

## Inclusive Growth Update

Date: 6<sup>th</sup> November 2024

Report of: Chief Officer Economy and Skills

Report to: Scrutiny Board (Infrastructure, Investment and Inclusive Growth)

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### Brief summary

- This paper updates scrutiny on the progress the city has made in delivering inclusive growth since the publication of the city's second Inclusive Growth Strategy in September 2023. The strategy aims to ensure that the future of our city is more inclusive, healthier and greener and that everyone living in the Leeds can have the opportunity to flourish.
- The strategy sets out three themes of People, Place and Productivity together with nine Big Ideas. Since launching the strategy, we have already made significant progress in delivering against these three themes, securing major investments in key projects that will support our ambitions.

Highlights include:

- The council's Employment and Skills Service Adult Learning and Employer Provider Apprenticeship programmes became the first Local Authority to achieve an Outstanding Ofsted judgement for this service.
- The Department for Levelling Up, Housing and Communities (now Ministry of Housing, Communities and Local Government) publishing their joint vision with Leeds City Council and West Yorkshire Combined Authority which outlines proposals for a decade of growth and prosperity in Leeds
- Plans for a regional Mass Transit system and bus reform continuing to progress, with Leeds City Council backing the first phase of Mass Transit which would see two lines created in Leeds
- The government's announcement of the West Yorkshire Investment Zone which is accelerating plans for the Innovation Arc
- 13,000 people attending the latest UK Real Estate Investment and Infrastructure Forum (UKREiIF) at the Royal Armouries, with the event having now generated £38.5m of local economic activity

- The delivery of a range of careers fairs to inspire talent in emerging areas of the economy and help people into work, for example the Leeds Apprenticeship Recruitment Fair attracting 11,000 visitors in February 2024
  - The Flood Alleviation Scheme end of construction event will be held on 22nd November as phase 2 is complete. It will provide a 1 in 200-year standard of flood protection to circa 4000 residents and 1000 businesses.
  - Leeds PIPES continuing to expand, with £24.5 million funding recently secured from the government, the most significant single investment into the project since its inception
  - The [Leeds Business Anchors](#) network launched in 2023 bringing together businesses that are committed to increasing their contribution to Leeds, with employment identified as their first priority
- Projects outlined in this paper are included to highlight progress on improving economic growth in the city. Work has also taken place to build awareness and support for the new strategy, including through our Inclusive Growth Partnership, which now has over 1400 members and the Inclusive Growth website.
- Our main measurement tool to build our understanding of progress in inclusive growth over the long-term is the [Social Progress Index](#), which has been updated in 2024 and now includes five years' worth of comparative data. The inclusive growth website also contains more traditional economic indicators and is available through our [dashboard](#).

## Recommendations

- a) Members are asked to note progress made in delivering our collective ambitions set out in the Leeds Inclusive Growth Strategy and agree any appropriate Scrutiny Board actions that may arise from this report.
- b) Members are asked to note that a One Year On report to Executive Board setting out progress on the delivery of Inclusive Growth was also published in November.

## What is this report about?

- 1 The [Inclusive Growth Strategy 2023 - 2030](#) was launched in September 2023, following approval from Executive Board. One of the Key Pillars of our Best City Ambition, the updated Inclusive Growth Strategy provides a framework for how best to deliver growth that benefits all our citizens and communities and enables us to raise our ambition even further.
- 2 The Best City Ambition sets out a strategic intent shared between the council and its partners to work together as Team Leeds, sharing ideas and learning, working in genuine partnership, being ambitious about our collective impact and sharing resources and assets as we work towards common goals. Delivering inclusive growth requires a collective effort from the public, private and third sectors in the city working together. Businesses can help us determine the future we want and play a role in supporting local communities. Meanwhile,

the public sector needs to be more enterprising and efficient in delivering the services people need and creating places people feel proud of.

- 3 As set out in April 2024 update to scrutiny, we continue to measure and improve our understanding of the impact of our approach to inclusive growth through the use of the Social Progress Index (SPI). This now includes five years' worth of data, providing a picture of social progress in the city over the period 2018-2022, as well as visualisations and tools to help us generate a clearer view of our city and wards.
- 4 Findings show a reduction of the overall score (all the indicators) between 2019-2022, indicating that the pandemic has had tangible social and economic consequences at a local level in Leeds. Out of the three dimensions, two dimensions have decreased in score and one indicates a slight increase. On a national level, data from 2021 shows that the United Kingdom has experienced a lost decade of social progress since 2011 with the impact of austerity measures in every area. A UK SPI comparing cities across the country is due to be released in the near future.
- 5 Alongside the SPI, the [economic dashboard](#) has also been delivered on the Inclusive Growth website.

