

Report of: Director of City Development

Report to: Executive Board

Date: 2 November 2011

Subject: Economic Growth Strategy

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

A successful economy is central to the delivery of the Vision for Leeds. With the recent government announcement of the local retention of business rates, a growing economy will become the generator of income to invest in infrastructure, and pay to strengthen and sustain local services. This strategy is a statement of intent about the opportunities and priorities the City will pursue to deliver growth and get Leeds working to its fullest capacity. The City will only achieve its aims if the private, public and third sectors work together, and if the benefits of growth are shared by all Leeds' people.

Recommendations

Executive Board is recommended to:

- (i) Consider and approve the attached Growth Strategy.

1 Purpose of this report

- 1.1 To seek Executive Board's approval for a new 'Economic Growth Strategy' for the City.

2 Background information

- 2.1 The strategy has been developed to take account of both the current economic situation – the most serious economic crisis in recent history; and the changing policy context, most notably the policies of the new coalition government – the demise of the RDAs, major changes to Government support for business and economic development, and the developing city-region and Local Enterprise Partnership agenda.
- 2.2 The City has lost 22,000 jobs since employment peaked in 2006. Unemployment has doubled and youth unemployment is of particular concern. The priority is therefore more jobs and ensuring that local people have the education and skills to access employment opportunities. Most jobs will come from companies already located in Leeds. But we also need more start-ups and more inward investment. Skills, enterprise and innovation are key drivers.
- 2.3 The previous Economy and Skills Board oversaw the previous strategy "An Agenda for Improved Economic Performance" in 2008. This was undertaken by political and economic events and was not seen as being fit for purpose by 2010.

3 Main issues

- 3.1 The document begins by briefly describing the recent development of the Leeds economy and in particular its key assets and unique selling points relating to business – a cost effective location, excellent access to markets, and a superb and diverse quality of life.
- 3.2 The strategy is sector based, identifying key opportunities for the City. There are seven growth sectors identified. Some, such as Financial and Business Services and Retail are already major sources of wealth and employment in the City; they remain hugely important. Others such as Health and Medical are ones where Leeds has some world leading assets and where there is significant potential for growth.

The seven are:

- Health and Medical
- Financial and Business Services
- Low Carbon Manufacturing
- Creative, Cultural and Digital
- Retail
- Housing and Construction
- Social Enterprise and the 3rd sector.

- 3.3 The document sets out the opportunities for growth and identifies a limited number of key actions. It is intentionally headline in nature and avoids detail that is better covered in supporting or subsequent documents. Instead its purpose is to provide clarity and direction that will help partners within Leeds and its city region to plan and act together, and provide businesses beyond with the confidence they need to invest and share in the City's growth.
- 3.4 The document also sets out some of the key drivers for growth that must be given focus if we are to achieve our aims. Innovation, skills and entrepreneurship are key to future success.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 "Leeds Growth Strategy – Getting Leeds Working" needs to be owned by partners across Leeds, and it needs to be delivered. The new Sustainable Economy and Culture Board considered the Growth Strategy at its first meeting on 10 October. There was support for the strategy and its focus and specific comments on the importance of "cultural industries" and hospitality and catering. The section on Creative, Cultural and Digital now includes more specific reference to cultural industries, and hospitality and catering is included with retail.
- 4.1.2 To take forward the high level actions identified in the strategy will require detailed work from a range of partners. Again it seems appropriate that the new partnership arrangements oversee this. However, a much wider range of partners will need to be engaged if we are to deliver successfully.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 A screening document has been completed and is available on the website. There are currently no equality, diversity, cohesion and integration implications highlighted in the recommendations of the report. The need for impact assessments will be identified at a programme and project level where appropriate if the strategy is adopted.
- 4.2.2 Issues were considered around the use of statistics. If the strategy is adopted and in consultation with delivery partners baseline information will be assessed following the publication of the 2011 Census data. Where these are available they should be used to assist with the monitoring of the equality impact(s) of this strategy.

4.3 Council Policies and City Priorities

- 4.3.1 The Economic Growth Strategy directly supports the new Sustainable Economy and Culture Corporate Priority Plan.

4.4 Resources and Value for Money

- 4.4.1 There are no immediate implications.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no immediate implications.

5 Recommendations

5.1 Executive Board is recommended to:

(i) Consider and approve the attached Growth Strategy.

6 Background Documents

6.1 The following documents provide background to this report:

Leeds Economy Handbook which can be found at www.leeds.gov.uk/economy
draft Agenda for Improved Economic Performance which can be found at
www.leeds.gov.uk/ep

The Equality, Diversity, Cohesion and Integration Screening document can be found at
http://www.leeds.gov.uk/Council_and_democracy/Jobs/equalities_assessment_and_consultation.aspx