

Report of the Director of City Development

Report to Executive Board

Date: 16th November, 2016

Subject: Growing the Leeds Economy

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This paper sets out the approach the Council is taking to reviewing the Leeds Growth Strategy, and also the steps the Council is taking to influence the development of the Northern Powerhouse strategy and the national agenda around inclusive growth and industrial strategy.
2. The Council is producing a new Leeds Growth Strategy for the period 2017 – 2020. This will be a plan to support economic growth, identifying sectors and locations for growth, alongside regeneration, housing, skills, transport and infrastructure opportunities. It will set out the council’s commitment to “good growth” and building a strong economy within a compassionate city, as outlined in the Best Council Plan.
3. The strategy will replace the previous Leeds Growth Strategy, published in 2010. This was published in the context of a recession and requires updating to reflect the achievements and future challenges in the Leeds economy.
4. The new strategy will be published in summer 2017. This report sets out the approach to be taken to review the Growth Strategy. A call for evidence has been issued which will run until the end of November 2016. An Issues Paper (see Annex 1) had been produced to inform the responses to the call for evidence. Dialogue with stakeholders will be undertaken between now and March 2017 when it is proposed that a draft of the Growth Strategy is considered by Executive Board with a view to it being published for consultation. The final version of the Strategy will be published in mid 2017.

5. The Growth Strategy is being reviewed in the context of important wider developments in economic policy affecting Leeds.
6. The cities in the North are strengthening and widening the Northern Powerhouse agenda to identify the strategic interventions needed to accelerate the economic growth of the North. This includes work to develop a phase two strategy for the Northern Powerhouse, moving the initiative beyond transport to also encompass employment and skills, trade and investment, innovation and enterprise, and housing.
7. Leeds is also shaping the national policy agenda around the concept of inclusive growth. This is seeking to develop a more integrated approach to supporting economic growth and tackling poverty, moving beyond approaches based on the concept of “trickle-down”. By creating more and better jobs and by enhancing the ability of all our people to contribute to the economy to their full potential we can boost economic productivity and competitiveness. We can also reduce the costs of poverty to the economy and the taxpayer. The Council has set out its approach to supporting inclusive growth, including through: the report considered at Executive Board on 21 October 2015, *Strong Economy, Compassionate City*; the *More Jobs, Better Jobs* partnership with Joseph Rowntree Foundation, and the *More Jobs, Better Jobs* Breakthrough Project. These ideas are now being recognised more widely at national level. For example, the RSA have launched an Inclusive Growth Commission, and Government is creating an Inclusive Growth Unit.
8. There is an opportunity for the Council, working with the Leeds City Region LEP and the Core Cities Group, to influence the development of the National Industrial Strategy, emphasising the importance of a place-based approach and of cities to the national economy.

Recommendations

9. Executive Board is recommended to:
 - i. Note the approach undertaken to the revision of the Leeds Growth Strategy and support its publication in summer 2017.
 - ii. Support the approach to strengthening the Council’s commitment to working with other cities and city regions to develop the Northern Powerhouse agenda, moving this beyond transport to encompass education and skills, trade and investment, innovation and enterprise, and housing.
 - iii. Ask that the Chief Executive, in consultation with the Leader of the Council, prepares a submission to the RSA Inclusive Growth Commission, setting out the practical steps we are taking as a Council under the Strong Economy within a Compassionate City agenda.
 - iv. Request that the Chief Economic Officer Economy and Regeneration, in consultation with the Leader of the Council, works with Leeds City Region LEP and the Core Cities Group to influence the development of the National Industrial Strategy.

1 Purpose of this report

- 1.1 This paper sets out the approach to be taken to review and replace the Leeds Growth Strategy for 2017 – 2020. It outlines the main issues, opportunities and a timeframe for delivery.
- 1.2 The paper also provides an update on developments in national policy relevant to the Growth Strategy Review, in particular the inclusive growth agenda, the Northern Powerhouse, and the National Industrial Strategy.