### Economic context

- 6 In the context of long-term stagnant productivity and low levels of growth the new government has set out its mission to 'kickstart economic growth'. The recently published Industrial Strategy Green Paper sets out the government's 10-year plan to tackle 'barriers to growth in our highest potential growth-driving sectors and places', recognising 'the potential of cities and regions' across the UK, and achieving 'sustainable, inclusive and resilient growth'. The new Industrial Strategy will be published in Spring 2025 alongside the Spending Review.
- 7 The Industrial Strategy Green Paper states that the government will work in partnership with devolved governments and 'give Mayors in England the tools they need to grow their economies', including developing 10-year Local Growth Plans. The regional economy has a Gross Value Add (GVA) of £66 billion annually – £11 billion lower than it would be if we met the national average of GVA per person. On current trends that gap is projected to widen, and by 2044 we are due to lag the UK average by more than £19 billion. Closing the gap would mean 18,000 additional businesses, 53,000 more people with Level 4 qualifications, and £3.2 billion more each year in investment.
- 8 In its Industrial Strategy, the government seeks to 'take advantage of the UK's unique strengths and untapped potential, enabling the UK's world-leading sectors to adapt and grow, and seizing opportunities to lead in new sectors'. The West Yorkshire economy is broad based with a strong manufacturing sector (mostly outside Leeds) and knowledge-based sectors mostly in Leeds. We have a thriving and collaborative digital sector with Leeds Digital Festival being the largest open tech event in the UK. Our tech sector grew 125% faster than the national average in 2023. Finance and professional services is one of

Leeds' highest value sectors, which is why the city has been chosen as a location by national institutions including the UK Infrastructure Bank (now the National Wealth Fund), Financial Conduct Authority and Bank of England. Leeds also has an internationally renowned health sector, which is the largest driver of employment growth in the city (between 2015-2022), with key strengths in HealthTech, digital and data and pathology.

## **Inclusive Growth Strategy Delivery Update – One Year On**

### **People**

- 9 This section looks at the issues surrounding poverty and inequality, its impacts on health and how we can improve this, how we can support businesses to create more better paid, secure jobs, and make the most of training and education in the city to meet local needs.

### **Talent and Skills**

- 10 Work continues to deliver our Future Talent Plan, which underpins the Inclusive Growth Strategy, enabling people and businesses to thrive in a rapidly changing labour market and focusing on those who need our support the most. Our Employment and Skills service continues to support people to find work, training, apprenticeships and education opportunities, helping thousands of people each year. The latest figures from April 2023 to March 2024 are set out below:

People accessing Employment and Skills	13,513
People into work	3,094
People with improved skills	4,300

Please note that there are duplicates within this data as people access employment and skills programmes that support them into employment

- 11 Following an Ofsted inspection in December 2023, the council's Employment and Skills Service Adult Learning and Employer Provider Apprenticeship programmes became the first Local Authority to achieve an Outstanding judgement since the new Education Inspection Framework commenced in September 2019.
- 12 Through our annual career fairs, we are inspiring people about opportunities in emerging areas of the economy as well as supporting people with SEND (Special Educational Needs and Disabilities) into work or other opportunities:
- Our SEND Next Choices event supports young people and their parents, carers, and support workers in taking the next steps in getting ready for adult life. In 2024, there were approximately 2,000 visitors and 70 exhibitors attending on the day.
  - The Leeds Digital Careers Fair 2024 took place at the end of September, sponsored by the Bank of England, Leeds City College and KPMG, with 56 exhibitors taking part and 4,200 people attending.
  - Our Creative Skills Festivals returns on 18th November 2024, this time at the Royal Armouries.

- The Leeds Apprenticeship Recruitment Fair, the largest apprenticeship recruitment fair in the north of England, attracted 11,000 visitors in February 2024, which is nearly as many as the number of people who engaged with all our recruitment fairs in 2022.
- An extended, year-round programme of events for Leeds's seventh Manufacturing Festival launched in February 2024, highlighting career opportunities for young people in the region's manufacturing sector. A launch event at Leeds City College included keynote speeches from Boeing Defence UK and Make UK's national apprenticeship training academy.

13 In addition to our careers fairs, we continue to bridge skills gaps with initiatives such as our partnership with Microsoft and education provider UA92. In two bootcamps on Cloud Infrastructure and Data, we have supported 31 individuals across Leeds and Manchester who have traditionally been unable to access opportunities in digital to start or transition into tech careers.

14 Our Leeds SEND Employment Forum launched in October 2023 to bring together a wide range of organisations who offer their time, knowledge and expertise to help improve employment opportunities for young people with SEND. One of our key priorities includes increasing the number of supported internships available in the city, training programmes of up to 12 months for people aged 16-25.

### Health and Social Care

15 We are committed to improving the health of the poorest the fastest, and work continues to transform health and social care services in Leeds. HomeFirst is a new partnership approach which enables more people to stay in their homes and receive care, or return home sooner, rather than stay in hospital. Over the previous Winter period in 2023/24, there was a significant drop in the number of people admitted to hospital, as well as those waiting to be discharged from hospital. The success of the programme means it has been expanded throughout 2024 and drawn national attention as best practice in health and social care integration.

