic Growth in
the Harrogate District

**A REPORT BY HARROGATE BOROUGH COUNCIL'S OVERVIEW AND
SCRUTINY COMMISSION.**

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CHAIR'S FOREWORD

Following the outcome of a community workshop hosted by the Overview and Scrutiny Commission in September 2011 this review was set up to investigate what barriers exist to economic growth in the district. As a Commission we wanted to find out what was standing in the way of our economy from expanding and what we could do, as a local authority, to really help, support and attract business and economic growth in our area.

We understand that the global financial crisis affected organisations and individuals across our district in different ways and our previous review in 2009 looked at how the Council was supporting our residents through that difficult time. As we turn the corner now, looking towards a period of opportunities and renewed confidence, the Commission aimed to assess what more could be done to encourage our local economy to flourish.

During the course of the Review, the Commission heard representation from the Manufacturing Advisory Service, Reed Boardall, Yorkshire Agricultural Society, Rudding Park, Harrogate International Centre, Harrogate Chamber of Trade and Commerce, Harrogate International Centre and officers from Harrogate Borough Council's Culture, Tourism and Sport, Strategic Development and Planning services.

I would like to thank my colleagues on the Commission for their efforts in dealing with such an enormous topic and for the input of all in the production of this report.



Councillor John Fox

Chair of the Overview and Scrutiny Commission

EXECUTIVE SUMMARY

The global financial crisis has affected almost every area of work in the private, public and voluntary sectors within the UK, as well as abroad. Across the Harrogate district the effects of the economic downturn have been felt in varying degrees of severity and therefore keeping a keen eye on what challenges our business community face, alongside assessing opportunities for improved support, is vital in order to bring economic stability to the area and provide a platform for future economic growth.

Recent major changes to the economy have included:

- the recession and associated economic downturn, and world-wide financial pressures;
- a change of government and the Coalition Government's change in policy focus away from regionalism and towards greater localism;
- austerity measures and loss of local economic development partners such as Yorkshire Forward and Business Link;
- The formation of new local economic partnerships and Harrogate Borough Council's membership of the Leeds City Region Local Enterprise Partnership and the York and North Yorkshire Local Enterprise Partnership.

With this in mind the Commission's review of barriers to economic growth commenced.

The review examined those issues which might be preventing the growth of the economy in our district with regard to specific industries within our district; manufacturing, finance/ legal, agriculture and tourism.

Inviting representatives from these areas of industry the review aimed to capture issues relating specifically to;

Training/skills

- What issues do local businesses face relating to the level of training and skills within the district?

Starting a new business

- How attractive is the Harrogate district to potential investors?
- Does it have the infrastructure in place to support new businesses?
- What is the level of support offered by the Council to those who wish to set up new businesses in the district?

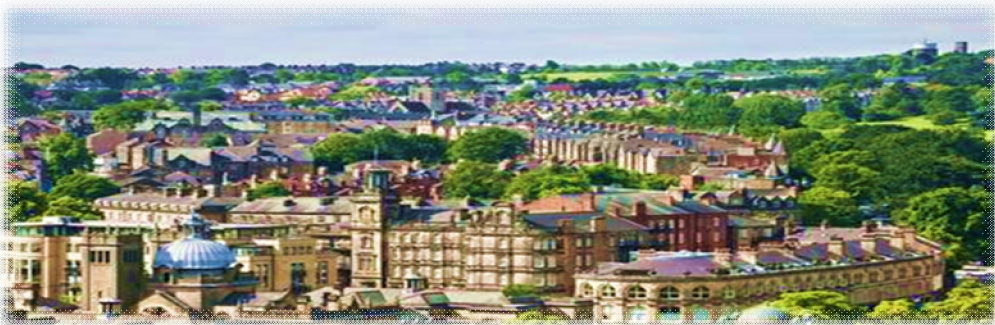
Expanding existing businesses

- How responsive is the Council to the needs of local businesses that choose to expand their existing business?
- What are the restrictions faced by local companies who choose to expand?
- How can we increase the number of businesses who choose to expand their business in the Harrogate district?

The review sought to assess how well and in what ways the Council's own services contributed to the strengthening and growth of the district's economy and to consider what, if any, improvements we could recommend.

Discussions with Council Officers, Councillors and representatives from the local business community have revealed a number of ways in which we can improve.

In particular, consideration was given to the ways in which the Council, both internally and externally with its partners, could work together to create a sustained and developing economic climate for the local area. After all, a strong local economy is the foundation for creating prosperity in our local area, which in turn makes the Harrogate district the best place to live, work and visit.



SUMMARY OF RECOMMENDATIONS

ECONOMIC DEVELOPMENT

1. There should be stronger coordination of Economic Development and Planning such as an agreed approach for Economic Development input to planning applications with business considerations and a clear indication of the weight given to those considerations in the process.
2. Economic Development Officers should be proactive when considering planning applications and attend Planning Committee when they consider that applications have an economic impact.
3. When trying to attract new businesses the council should promote strengths such as the support provided by Economic Development.
4. Successful businesses in the District should be encouraged to promote the success of the area through inter-company support.
5. Local employers, training providers etc should be supported to develop the Districts workforce through training, apprenticeship schemes, inter-company support/working.
6. The Council should look to attract/promote technology businesses to the area.

CULTURE TOURISM AND SPORT/HARROGATE INTERNATIONAL CENTRE

7. The council should work with hotels and VisitHarrogate to proactively market local events/the district to conference visitors and to discuss the high costs (and business impact) of hotel rooms.
8. The council should write to hotels owners specifically regarding their investment plans at their head offices (Destination Harrogate addresses to be supplied by Peter Banks).
9. Business information should be made available at Tourist Information Centres.
10. The council should formalise links between Yorkshire Agricultural Society and Harrogate International Centre to share/coordinate events.

PLANNING

11. There should be a clear and transparent understanding of the weight of business consideration in the planning process this being dependent on each application, this would include:
 - The requirement for sequential tests in applications for existing site expansion
 - The number/complexity of surveys/tests required with the emphasis on asking for the minimum and clear reasons for the requirement
 - Ensuring that there is a more proactive approach to business consideration i.e working with applicants to understand business needs
12. A voluntary feedback survey should be introduced for all applicants seeking views about the service provided and potential improvements.
13. The Commission supported the emphasis on proactive advice at the pre-application stage and considered that there should be good feedback / publicity on application refusals giving clear reasons to the public.
14. There should be a leaflet developed to improve communication and support the emphasis on pre-application stage advice. This would detail timescales when applicants would be informed of progress and/or when they should contact a named officer.
15. The Council should look to allocate land at Flaxby as light industrial/business use given its close proximity to the A1 road network and rail links.
16. The Council should have a sympathetic approach to farm diversification and agri-business.

TRANSPORT

17. The Council should lobby for support/funding for a Northern Relief Road in Harrogate emphasising the existing /future need and economic impact. This should include Local Economic Partnerships as well as central Government.
18. The Council should support the electrification of Leeds, Harrogate and York train line.
19. The Council should write to East Coast regarding contra service between London and Harrogate in a morning and Harrogate and London in an evening.

20. The Council should request that the Highways Agency introduce signposting for Harrogate at the Wetherby junction with A1 and signposting for Masham.
21. The Council should continue to lobby for improvement to the rural road network and support work to develop rural broadband.
22. The Council should have regular meetings with NYCC to develop an approach to address congestion in the district, specifically Harrogate including:
 - The consideration of Park and Ride scheme proposals
 - Bus service competition situation in the Harrogate area to ensure it meets the needs of the public and that the economic impact of changes in service provision are considered

GENERAL

23. When developing the policy for the calculation of local business rates business owners should be consulted as part of the process.



1. SETTING THE SCENE

1.1 THE GLOBAL PICTURE

1.1.1 The global financial crisis had been building momentum for some time but did not really come to the fore until the middle of 2007 and into 2008. All across the globe stock markets fell, large financial institutions collapsed or were bought out and governments in even the most affluent nations were forced to initiate rescue packages in order to aid their financial systems in an attempt to help stabilise an already fragile world economy.¹

1.1.2 More recently, to add to the instability of global economic development, fears have intensified over the European single currency (the Euro) with it becoming increasingly difficult or impossible for some partner countries to re-finance their debts. In May 2010 the European Financial Stability Facility (EFSF) was created by the Euro Area Member States, with a rescue package worth €780 billion put together in an attempt to stabilise the European economy.

1.1.3 Instability in the world economy remains, which threatens the continued development and growth of each nation's economy. Each country, therefore, has its role to play in ensuring continued economic growth, not just nationally but globally.

1.2 THE NATIONAL PICTURE

1.2.1 The UK entered a recession in Quarter 2 of 2008, according to the Office for National Statistics and exited it in Quarter 4 of 2009. The subsequently revised ONS figures show that the UK suffered six consecutive quarters of negative growth, making it the longest recession since records began. As of the end of Quarter 4 2009, revised statistics from the Office for National Statistics demonstrate that the UK economy shrank by 7.2% from peak to trough.²

1.2.2 The Blue Book 2013 confirms that UK growth in Quarter 2 of 2013 was 0.7%, and that the volume of output of Gross Domestic Product (GDP) remains 3.2% below its pre-recession peak; The UK economy's recovery has thus been more lacklustre than

¹ <http://www.globalissues.org/article/768/global-financial-crisis>

² <http://www.ons.gov.uk/ons/rel/gva/gross-domestic-product--preliminary-estimate/q3-2013/stb-gdp-preliminary-estimate--q3-2013.html>

- 1.2.3 previously thought. Furthermore, The Blue Book 2013 demonstrates that the UK experienced a deeper initial downturn than all of the G7 economies save for Japan, and has experienced a slower recovery than all but Italy.³
- 1.2.4 A report released by the Office of National Statistics on May 2013⁴ revealed that over the six-year period between 2005 and 2011, the UK dropped from 5th place to 12th place in terms of household income on an international scale—the drop was partially attributed to the devaluation of sterling over this time frame. However, the report also concluded that, during this period, inflation was relatively less volatile, the UK labour market was more resilient in comparison to other recessions, and household spending and wealth in the UK remained relatively strong in comparison with other OECD (Organisation for Economic Co-operation and Development) countries.
- 1.2.5 According to a report by Moody's Corporation, Britain's debt-to-GDP ratio continues to increase in 2013 and is expected to reach 93% at the end of the 2013. So far 2013 Economic Growth has surprised many Economists, Ministers and the Office for Budget Responsibility (OBR) in the 2013 budget projected annual growth of just 0.6%. However, in 2013 Quarter 1 the economy grew by 0.4%, Quarter 2 the economy grew by 0.7% and Quarter 3 the economy is predicted to have grown at 0.8%.
- 1.2.6 Naturally, economic growth is the Government's top priority, with growth being sustainable, shared and balanced across the country and between sectors of the economy. In the White Paper 'Local Growth: Realising Every Place's Potential' the Government set out its plans to create a fairer and more balanced economy, whereby businesses and local communities would be in charge of their own economic future. Critically this new approach will allow each locality to tailor its approach to its own circumstances.
- 1.2.7 Local authorities will have a critical role to play in supporting the economy of their area, having a wide array of tools at their disposal to support the area's comparative advantages to promote business and bring stakeholders together from across all

³ <http://www.ons.gov.uk/ons/rel/naa1-rd/united-kingdom-national-accounts/the-blue-book--2013-edition/index.html>

⁴ http://www.ons.gov.uk/ons/dcp171776_310463.pdf

sectors. By working with businesses and other sectors, local authorities can help create the right conditions for innovation and investment in their area.

1.3 THE YORKSHIRE SUB-REGIONAL PICTURE

1.3.1 In the June 2010 Budget the Government confirmed its intentions to disband the Regional Development Agencies (RDA). In Harrogate's case this was Yorkshire Forward whose objectives were to:

- Keep as many people as possible in jobs or work-related training;
- Maintain and build the number of competitive, innovative and resilient businesses;
- Sustain the momentum of economic renaissance schemes in priority cities and towns (urban and rural), and support business start-ups and growth with a property offer which meets their changing needs;
- Develop new industries and new jobs;
- Establish an agreed Integrated Regional Strategy which is distinctive to Yorkshire and Humber and has a low-carbon focus.

