



Report of the Chief Economic Development Officer

City Development Scrutiny Board

Date: 9th February 2010

Subject: The Agenda For Improved Economic Performance

Electoral Wards Affected:



Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Purpose of this report

- 1.1 To receive comments and scrutiny from the Board according to the formal 'Budget and Policy Framework' and following formal consultation on the draft "Agenda for Improved Economic Performance", prior to approval from the Executive Board and partnerships.

2.0 Background information

- 2.1 The current strategy was produced by the Leeds Initiative Leeds Economy Partnership and published in 1999. It was then expected to have a life of about 5 years. There have been many changes, both political and economic during this period and in early 2008 it was felt that it was the right time to carry out a review of the old strategy at that time. The current economic crisis has given added impetus to this work. Yorkshire Forward was keen to see new strategies produced for cities and has supported the new one for Bradford and the one being prepared for Sheffield.
- 2.2 To this end it was decided to begin working toward a new strategy to be launched in 2010. A sub group of the Economy and Skills partnership was formed to steer the process and consultation meetings were held around three specific themes of Great Place; Competitive Business; and Skills. These have fed into the process of writing the "Agenda for Improved Economic Performance".

- 2.3 The review of the last strategy began in early 2008 and an initial scoping exercise was undertaken. Consultation forums with key stakeholders were held in October 2008 and the drafting of the document started in January 2009.
- 2.4 Presentations on work undertaken and progress were made to Leeds Initiative Economy and Skills Partnership and council officer groups for guidance and comment.
- 2.5 Early in the process it was concluded that the council and local strategic partnership already have enough strategies. Therefore what was needed was something that could tie these together, be more flexible and would be able to be continually renewed. The term “Agenda” was used and the document became known as “The Agenda for Improved Economic Performance”. The appendices to the agenda document are available on request (from the clerk named on the Scrutiny Board agenda front.)
- 2.6 The purpose of the Agenda is to provide a shared vision and a common message for economic prosperity across the city; to help align resources and existing strategies and to prioritise the work that needs to be done in a time of limited resources and partnership working.
- 2.7 Considerable debate has been taken on the proposed approach, especially with the onset of the recession half way through the process. However, it was concluded that despite the economic turbulence our three objectives; competitive businesses, great place and skilled people would still be vital for prosperity no matter how the economy is structured like after the recession.
- 2.8 Consideration was also given to the relationship between economic objectives and the city’s regeneration strategy and although regeneration is seen as an important factor, it is felt that the emphasis for this document needed to be around competitiveness, productivity, and growth to successfully contribute to the “Going Up A League” objective of the Vision for Leeds.
- 2.9 The focus of this agenda is therefore 'improved economic performance' which will result in increased prosperity. This must be sustainable – environmentally and socially, as well as in economic terms. In all that we do, therefore, the impact of our ecological footprint, our focus on ‘narrowing the gap’, building a more cohesive community and valuing our diversity, is crucial.
- 2.10 Our emphasis is on the competitiveness agenda and improving economic performance. Neighbourhood regeneration, tackling economic and social exclusion is important to the economy of the city and whilst this agenda focuses on economic competitiveness and productivity, it understands and recognises the many important factors that influence our economic development and how economic performance contributes to our Narrowing the Gap agenda. The Regeneration Framework currently being prepared will focus on neighbourhoods, deprivation and worklessness and complement the “Agenda”.

3.0 Structure Of The Agenda

- 3.1 Our Agenda has been developed in two parts, the first is the description and analysis of the economy (The Leeds story). There is then a second half which is the action/delivery plans, or what we actually intend to do.

3.2 The story has been kept as concise as possible:

- I. Where have we come from;
- II. Where are we now;
- III. Where do we want to be;
- IV. And how can we get there.

3.3 Where we have come from: The history of Leeds tells how throughout its economic history Leeds has been a city of diversity, innovation, creativity and enterprise. A flexible city, capable of adapting to new economic challenges, whether these be global, national or local, and which has continued to thrive despite adversities.

3.4 Where we are now: Leeds at the beginning of the 21st Century has built upon the fortunes of its past to become one of the most successful economies in the UK, and to be recognised as the regional capital of Yorkshire and the Humber. Yet, this is not the full story, the City. There are still areas of disadvantage and 'narrowing the gap' between the haves and have nots must be as much a priority as ensuring the economy is successful. Despite recent successes, the economy is still not performing to its full potential compared to many other European cities. The chapter outlines our current strengths, weaknesses and opportunities.