16 In addition to HomeFirst, new Community Health and Wellbeing Service which also aims to transform home care services has been rolled out across Bramley, Stanningley, Armley, Farnley and Wortley. The service ensures residents have access to a more consistent service with social care workers undertaking their care on a regular basis. Care workers are also paid for their whole shift rather than separate home visits, improving their terms and conditions.

17 Regarding Employment and Skills, Connecting Communities to Health and Care Careers focuses on narrowing inequalities with a one system approach across the sector, adapting recruitment methods and building on the good practice models in the system. A hub and spoke adapted recruitment model continues to be expanded, prioritising the most deprived wards across the city. Between April 2023 and March 2024:

- 106 gained employment
- 88 are being supported to improve their functional skills to achieve the required level through the council's Adult Learning service

- 41 are being supported to move into employment either through the Employment Hub or NHS Talent Pipeline

18 The model continues to evolve and now includes pre-screening for Apprenticeship Roles within Health focusing on Pharmacy and Dental.

### Tackling Inequalities

- 19 Earlier this year, Leeds City Council collaborated with the Centre for Local Economic Strategies (CLES) to explore how women can be better prioritised in local economic strategies, with a report called [Women's Work](#) launched at an event in March 2024. The report highlights best practice from Leeds and other places, and provides an agenda for change with recommendations for local and national government. The recommendations explore how some of the key barriers preventing women from participating in the economy can be tackled.
- 20 Through the government's UK Shared Prosperity Fund (SPF) programme which has been running since January 2023, we have been investing in areas that support reducing inequality and the future of the economy of Leeds until March 2025. The priorities of the programme have included Mitigating the Impact of Poverty; Community Infrastructure; Culture, Heritage and Engagement; and Supporting Innovation, Business and Productivity.
- 21 An example of a project delivered under the SPF programme is the Money Buddy outreach sessions delivered by Burmantofts Community Project. The sessions provide substantive, face to face financial capability support and emergency debt advice to vulnerable residents in Leeds and those at a greater risk of being affected by the Cost of Living Crisis. The project has supported over 2,170 households over two years, with total financial gains at £6.1m in terms of debts written off or savings made through budgeting or support with bills and energy switching.

### Place

22 This section looks at how we are making our places work, putting people first. Creating a city where you don't need a car, delivering jobs and homes in the right places, ensuring our city and local centres thrive, building in resilience and adapting for the future.

### Mass Transit, Bus Reform and Rail

23 West Yorkshire Combined Authority (WYCA) ran the consultation phase for Mass Transit in the Summer of 2024, which will improve our region's transport system, bring economic growth and connect people to jobs and opportunities. Leeds City Council has backed the first phase of the scheme, which includes a Leeds line between St James' Hospital and White Rose Park, as well as a Leeds Bradford line. Mass Transit will have strategic importance in Leeds, including unlocking new housing growth opportunities across the city. Construction of the £2.5 billion project is currently programmed to commence in 2028.

- 24 As part of its new Local Transport Plan, WYCA are also improving the regional bus service to provide better access to the network, increase affordability and improve punctuality and reliability. Proposals for a franchising scheme were approved by West Yorkshire leaders earlier in 2024, which will bring buses under the control of West Yorkshire Combined Authority and contract private operators to run services on the Combined Authority's behalf. Franchising will be introduced in phases, with the first franchised buses running in parts of Leeds, Kirklees and Wakefield from March 2027.
- 25 Work continues to redevelop Leeds Train Station, helping to meet passenger demand at the busiest station in the North and ensure that Leeds can become as productive as other parts of the UK. Footfall at the station has increased by 12% this year compared with 2023. A schedule of works commenced in 2023, including the Sustainable Travel Gateway Scheme creating a more welcoming environment around the station and improving accessibility to accommodate growing passenger numbers.

### Connecting Leeds

- 26 Work continues to make Leeds into a city where you don't need a car. A range of improvements to the transport network continue to be delivered from small scale such as school streets and pedestrian crossings, extending the cycle network in the South Bank to much larger investments such as the award-winning City Square, Armley Gyratory and the £23m Connecting West Leeds project. Additionally, the City Bikes scheme launched in September 2023, providing 300 eBikes across the city as a healthier and more eco-friendly transport alternative. Recent data shows that the scheme has been used to make more than 70,000 journeys in its first 12 months, however there have been some issues with anti-social behaviour affecting the availability of bikes in some areas.
- 27 All these improvements accord with our Vision Zero Strategy which sets our goal that by 2040 no one will be killed or seriously injured on Leeds' roads.
- 28 A key driver within the Connecting Leeds Transport Strategy is our mission to become the first net zero city in the UK as set out in our Best City Ambition. To achieve this significant investment is needed to encourage the change to travel by sustainable modes.