1.3.2 Positive outputs and outcomes have been achieved against all Yorkshire Forward's objectives. In particular, in responding to those employees at risk of recession-induced redundancy in Yorkshire and the Humber, Yorkshire Forward worked in partnership with the Skills Funding Agency to deliver the £50 million Skills Enhancement Fund. Since launching the fund in October 2008, Yorkshire Forward committed over £9 million of funding and supported 6,000 individuals, with over 5,000 at Level 4 and above which in turn has also encouraged employers to invest in staff training.

1.3.3 Yorkshire Forward also launched the Innovation Voucher Scheme to help the region's small to medium size businesses to grow and develop, by supporting their collaboration with the region's universities and other academic institutions. Since its launch in February 2009, the Scheme has provided 1,094 vouchers to companies in the region, comprising of a mixture of vouchers worth £3,000 and £7,000 and specifically supported companies to develop their ideas and innovations into real commercial success.

- 1.3.4 The visitor economy, which includes tourism and major events, makes a vital contribution to our region's economy. As the strategic lead body for tourism in Yorkshire and the Humber, Yorkshire Forward's goal was to continue growing the sector by 5% every year. In 2008, Yorkshire Forward approved an investment of £30 million over three years into Welcome to Yorkshire, the official tourist board for Yorkshire and the Humber, as a method to attract new public and private sector funds and better co-ordinate existing investment in tourism. Yorkshire's tourism industry has already grown in value by over 5% to £6.3 billion since the launch of Welcome to Yorkshire and 2700 new jobs have been created in the industry. Visits to Yorkshire have increased by over 8% since Welcome to Yorkshire was launched and this figure is set to grow further over the coming years.
- 1.3.5 The work of Yorkshire Forward was clearly a significant driving force in developing and supporting Yorkshire's economy and its demise will be felt across the region. It is hoped that the formation of the LEPs will help fulfil the challenge of filling the void left by the RDA's closure.
- 1.3.6 Harrogate Borough Council is a member of two Local Enterprise Partnerships, the Leeds City Region LEP and York, North Yorkshire and East Riding LEP. The Leeds City Region is the UK's largest economy and population centre outside London, generating 4% of national economic output and employing 1.3 million people. The LEP is focussing its work on economic intelligence, business innovation and growth, skills, the green economy, transport, housing and regeneration. The North Yorkshire, York and the East Riding of Yorkshire LEP has highlighted its key priorities as Agri-Food, tourism, high speed Broadband, business support, business networks, coastal regeneration and skills and training.
- 1.3.7 A period of opportunity is therefore emerging which aims to provide stability, economic growth and a prosperous future for those living and working in the Harrogate District.

1.4 THE LOCAL PICTURE

- 1.4.1 Harrogate Borough Council is one of the largest district council authorities by area in England and Wales, covering 505 square miles. Harrogate district is bounded to the

north by Richmondshire and Hambleton Borough Councils, to the west by Craven Borough Council and by Bradford, Leeds City Council, Selby District Council and York City Council to the south.

- 1.4.2 Harrogate shares a close economic relationship with Leeds, indeed the two economies are intrinsically linked with 9500 residents travelling to Leeds for employment and a significant number of the Harrogate District's workforce residing within the Leeds City Council boundary. Likewise the district is closely linked with the city of York, with many Harrogate residents working in York.
- 1.4.3 The Harrogate district economy is diverse with major business sectors, such as financial and business services, agriculture and food manufacturing, chemicals, advanced medical engineering and tourism. The latter is perhaps one of Harrogate's most renowned sectors as the district attracts over 9 million tourists per year for a variety of pursuits including business. Harrogate's International Centre hosts around 150 events per year and attracts in excess of 290,000 visitors each year, and is consistently acknowledged to be one of the UK's top event venues.
- 1.4.4 The population of Harrogate district is approximately 158,610 and rising, with the Gross Value Added (GVA) produced by the district estimated at £2.6 billion. GVA is a measure for how much actual wealth is created in an area and the GVA per head in the Harrogate District is £16,392, with the average in England being £20,458.⁵
- 1.4.5 The unemployment rate in the Harrogate district in September 2013 was 1.2% (Yorkshire and the Humber was 4.1% and the England was 3.1%). Within the Harrogate district there is a high level of self-employment, 14% compared to 10% nationally.⁶
- 1.4.6 Overall across the district there are over 9000 businesses in operation, employing more than 72,000 people, the huge majority (86%) of which are classed as micro firms (those companies employing no more than 10 people). Helping these businesses to prosper is therefore a major priority if economic stability and growth is to progress in our district.

5. http://www.statistics.gov.uk/hub/releasecalendar/index.html?newquery=*%&uday=0&umonth=0&uyear=0&title=Gross+Domestic+Product%3A+Preliminary+Estimate&pagetype=calendarentry&lday=&lmonth=&lyear=

⁶ Stream LIS for North Yorkshire – retrieved 1/11/13

2. THE REVIEW

The review scope and methodology are available at [Appendix A](#).

Minutes of the review meetings can be found at [Appendix B](#).

2.1 ECONOMIC DEVELOPMENT

2.1.1 The Economic Development Unit (EDU) form part of the Strategic Development section of Harrogate Borough Council's Department of Development Services. The team lead on initiatives for the growth of economic development across the district however; this responsibility is shared with officers and councillors across the organisation. This work is founded on the [Economic action plan](#) which has the following aims:

➤ **Supporting Business Growth and Job Creation**

- Create an environment that supports economic growth
- Help people to start up and stay in business
- Help businesses to grow here, move here and create jobs

➤ **Growing the Visitor Economy**

- Sustain Harrogate International Centre (HIC) as one of the leading UK large event centres
- Increase the contribution of tourism to the local economy
- Improve the quality of the visitor experience
- Attract a larger share of the national and regional tourism market

2.1.2 The Commission received a presentation from the Economic Development Team regarding the strategic context of their work; how their work, alongside that of colleagues in other council departments contributed to economic growth within the district, initiatives supporting economic growth, starting a new business and expanding a business and Council services for business.

2.1.3 The Commission heard that 10 years ago the Council had made the decision (before the start of the recession) to step away from proactive promotion of Harrogate nationally and internationally due to the shortage of employment land and also

because of very low levels of unemployment which made staff recruitment difficult. The number of companies looking for opportunities had also dropped. The Council instead decided to focus upon businesses that were already present and how they could help them grow. However, inward investment is a priority for the Leeds Local Enterprise Partnership from which Harrogate could benefit.

2.1.4 The Council has made a dedicated effort and resource available to supporting new business start-ups within the district. Support is available to businesses through start-up advice, a regular newsletter and commercial premises information and letting at competitive rates and flexible terms.

2.1.5 The Enterprise Gateway provides hands-on business mentoring resource alongside a workshop programme to develop business skills among companies throughout the Harrogate District.

2.1.6 The Commission heard about Business Information Packs produced by EDU in response to feedback and a gap in the market, the packs provide a coordinated range of information and would be particular beneficial in rural areas where broadband is not always available.

2.1.7 **Manufacturing Advisory Service** - The Commission welcomed Graeme Leighton, Manufacturing Advisory Service (MAS), to address the Commission. He provided an outline of the MAS service which was funded by the Department for Business, Innovation and Skills (BIS) and which provided free independent business support for manufacturing companies based in England. MAS focus upon small and medium enterprises with the potential and aspiration to create jobs and grow. He also referred to access to match grant funding for small, high impact improvement projects and also to work carried out with partner organisations.

2.1.8 Referring to manufacturing statistics in the UK and then more specifically in the Harrogate District Graeme Leighton was able to outline the benefit of the support provided by Harrogate's Economic Development Unit which included free business advice, additional support around property, planning requirements, food hygiene, newsletters, hosting of events and referral to complimentary support organisations.

- 2.1.9 Mr Leighton referred to limitations such as the rural road network and rural broadband issues but emphasised that businesses should instead focus upon the positives of working in the Harrogate District such as the support provided by the Council's Economic Development Unit (which was much better than that provided at other local authorities), the apprenticeship scheme available at Harrogate College and the quality of life, and that these should also be promoted and more emphasised when trying to attract new manufacturing businesses to the District.
- 2.1.10 In his evidence to the Commission Mr Leighton went on to state that one issue was how to encourage businesses already located in the District (such as Betty's and Taylors) to use their networks to promote the success of the area and that inter-company support should be encouraged as much as possible.
- 2.1.11 It was acknowledged that a number of businesses had been located or relocated to Wetherby due to the lower cost of land and premises available to develop which Harrogate could not compete with. It was felt that instead the benefits of working and trading in the Harrogate District should be promoted.
- 2.1.12 It was suggested that in response to the competition to win new business that the Council should try to attract niche and hi-tech businesses to the District. Linked to the provision of broadband in rural areas, the Commission heard that the lack of broadband provision was not a major factor quoted by businesses as a cause for concern and that business were now more adaptable and that existing buildings and those in rural locations were now seen as good business premises due to advances in technology.
- 2.1.13 The Commission heard that one area in which the Council was lacking was the coordination of highlighting economic impacts on planning applications, especially where those applications might lead to job creation and/or economic viability. It was discussed that the Economic Development Team should have a greater presence at Planning Committees and that Members on that Committee would benefit from a stronger economic input into planning reports.
- 2.1.14 The Commission also discussed the weight which was attributed to economic development comments within planning reports and the clarification that was needed regarding their influence upon planning matters.

2.1.15 The Commission were informed that Economic Development Officer attendance at Planning Committee was a resourcing issue as well as a priority issue within a small team and that EDU worked closely with the planning section on applications but that it was an area for improvement which could be looked at in conjunction with the Head of Planning and Development.

2.1.16 Overall and overwhelmingly the feedback which the Commission received regarding the Economic Development Team was positive and, by comparison, the team were held up as a good example of district council provision of an economic development resource. It was felt that this resource should be promoted to businesses and held up as a benefit of locating businesses within the Harrogate District.

2.2 **Key findings: economic development input into planning decisions and the weight of that input upon the final decision, satisfaction with EDU team, need for inter-company support.**

2.21 **Recommendations**

1. There should be stronger coordination of Economic Development and Planning such as an agreed approach for Economic Development input to planning applications with business considerations and a clear indication of the weight given to those considerations in the process.
2. Economic Development Officers should be proactive when considering planning applications and attend Planning Committee when they consider that applications have an economic impact.
3. When trying to attract new businesses the council should promote strengths such as the support provided by Economic Development.
4. Successful businesses in the District should be encouraged to promote the success of the area through inter-company support.
5. Local employers, training providers etc should be supported to develop the Districts workforce through training, apprenticeship schemes, inter-company support/working.
6. The Council should look to attract/promote technology businesses to the area.

3. CULTURE, TOURISM AND SPORT AND HARROGATE INTERNATIONAL CENTRE

3.1 Culture, Tourism & Sport (CTS) is part of the Department of Development Services. It provides the management, development and promotion of leisure tourism, sport and cultural services provided by the council throughout the district.

3.1.2 Harrogate International Centre (HIC) is a renowned conference and exhibition centre located in Harrogate Town Centre. HIC hosts around 150 events per year and is credited with bringing over 290,000 business tourists to the area each year.

3.1.3 The Commission heard from the Head of Culture Tourism and Sport and the Director of HIC regarding their service's input into the local economy; increasing the contribution of tourism to the local economy, improving the quality of the visitor experience and attracting a larger share of the tourism market, alongside plans for the future.

3.2 **Increasing the Contribution of Tourism to the Local Economy**

3.2.1 The benefits that tourism brings to a local economy are widespread. Tourism can provide direct jobs to the community, such as tour guides or hotel housekeeping. Indirect employment is generated through other industries such as agriculture, food production, and retail. The Commission were informed that 1000-1300 Full Time Equivalent jobs within the District were underpinned by Harrogate International Centre alone.