2 Background information

Growth Strategy

- 2.1 The previous Growth Strategy – Getting Leeds Working was published in 2010. This set out Leeds ambitions for growth in the context of the recession and identified seven main sectors:
 - Health, medical and the ageing population;
 - Financial and professional services;
 - Creative and digital;
 - Construction and 21st century infrastructure;
 - Manufacturing;
 - Retail and the visitor economy; and
 - Social enterprise.
- 2.2 The new strategy will consider the progress made in these sectors, changes in the economic context and the importance of addressing underlying issues such as skills, infrastructure, innovation and entrepreneurship.
- 2.3 Development and investment has resulted in growth to the Leeds economy but there are still challenges ahead to ensure that Leeds achieves good growth that benefits all its citizens. The vision set out in the Best Council Plan is to build a strong economy within a compassionate city.
- 2.4 The Leeds Growth Strategy will complement similar work in the city region. The Leeds City Region Enterprise Partnership (LEP) recently published its Strategic Economic Plan 2016 - 2036 with a focus on good growth, aiming to unlock the region's vast economic potential by enabling businesses and enterprise to thrive.
- 2.5 The LEP aims to deliver upwards of 35,000 additional jobs and an additional £3.7 billion of annual economic output by 2036. The SEP promotes delivery through a wide range of partners and will be implemented through a set of interconnected Delivery Plans. It identifies key challenges in innovation, exporting, skills and connectivity for the region.

Northern Powerhouse

- 2.6 The Northern Powerhouse is an initiative, based on partnership between cities and city regions in the north and central Government, which seeks to increase economic growth of the north of England. The North of England has a population of 16 million, around 7.2 million jobs, and an annual economic output of £290bn (around a fifth of the UK economy). If the North was a separate country it would be the world's 21st largest economy.
- 2.7 The initial focus of the Northern Powerhouse initiative has been on transport. The North's main cities and city regions are close together geographically, but separate functionally as a result of poor transport links. For example, despite Leeds and Manchester, the two main economic centres in the north, being only around 40 miles apart, less than 1% of the population of either city commutes daily to the other one. Improved transport links between our main cities in the north will enable people to move jobs without moving house, and businesses to access a skilled workforce, new markets and knowledge and ideas.
- 2.8 Transport for the North (TfN) has been formed as a partnership between cities, Local transport authorities and combined authorities, and Local Enterprise Partnerships in the North, working with Government, Highways England, HS2 Ltd and Network Rail to develop a Northern Transport Strategy. TfN submitted recently a formal proposal to the Department for Transport to become a statutory Sub-National Transport Body.
- 2.9 Although some of the transport solutions, such as HS2 or HS3 (now referred to as Northern Powerhouse Rail), will only be delivered over the long term, we are also seeing substantial short to medium term improvements as a result of the Northern Powerhouse. The cities in the North, including Leeds, worked with Government to specify the new Northern and TransPennine Rail franchises, which became operational in April 2016. These new franchises will lever over £1.2 billion of investment provide more seats and carriages (a 52% increase in peak capacity into Leeds on TransPennine services, and a 40% increase in seats across the Northern network), newer trains (with all the old Pacer units being withdrawn by 2019), more services, faster journeys, improved station, and free wi-fi on trains.
- 2.10 The Northern Powerhouse Independent Economic Review was commissioned to inform the development of the next phase of the Northern Powerhouse Strategy. The Independent Economic Review report was published in June 2016. The main findings are that the North underperforms the economy of the rest of the UK with a 25% "performance gap" (as measured by economic output per head). The Review found that if the North can address the factors causing the productivity gap – which include lagging behind over parts of the UK in terms of skills, investment, research and development, connectivity and enterprise – economic output could be increased by 15% over and above a business as usual scenario, creating around 850,000 jobs across the North. The Review identified four sectors where the North has "Prime Capabilities" with the greatest potential for growth (Advanced Manufacturing, Digital, Energy, and Health Innovation), and three sectors with important "supporting capabilities" (Education, Financial and Professional Services, and Logistics).

Inclusive Growth

- 2.11 The RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce) Inclusive Growth Commission is an independent inquiry designed to understand and identify practical ways to make local economies across the UK more economically inclusive and prosperous. The commission will seek to devise new models for place-based growth, which enable the widest range of people to participate fully in, and benefit from, the growth of their local area.
- 2.12 Leeds has contributed to the commission through the Core Cities UK group, and there is a further opportunity to set out clearly the practical steps we are taking on inclusive growth as a city promoting our strong economy within a compassionate city agenda. The independent commission is seeking to influence national government's approach to tackling inclusive growth, and to understand and identify practical ways to create more inclusive local economies across the UK.
- 2.13 Inclusive growth is also being discussed at a regional level with authorities of the West Yorkshire Combined Authority. An Inclusive Growth conference is being held in Bradford as part of the RSA commission, and a dedicated resource is being seconded to the Combined Authority to work on what might be done at a regional level to help tackle inequalities. Officers from Leeds City Council will contribute to this work as it develops.
- 2.14 The Centre for Local Economic Strategies (CLES), one of the UK's leading independent charitable research and member organisation, with a focus on economic development, regeneration and place-making is supporting the Leeds Growth Strategy together with the New Economic Foundation (NEF). The recent CLES report "Creating Good City Economies in the UK" emphasises the importance of the local economy, encouraging corporate social responsibility and working more closely with communities. As part of our wider engagement strategy we will work with CLES and NEF to further engage with communities through a series of workshops.
- 2.15 Through the Council's "*More Jobs, Better Jobs*" partnership with the Joseph Rowntree Foundation, the *More Jobs, Better Jobs*, and the *Safer and Stronger Communities* Breakthrough Projects we are developing a robust evidence base on the case for joining up work on economic growth and poverty reduction.