### City and Local Centres

- 29 The most recent [Deloitte Leeds crane survey](#) which showcases major developments, showed that there were 16 new starts in 2023, remaining above the annual average of 14. There have been record-breaking levels of student residential development and delivery of office space following the pandemic, signalling the strength of the city centre and demand for office space.
- 30 We are continuing to develop a liveable, attractive and vibrant city centre, including investing in retail. This includes new developments on Briggate; Zara, Flannels and 'The Storehouse' which will consist of both retail and student residential housing. The redevelopment of the Core Shopping Centre, which will also include retail and student residential, is going through the planning process.
- 31 As part of our ambition to develop a vibrant city centre and support independent retailers, Leeds Kirkgate Market is being refurbished to breathe further life and attract more

customers. The proposed hotel scheme at the market has gained planning approval and two thirds of the ground floor space will be taken over by Active Leeds for a city centre gym. 'Stack' a Food & Beverage container company has ambitions to open in Summer 2025 subject to planning permission. The market is also currently carrying out a £11m project to bring up the block shop units dating back to 1875 to a lettable condition.

- 32 As set out in a [report to Executive Board](#) in 2021, we want to help support our city centre and local high streets to respond to changes in the economy and diversify. To provide an evidence base for planning policy a survey to monitor the health of all town and local centres has been undertaken, which can then be built upon in future years to monitor trends. The analysis showed centres are generally performing well but there is a level of subjectivity in the analysis as different centres provide for different needs and level of services.
- 33 One example of supporting the economic activity of our centres is through the innovation@leeds capital grants programme. This has enabled facilitated co-working spaces in areas outside of the city centre at three sites – Headingley, Mabgate and Chapeltown. In total £289,000 has been invested for creativity and collaboration across the city.

### Connecting and Strengthening Communities

- 34 Alongside the spring 2024 Budget, the Department for Levelling Up, Housing and Communities (DLUHC) (now Ministry of Housing, Communities and Local Government) published 'A vision for Leeds: a decade of city centre growth and wider prosperity', with Leeds City Council and West Yorkshire Combined Authority. The document includes plans for:
- Transformational regeneration across 6 key city centre neighbourhoods: Mabgate, Eastside & Hunslet Riverside, South Bank, Holbeck, West End Riverside and the Innovation Arc
  - A new Leeds Transformational Regeneration Partnership, bringing together national, regional and local government to deliver the vision and unlock the delivery of up to 30,000 new homes in the city centre.
  - £10m funding allocated to support the next stage of the development of the British Library North, and £5m funding for the National Poetry Centre, setting out the importance of cultural anchor institutions for regeneration and growth.
  - Exploring the potential for expansion of the Royal Armouries Museum to become a premier conferencing destination and bringing economic and social benefits to the wider Eastside and Hunslet Riverside area.
- 35 This transformational regeneration area in the city centre represents a key location for sustainable housing growth in the city, which is of increasing importance considering new enhanced housing targets. The Leeds Local Plan 2040 is guiding development so that we can deliver housing at scale, quality and density, and increase affordable housing, in sustainable central and brownfield locations. As well as the city centre, we are focusing on delivering housing across the city which meets local needs, such as affordable and older persons housing.



- 36 In the 12 months to the end of March, Leeds built a total of 4,441 homes, representing the city's highest level of delivery since the early 1980's and 35% above the local target rate for the year. This total included 665 affordable homes, with Leeds delivering more affordable homes than any other core city over the last 5 years.
- 37 The pace at which the city is continuing to build affordable homes continues to increase, with delivery highs in each of the last two years, and projections for the next two years being over 1,800 homes. Leeds delivers more homes for social rent than the national average and this year will see the completion of 58 new social rented homes at Leonora House, by 54 North Homes utilising commuted sums on a site ringfenced for affordable housing delivery by Leeds City Council. The Council is an active member of the West Yorkshire Housing Partnership which is made up of 13 housing associations and two local authorities. The partnership focuses on providing more affordable homes, regenerating local communities, contributing to local economies, advancing low carbon ambitions, combatting homelessness, supporting good health and connecting people to jobs, skills and opportunity. In addition, the Council facilitates a partnership forum with all Registered Providers on the Leeds Affordable Housing Framework.
- 38 Harnessing the potential of local communities is key to Inclusive Growth, the expansion of Asset Based Community Development (ABCD) by introducing 3 new pathfinder sites will work towards this mission. With these further sites the total number of sites will increase to 17 across Leeds. Each site will explore how they can harness and build on the capabilities, strengths, and skills of residents to deliver citizen-led initiatives that seek to shift power back into the hands of the local community. Research by Leeds Beckett University showed that £14 of social value was returned for every £1 invested in ABCD as well as benefits for health and wellbeing and opportunities for employment.