3.2.2 Visitors' expenditure generates income for the local community providing custom to local businesses and increasing confidence in the area.

3.2.3 Infrastructure development such as new retail areas have the potential to benefit the local community and can aid economic development by attracting more trade and



increased flow of goods and services.

3.2.4 Harrogate's International Centre attracts over 290,000 visitors to the district annually, many of whom attend for business tourism. Therefore a key element of success for Harrogate district is the ability to convert those business visitors to leisure visitors by providing an environment which attracts them to either stay longer or, to plan a return visit.

3.2.5 In particular the local infrastructure and physical environment are key. This requires stronger links across different council services from leisure and museums to parks and environmental services and consolidated efforts across the whole of the Council and North Yorkshire County Council.

3.2.6 Visit Harrogate

Visit Harrogate is the Destination Management Organisation for the Harrogate District. The organisation was set up with the aim of improving the offer that Harrogate district has for both business and leisure tourists. The Visit Harrogate website brings together the best of what the district has to offer in one place for those looking to visit the area.

The Commission heard from Peter Banks, a Visit Harrogate board member, about their priority to focus on "micro marketing" of the Harrogate district.

Although the organisation is business led Harrogate Borough Council is involved through presence on the board and through financial contributions. To date the Council has made a contribution of £50k towards the organisation. Mr Banks added that further significant investment was needed from businesses for the organisation to be successful in achieving its goals.

3.3 Improving the Quality of the Visitor Experience

3.3.1 The Commission heard about the local tourism 'product' that the Harrogate District has and that generally the attraction of the district is good and growing but that in order to maintain and capitalise on this there should be a push to improve the quality of visitor services and the standards of accommodation on offer alongside an emphasis on sustainable and responsible tourism.

- 3.3.2 The standard and high cost of hotel rooms in the District, which in some cases was equivalent to London prices, was highlighted to the Commission on several occasions. It was felt that a number of Harrogate's hotels were in need of refurbishment and modernisation and that occupation levels had been taken for granted in the past.
- 3.3.3 The Commission considered whether this factor was having a detrimental impact on conferences and exhibitions coming to Harrogate. The Head of Culture, Tourism and Sport stated that both the cost and availability of accommodation in the District was a factor. The Director HIC advised that there was regular feedback from organisers of events suggesting that hotel prices in Harrogate, as well as some other UK venues, were too high and that prices were also increased when large events take place. He added that the Chartered Institute of Housing event had re-located their main annual conference to Manchester and cited hotel prices as a key factor in the decision to move.
- 3.3.4 The Chief Executive of Yorkshire Agricultural Society reiterated these sentiments in respect of attracting events to the Great Yorkshire Showground and referred to the outdated nature of some of Harrogate's hotel provision. Peter Banks of Ridding Park and Visit Harrogate cited the lack of a big brand name hotel in the town as one possible drawback to attracting visitors.

3.4 **Attracting a Larger Share of the Tourism Market**

- 3.4.1 Although Harrogate's current tourism offer was deemed to be good, it is a competitive industry and marketing plays a key part in attracting visitors to any area.
- 3.4.2 The Commission received information regarding the marketing of the district and the shift away from traditional means of marketing such brochures etc to means such as the internet and mobile phone applications. The Commission were advised that Harrogate Borough Council were working with the York and North Yorkshire Local Enterprise Partnership to develop innovation in the tourism economy and how to best promote businesses, opportunities and deals through new technology.
- 3.4.3 It was felt by the Commission that improvements could be made in the marketing of local events to ensure that business visitors to the district lengthened their stay to become leisure tourists.

3.4.4 One opportunity identified by the Commission was the possibility of the Business Information Packs which are produced by the EDU being made available in the Council's Tourist Information Centres. The benefits of this would be two fold; allowing visitors to the area information about how to locate a business in the district and, allowing those who plan to locate a business in the district the opportunity to see the other benefits that the district has to offer.

3.5 **Harrogate International Centre (HIC).**

3.5.1 HIC itself has a large part to play in marketing the district to business tourists. The Commission heard from the Director of HIC regarding occupancy of the centre, exhibitions and corporate events planned and the challenges faced in the current economic climate.

3.5.2 Data shared with the Commission showed that although the number of events at the centre annually had decreased since 2008/09 the number was now improving and that the actual days the HIC was occupied had remained relatively steady. This is despite increased competition from rival exhibition halls such as Manchester Central, Liverpool and Glasgow SECC.

3.5.3 The Director of HIC highlighted to the Commission to increased focus on sales from his team, in this highly competitive market conference organisers are proficient in getting the best deal available meaning tenancy fees at HIC are constantly under pressure. However, the benefits that HIC hosting these events brings to the local economy are easy to see.

3.5.4 In order to rise to the challenges faced in winning business the Commission were informed of HIC's four key aims:

- Put the customer at the heart of every decision we make
- Continually strive for efficiencies in the way we deliver services
- Innovation in product delivery
- Implement plans that will lead to long term sustainable growth

3.5.5 The Commission heard from Nigel Pulling, who, as Chief Executive of Yorkshire Agricultural Society (YAS) was responsible for bringing many events and exhibitions to the district each year, including the Great Yorkshire Show.

3.5.6 The Commission explored the relationship between the HIC and YAS and learnt that on occasion one venue might be oversubscribed, whilst another had the required space or, one venue might be more suitable for certain exhibitions ie. Tip-Ex whilst another more convenient for its location and conference facilities but that there were no formal links between the organisations to liaise, collaborate or share information on the requirements of their customers.

3.5.7 Although competitors the Commission felt that for the benefit of securing business tourism to the district there was opportunity for links between HIC and YAS to be formalised so, that between the organisations many more events and exhibitions would be hosted in the district.

3.6 **Key findings: proactive ‘micro marketing’ of the district required, cost and quality of accommodation throughout the district to be addressed, development of formal links between conference providers, improvement of links between council services to improve the district’s appeal.**

3.6.1 **Recommendations**

7. The council should work with hotels and VisitHarrogate to proactively market local events/the district to conference visitors and to discuss the high costs (and business impact) of hotel rooms.
8. The council should write to hotels owners specifically regarding their investment plans at their head offices (Destination Harrogate addresses to be supplied by Peter Banks).
9. Business information should be made available at Tourist Information Centres.
10. The council should formalise links between Yorkshire Agricultural Society and Harrogate International Centre to share/coordinate events.



4. PLANNING AND DEVELOPMENT

4.1 The Planning and Development Team are located within the Department for Development Services and cover three areas of work; Development Control, Building Control and Forward Planning.

4.1.2 The Commission heard from the Head of Planning and Development regarding the contribution of the Team to the economic development of the district through the Core Strategy, Sites and Policies Development Plan Document, Development Control and the approach towards 'business friendly' planning.

Core Strategy

Harrogate's Core Strategy is based on the following priorities:

- Supporting the Economic Role of the Harrogate District
- Conference/Business Tourism
- Land for Jobs and Business

Sites and Policies Development Plan

Harrogate's Sites and Policies Plan is based on the following priorities:

- New Employment Sites
- Protection of Existing Employment Sites
- Protection of Tourist Facilities
- Supporting for New/Extension of Tourist/Leisure Attractions and Visitor Accommodation

Business Friendly Planning

The aim of the team's 'Business Friendly Planning Approach' is that planning applications for businesses or that will benefit economic growth within the district are as efficient and easy as possible for the applicant.

This approach includes:

- Pre-application advice
- Applicants to have contact with EDU

- A Business Planning Toolkit
- Planning and Development Charter

4.1.3 A recent restructure within the Department of Development Services has been formed with the aim of more closely integrating the work of the Planning and Development Team with the Economic Development Team. The Commission heard that throughout the course of their review the restructure was on-going and it is hoped that given time the outcome of better links within the teams will bring benefits to economic growth within the district.

4.2 **Planning Application Issues**

4.2.1 The Commission received evidence from a number of sources regarding experiences of the planning application process, advice, relationships with officers and the reality of planning policies versus economic growth.

4.2.2 **Case Study – Reed Boardall**

Mr Boardall provided the Commission with a brief background to Reed Boardall, a frozen food distribution business based in Boroughbridge who distributed frozen goods to supermarkets and other businesses across the UK on behalf of manufacturers. The company was established in the late 1980's and employed approximately 600 staff and generated in the region of £50m income per annum.

Mr Boardall outlined to a recent expansion to the cold store at the Boroughbridge site which would hope to employ an additional 100 members of staff. In relation to Harrogate Borough Council he referred to his father's bad experience on behalf of the company in dealing with the Planning Section and his dissatisfaction of the planning process during the application where he felt planning officers were not in favour of a development on the existing site although they paid 'lip service' to having an objective point of view. He referred to an e-mail received from a planning officer that seemed to indicate that any application would be refused before an application had been submitted. He also referred to the requirement to justify why he wanted to expand his existing site in Boroughbridge rather than look for new premises and that in his experience the Planning Section were not business friendly and did not seem to understand any business requirement to expand. He added that his planning application process had taken over one year and had cost the company over £250k

in consultancy and report fees and he felt that the Council were over indulgent in the type and number of reports they required him to undertake such as a sequential test where he had to evaluate a large number of alternative sites to establish why they were not more suitable than his existing site to expand. This included the assessment of sites that were not owned or may not even be for sale and added that this might seem logical for a business new to the area but was difficult to understand for an already established business.

Mr Boardall also referred to the necessity placed upon him by the Council to undertake a significant number of archaeology reports including surveys and excavations of the site and a number of wildlife surveys. This also included having a team of archaeologists on site whilst excavations were being undertaken. He stated that he understood the reasons for doing this but again believed that this seemed over the top for the development and had cost the company over £100k. There was also a consultation process with a number of statutory consultees and it seemed that each one had a power of veto. He acknowledged that there could have been valid reasons for any veto such as from the ecology consultee but the balance of consideration was unclear, as too was the weight given to any business consideration in the process. He also referred to options put forward by the Planning Section which were also difficult to understand which included planting trees across the district even on land owned by other people

Mr Boardall also referred to the poor reputation that the Planning Section had amongst a number of planning and consultancy professionals and added that at the outset of his planning process he had been advised by his planning consultant to employ the services of a barrister in case the application had to go to a planning appeal such was the reputation of the Council's Planning Section.

- 4.2.3 It was clear in evidence presented to the Commission that there was some dissatisfaction with experiences of the planning application process amongst some business owners. The Commission felt that some measure of satisfaction should be introduced to ensure that the Council's Planning and Economic Development Team continued to improve their service to businesses and economic growth within the district.

4.2.4 In the final meeting of the review the Commission heard from Mr Pulling and Mr Banks regarding their experiences of the planning system which they felt was slow and overly bureaucratic. However, Mr Pulling did comment that he had seen a slight improvement in the process since the introduction of pre-application meetings.

4.2.5 The Commission considered the need for a cultural change within the Planning and Development Team to instil a more proactive approach towards businesses and the positive enhancement of the economy, in line with the Core Strategy, rather than applications being begrudgingly looked at, as appeared to be so in some cases.

4.2.6 The Commission were informed about the general lack of communication that some applicants received regarding timescales for their application to be considered and felt that this could be improved, perhaps by the introduction of a leaflet detailing timescales and the emphasis on pre-application advice.

4.2.7 Harrogate Chamber of Trade and Commerce provided evidence to the Commission of their formal response to Harrogate Borough Council's Local Plan Consultation; this is detailed in [Appendix C](#).

4.3 **Key findings: evidence of dissatisfaction with the Planning and Development Service, need for proactive approach to planning applications, need to develop links with EDU, need to assess customer satisfaction with planning application process.**

4.3.1 **Recommendations**

11. There should be a clear and transparent understanding/weight of business consideration in the planning process this being dependent on each application, this would include:

- The requirement for sequential tests in applications for existing site expansion
- The number/complexity of surveys/tests required with the emphasis on asking for the minimum and clear reasons for the requirement
- Ensuring that there is a more proactive approach to business consideration i.e working with applicants to understand business needs

12. A voluntary feedback survey should be introduced for all applicants seeking views about the service provided and potential improvements.