National Industrial Strategy

- 2.16 The government is in the process of producing a National Industrial Strategy with the aim of boosting investment and innovation in the UK and supporting businesses. The strategy has yet to be published but indications show that it will have a place based approach prioritising local growth in order to spread wealth across the UK.

3 Main Issues

Progress in growing the Leeds economy

- 3.1 Leeds has recovered well from the recession and is now experiencing the highest rate of private sector jobs growth of any major UK city. Job numbers are now back to pre-recession levels with over 400,000 people working in the city, and unemployment is falling.
- 3.2 According to the NatWest Regional Economic Tracker, Leeds had jobs growth of 10% in 2015. Added to this average earnings have increased by 6%, the highest rate of any other core city and shows confidence in the labour market.
- 3.3 Investments into Leeds have increased significantly in the past two years, and we are now the second most attractive core city for Foreign Direct Investment which more than doubled from 2014 to 2015.
- 3.4 This past year Yorkshire had the second biggest rise in the number of new businesses created with a 1.8% increase, second only to London. The city is also performing well growing its businesses. After London and Cambridge, Leeds has the highest number of scale-up firms (which have experienced over 20% annual growth for the last three years).
- 3.5 There has been substantial development activity across the city, with major development schemes worth over £4 billion completed in the last 10 years. The pipeline of new schemes in development is even larger with major investment areas including the South Bank, Kirkstall Forge, Aire Valley Enterprise Zone, Thorpe Park and the airport. The new £165m Victoria Gate centre that opened last month is a sign of confidence in the Leeds economy.
- 3.6 The first direct arena and major events including the Grand Depart and World Triathlon are helping grow the visitor economy. Leeds welcomed 26 million visitors in 2015 worth £1.5 billion to the local economy. Business tourism is now worth £500 million per year.

Future Challenges

- 3.7 Successes in the Leeds economy are welcome, but there are still challenges which need to be addressed.
- 3.8 Historically the UK has an issue with low productivity, raising this is important as it is directly linked to living standards and is also crucial in determining long-term growth rates of an economy. In Yorkshire and Humber our productivity is lower than in 2007. In the Leeds City Region GVA per head is just 82% of the national figure and even further behind London and the South East. This means that we are working harder to produce the same amount of goods and services before the recession, the result of which creates a stagnation of wages and living standards. The Institute for Public Policy Research (IPPR) has calculated that if we could only halve the output gap between the North and the national average then the economy would be £34 billion better off. This means more jobs and better wages.

- 3.9 Innovation is also crucial for productivity. An important factor in the economic competitiveness of cities is the proportion of graduates in the workforce. This has led to an increasing recognition of the need for cities to focus on developing, attracting and retaining skilled and talented people to help drive economic growth. Business and public sector expenditure on research and development in Yorkshire and Humber lags behind most other parts of the UK.
- 3.10 The new strategy will have young people at its core, equipping young people with the skills that are relevant to the modern economy. To support growth we need to get more people out of unemployment and into secure jobs. There is a strong case for a clearer and more concerted focus on enabling greater in-work progression and we need people with the right higher-level skills to help drive business growth.
- 3.11 Low pay is a significant problem with over 80,000 jobs in Leeds (many of them part time) paying less than the Real Living Wage of £8:25 an hour. Many of these people are undertaking part time roles, in insecure jobs, including zero hour contracts.
- 3.12 Not everyone is benefiting equally from or contributing to the city's economic success which impacts on growth. We have longstanding problems of deprivation in parts of our city. Low pay creates costs for the public sector. Contrary to popular belief, the majority of benefit claimants are in jobs. If we can halve numbers of people suffering in-work poverty in the Leeds City Region we will save the taxpayer £60 million.
- 3.13 Getting our transport system right is a critical element of achieving growth. According to the IPPR, infrastructure spend in London is £1,870 per person compared to just £247 per person in Yorkshire and Humberside. This has an impact on local transport links and the connectivity of our northern cities. Leeds is still without a modern mass transit network.
- 3.14 The consequences of climate change have had serious impacts on the city. In recent years, river flooding, flash flooding and gales have all become more frequent. The effects of Storm Eva and the Boxing Day 2016 floods are still being felt across the city centre and parts of Kirkstall and Hunslet, with businesses still suffering from the clean-up and long term problems such as insurance difficulties.