### Tackling the Climate Emergency

- 39 In response to the 2015 Boxing Day flood (Storm Eva), the Flood Alleviation Scheme is now in its final stages. It will soon provide 1 in 200 year standard of protection from flooding to circa 4000 residents and 1000 businesses. This includes an uplift to the standard of protection of the first phase of the scheme (FAS1). FAS2 has achieved this in three main ways:
- Natural Flood Management (NFM) in the Upper Aire catchment is utilising in excess of 550,000 trees and 807 hectares of soil and land management (a nationally recognised scale) to reduce run off into the River Aire.
  - Flood Storage Area – storing up to two million cubic metres of flood water to both protect Leeds and reduce the scale of the engineering challenge downstream – less visually intrusive.
  - Raised defences – there are approximately 8km of raised defences.
- 40 FAS2 will provide additional protection to a large number of brownfield housing sites, enabling these sites that were already allocated for development in the City, notably on Kirkstall Road, to be developed for housing. It is also anticipated to deliver a net additional 1,669 jobs to the Leeds City Region economy and an additional £88.2m Net GVA pa. The end of construction event is scheduled to be held on 22nd November 2024 at the new flood storage area between Calverley and Horsforth.

- 41 Work is continuing to reduce our emissions, cut energy bills and increase the city's resilience to the impacts of climate change, helping us to achieve a greener and more inclusive future. For example:
- Leeds PIPES continues to expand, with £24.5 million funding recently secured from the government to extend the network into the South Bank. This will benefit up to 28 buildings and 8,000 residents, making it the most significant single investment into the project since its inception. Earlier in the year, over 250 council properties in the Lovell Park area were connected as well as Leeds Conservatoire.
  - We are undertaking a number of initiatives to improve energy efficiency across the city. A £25m energy efficiency scheme has been completed across six tower blocks in Leeds, with the average annual energy costs for each flat expected to halve. A council scheme is providing homeowners in Leeds without gas central heating with energy efficiency measures, and we are working in partnership with energy services provider Everwarm Ltd to help 287 homes benefit from £6.08m government funding from the Home Upgrade Grant. We are also investing in improvements to back-to-back homes in Holbeck and Armley.
  - In February 2024, the council completed its £22.5 million LED street lighting scheme to improve energy efficiency around the city, expected to bring annual savings of £3.4 million in electricity costs.
  - The first phase of Aire Park is progressing with initial areas of the park now open to the public, including an outdoor events space to be used for a range of events such as outdoor markets and performances. The Hibiscus Rising sculpture launched in November 2023, transforming former car park and highway space into a new green space and residential development plot.
  - Seven parks and green spaces in Leeds have once again been awarded the prestigious Green Flag Award.

## **Productivity**

42 This section looks at the ways in which we are improving productivity in Leeds to enable businesses to innovate and grow. It also looks at how important it is to continue to build the profile of Leeds for the region and the UK.

## **Innovation**

43 We continue to accelerate the delivery of our innovation vision in Leeds, stimulating innovation which drives and delivers measurable impact towards a healthier, greener and inclusive future. With the importance of innovation in the city set out in the previous government's Vision for Leeds document, and the announcement of England's third Investment Zone in West Yorkshire set to drive HealthTech innovation in the region, the spotlight has been firmly placed on Leeds. The West Yorkshire Investment Zone is a five-year programme commencing in 2024/25 and concluding in 2028/29. Subject to confirmation it will deliver £80m of funding to innovation focused projects and activities of which Leeds will secure a funding share, alongside benefitting from region-wide investment and activities.

- 44 Partners across Leeds are backing diverse innovators and entrepreneurs to encourage the development of high growth businesses. Nexus, the University of Leeds’s hub for innovators and entrepreneurs is turning 5 years old, and since 2019 has contributed almost £43m in GVA, more than half of which accrues to the local and regional economy. It has nurtured 120 high growth member companies across sectors such as Health, MedTech and Digital. Alongside WYCA and other partners, Nexus is supporting 75 diverse founders to foster socially impactful innovations through the £1.23m Innovative Entrepreneurs Programme.
- 45 Through the council’s own innovation@leeds funding programme, we have recently announced support for activity such as Climb, the UK’s only innovation festival; events and activities including for Black business founders; and the development of a smart cities innovation hub at White Rose Park.
- 46 One of the funded projects is the Athena Festival delivered by Lifted Ventures, an early-stage investment connector increasing the flow of capital to female founders. Only 18% of high-growth enterprises include one or more women on the founding team and almost 45% of England’s female led high-growth enterprises are located in London. The annual festival aims to empower female founders beyond London facilitating growth, connections and opportunities. The inaugural festival took place in October 2024 and included lightning pitches from female founders, marketing and investment tips together with mentoring from several successful female business leaders.