13. The Commission supported the emphasis on proactive advice at the pre-application stage and considered that there should be good feedback / publicity on application refusals giving clear reasons to the public.
14. There should be a leaflet developed to improve communication and support the emphasis on pre-application stage advice. This would detail timescales when applicants would be informed of progress and/or when they should contact a named officer.
15. The Council should look to allocate land at Flaxby as light industrial/business use given its close proximity to the A1 road network and rail links.
16. The Council should have a sympathetic approach to farm diversification and agri-business.



5. TRANSPORT AND INFRASTRUCTURE

5.1 In the White Paper of January 2011, 'Creating growth, cutting carbon' the Department for Transport (DfT) recognised the need to invest in infrastructure in order to "help build the balanced, dynamic low carbon economy that is essential to our future economic prosperity". The White Paper focused what local transport improvements could deliver.

5.1.1 At the same time, the Department for Communities and Local Government (CLG) has begun to make good on the coalition's commitment to decentralise power and give local authorities a greater say in decisions that affect their areas. The abolition of regional development agencies and their replacement with local enterprise partnerships creates both new opportunities and new challenges in delivering transport investment.

5.1.2 With this in mind the Commission considered the issues which faced the Harrogate District; Traffic Congestion and a Northern Relief Road, electrification of the Leeds, Harrogate, York rail line, rail connections with Central London, Signposting and Bus Services within the district.

5.2 **Traffic Congestion and a Northern Relief Road**

5.2.1 It is a widely held view that the District's roads are often over burdened with vehicles and traffic congestion is frequent, especially in central Harrogate. This affects not only the flow of goods, services and people into the area but also the attractiveness of the district as a place in which to work or visit.

5.2.2 The Commission heard evidence from Harrogate Chamber of Trade, Roosters Brewery and Mr Trantor of Trantel Associates supporting the creation of a Northern Relief Road. Mr Trantor emphasised that traffic congestion on all main routes was now having a serious impact on the productivity of companies and an adverse effect on inward investment.

5.2.3 Regarding the specific problem of traffic flow within Harrogate town Centre the Commission heard from Peter Banks. Mr Banks advised that he had supported the

recent proposals by Lateral Group to pedestrianise parts of Harrogate Town Centre, these proposals which would have seen Parliament Street pedestrianised and a new square formed around the Cenotaph. Mr Banks felt that this would have provided a great opportunity to create a leisure hub which would have drawn more visitors and provided the ability to host events in a newly formed square.

5.3 Electrification of the Leeds, Harrogate, York Train Line and Counter Service to London Kings Cross.

5.3.1 In October 2013 the detailed Business Case for electrification of the Leeds-Harrogate-York rail line was published. The analysis and preparation of the Business Case was funded by NYCC, Metro, City of York and Harrogate Borough Council.

5.3.2 The engineering design work shows an estimated capital cost of £93 million, whilst the cost-benefit analysis is at 3.61 - meaning a return to the local economy of £3.60 for every £1 invested in the scheme. The Business Case is now being submitted to the Ministers in the Treasury and the Department for Transport to seek funding for the scheme.

5.3.3 The Commission felt that the electrification of the line to and from Harrogate Station would be a key driver in improving the district's tourism offer. In addition to this, the Commission discussed the current direct service to London which operates from Harrogate to Kings Cross every morning and the return service available in the evening. The Commission felt that a counter service which ran from Kings Cross to Harrogate every morning, returning to London in the evening would be equally beneficial, especially to business tourism.

5.4 Signposting

5.4.1 The Commission considered the issue of signposting on the district's roads and the importance of clear and accurate signposting to landmarks, attractions etc for the district's visitors.

5.4.2 Notably, Harrogate is not signposted from the A1 northbound until after the Wetherby exit. The Commission felt that by signposting Harrogate to motorists earlier on their northbound journey this would help to attract more business to the district.

5.4.3 Similarly, the Commission heard that signs directing motorists towards Masham had recently been removed and this had possibly contributed towards a drop in visitor numbers to the area. The Commission felt that these signs should be reinstated.

5.5 **Bus Services**

5.5.1 In relation to public transport in the district the Commission considered the issues of bus service subsidy reduction and competition amongst rival bus companies for business.

5.5.2 The issue of the proposed reduction in bus service subsidy by North Yorkshire County Council is the subject of a separate Overview and Scrutiny Commission Review on 20th November 2013.

5.5.3 However, regarding the economic impact of cuts and change to bus services within the district the Commission heard from Mr Banks of Rudding Park. He informed the Commission that he relies heavily on the bus service to transport his staff to Rudding Park and that the current competitive practice of changing routes and cutting out stops in order to provide quicker services was causing major problems for approximately 60 staff who worked on relatively low incomes at Rudding Park Hotel. Mr Banks added that the issue was jeopardising the continued growth and success of Rudding Park.

5.5.4 The Commission felt that the economic impact of those type of changes should be taken into account before decisions were made.

5.6 **Recommendations**

17. The council should write to central Government regarding support/funding for a Northern Relief Road in Harrogate emphasising the existing /future need and economic impact.

18. Council should support the electrification of Leeds, Harrogate and York train line.

19. The council should write to East Coast regarding a counter service between London and Harrogate in a morning and Harrogate and London in an evening.

20. The council should request that the Highways Agency introduce signposting for Harrogate at the Wetherby junction with A1 and signposting for Masham.
21. The council should have regular meetings with NYCC to develop an approach to address congestion in the district, specifically Harrogate including:
 - The consideration of Park and Ride scheme proposals
 - Bus service competition situation in the Harrogate area to ensure it meets the needs of the public and that the economic impacts of changes in service provision are considered.
22. The council should continue to lobby for improvement to the rural road network and support work to develop rural broadband.

6 GENERAL

6.1 In the last meeting of their review the Commission heard from Mr Peter Banks, Rudding Park regarding the effect of the increase of business rates upon his business.

6.1.1 Recently a decision was taken by a rate inspector to increase Rudding Park's rateable valuation from £500k to £858k. Mr Banks had appealed the decision and it had been adjusted to £700k but during the time it had taken to go through the process he had had to pay the higher valuation rate. He had also had to pay a surveyor and there would also have been costs to process his refund by the Council. He was concerned that he was not consulted about the original valuation and that it did not appear to be based on accurate information and he felt that this could have been avoided.

6.1.2 It was felt that, although the decision to change the valuation of Rudding Park had been taken by the rate inspector, soon this duty was to fall to the Council and, as such, the Council should have a process in place for consultation with affected landlords / property owners to ensure that they are involved in the rate setting process.

6.2 Recommendation

23. When developing the policy for the calculation of local business rates business owners should be consulted as part of the process.

7 CONCLUSIONS

- 7.1 Though the current economic position both locally and nationally remains in a state of flux there are reasons for optimism. The future for economic growth in the Harrogate District will not be dependent on the successes or failures of one particular sector but will be balanced across a number of sectors in the region.
- 7.2 The tourism and technology sectors in particular open the door to huge economic development for the local area with the possibility of increasing job creation for local people. Through effective partnership working and the sharing of responsibility for economic development across the Council and partners, alongside effective business support provided can help businesses to establish themselves, employ local people and grow within the district.
- 7.3 The Planning and Development Service has a big part to play in this growth, to ensure that the Council's development policies and relationships with businesses throughout the district are as positive and proactive as can be towards economic growth.
- 7.4 The Harrogate district has a range of sites and opportunities which offer unique opportunities for the right investor and a quality of life in the area which is extremely good. These need to be developed and promoted to the greatest extent.
- 7.5 From the ashes of the Regional Development Agencies have risen the newly established Local Enterprise Partnerships, which have great potential to fully integrate and invigorate the various sectors in driving forward economic development that will be in the best interests for all living and working in the local area.
- 7.6 Harrogate Borough Council should continue to work with the Local Enterprise Partnerships as they seek to exploit the benefits of new technologies for economic growth. I.e. The current development of mobile phone applications for tourism purposes.

- 7.7 The Council should also continue to work in close partnership with business and tourism organisations such as the local Chambers of Trade and Commerce and VisitHarrogate in order to fully understand the needs and ambitions of organisations within the district and the problems which they face and, where possible be proactive in providing help and support.
- 7.8 Each sector, both private and public has its part to play in making the most of the opportunities available in the near future that will help to stabilise and grow the local economy. Despite the current financial climate, exciting times and opportunities lie ahead for the Harrogate district and if grasped and developed to their full capability then there is no reason why the Harrogate district cannot enjoy a prosperous future.



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ACKNOWLEDGMENTS

The Commission would like to extend its gratitude to all involved in the review.

Special thanks for their attendance and presentations to the Commission go to:

Marcus Boardall – Reed Boardall

Graeme Leighton – Manufacturing Advisory Service

Peter Banks – Managing Director, Rudding Park

Nigel Pulling – Chief Executive, Yorkshire Agricultural Society

Mr Murray Trantor – Trantel Associates

Simon Kent – Director of HIC

Kathryn Daly – Strategic Development Management (HBC)

Lois Toyne – Head of Culture, Tourism and Sport (HBC)

Dave Allenby – Head of Planning and Development (HBC)

APPENDICES

APPENDIX A – PROJECT SCOPE AND METHODOLOGY

ECONOMY OF THE DISTRICT – BARRIERS AND BLOCKAGES TO GROWTH

To ensure that an Overview and Scrutiny Review is properly planned and managed, it is important that a comprehensive project management approach is taken. This form should be completed at the **beginning** of a review and **updated regularly** to reflect the progress of the review.

	Notes	Information	Date for completion
1. Definition of topic for investigation	Define in as much detail as possible, specifying areas and issues, avoiding generalisations or overly broad scope.	<p>To identify the blockages and barriers that are preventing economic growth for the following types of employers in our district.</p> <ul style="list-style-type: none"> • Manufacturing/Distribution/Storage • Finance/Legal/ Office based/Call centre • Agricultural/business land based. • Tourism <p>Capture the issues relating specifically to:</p> <ul style="list-style-type: none"> • Training/skills. • Starting a new business. • Expanding your Business. • Council services. • Harrogate International Centre <p>Determine what the Council can influence or make improvements and recommendations on.</p>	
2. Aims/objectives of review	As above, these should be clearly defined.	<p>Base Line Information for these organisation types:</p> <ul style="list-style-type: none"> • Current Government Policy. 	