Approach to reviewing the Leeds Growth Strategy

- 3.15 Challenges in the future Leeds economy need to be addressed to reduce inequalities and promote good growth. The strategy is one tool in which to do this and will be published in summer 2017.

Sectors

- 3.16 As outlined throughout this paper the strategy will focus on building a strong economy within a compassionate city. A brief outline of work undertaken within the seven sectors is provided overleaf.

Sector	Outline of recent activity
Health and medical	Work with NHS, Universities and commissioners to develop Leeds Academic Health Partnership. Key Account Management relationships with private sector innovators. Study and initiative to support med-tech firms in relation to grow-on space.
Financial and professional services	<p>Legal sector – Leeds Legal Apprenticeships scheme. Leeds legal group research to profile and promote the sector.</p> <p>Financial services - inward investment & trade work with LEP. FiNexus Leeds project to develop a Leeds Fintech hub.</p>
Creative and digital	<p>Digital: Leeds Digital Board; Leeds Digital Skills Action Plan and digital jobs fair; various initiatives to promote the sector, including Leeds Digital Festival; incubation support for projects such as Duke Studios and Futurelabs pop-up; Leeds Tech Hub Fund.</p> <p>Film and TV: support for Screen Yorkshire initiative; report on supporting film sector; practical support for expansion of studios</p> <p>Fashion and textiles: work with Centre for Fashion Enterprise to support skills and micro-manufacturing; supporting the AW Hainsworth – Leeds Beckett University incubator in Stanningley; work with Yorkshire Textiles to promote the sector, creation of a fashion network; support for Burberry investment in Leeds.</p>
Manufacturing	Developing Leeds Manufacturing initiative with Manufacturing Advisory Service and Chamber of Commerce. Business Growth Programme has provided grants for investment and job creation. We helped deliver the Manufacturing University Technical College. Enterprise Zone has delivered large new sites for manufacturing.
Retail and the visitor economy	<p>Visit Leeds: website, PR and collateral; joint campaigns with Visit England and other destinations in the North; conference desk and development function; working with Welcome to Yorkshire.</p> <p>Major events: Grand Depart; Tour de Yorkshire; World Triathlon Series; Leeds Indie Food; 2023 etc</p> <p>City Centre: creation of BID generating over £2.5m private sector annual income; city centre work on public realm, events and animation, and the clean and safe agenda.</p> <p>Major development projects, such as Trinity Leeds, Victoria Gate, White Rose.</p>
Construction and 21st century infrastructure	Support for Construction & Housing Yorkshire (CHY). Construction supply chain initiative. work with developers around South Bank, Enterprise Zone, and other key areas
Social enterprise	Third Sector Partnership. Work with Leeds Community Foundation around grant making. Rates relief

- 3.17 As well as focusing on sectors the strategy will also provide an outline of locations for growth. The growth strategy is not just for the city centre and it is important to improve connections across the city.
- 3.18 Good quality new homes are at the heart of council ambitions for growth and we are committed to providing 70,000 additional homes by 2028. A further 493 hectares of employment land and 1 million square metres of office space is also planned to accommodate forecast jobs growth.

Timetable

- 3.19 An Issues Paper was published on the leedsgrowthstrategy.com website on 18th October (see background documents). Alongside this a consultation period has been launched, the “Call for Evidence” will run until 30th November and has been sent to over 1500 businesses and stakeholders. As well as working with CLES and NEF the Yorkshire Evening Post will also act as a partner to further improve the scope of the consultation.
- 3.20 Once the period of consultation ends the responses will be analysed and a summit will be held in January, aiming to bring together interested parties at a local and regional level. The Summit will be a chance to report on the findings of the consultation and continue with our consultation.
- 3.21 A draft of the strategy will be published in March, 2017 for comments before the final Leeds Growth Strategy 2017 – 2020 will be published in summer 2017.