### Business Support

- 47 Members of this Scrutiny Board received an update about the [Council’s support to businesses](#) in December 2023, which forms a key component within the Productivity theme of the Inclusive Growth Strategy. Headlines include that over a three-year delivery period (2019-22), the Business Growth Service was estimated to deliver a net addition to GVA of £38.6m, with the AD:Venture programme delivering 1,678 new jobs across the City Region (2016-23) and the Digital Enterprise programme delivering 665 new jobs across the City Region (2019-23).
- 48 The table below outlines more recent support provided via our regional programmes to businesses in Leeds:

<b>Business Support Service</b>	<b>Time Period</b>	<b>No. Businesses Supported</b>	<b>No. Jobs Created</b>
<b>AD:Venture</b> <i>Support for growth-focused new businesses that trade with other businesses</i>	July 2023 (start of current programme) – present	201	57
<b>Growth Service</b> <i>Connects businesses with a local growth manager to discuss where their business is now and what</i>	April 2023 – March 2024 (first year of current programme)	171	40

<i>they would like to achieve in the future</i>			
<b>Start Up West Yorkshire</b>  <i>Providing fully funded business support that can help any type of business under three years old, as well as those who have not yet launched their business</i>	September 2023 (launch of the Inclusive Growth Strategy) - present	103	25
<b>Digital Enterprise</b>  <i>Supporting businesses to grow and scale by investing in digital</i>	July 2023 (start of current programme) - present	94 via grants 44 via non-financial support	60

49 The Start Up West Yorkshire team has been engaging with entrepreneurs and young businesses across the city, including attending events targeted towards female founders, holding drop-in sessions at Kirkgate Market, and targeting those raising capital for their businesses (including diverse founders). From the businesses it has supported since September 2023, 57% were female founders, 49% were from an ethnic minority background and 42% had a disability.

### Visitor Economy

50 Our Visitor Economy team continues to promote Leeds as a global destination, supporting our retail, hospitality and leisure sectors and driving up productivity. In 2023 Leeds day and night visitors contributed £2.7bn to the local economy (up from £2.2bn in 2022). Leeds has now established itself as one of the Top 10 conference destinations in the UK, with business tourism worth £408m to the local economy.

51 In May 2024 Leeds once again hosted UKREiiF, the national Real Estate Investment and Infrastructure Forum. 13,000 people attended the latest UKREiiF event at the Royal Armouries. An independent report by ARUP highlighted that the event generated £21m of local economic activity within the city and wider West Yorkshire region in 2024, the event has now generated £38.5m since its first in 2022 (£5.5m 2022, £12.1m 2023, £20.9m 2024). Looking ahead to next year, 17,000 visitors are expected at UKREiiF 2025, and plans are being put in place to utilise bed stock across the whole of West Yorkshire including York and Harrogate.

52 A new Local Visitor Economy Partnership (LVEP) bringing together tourism leads from across West Yorkshire launched in October 2023, set up to explore ways to grow the visitor economy, attract more visitors and inward investment and create jobs and opportunities across the region. The West Yorkshire LVEP has three initial priorities to unlock the region's visitor economy, including data and research, developing a commercial strategy and relationships with the private sector, and capitalising on film and tourism. Work is also underway to scope opportunities for a regional visitor pass.

- 53 Leeds has a strong and diverse events programme including: Leeds Waterfront Festival, Slam Dunk, Live at Leeds, Carnival, Leeds International Film Festival, Millennium Square Summer Series, Pride, Light Night, Leeds International Concert Season, The Rob Burrow Marathon and many others. In response to the question in our most recent Visitor Perceptions Survey 'What sort of things are most important to you when making your choice of destination for a UK city break or day trip?', 69% of respondents said attending events in that location and 63% stated entertainment including theatre shows, comedy festivals, music / gigs and sporting events. Visit Britain research also shows that attending an event is one of the main motivations for taking a city-break.
- 54 However, given the wealth of events that take place in Leeds, data and research (from our own surveys) shows that Leeds is not well known for being an 'events city' and that the perception is that there's not enough to do to fill a short stay. The focus for 2024 for Visit Leeds has been to push back against those beliefs by creating and delivering an integrated marketing campaign using the headline: *Leeds, the City that loves to Entertain*.
- 55 This summer the Leeds BID brought Monopoly to the city. This free, family friendly immersive experience used key locations and landmarks as the gameboard with life-size tokens, clues and puzzles around every corner. Leeds was home to Waddingtons, Britain's leading manufacturer of board games and playing cards, which produced the UK version of Monopoly from the 1930s and was responsible for the now famous London properties in the game.

### Inward Investment

- 56 Leeds remains a leading UK city for inward investment with DLA Piper's £100m office at City Square House being one of the most prominent locations in the city centre and both ARUP and Lloyds Banking Group expanding into one of the UK's most sustainable new developments at Wellington House. This investment signals confidence in our city, and we are working to make sure that it results in jobs and opportunities for local people and communities.
- 57 The momentum has continued throughout the year with an announcement that Microsoft have purchased the former Skelton Grange power station site outside Leeds, which will be used for a 'Hyperscale Datacentre' (a data centre engineered for large-scale workloads) as part of its £2.5 billion next generation datacentre project aimed at harnessing the power of AI. Both the Bank of England and the Financial Conduct Authority have announced plans to further expand their Leeds footprints, with the Bank of England having 500 staff in Leeds by 2027 and the Financial Conduct Authority bringing a further 100 of its workforce to the city. The Visitor Economy Team are developing welcome programmes for companies to showcase the best of Leeds.