		<ul style="list-style-type: none"> • Identify the Manufacturing/ Distribution/Storage; Finance/Legal/Office based/Call centre, Agricultural, business land based & Tourism organisations in our district. • Identify the support available to these organisation types from: Local Enterprise Partnerships, Manufacturing Advisory Service, UK Trade and Investment, Financial Leeds, Welcome to Harrogate, Welcome to Yorkshire. • Identify the support currently being provided by Harrogate Borough Council. (Economic Development Unit, Planning Development Control & Culture, Tourism and Sport) Harrogate International Centre <p>Identify the Blockages and Barriers to economic growth by</p> <ul style="list-style-type: none"> • Engaging with the Manufacturing/ Distribution/Storage, Finance/Legal/Office based/Call centre, Agricultural, business land based & Tourism organisations in our district to understand the issues they are facing relating to the blockages and barriers they meet when starting, developing, recruiting for and expanding their businesses. • Engaging with support providers to understand what they are doing to help and what developments are on the horizon to provide the level of support needed in the future. • Determining how the Council can help these business types to develop and address barriers to economic growth that may currently exist. • Engaging with Training providers in our district to ensure they are delivering the type of training and skills transfer to support this business type both now and into the future. • Ensure that the Manufacturing/ Distribution/Storage, Finance/Legal/Office based/Call centre, Agricultural, business land based & Tourism organisations are fully aware of the help and support available to them. • Ensure that where possible the Council and support services are contributing and providing the levels of support required both now and into the future. 	
3. Preliminary research		<p>Determine current Government Policy.</p> <p>Identify the Manufacturing/ Distribution/Storage, Finance/Legal/Office based/Call centre, Agricultural, business land based & Tourism employers in our district.</p>	

		<p>Establish how our district compares with others nationally.</p> <p>Engage with business support organisations to identify what level of support is currently available. (Include LEP's, MAS, UK Trade and Investment, Financial Leeds, Visit Harrogate, Welcome to Yorkshire.</p> <p>Identify the current level of support currently being provided and the initiatives that are running or are planned for the future by the Economic Development Unit, Culture, Tourism & Sports, Planning Development Control & the Harrogate International Centre of Harrogate Borough Council</p> <p>Documentation: Manufacturing/Distribution and Storage companies Financial/Legal/ Office Based and Call Centre companies Agricultural, business land based companies Tourism Jobs of the Future – Economic Monitor Economic Monitor Data File HM Treasury – Department for Business and Innovation & Skills Plan for Growth – Implementation Update March 2012 Support organisations Leeds City Region Local Area Partnership York and North Yorkshire Local Area Partnership Manufacturing Advisory Service UK Trade and Investment Yorkshire Cities – Last project Financial Leeds Welcome to Harrogate Welcome to Yorkshire IPPR Report – A Path back to growth IPPR Report – Jobs for the future CBI Speech - An important role to play in boosting growth, by making smart decisions at a local level. Buying services locally What other Councils are doing</p>	
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4. What scrutiny methods will be used?	e.g. formal panel, full Commission investigation, working group, action to be taken by one/two individuals	Full Commission review (separate special meetings to consider the issue)	
5. Which Council services, members and external agencies will be involved?	e.g. who can provide further evidence to progress review	<ul style="list-style-type: none"> • Harrogate Borough Council – Economic Development Unit. Culture Tourism and Sports, Planning Development Control & Harrogate International Centre • Leeds City Region – Local Enterprise Partnership • Reed Boardall • Manufacturing Advisory Service • Harrogate Chamber of Trade and Commerce • Hornbeam Park • Financial Leeds • Kirby's Solicitors • Primetime Recruitment • Bettys and Taylors • Yorkshire Agricultural Society • Paynes Dairy • LaRock Construction • Lateral Property Group • Leeds Bradford Airport • Visit Harrogate • Welcome to Yorkshire • Lightwater Valley • Rudding Park 	
6. How will the public and other stakeholders be involved?	e.g. consultative forums, local committees, local ward mechanisms	<p>Press Release - Harrogate Advertiser</p> <p>Written and oral presentation of evidence provided from representatives/experts at meetings.</p>	
7. Will any diverse groups be consulted?		No	

<p>8. How will issue be scrutinised?</p>	<p>e.g. questioning/expert witnesses, site visits, public forum, formal consultation</p> <p>What areas of research will be undertaken</p>		
<p>9. Estimated start date, key stages and final report</p>	<p>Deadlines should be realistic and considered as part of overall work programme</p>	<p>Agree Scope, consider background information, review and agree invitation list. Agree meeting dates – 1st October, 2012.</p> <ul style="list-style-type: none"> • Meeting 1 21st November - HIC, Planning, EDU, Culture, Tourism & Sport. • Meeting 2 20th December – distribution and manufacturing • Meeting 3 – 14th October 2013 	
<p>10. Evaluation and follow up to recommendations</p>	<p>To be considered as review progresses.</p>		

APPENDIX B – MEETING MINUTES

**OVERVIEW & SCRUTINY COMMISSION
HELD ON 21 NOVEMBER 2012
(FROM 5.30 PM TO 7.40 PM)**

PRESENT: Councillor John Fox in the Chair. Councillors Sharon Bentley, Jim Clark, Richard Cooper, Helen Flynn, Ian Galloway, Harrison, Greta Knight, Don Mackenzie, Pat Marsh, Reg Marsh, Martin, Charlie Powell and Nigel Simms.

Also in attendance: Dave Allenby, Head of Planning and Development
Kathryn Daly, Economic Development Manager
Simon Kent, Acting Director HIC
Kevin McHugh, Acting Head of Operations, HIC
Lois Toyne, Head of Culture, Tourism and Sport

Late Arrivals: Councillor Ian Galloway at 5.31 pm.

Early Departures: Councillor Nigel Simms at 7.00 pm.
Councillors Harrison, Martin and Charlie Powell at 7.05 pm.
Councillor Greta Knight at 7.30 pm.

72/12 – APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES:
Notification had been received that Councillor Nigel Simms was to act as substitute for Councillor Nick Brown and Councillor Ian Galloway for Councillor Jean Butterfield.

(5.30 pm)

73/12 – DECLARATIONS OF INTEREST: There were none.

(5.30 pm)

74/12 – MINUTES: The Minutes of the meeting of the Commission held on 22 October 2012 were approved as a correct record and signed by the Chair.

(Nine Members voted for the motion and there were four abstentions).

(5.30 pm)

75/12 – EXEMPT INFORMATION: There was none.

(5.31 pm)

76/12 – PUBLIC ARRANGEMENTS – QUESTIONS: There were no such questions to consider.

(5.31 pm)

SCRUTINY MATTERS AND REVIEWS UNDERTAKEN BY THE COMMISSION

77/12 – **ECONOMY OF THE DISTRICT:** The Chair welcomed Dave Allenby, Head of Planning and Development, Kathryn Daly, Economic Development Manager, Simon Kent, Acting Director HIC, Kevin McHugh, Acting Head of Operations HIC and Lois Toyne, Head of Culture, Tourism and Sports to the meeting. They delivered a joint presentation on the relevant work areas within Economic Development Unit (EDU), Planning, Culture Tourism and Sports (CTS) and Harrogate International Centre (HIC) in relation to the economy of the District.

The presentations focussed upon the following areas:

Economic Development - strategic context, supporting economic growth, starting a new business and expanding a business and Council services for business.

Planning – Core Strategy, Sites and Policies Development Plan Document, Development Control performance and the approach towards business friendly planning.

Culture, Tourism and Sport – Increasing the contribution to the local economy, improving the quality of the visitor experience and attracting a larger share of the tourism market.

HIC – overview of the facilities, levels of HIC occupancy, top ten exhibitions, conference and corporate events in 2012, the tough economic climate and how HIC were rising to the challenge.

Questions were then invited. In referring to business growth, Councillor Don Mackenzie asked whether there were any businesses in the District that were unable to expand due to a shortfall in suitable premises and also whether there were instances of businesses that wanted to locate in the District but were prevented from doing so due to lack of suitable premises/land. The Economic Development Manager referred to instances where this had been a factor but could not give an indication of how many businesses would come forward if there was available space. Councillor Helen Flynn asked if the Council supported social enterprises and the Economic Development Manager advised that this was an area that could be further developed and due to other priorities work was undertaken reactively rather than proactively. The EDU Manager and the Head of Planning and Development also responded to a query regarding employment land and clarified the classification of health and care facilities.

In relation to investment in skills, Councillor Cooper asked whether any work had been undertaken to establish what skills were lacking in the District and what skills might be needed in the future. The Economic Development Manager reported that a geographical skills audit had been previously undertaken but there still the need to coordinate that piece of work together. She also referred to two areas of strategic economic forecasting, the first being the opportunity to grow in certain sectors and the second relating to identifying the skills needed for growth in jobs. She advised

on a current project which aimed to match the skill set requirements of companies to graduates leaving university.

Councillor Reg Marsh asked whether inward investment was actively sought. The Economic Development Manager advised that about 10 years ago the Council had made the decision (before the start of the recession) to step away from proactive promotion of Harrogate nationally and internationally due to the shortage of employment land and also because of very low levels of unemployment which made staff recruitment difficult. The number of companies looking for opportunities had also dropped. The Council instead decided to focus upon businesses that were already present and how they could help them grow. She added that inward investment was a priority for the Leeds Local Enterprise Partnership which Harrogate could benefit from. The Head of Planning and Development also added that there was also a fine balance in supporting new jobs (through new premises) in the District against the impact of potentially large intrusive buildings in the District.

In response to a query from Councillor Pat Marsh regarding Business Information Packs, the Economic Development Manager commented the idea was in response to feedback and a gap in the market and it would provide a coordinated pack of shared information which would be particularly beneficial in rural areas where broadband was not always available. In response to a further question from Councillor Pat Marsh regarding an EDU officer attending the Planning Committee on a regular basis, the Economic Development Manager stated that it was a resourcing issue as well as a priority issue within a small team and that they were advised by the Planning Officer about attendance at meetings. She added, however, that EDU worked closely with the planning section on applications and stated that it was an area which could be looked at with the Head of Planning and Development.

Councillor Cooper referred to the high cost of hotel rooms in the District, which in some cases was equivalent to London prices and asked whether this factor was having a detrimental impact on conferences and exhibitions coming to Harrogate. The Head of Culture, Tourism and Sport stated that both the cost and availability of accommodation in the District was a factor. The Acting Director HIC advised that there was regular feedback from organisers of events suggesting that hotel prices in Harrogate, as well as some other UK venues, were too high and that prices were also increased when large events take place. He added that the Chartered Institute of Housing event had re-located their main annual conference to Manchester and cited hotel prices as a key factor in the decision to move. Councillor Cooper asked that a copy of the strategy/methodology for converting business visitors to leisure visitors be sent to Commission Members and Lois Toyne **agreed** to provide this where possible. He also asked whether anything was being done to try to entice exhibition/conference clients to stay for an extra day by promoting leisure attractions, offers or a stay another day event etc. The Head of Culture, Tourism and Sports stated that this was an area that was currently being explored and referred to previous examples when promotions had taken place at quieter periods. Kevin McHugh gave examples of the promotion of other events taking place in the District to HIC clients such as promoting the Christmas market to the Knitting and Stitching visitors. Councillor Pat Marsh asked if information booklets/vouchers for Council services/sites were left in hotel rooms for visitors and the Head of Culture, Tourism and Sports advised that they did operate particular promotions for conferences but this was an area that could be further explored and developed. In response to a

comment regarding stronger links between HBC services, the Head of Planning and Development referred to the recent restructure of the planning and economic divisions and added that CTS was also a part of Development Services following a restructure last year. He also referred to the connection of the three services through a strong local economic strategy.

In response to a query regarding potential tourism applications for mobile phones, the Head of Culture, Tourism and Sports, commented that they were working with the York and North Yorkshire Local Enterprise Partnership to develop innovation in the tourism economy and how to best promote businesses, opportunities and deals through technology.

In response to a query about the number of jobs that were underpinned by HIC in the district the Acting Director of HIC confirmed that there were between 1000-1300 Full Time Equivalent jobs identified. The Acting Director of HIC then responded to questions regarding potential new local trade exhibitions, the number of events and the management over the past ten years.

It was **agreed** that any further questions regarding the presentations should be emailed to the Corporate Improvement Officer (Scrutiny).

(5.32 pm – 7.40 pm)

**OVERVIEW & SCRUTINY COMMISSION
HELD ON 20 DECEMBER 2012
(FROM 5.30 PM TO 7.25 PM)**

PRESENT: Councillor John Fox in the Chair. Councillors Sharon Bentley, Nick Brown, Jim Clark, Richard Cooper, Helen Flynn, Greta Knight, Don Mackenzie, Pat Marsh, Reg Marsh, Martin, Charlie Powell and Nigel Simms.

Also in attendance: Councillor Alan Skidmore, Cabinet Member Planning Transport and Economic Development.

Late Arrivals: Councillor Nigel Simms at 5.32 pm.
Councillor Cooper at 5.33 pm.

Early Departures: None.

86/12 – **APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES:**
Notification had been received that Councillor Nigel Simms was to act as a substitute for Councillor Harrison.

(5.30 pm)

87/12 – **DECLARATIONS OF INTEREST:** There were none.

(5.30 pm)

88/12 – **EXEMPT INFORMATION:** There was none.

(5.31 pm)

89/12 – **PUBLIC ARRANGEMENTS – QUESTIONS:** There were no such questions to consider.