Northern Powerhouse

- 3.22 Informed by the Northern Powerhouse Independent Economic Review, published in June 2016, cities and city regions in the north are working together to develop proposals for a Northern Powerhouse Phase Two Strategy. In addition to continuing the work on transport through Transport for the North, the aim is to widen the agenda to encompass: education and skills; trade and investment; innovation and enterprise; and housing.
- 3.23 There is a need to raise levels of educational attainment and workforce skills across the North. Children in the North lag behind their counterparts in London and the South East in terms of attainment starting from Early Years (nursery age) and this gap persists at all age levels. The attainment gap between children from households living in poverty and other children particularly wide in the North. Too many schools are not preparing young people well enough for transitions into further learning and work. The quality of careers advice in schools is variable. There is scope for the cities and city regions in the North to work together with Government on initiatives to improve Early Years provision, school performance and careers advice in schools. There is a need for employers to be put at the heart of the skills system and for reform to enable stronger local influence and control over the post 16 education and training system to ensure it addresses the strategic needs of growing sectors. There is also scope for cities to work with universities to improve the supply and retention in the North of graduates.

- 3.24 The Northern Powerhouse has proved a powerful and successful inward investment brand. By collaborating, not competing, different cities in the North can work efficiently with the Department of International Trade to present a range of investment opportunities at a scale that makes sense to global investors. There are also opportunities to work more effectively to promote exports from the North. This will be important in the context of Brexit, and the reduced value of Sterling which will make exports more competitive, but will also result in an increase in costs for many businesses and households.
- 3.25 The North lags behind other parts of the UK in terms of business and public sector investment in Research and Development, and in rates of business formation and growth. There is scope for cities and city regions to work together to identify and make the most of some of globally significant locations for innovation in the North, such as health and medical technologies and data analytics in Leeds, advanced manufacturing in Sheffield, graphene and materials science in Manchester, process industries and electrical vehicles in the North East, and energy and renewables in north Yorkshire and the Humber.
- 3.26 There is potential to influence Government policy and investment programmes around housing growth and investment in existing housing stock. For the north to fulfil its growth potential there is a need to address challenges around site viability for residential development, particularly on brownfield land. There is also a need to building the right type, range, quality and tenure of housing growth, and to invest in existing housing stock and residential areas, to support economic growth. To achieve this, greater local control and influence is needed over national housing investment programmes.

Inclusive Growth

- 3.27 Leeds is well placed to influence the development of national policy around inclusive growth, based on the work we have been undertaking. This includes our work on moving towards becoming a Living Wage employer and encouraging other employers to do so, and to support career progression of low paid staff. Our work on Child Friendly Leeds has been identified as best practice in terms of putting children and young people at the heart of our growth strategy and in developing a strategic and coordinated approach to corporate social responsibility. We have a strong track record in supporting people into work, and helping people access new job opportunities resulting from major construction and infrastructure projects. We have changed people's lives through investment in housing and communities, and we are bringing forward new proposals to do this in parts of the city. We have a strong track record in supporting financial inclusion.
- 3.28 There is also an opportunity to learn from current and recent national work to develop our own policies and actions further. For example around how we use and rationalise assets, how we support more productive and extensive corporate responsibilities, how we stimulate grassroots enterprise and how large institutions are embedded more and work better for the local economy.
- 3.29 In keeping with the council's ambition to build a strong economy within a compassionate city, areas with a high level of deprivation have been targeted through the Sustainable Communities Investment Programme initiative. Launched

in 2013 with a remit to undertake an intensive approach to regenerating two tightly defined neighbourhoods in East Leeds, the successes of this project are now being reviewed for potential rolling out to other areas. It is hoped that a multi-agency, local neighbourhood approach could embed regeneration in Holbeck helping the neighbourhood become more sustainable and resilient for the future. There are some important lessons from the SCIP that can be learnt for the future of neighbourhood regeneration in the city and further details are available in the “Investing in our Neighbourhoods – a review of the Sustainable Communities Investment programme and the opportunities for Holbeck” report to Executive Board (16th November, 2016).