### Culture

- 58 The Inclusive Growth Strategy highlights the importance of valuing, protecting and growing our culture and heritage. Council-run museums and galleries in Leeds generated £42m for the local economy in the last year. We continue to build on the legacy of LEEDS2023, exploring how we can expand on our cross-sector partnerships to help sustain and grow

local cultural ecosystems and enhance the contribution that culture makes to our city. A future update to members will follow in the coming months.

59 We are continuing to support culture through our new Cultural Investment Programme, which launched in October 2023 and has six possible investment routes for individuals and organisations. The programme seeks to recognise and support the cultural industries in Leeds, help residents to access culture and creativity, and lever external investment into Leeds. Across the different funding streams, the programme has supported 78 individuals and organisations with £1,952,590 investment in 8 rounds of funding since its launch.

### Inclusive Growth Partnership

60 The Inclusive Growth Partnership brings together stakeholders from the public, private and third sectors in Leeds to showcase activities that deliver inclusive growth, share ideas and enable people to build new connections. It gives us the opportunity to engage people in the delivery of the Inclusive Growth Strategy, exploring topics from opportunities in health and care innovation to barriers facing female entrepreneurs. Events held follow the strategy's themes of People, Place and Productivity.

61 Through targeted work to identify new stakeholders and regular communication with partnership members, the partnership has grown from 900 members in 2022 to over 1,400 members in 2024.

62 The last event took place in July themed around Place focusing on our aim to improve transport and connectivity to create a city where you don't need a car, bringing jobs and opportunities closer to people, including an update on Mass Transit. It also provided attendees with the opportunity to find out more about rail developments and connecting Leeds.

63 The next partnership event will be held in early 2025 and scrutiny members will be invited.

### Leeds Anchors

64 The Leeds Anchor Network brings together the city's largest public sector organisations and utilities to increase their collective contribution to the city through employment and procurement practices, environmental impact, service delivery and relationships with city partners and communities. The Anchors provide an important platform to come together as Team Leeds and agree and focus on collective goals.

65 Now in its sixth year, the network is finalising a partnership subscription model that will secure the longer-term sustainability of the network and accelerate its capacity to deliver through funding a programme team and an operating budget, which will be hosted by the Council. Financial contributions from Anchors have begun to be collected.

66 Priorities for the network for 2024 have included taking steps to improve access to Anchor contracts for smaller and local suppliers through bringing together procurement pipelines in one place; as well as exploring opportunities for cross-working between the Anchor sub-groups such as monitoring both carbon emissions and social value through procurement.

- 67 The council is receiving funding through Health Foundation's Economies for Healthier Lives programme to explore how Anchors can increase their contribution towards addressing health and economic inequalities in the city. The Good Jobs, Better Health, Fairer Futures project (2021-2024) is working to increase connections between Anchors and local communities, particularly through the Leeds Community Anchor Network, deliver new project activity that connects Anchors to communities facing disadvantage, and generate evidence and learning through evaluation. The project has now been extended until March 2025, where the focus will be on embedding learning and new ways of working.
- 68 As part of this project, community listening exercises are being undertaken in three areas of the city to understand local priorities around employment and skills and explore how Anchors can respond. A report outlining the first phase of this exercise can be found [here](#). The next phase of this exercise is focused on bringing representatives from the Anchor Network together with community members to co-develop tangible solutions.
- 69 Also supported through Health Foundation funding, the Leeds Anchor Playbook has been developed to document the development of Anchor working in Leeds and demonstrate its impact, using interactive multimedia content including video, testimonials, infographics, and case studies. This is available on the [Inclusive Growth website](#) and has been shared through national networks. Work continues to collect and develop case studies which showcase the impact delivered by the Anchors network.
- 70 In September 2023 the [Leeds Business Anchors network](#) was launched. It brings together businesses that are committed to increasing their contribution to Leeds and have the scale and influence to make a significant impact, through their employment and procurement practices, their environmental contribution and use of their buildings, and through their relationships with local communities. From initial meetings and work with the council's Employment and Skills Team and Economic Development, the Business Anchors have identified employment as their first priority with a focus on their early careers offer. A Business Anchor Playbook is also being developed to share learning about the establishment of the network outside of Leeds.
- 71 Case studies showcasing the good work of our Business Anchors can be found on the [Inclusive Growth website](#). An example is Leeds Building Society, who have used the Progression Framework to sense check their Responsible Business Strategy and have made progress through reducing their carbon emissions and achieving diversity targets at senior leadership level. They are also exploring how they can tackle barriers to home ownership facing disadvantaged groups and how they can support the financial independence of vulnerable young people.