(5.31 pm)

SCRUTINY MATTERS AND REVIEWS UNDERTAKEN BY THE COMMISSION

90/12 – **ECONOMY OF THE DISTRICT REVIEW:** The Chair welcomed Marcus Boardall, Financial Director of Reed Boardall and Graeme Leighton, Manufacturing Advisory Service to the meeting who delivered presentations on their respective areas and their experiences with Harrogate Borough Council.

Mr Boardall provided a brief background to Reed Boardall, a frozen food distribution business based in Boroughbridge who distributed frozen goods to supermarkets and other businesses across the UK on behalf of manufacturers. He added that the company was established in the late 1980's and employed approximately 600 staff and generated in the region of £50m income per annum.

He referred to a recent expansion to the cold store at the Boroughbridge site which would hope to employ an additional 100 members of staff. In relation to Harrogate Borough Council he referred to his father's bad experience on behalf of the company in dealing with the Planning Section and his dissatisfaction of the planning process during the application where he felt planning officers were not in favour of a development on the existing site although they paid 'lip service' to having an objective point of view. He referred to an e-mail received from a planning officer that seemed to indicate that any application would be refused before an application had been submitted. He also referred to the requirement to justify why he wanted to expand his existing site in Boroughbridge rather than look for new premises and that in his experience the Planning Section were not business friendly and did not seem to understand any business requirement to expand. He added that his planning application process had taken over one year and had cost the company over £250k in consultancy and report fees and he felt that the Council were over indulgent in the type and number of reports they required him to undertake such as a sequential test where he had to evaluate a large number of alternative sites to establish why they were not more suitable than his existing site to expand. This included the assessment of sites that were not owned or may not even be for sale and added that this might seem logical for a business new to the area but was difficult to understand for an already established business.

He also referred to the necessity placed upon him by the Council to undertake a significant number of archaeology reports including surveys and excavations of the site and a number of wildlife surveys . This also included having a team of

archeologists on site whilst excavations were being undertaken. He stated that he understood the reasons for doing this but again believed that this seemed over the top for the development and had cost the company over £100k. There was also a consultation process with a number of statutory consultees and it seemed that each one had a power of veto. He acknowledged that there could have been valid reasons for any veto such as from the ecology consultee but the balance of consideration was unclear, as to was the weight given to any business consideration in the process. He also referred to options put forward by the Planning Section which were also difficult to understand which included planting trees across the district even on land owned by other people

Mr Boardall also referred to the poor reputation that the Planning Section had amongst a number of planning and consultancy professionals and added that at the outset of his planning process he had been advised by his planning consultant to employ the services of a barrister in case the application had to go to a planning appeal such was the reputation of the Council's Planning Section.

Questions were then invited. Councillor Nick Brown congratulated Reed Boardall on their success and stated that the cultural attitude of the Planning Section needed to change especially in current financial circumstances. He added that the Council should be doing all it could to generate economic development in the District and encourage businesses to inwardly invest.

Councillor Don Mackenzie expressed concern at the planning experience endured by Reed Boardall and in particular the unfriendly attitude towards businesses particularly when the Council's number one Corporate priority was to promote 'a strong local economy'. He added that planning officers did have to balance the views of planning developers with those of local residents especially in relation to greenfield sites. He also referred to national policies and criteria that had to be complied with but added that the Council should be making life easier for businesses especially in the current climate. Mr Boardall stated that the Economic Development Unit had been very supportive of their plans to expand. Kathryn Daly, Economic Development Manager, commented that EDU had been supportive of the planning application to expand the cold store at Boroughbridge and had not been involved in the decision for a sequential test to be undertaken as this was a planning matter. She added that EDU supported existing businesses to develop in their own area where possible.

Councillor Reg Marsh referred to the time taken for the Reed Boardall planning application to be determined and suggested that it might be worthwhile looking at the process that was followed. He also added that whilst a friendly approach to business development was needed the Council also had to protect both national and local planning policies.

Mr Boardall responded to a number of other questions surrounding his planning application and the planning process. Other Members also expressed concern at the perceived poor reputation of the Planning Section in the businesses environment and the weight given to business consideration in the process and also that the Planning Section seemed to support doing the maximum required for an application rather than the minimum.

The Chair thanked Mr Boardall for his attendance.

The Chair then invited Graeme Leighton, Manufacturing Advisory Service (MAS), to address the Commission. He provided an outline of the MAS service which was funded by the Department for Business, Innovation and Skills (BIS) and which provided free independent business support for manufacturing companies based in England. He stated that MAS focused upon small and medium enterprises with the potential and aspiration to create jobs and grow. He also referred to access to match grant funding for small, high impact improvement projects and also to work carried out with partner organisations and also referred to manufacturing statistics in the UK and then more specifically in the Harrogate District. He then outlined the support provided by the Economic Development Unit which included free business advice, additional support around property, planning requirements, food hygiene etc, newsletters, hosts for events and referral to complimentary support organisations.

He concluded by referring to opportunities for the manufacturing sector in the Harrogate District and invited questions. A copy of the presentation was available on request.

Councillor Don Mackenzie asked what Mr Leighton thought the barriers to growth were for the manufacturing sector in the Harrogate District. Mr Leighton referred to limitations such as the rural road network and rural broadband issues but emphasised that businesses should instead focus upon the positives of working in the Harrogate District such as the support provided by the Council's Economic Development Unit (which was much better than that provided at other local authorities), the apprenticeship scheme available at Harrogate College and the quality of life, and that these should also be promoted and more emphasised when trying to attract new manufacturing businesses to the District. He also stated that an issue was how to encourage businesses already located in the District to use their networks to promote the success of the area (such as Betty's and Taylors) and that inter-company support should be promoted as much as possible.

Councillor Greta Knight referred to the number of businesses which located or relocated to Wetherby due to the lower cost of land and premises and asked whether there was anything that could be done to address this. Mr Leighton acknowledged that land was more readily available to develop in Wetherby which Harrogate could not compete with but instead the benefits of working in the Harrogate District should be promoted.

Councillor Nick Brown referred to the lack of land available for development in the District and stated that the Council should try to attract niche and hi-tech businesses to the District. He also commented that the provision of broadband in rural areas was very important and played a key role in attracting new businesses. Mr Leighton stated that lack of broadband provision was not a major factor quoted by businesses as a cause for concern and that businesses were now more adaptable and that existing buildings and those in rural locations were now seen as good business premises due to advances in technology.

In response to a question, Mr Leighton also confirmed that there was a network of support available to businesses new to the area and that he was confident that they would be directed to EDU at some point by this network.

The Chair thanked Mr Leighton for his attendance.

(5.32 pm – 7.20 pm)

94/12 – ECONOMY OF THE DISTRICT REVIEW – FUTURE WORK: The Corporate Improvement Officer (Scrutiny) advised that he would update the scope for the review as a result of the comments/suggestions/presentations and make arrangements for a representative from Bettys and Taylors to attend a future meeting. It was also noted that representatives from estate agents and property developers had been invited to address a future meeting. The Chair also thanked Suzanne Burniston for all her hard work over the past six months as she had now taken up a new position in the Department of Community Services.

(7.20 pm – 7.25 pm)

**OVERVIEW & SCRUTINY COMMISSION
HELD ON 14 OCTOBER 2013
(FROM 5.30 PM TO 6.50 PM)**

PRESENT: Councillor John Fox in the Chair. Councillors, Bernard Bateman, Sharon Bentley, Nick Brown, Richard Cooper, John Ennis, Ian Galloway, Christine Hill, Pat Marsh, Reg Marsh, Nigel Simms, Matthew Webber, Willoughby and Robert Windass.

Also in attendance: Councillor Alan Skidmore (Cabinet Member Planning, Transport and Economic Development)

Late Arrivals: None.

Early Departures: None.

32/13 – APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES: An apology for absence had been received from Councillor Charlie Powell. Notification had been received that Councillor Matthew Webber was to act as a substitute for Councillor Greta Knight and Councillor Willoughby for Councillor Helen Flynn.

(5.30 pm)

33/13 – DECLARATIONS OF INTEREST: There were none.

(5.30 pm)

34/13 – EXEMPT INFORMATION: There was none

(5.30 pm)

35/13 – **PUBLIC ARRANGEMENTS – QUESTIONS:** There were no such questions to consider.

(5.30 pm)

SCRUTINY MATTERS AND REVIEWS UNDERTAKEN BY THE COMMISSION

36/13 – **ECONOMY OF THE DISTRICT – BARRIERS AND BLOCKAGES TO ECONOMIC GROWTH:** The Chair welcomed Peter Banks (Managing Director at Rudding Park Hotel), Nigel Pulling (Chief Executive Yorkshire Agricultural Society) and Mr Tranter (Trantel Associates and Chairman of Harlow and Pannal Ash Residents Association) to the meeting who provided their experiences of dealing with Harrogate Borough Council.

Mr Pulling referred to his experiences with the planning system which he felt the process was slow and too bureaucratic and added that whenever he had submitted an application it always took the full 12 weeks (target for major applications) to be determined and was never sooner. He commented that he had seen a slight improvement in the Planning Section particularly with the introduction of pre-application meetings over the last couple of years, although he thought some applications were begrudgingly looked at rather than being seen as a positive enhancement for the economy and that a more proactive approach was needed towards businesses.

He praised the work and proactive nature of the Economic Development Unit and the support and advice they provided to local businesses. In relation to the Tour de France, he advised that it would be beneficial to his business and to those trading at the Yorkshire Show to have early and clear indications of the road network plan i.e. which roads would be closed/open etc so that those trade businesses could appropriately plan their setting up arrangements prior to the start of the Show. He assumed that those planning the closures would take into account routes in/out and around Harrogate for those attending and for general travel in the District. He also asked if the information could be made available shortly so that it could be included in the trade brochure sent to those bringing trade stands to the Yorkshire Show although he acknowledged that HBC were not the responsible authority.

Questions were invited. Councillor Pat Marsh queried the links and working relationship between the Yorkshire Event Centre and HIC. Mr Pulling stated that relationships had improved over recent years and expressed his desire to work closely with HIC rather than being classed as a competitor. He also referred to the Visit Harrogate organisation and hoped that there would be the opportunity to work with them. He also responded to a question regarding communication from the Planning Section during the planning application process and which he advised that the emphasis was upon applicants to track progress rather than it coming proactively from the Planning Section.

Councillor Cooper referred to the quality of hotel stock in Harrogate, the lack of bed space during peak times and the price of rooms which, at times, were equivalent to

those prices in London and asked Mr Pulling whether these circumstances were a barrier to economic growth in the District. Mr Pulling agreed with the comments and added that they did present some issues when trying to attract business/trade visitors and which was evidenced by feedback received from delegates/trade in that more high quality hotels would be beneficial for Harrogate. Mr Banks (Managing Director at Rudding Park Hotel) acknowledged that hotel stock in the District could be improved and that hotel owners needed to be lobbied to make improvements/reinvestments into their hotels. He referred to complacency by hotel owners in the past at a time when HIC business was thriving with guaranteed hotel bookings but added that at the time no reinvestment into hotels had been made. In the current market, hotel owners in most cases could not afford the costs of refurbishments. He also referred to the fact that Harrogate did not have any of the leading brand hotels such as a Hilton which was also an issue.

In response to a question about transport links being a possible barrier, Mr Pulling stated that for some they were and added that better transport links/infrastructure were needed, especially links to York. He also referred to traffic congestion on the Wetherby Road corridor but acknowledged that any major improvement in this area would require significant financial investment.

In relation to the list of road closures for the Tour de France, Councillor Bernard Bateman advised that these would be released by NYCC later this year although he was not sure when details would be made available to businesses and the public. Mr Pulling emphasised the requirement for coordination planning of the closures particularly with the planning for the Yorkshire Show. Mr Pulling also responded to a question regarding the work of EDU and advised that they were proactive with their advice and help for businesses looking for commercial premises in the District.