3.5 Where we want to be: Our vision is of course the 'Vision for Leeds'; "an internationally competitive European city at the heart of a prosperous region where everyone can enjoy a high quality of life". However in delivering this, a vision is needed for the economy itself and the Agenda will aim to deliver a diverse, flexible, innovative, creative and entrepreneurial economy, which is our **Golden Thread**, and based on the values of sustainability and inclusivity. It will ensure that the city is well placed to adapt to any changes in the local, national and global economies and that we will be able to face new challenges and continue to prosper as a united city.

3.6 How can we get there: Economic prosperity has historically been driven by a combination of employment growth and productivity growth. For Leeds to be a successful economy of the future increasing current levels of productivity is essential. The Government identifies five drivers of productivity - Investment, Skills, Innovation, Entrepreneurship and Competition. These will provide the foundation for the three key objectives of this strategy; **Great Place, Skilled People, Competitive businesses**. The Agenda also sets out how the economy will be measured in the future and how it will be delivered through its action plans.

3.7 A full **sustainability appraisal** was carried out in July, the appraisal aimed to ensure the document is considered sustainable in its widest sense and that it reflects the changes in the world economy and environmental concerns.

3.8 The Consultation process ran from September 14th to December 14th 2009. The document was placed on the website following the executive approval in August. The draft agenda (executive summary) is attached as Appendix 1 and the full version is available on the website www.leeds.gov.uk/ep or on request.

4.0 Main Detail

4.1 The consultation process was carried out in a variety of ways and all responses have been recorded. Presentations were given to 18 bodies spanning the council, Leeds Initiative Partnerships and the Universities. This included a Members seminar held in October. The document was sent out to a further 20 bodies or groups including surrounding authorities, members of parliament and the trade unions. In addition to this 13 significant companies were visited individually by the

chief officer and their comments noted. In total 55 organisations and over 200 individuals were consulted on the document.

- 4.2 The consultation responses are available on request, however a summary sheet of who was engaged is attached as appendix 2. The responses were largely positive, many useful comments were made and as a result changes are being made.
- 4.3 The consultation process included questions to spark debate and frame responses, although it must be stressed that the comments made were encouraged to be of whatever nature the stakeholder wished.
- 4.4 The questions asked are set out as below.
- Is delivering a diverse economy with sustainability objectives appropriate or should we focus on greater specialisation?
 - Are the key objectives (Great Place, Skilled People, Competitive Businesses) identified correct?
 - Is the Golden Thread (diversity, flexibility, innovation, creativity and enterprise) reflective of the Leeds Economy and is it appropriate for the vision?
 - Does it align with your (or the council's) key priorities? If so which ones?
 - Is the Agenda ambitious enough? If not what can be done to make it more ambitious?
 - Are the following themes strong enough throughout the document – Sustainability, Adaptability and Culture?
 - How often should the document be updated?
 - How can you help us deliver the agenda?
 - Do you feel anything is missing from the document?
- 4.5 The positive aspects of the document that will be kept are:
- The easy reading style and flow of the document
 - The main approach of the document around a common message, leadership and buy in of partners.
 - The themes of the document through the Golden Thread and the three objectives of Great Place, Skilled People and Competitive Businesses.
- 4.6 The aspects that will change within the final document are proposed as being:
- The length of the document needs to be shorter with a more pithy style
 - The document should be reversed so the actions and “what we are going to do” is at the very front followed by the context.
 - Although it was accepted that we cannot pick winners, more needs to be made of the unique components of the Leeds economy and how these can be taken advantage of.

- The future opportunities need to be clearer and we can take advantage of these.
- The Linkages need to be improved, particularly with other strategies such as the Vision and Regeneration Framework, but also between the different sections of the document.

4.7 The future structure of the document is therefore attached as appendix 3 and following comments from this board and the Leeds Economy and Skills Partnership a re-write will begin. It is anticipated that this will be completed by the beginning of March and that the document will be presented to the Executive Board on the 7th April for approval.

4.8 It is hoped that the document will be launched in late May/early June following the election.

5.0 Implications for council policy and governance

5.1 The document will eventually be adopted as a formal Council and Leeds Initiative policy.

6.0 Legal and resource implications

6.1 There are no legal implications, however there will be possible resource implications for the Council and its partners and these will be developed further as the action plans are developed. Some projects have already been agreed and resources committed.

7.0 Conclusions

7.1 The economy is at the forefront of the public consciousness today and a new agenda setting out Leeds' approach to economic prosperity is critical to guide future priorities and help shape the Leeds economy.

8.0 Recommendations

8.1 The Scrutiny Board should make comments as they see fit on the approach to the "Agenda" and any changes they would like to see made as part of the formal approval process of the policy.

Background Papers

None