National Industrial Strategy

- 3.30 It will be important that the National Industrial Strategy reflects the issues and opportunities in Leeds and Leeds City Region.
- 3.31 There is a danger of seeking to develop specific and separate national policies around particular sectors, which do not have reference to particular places. For far too long national economic policy has treated everywhere like it is identical. One of the strengths of the Leeds economy is its diversity, which provides resilience and also areas of growth and innovation where different sectors merge into each other (for example fin-tech, where financial services and digital come together).
- 3.32 British cities are home to 54 per cent of all jobs, and Leeds, Birmingham, Liverpool and Manchester account for 10 per cent of jobs despite only occupying around 1 per cent of all land. It is therefore important that the National Industrial Strategy recognises the role of major cities and the reasons why firms are chosen increasingly to locate in them, and well as the benefits large cities create in terms of jobs and growth within their wider city region areas.
- 3.33 The National Industrial Strategy also needs to be influenced by cities and the North in the context of Brexit. In particular it is essential to maintain the position of major cities such as Leeds as magnets for global investment, to boost exports, to mitigate the impact of rising import costs and prices on firms and on living standards, and to support key city institutions such as universities and the health service.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 A “Call for Evidence” consultation is in progress and will run until 30th November when it will have been open for six weeks. This allows business and stakeholders to offer their views on the opportunities and challenges for the Leeds economy. Four questions have been proposed to aid the discussion, these are:
- What do you think are the strengths and weaknesses of the Leeds economy?
 - What are the main opportunities / areas of potential growth and how do we capitalise on them?

- What is holding the economy back, the main risks and what should we do about them?
- Any other issues / evidence?

4.1.2 Following the Call for Evidence a Growth Strategy Summit is also scheduled for January, 2017 which will discuss these issues with a wide range of business, communities and partners.

4.2 **Equality and Diversity / Cohesion and Integration**

4.2.1 Themes running through this report have an impact on equality and diversity. The Council aims to improve the lives of all its citizens and foster good relations between different groups in the community and it is considered that the recommendations in this report will have a positive outcome.

4.2.2 The council is seeking to ensure that the Growth Strategy is true to our values of building a strong economy within a compassionate city.

4.2.3 An Equality Diversity, Cohesion and Integration screening has been undertaken to assess the impact of this report on equality and diversity and is attached as an appendix.

4.3 **Council policies and best council plan**

4.3.1 The vision from the Best Council Plan is for Leeds to be a compassionate, caring city that helps all its residents benefit from the effects of the city's economic growth. The Growth Strategy is an extension of this vision by aiming to build a strong economy within a compassionate city. This includes a commitment to inclusive, good growth which aims to increase productivity and reduce inequalities.

4.4 **Resources and value for money**

4.4.1 The measures in this report do not have a direct impact on funding. The Growth Strategy is a framework for encouraging economic growth; it does not set out a budget or involve using additional council resources.

4.4.2 Production of the strategy and any costs are set within the Economic Development Team's existing budget.

4.5 **Legal Implications, Access to Information and Call In**

4.5.1 There are no significant legal issues relating to the recommendations in this report.

4.5.2 This report is eligible for Call-In.

4.6 **Risk Management**

4.6.1 There is always a risk to the Leeds economy through both policies and external pressures. The Council recognises sustainable, inclusive, good growth is a

fundamental aim for the economy and has positive benefits to the city. The policies set out in this report including working closely with business will benefit the citizens of Leeds and the economy as a whole.

- 4.6.2 Specific financial risks, including fraud, and risks in relation to safeguarding, business continuity and information governance are not considered to be impacted by the recommendations in this report.

5 Conclusions

- 5.1 Now is the right time to review the Growth Strategy and this paper sets out the reasoning and timeframe for the update.
- 5.2 We need to consider how we move from a model based on consumption to more inclusive and productive growth, create better jobs, develop our capacity and ability to exploit new ideas, engage with new markets, and work closely with the private sector and partners to cope with ongoing pressures of austerity.
- 5.3 There is also a need to influence inclusive growth, the Northern Powerhouse agenda, and the national industrial strategy.

6 Recommendations

Executive Board is recommended to:

- i. Note the approach undertaken to the revision of the Leeds Growth Strategy and support its publication in summer 2017.
- ii. Support the approach to strengthening the Council's commitment to working with other cities and city regions to develop the Northern Powerhouse agenda, moving this beyond transport to encompass education and skills, trade and investment, innovation and enterprise, and housing.
- iii. Ask that the Chief Executive, in consultation with the Leader of the Council, prepares a submission to the RSA Inclusive Growth Commission, setting out the practical steps we are taking as a Council under the Strong Economy within a Compassionate City agenda.
- iv. Request that the Chief Economic Officer Economy and Regeneration, in consultation with the Leader of the Council, works with Leeds City Region LEP and the Core Cities Group to influence the development of the National Industrial Strategy.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

8 Appendices

8.1 Leeds Growth Strategy - Issues Paper

8.2 Equality, Diversity, Cohesion and Integration Screening