The Chair then invited Mr Banks (Managing Director at Rudding Park Hotel) to address the Commission. He reiterated the comments above regarding the Planning Section and, in particular, about the process and time taken to consider planning applications. He referred to the exhaustive number of statutory consultees to planning applications and in his view each one had a power of veto. In relation to public transport, he referred to bus cuts throughout the District and to the issue of bus companies competing with each other for the same routes but each cutting out particular stops/routes to ensure they offered a quicker/earlier route than their competitor. He added that this was causing major problems for approximately 60 staff who worked on relatively low incomes at Rudding Park Hotel and relied on the Follifoot to Rudding Park Service which had been cut from one to two an hour. This was a result of bus companies competing for the Wetherby to Harrogate route and changing times and services. He added that he had also contributed towards a Sunday bus service and added that the issue was jeopardising the continued growth and success of Rudding Park. He acknowledged that there should be competition for services but bus routes should be considered and that competition should be for the route itself as a whole.

He also referred to business rates and a recent decision by a rate inspector to increase Rudding Parks rateable valuation from £500k to £858k. He added that he had appealed the decision and it had been adjusted to £700k but the time during it had taken to go through the process he had had to pay the higher

valuation rate. He had also had to pay a surveyor and there would also have been costs to process his refund by the Council. He was concerned that he was not consulted about the original valuation and that it did not appear to be based on accurate information and he felt that this could have been avoided. He also referred to the Visit Harrogate organisation and to the Council's contribution of £50k towards the organisation. He added that further significant investment was needed from businesses for the organisation to be successful in achieving its goals and that he was hoping to get an additional £100k. He concluded by advising that he had supported the proposals by Lateral Group to pedestrianise parts of Harrogate Town Centre which would have seen Parliament Street pedestrianised and a new square formed around the Cenotaph. He added that this would have provided a great opportunity to create a leisure hub which would have drawn more visitors and provided the ability to host events in a newly formed square.

Questions were then invited. Councillor Webber asked whether there were any short-term fixes that the Council had control over and that did not require significant financial outlay that could be implemented to help businesses. Mr Banks stated that making the planning process easier would be beneficial including a review of the required consultees. Councillor Nigel Simms advised that the length of time taken by statutory consultees to respond to planning applications was a problem.

Councillor Richard Cooper referred to the contrast in the experiences and views on the Planning and Economic Development Sections and commented that he welcomed cultural changes in the Planning Section. In relation to the issue of bus services and cuts he advised that as they were privately owned there were limitations on the actions that could be taken to regulate them and the routes they provided. In response to a question Mr Banks confirmed that at present £20k had been received from businesses towards Visit Harrogate. Councillor Pat Marsh asked whether Ridding Park struggled to recruit local staff and Mr Banks advised that as Harrogate was a more affluent area they struggled to recruit local people for certain jobs such as cleaners and that the hotel employed a number of foreign workers who were prepared to work in these lower paid jobs.

Councillor Reg Marsh expressed concern over the proposed cuts to bus services and issues over competing for routes and also referred to the need of a Northern Bypass.

The Chair then invited Mr Trantor (Trantel Associates and Chairman of Harlow and Pannal Ash Residents Association) to address the Commission. He advised that he had submitted a written submission on barriers to economic growth and emphasised that traffic congestion on all main routes was now having a serious impact on the productivity of companies and an adverse effect on inward investment. He also advised that he supported the written submission made by Harrogate Chamber of Trade in relation to the Sites and Policies Development Plan Document and that more effort was needed to be put into supporting the Northern Relief Road.

The Chair thanked the representatives for attending and addressing the Commission.

(5.31 pm – 6.25 pm)

37/13 – **CONSIDERATION OF RECOMMENDATIONS:** The Corporate Improvement Officer (Scrutiny) submitted a written report and tabled a number of potential recommendations that had arisen out of previous meetings. Members were invited to consider these and further recommendations.

It was **agreed** that the Corporate Improvement Officer would produce draft recommendations and report back to the meeting of the Commission on 28 October 2013. The following were **agreed** to be included:

Economic Development/ Planning

1. Stronger coordination of Economic Development and Planning for example an agreed approach for ED input to planning applications with business considerations and a clear indication of the weight given to those consideration in the process;
2. The Commission acknowledged the strength of support from representatives giving evidence towards the Economic Development Unit;
3. Request that Economic Development Unit officers should be proactive when considering planning applications and attend Planning Committee meetings when it was considered that applications had an economic impact;
4. When trying to attract new business, there should be greater promotion of strengths such as support provided by economic development;

Culture Tourism and Sport/HIC

5. Work with hotels to proactively market local events/the district to conference visitors/Visit Harrogate/HIC and to discuss the high costs (and business impact) of hotel rooms;
6. Harrogate hotel owners (head offices) be contacted asking them to outline their reinvestment plans for their respective hotels;
7. Promote greater partnership working between HIC and Yorkshire Event Centre;
8. Look at the possibility of integrating Business Information Centres into Tourist Information Centres;

Planning

9. A clear and transparent understanding/weight of the business consideration in the planning process, this being dependent on each application, this would include:
 - the requirement for sequential tests for existing site expansion;
 - the number/complexity of surveys/tests required with the emphasis on asking for the minimum and clear reasons for the requirement;

- ensuring that there was a more proactive approach to business consideration i.e working with applicants to understand business needs;
10. A voluntary feedback survey to all applicants seeking views about the service provided and improvements;
 11. The Commission acknowledged that most of the representatives providing evidence indicated that the planning process was improving although cultural issues still existed;
 12. Greater promotion of information and communication from the Planning Section which set out the process for planning applications and which also provided examples of what types of developments were/were not acceptable in particular areas and circumstances;

Transport

13. Lobby the government for investment in a Harrogate Northern Relief Road;
14. Support the electrification of the Leeds to York rail line;
15. Continue to Lobby for more direct train services between Harrogate and London (in particular London to Harrogate in the morning and Harrogate to London in an evening);
16. Request that the Highways Agency signpost Harrogate from the Wetherby Junction of the A1;
17. Work with NYCC to address the traffic issues such as revisiting the park and ride scheme, pedestrianisation of particular areas and bus service competition in the Harrogate area;

General

18. Encourage successful businesses in the district to promote the success of the area through inter-company support;
19. Continue to lobby for improvement to the rural road network and support work to develop rural broadband.

(6.25 pm – 6.50 pm)

APPENDIX C – SUMMARY OF WRITTEN REPRESENTATIONS RECEIVED

Rooster Brewery

Thanks for this request.

I can honestly say that there is nothing that Harrogate or North Yorkshire Council could do or not do to improve growth from my / Roosters Brewery perspective other than possible transport improvements (e.g. a northern bypass and this is largely outside their remit due to funding / environmental issues). That said, I'm not aware that transport issues have seriously inconvenienced us as our vans tend to get on the road very early.

Any issues that we may have I would see as national Govt lead. For example (although it doesn't affect us at present) educational standards and training are really a national agenda item.

We are settled on our current site and have some room for growth there. I can't say what I would feel about the availability of land were we looking for a new manufacturing site as we haven't really considered that at this stage of our development.

I would add, however, speaking generally, that local councillors/planners could do with better understanding of market forces. An example would be the former Yorkshire Lass pub in Knaresborough, long derelict and an eyesore. There is considerable resistance (and ignorance) amongst local members about this site with some "starry eyed" opinions suggesting that it could become a viable pub again. If that were possible, it would have happened long ago.

As a consequence, opportunities to redevelop the site with local economic benefit are lost.

Yet, were I to suggest (wearing my pub company - Market Town Taverns - hat) that, for example, I had identified a site on Leeds Rd in South Harrogate as a site for a new bar, I am in no doubt that I would face very stiff local opposition and a probable planning refusal. There is a need for a new independent bar on Leeds Rd since the conversion of the Milepost into a convenience store (which couldn't be prevented due to national planning policies!).

Hope this helps!

The Little Barn

The proprietor informed us that the biggest issue for expansion is the availability of food

preparation units within the District. There are a number of facilities in York however the majority of their business comes from Leeds.

Mr Trantor

As a local businessman I have been asked to write to you with my views on barriers to economic development of Harrogate by the Harrogate Chamber of Trade and Commerce. This is for the meeting on the 14 October which I plan to attend but not to speak.

Nevertheless, I firmly believe that the traffic congestion on all the main routes into and through Harrogate is now having a serious impact on productivity of companies and must now be having an adverse effect on inward investment. This applies especially to the Wetherby Road/ Skipton Road; the Leeds Road/Ripon Road and the Otley Road/York Place/Knaresborough Road – and this is before any of the new housing planned has been built!

In my view we need to get the Northern Relief Road back on the agenda and ideally a robust link directly with the A1(M) in the Kirk Deighton direction. I know this means an allocation of scarce funds but just think of the thousands of hours lost time to businesses not to mention the environmental effects and carbon emissions.

I trust you will find these comments helpful.

Yours sincerely,

Murray Trantor

Harrogate Chamber of Trade and Commerce



PLAN THE WITH FUTURE US



**Harrogate District Sites and Policies
Development Plan Document (DPD)
Publication Consultation Representation Form**

OFFICE USE ONLY

Customer Ref:

Date ack:

This form has two parts:

Part A Personal Details and **Part B** Your Representation **THREE SEPARATE SETS ATTACHED**

Please read the guidance notes overleaf carefully before completing the form.

Because of the information required by the Inspector appointed to carry out the Public Examination of the Sites and Policies DPD, **representations must be submitted on this form.**

Please copy and fill in a separate part B for each issue/representation you wish to make.

Any additional sheets must be clearly referenced. If hand writing, please use BLOCK CAPITALS in blue or black ink.

Part A (please complete in full; representations must be attributable to named individuals or organisations at a postal address).

1. Personal Details		2. Agent's Details (if applicable)
Title	Mr	
First Name	Brian	
Last Name	Dunsby	
Job Title (where relevant)	Chief Executive	
Organisation (where relevant)	Harrogate Chamber of Trade & Commerce	
Address – line 1	PO Box 8	
Address – line 2	Dept LP13	
Address – line 3		
Address – line 4		
Address – line 5	Harrogate	
Postcode	HG2 8XB	
E-mail Address	chiefexec@harrogatechamber.org	
Telephone Number	01423 879208	

Representations must be received by 4.30pm on Friday 21 June 2013. Representations received after this time will not be considered by the Council or the Inspector.

Part B (please use a separate sheet for **each** representation).

Name/Organisation: **Harrogate Chamber of Trade & Commerce (1 of 3)**

3. To which part of the Development Plan Document does your representation relate?

Page no.	<input type="text" value="4"/>	Paragraph no.	<input type="text" value="3"/>	Policy Ref.	<input type="text" value="Settlement Growth"/>
Site Ref.	<input type="text" value="H32(3) H3021(1)
H74a K2b"/>	Development Limit (put name of settlement)	<input type="text" value="Cardale Skipton Road"/>	Proposals Map	<input type="text"/>

4. Do you consider the Development Plan is:

4.(1) Legally compliant Yes Yes No 4.(2) Sound Yes No No

→ If you have selected **No** to Question 4.(2), please continue to Question 5

→ In all other circumstances please go to Question 6

5. If you consider the Development Plan is **UNSOUND**, do you consider this to be because it is **NOT**:

Justified	<input type="checkbox"/> Yes	Effective	<input type="checkbox"/> Yes
Consistent with National Policy	<input type="checkbox"/> Yes	Positively Prepared	<input type="checkbox"/> Yes

The National Planning Policy Framework (NPPF) provides the following explanation regarding the soundness of the plan:

- **Justified** – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence.
- **Effective** – the plan should be deliverable over its period and based on effective joint working on cross boundary strategic priorities.
- **Consistent with national policy** – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.
- **Positively Prepared** - the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development.

Please note: your representation should cover succinctly all the information, evidence and supporting information necessary to support/justify the representation and the suggested change, as there will not normally be a subsequent opportunity to make further representation based on the original representation at publication stage.

After this stage, further submissions will be only at the request of the Inspector, based on the matters and issues he/she identifies for examination.

6. If you consider the document is not legally compliant or is unsound please set out your reasons below (please be as precise as possible). If you wish to support the legal compliance or soundness of the document, please use this box to set out your comments.