### Inclusive Growth Website

- 72 The Inclusive Growth website has been refreshed to improve user experience and showcase the new strategy. The new website content, which is regularly updated, informs the audience about different aspects of inclusive growth in Leeds such as the Leeds Anchors Network, the Future Talent Plan and our Innovation Vision. It enables people to keep in touch with progress in delivering inclusive growth through regular publishing of news and events. The website also features the Social Progress Index as well as an economic dashboard.

73 The Leeds Economic Dashboard enables us to measure progress against traditional economic indicators. According to the latest data for Leeds:

- GVA (Gross Value Added) is £26.3bn (in 2021)
- The employment rate is 73.5% (March 2024)
- The unemployment rate is 2.8% (March 2024)
- The economic inactivity rate is 24.3% (March 2024)
- The claimant count is 5.1% (August 2024)

### **What impact will this proposal have?**

74 The Inclusive Growth Strategy provides the city with an economic framework up to 2030, delivering impact across People, Place and Productivity and being a crucial contributor to driving forward the Leeds Best City Ambition. Through work undertaken to build engagement with the strategy across the city, as well as a renewed focus on delivery through a wide range of projects, programmes and partnerships, we are maximising our ability to create growth in our economy that works for everyone. This means tackling inequality, ensuring we have the right infrastructure to enable our ambition, tackling the climate emergency, supporting all sections of our society into better jobs, raising skill levels and improving the health of the poorest the fastest while helping people to live healthy and active lives.

### **How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing       Inclusive Growth       Zero Carbon

75 The Inclusive Growth Strategy builds on the Best City Ambition as one of the three pillars.

#### Health and Wellbeing

76 The Inclusive Growth Strategy was updated in alignment with the new Health and Wellbeing Strategy, which recognises that breaking the cycle of poverty and poor health is more important than it has ever been. Good health leads to wealth across communities. Raising people's living standards, their start in life, access to education and skills, quality of jobs and homes available are some of the key ingredients to improving people's health.

#### Zero Carbon

77 The Inclusive Growth Strategy sets out the importance of addressing the climate emergency. Embedded throughout the strategy is a focus on achieving net zero, through investing in decarbonisation measures and ensuring the transition to the green economy whilst capitalising on emerging opportunities. As well as this, there is a focus on improving the resilience of our places and businesses against the impacts of climate change.

### **What consultation and engagement has taken place?**

Wards affected: N/A

Have ward members been consulted?       Yes       No



78 The Inclusive Growth Strategy was developed following extensive public consultation. The main vehicle for engagement is through the Inclusive Growth Delivery Partnership, a series of public events and the Inclusive Growth website.

### **What are the resource implications?**

79 The Inclusive Growth Strategy does not have direct resource implications but is helping to influence and shape the direction of various funding streams, such as our employment support programmes, the allocation of the UK Shared Prosperity Fund, and local policy.

80 It also allows the city to better collaborate and plan resources to target limited funding to gain the maximum benefit for the people of Leeds. As we have committed to in the Best City Ambition, in order to achieve our ambitions we will practice and encourage the sharing of ideas, resources and assets, working in genuine partnership and being ambitious about our collective impact.

### **What are the key risks and how are they being managed?**

81 Local authorities continue to face financial challenges. Without additional government funding to bridge this gap, there is a risk that along with other Core Cities, our city's growth potential will be undermined and efforts to deliver inclusive growth will be hampered. In the context of working with limited resources, the council and city will have to be agile and responsive to opportunities to secure capital and investment, as not all of our ambitions currently have funding.

82 The Inclusive Growth Strategy forms part of the council's Corporate Risk Register which is monitored and updated quarterly.

83 Regarding the delivery of the Inclusive Growth Strategy, a lack of focus on implementation could lead to the strategy not being used by our partners, with the ability of businesses and other organisations including the council potentially unable to fully commit to the actions in the current economic climate. However, through our strong focus on engagement with the city this risk is being mitigated.

84 In terms of the Social Progress Index 2024, there are several risks and challenges still existing with the production of the Leeds SPI model including data collection and data adequacy and transparency, which we will mitigate through continued work between teams to ensure the SPI functions well.

### **What are the legal implications?**

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

## **Options, timescales and measuring success**

### **What other options were considered?**

86 Not applicable

**How will success be measured?**

87 As discussed above, we are measuring our success in delivering the Inclusive Growth Strategy via the Social Progress Index and the economic dashboard which sit on the Inclusive Growth website [‘Measuring Success’](#) page.

**What is the timetable and who will be responsible for implementation?**

88 The next Inclusive Growth Partnership event will take place in 2025.

89 The One Year On Executive Board report reviewing progress since publishing the Leeds Inclusive Growth Strategy 2023 – 2030 is also being published this November in parallel with this report.

**Appendices**

- Not applicable

**Background papers**

- Not applicable