Text from Sites and Policies DPD 2013:-

2. To seek the use of appropriate previously developed land within the District's six largest settlements **in preference to developing greenfield land.**

3. **Subject to the provision of appropriate traffic management and new infrastructure, to focus the District's growth in the town of Harrogate.**

5. To provide small scale housing growth**whilst minimising travel to work by car.**

Whilst these are commendable objectives, they are not really being carried out, as detailed below.

This Local Plan is unsound for the following reasons, which can be amplified and justified on request:

HOUSING LAND - the allocation is excessive and mostly in the wrong place to meet the needs of existing and potential residents and their present and future children.

Many of Harrogate's residents work in Bradford, Leeds or York - or even farther afield - meaning that **they need to live on the south and east** of the Town Centre with easy access to the A59 to York, the A61 to Leeds or the A658 to Bradford.

Likewise those who need to take a long distance train need to go to York or Leeds, and air travellers need to go to Leeds Bradford Airport - the east and south of the town.

In defiance of the above policy, the DPD continues to suggest large numbers of houses on land west of Cardale Park H32(3) west of the town of Harrogate and also north of Skipton Road H3021(1) to the north of the town, which are **currently Greenfield sites**, out of the town central area and requiring use of private cars. The residents would have to drive through Harrogate Town Centre to their place of work - there being no train services on that side of Harrogate.

This new large housing site at Cardale is in a high quality green belt that merits preservation, especially as it is literally over the road from the RHS Harlow Carr Gardens, the most popular all-year-round visitor attraction in the whole District. Traffic would have to filter on to a country lane with poor visibility and insufficient width for adequate footpaths.

In the case of the Skipton Road, cars would have to join a very busy two lane road which is already near to gridlock for much of the day.

7. Please set out what change(s) you consider necessary to make the Development Plan Document legally compliant or sound, having regard to the Test of Soundness you have identified at Question 5 above where this relates to soundness. You will need to say why this change will make the Development Plan Document legally compliant or sound. It will be helpful if you could put forward your suggested revised wording of any policy or text. Please be as precise as possible.

The solution should be to cancel the housing land allocation to the north and west of Harrogate and increase the allocations to the south and east - for example around Pannal on the A61 south and at Manse Farm on the A59 east of Knaresborough.

The aim is to use land which is a much closer to both a major road AND to the Leeds to Harrogate to York railway line, which will hopefully be upgraded very soon to use more modern trains with better starting and stopping capabilities and thus giving greater capacity on this line and also enabling an extra station east of Harrogate.

Part B (please use a separate sheet for each representation).

Name/Organisation: Harrogate Chamber of Trade & Commerce (2 of 3)

3. To which part of the Development Plan Document does your representation relate?

Page no.	22 - 24	Paragraph no.	5 + JB5	Policy Ref.	Jobs and Businesses
Site Ref.	H27(2) K2b	Development Limit (put name of settlement)		Proposals Map	

4. Do you consider the Development Plan is:

4.(1) Legally compliant Yes Yes No 4.(2) Sound Yes No No

→ If you have selected **No** to Question 4.(2), please continue to Question 5

→ In all other circumstances please go to Question 6

5. If you consider the Development Plan is **UNSOUND**, do you consider this to be because it is **NOT**:

Justified	<input checked="" type="checkbox"/> Yes	Effective	<input type="checkbox"/> Yes
Consistent with National Policy	<input checked="" type="checkbox"/> Yes	Positively Prepared	<input type="checkbox"/> Yes

The National Planning Policy Framework (NPPF) provides the following explanation regarding the soundness of the plan:

- **Justified** – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence.
- **Effective** – the plan should be deliverable over its period and based on effective joint working on cross boundary strategic priorities.
- **Consistent with national policy** – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.
- **Positively Prepared** - the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development.

Please note: your representation should cover succinctly all the information, evidence and supporting information necessary to support/justify the representation and the suggested change, as there will not normally be a subsequent opportunity to make further representation based on the original representation at publication stage.

After this stage, further submissions will be only at the request of the Inspector, based on the matters and issues he/she identifies for examination.

6. If you consider the document is not legally compliant or is unsound please set out your reasons below (please be as precise as possible). If you wish to support the legal compliance or soundness of the document, please use this box to set out your comments.

Text from Sites and Policies DPD 2013:-

3. To provide an adequate supply of readily available employment land to meet identified employment needs.

This Local Plan is unsound for the following reasons, which can be amplified and justified on request:

The allocation of EMPLOYMENT LAND is inadequate to meet the growing needs of existing local businesses and to provide a site for inward investment by new businesses seeking to be based in this region for logistical or environmental reasons.

The Sites that are identified are insufficient in total and in many cases are unlikely to come forward for appropriate development. They are also mostly in the wrong locations.

Most of the sites are too small for the economic development of a new Business Park, especially compared with the number of homes being planned, and most of them do not have suitable infrastructure for access and supporting services.

Harrogate District needs more employment land with easy access from the main centres of population and from the major roads through the District - especially the A1(M), A59, A61, A658 & A661 and the Leeds - Harrogate - York rail line. This means generally to the south and east of Harrogate Town centre.

By contrast the site at Cardale Park is on the extreme western edge of the Town with one inadequate narrow road and a few country lanes, which are unsuitable for commercial use.

Likewise the access to Manse Farm K2b using lanes between existing dwellings to get on to the busy and relatively narrow twisting 'B' road from Knaresborough, with poor visibility, is not safe or sensible for commercial use.

7. Please set out what change(s) you consider necessary to make the Development Plan Document legally compliant or sound, having regard to the Test of Soundness you have identified at Question 5 above where this relates to soundness. You will need to say why this change will make the Development Plan Document legally compliant or sound. It will be helpful if you could put forward your suggested revised wording of any policy or text. Please be as precise as possible.

The solution should be to cancel the employment land allocation to the north and west of Harrogate and increase the allocation to the south and east - for example around Pannal on the A61 south and at Flaxby on the A59 east, near the junction with the A1(M). This latter excellent site has been overlooked and is now available for negotiation with potential for a large business park development.

Both these sites are close enough to the Leeds-Harrogate-York Railway line to also develop Park and Ride here for their business expansion.

The Flaxby site is large enough for the development of a large Parkway Station that could serve leisure and business visitors and commuters to York, Knaresborough and Harrogate

Part B (please use a separate sheet for **each** representation).

Name/Organisation: **Harrogate Chamber of Trade & Commerce (3 of 3)**

3. To which part of the Development Plan Document does your representation relate?

Page no.	76 - 83	Paragraph no.	9 and IN3 a & b and 9.48	Policy Ref.	Infrastructure
Site Ref.		Development Limit (put name of settlement)		Proposals Map	

4. Do you consider the Development Plan is:

4.(1) Legally compliant	Yes	Yes	No		4.(2) Sound	Yes		No	No
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→ If you have selected **No** to Question 4.(2), please continue to Question 5

→ In all other circumstances please go to Question 6

5. If you consider the Development Plan is **UNSOUND**, do you consider this to be because it is **NOT**:

Justified	Yes	Effective	Yes
Consistent with National Policy	Yes	Positively Prepared	Yes

The National Planning Policy Framework (NPPF) provides the following explanation regarding the soundness of the plan:

- **Justified** – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence.
- **Effective** – the plan should be deliverable over its period and based on effective joint working on cross boundary strategic priorities.
- **Consistent with national policy** – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.
- **Positively Prepared** - the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development.

Please note: your representation should cover succinctly all the information, evidence and supporting information necessary to support/justify the representation and the suggested change, as there will not normally be a subsequent opportunity to make further representation based on the original representation at publication stage.

After this stage, further submissions will be only at the request of the Inspector, based on the matters and issues he/she identifies for examination.

6. If you consider the document is not legally compliant or is unsound please set out your reasons below (please be as precise as possible). If you wish to support the legal compliance or soundness of the document, please use this box to set out your comments.

Text from Sites and Policies DPD 2013:-

15. *To integrate development and transport provision and locate development where it is accessible to key services and facilities by a range of transport modes.*

16. *To improve the provision of bus and rail services and facilities.....*

Page 83 Paragraph INS3:

IN3a: Site for a rail station and car park at Manse Farm, East of Knaresborough

IN3b: Harrogate Rail Line

This Local Plan is unsound for the following reasons, which can be amplified and justified on request:

RAIL LINE

The objectives are commendable, but the Manse Farm site is not technically suitable for a rail halt as it is on a gradient and it is too far away from the nearest main road. As now planned it would only serve the proposed housing estate which would not provide sufficient passengers to make it commercially viable. Whilst there are plans for a small Car Park by the Station it is not large enough to offer it as a "park and ride" site, and the only access to it will be on a winding road through the new housing estate.

Manse Farm is also too near to Knaresborough station. There is a better site nearer to the A1(M) at Flaxby.

The planned Railway Line upgrading will help Harrogate Businesses and residents immensely and should help cope with the transportation of all the new residents it is proposed that the Harrogate District should cater for.

However we are concerned at the new statement that land at Bilton is no longer to be held for such a development (paragraph 9.48). This should now be revised again and re-instated as plans for upgrading the line are revived and Bilton is highly populated, with a large school and an industrial estate just a short walk away. The Dragon Road footbridge across the line at this point was designed to form part of the planned new Rail Halt.

UTILITIES INFRASTRUCTURE

Regarding Infrastructure, the planned increase in the electric power capacity to Harrogate Town has not yet been implemented and so cuts and shortages in the town at peak power periods does already occur.

Water supplies are also reaching limits.

These should be seriously addressed before any development goes ahead.

7. Please set out what change(s) you consider necessary to make the Development Plan Document legally compliant or sound, having regard to the Test of Soundness you have identified at Question 5 above where this relates to soundness. You will need to say why this change will make the Development Plan Document legally compliant or sound. It will be helpful if you could put forward your suggested revised wording of any policy or text. Please be as precise as possible.

PROPOSED CHANGES TO INFRASTRUCTURE

Historical plans should be rejuvenated for a Western Bypass and a Northern Relief Road round Harrogate which would overcome some of the problems with the sites to the west and north of the Town in the longer term.

The Plan should endorse plans for electrification of the Harrogate Rail Line and also support plans for new Rail Stations with car parking at Bilton off the Skipton Road , to the south of Harrogate near the A658/A61 southern bypass junction, and at Flaxby off the A59 near Junction 47 on the A1(M).

Plans for a new station at Manse Farm should be deleted.

8. If your representation is seeking a change, do you consider it necessary to participate at the hearing sessions of the Public Examination?

No, I do not wish to participate at the hearing session at the Examination. I would like my representation to be dealt with by written representation.

Yes, I wish to appear at the Examination

 YES

If you have selected **No**, your representation(s) will still be considered by the independent Planning Inspector by way of written representations.

9. If you wish to participate at the oral part of the examination, please outline why you consider this to be necessary:

To represent the wider business community of employers, retailers and service businesses who do not have a voice through the normal electoral process. Business owners and their employees who commute into Harrogate District are seriously affected by this Local Plan, but have no vote.

Only those residing in Harrogate have a vote and can thus influence our local Councillors. Harrogate Chamber is widely recognised as the voice of Harrogate Business.

This issue has been discussed in detail by this Chamber at two public meetings and one Management Group Meeting, when each time it was unanimously agreed that this Local Plan is unsound as it has the wrong balance of housing and employment land for the effective economic development of Harrogate Town.

Please note: the Inspector will determine the most appropriate procedure to adopt to hear those who have indicated that they wish to participate at the hearing session of the Examination.

10. Do you wish to be notified of any of the following? Please mark all that apply. We will contact you using the details you have provided on this form:

(a) When the Sites & Policies DPD has been submitted for independent examination.

Yes


(b) When the Inspector's Report is published.

Yes

(c) When Harrogate Borough Council adopts the Sites & Policies DPD.

Yes

Signature



Date

20th June 2013

Please return the completed form by no later than 4:30pm on Friday 21 June 2013 to:

Planning Policy Team, Department of Development Services, Harrogate Borough Council, Knapping Mount, West Grove Road, Harrogate, HG1 2AE

Or Email: planningpolicy@harrogate.gov.uk