



CONSULTATION DRAFT –  
EXECUTIVE SUMMARY  
2017 – 2023

## INTRODUCTION

Our ambition for Leeds is to have a strong economy within a compassionate city.

This inclusive strategy sets out how Leeds City Council, the private sector, universities, colleges and schools, and social enterprises in the city will work together to grow the Leeds economy ensuring that everyone in the city contributes to, and benefits from, growth to their full potential.

Leeds is the main economic centre for Leeds City Region, and a driver of growth for the Northern Powerhouse, Yorkshire and the national economy. This strategy also provides a framework for how the city will work on inclusive economic growth with the Leeds City Region Local Enterprise Partnership and West Yorkshire Combined Authority, partners across Yorkshire, the Northern Powerhouse and, in the context of the national Industrial Strategy, with central Government. It also sets out how the city intends to promote a positive, outward looking image on the global stage seeking to increase inward investment, exports and tourism.

## CONTEXT AND DRIVERS FOR CHANGE

The Leeds economy is performing well. The city is experiencing the fastest private sector jobs growth of any UK city. Leeds has one of the highest rates of business start-ups and scale-ups amongst UK cities. We are a smart city: with a high proportion of knowledge intensive jobs; the University of Leeds spins out more listed companies than any other UK university, and the city experiences a “brain gain” with more undergraduates and graduates moving into the city than leaving. Leeds is a top five UK retail and tourism destination.

However not everyone is benefiting fully from this economic success. There remain significant issues of poverty and deprivation in the city. Low pay is an increasing problem, with people caught in a trap of low pay and low skills, with limited opportunities for career progression. Our education and skills system is not fit for purpose, and we need to continue to make progress in improving our schools so that they are equipping young people with the education, attributes and awareness of opportunities they will need to succeed in work. These issues hold our economy back. They affect productivity, cause skills shortages, and create additional costs for businesses and the public sector.

The independent forecasts commissioned to inform this strategy indicate that the prospects for future economic growth in Leeds are strong. This is as a result of the city’s skilled workforce, the growth and innovation by its firms and universities, and the progress being made with infrastructure. However we must not be complacent. We will only fulfil this potential for future growth if we sustain the progress we are making, and by taking action on areas where we could perform better. This includes tackling poverty, addressing skills gaps, housing growth and regeneration, exports, investment in research and development, developing, attracting and retaining a skilled workforce, and transport and infrastructure.

We must also be prepared for any downturn in the national economy, where the outlook is uncertain, particularly in the context of Brexit. There are signs of a downturn in consumer spending and wage levels. We need to be prepared to be proactive to support our businesses and people if there is a recession.



## THE STRATEGY

We have set out twelve ideas that will create the underlying conditions for inclusive growth.

To fulfil our economic potential and to make a high growth scenario a reality we need to take action to enhance our competitiveness and to tackle poverty. We will also need to support our businesses and communities to be resilient in the context of economic change and risks.

This will mean investing in people, improving education and skills, putting children at the heart of the growth strategy, and employers at the centre of the skills system. It will mean tackling low pay, securing better social and economic outcomes from the role and impact of large organisations in Leeds.

It will mean developing and regenerating places, supporting neighbourhoods, communities and centres to

respond to economic change, growing the city centre as an economic powerhouse not just for Leeds but also for the North, and growing major economic hubs to the north, east, south and west of Leeds. An increase in new homes, improvements to existing housing and investment in modern infrastructure will support the city's growth.

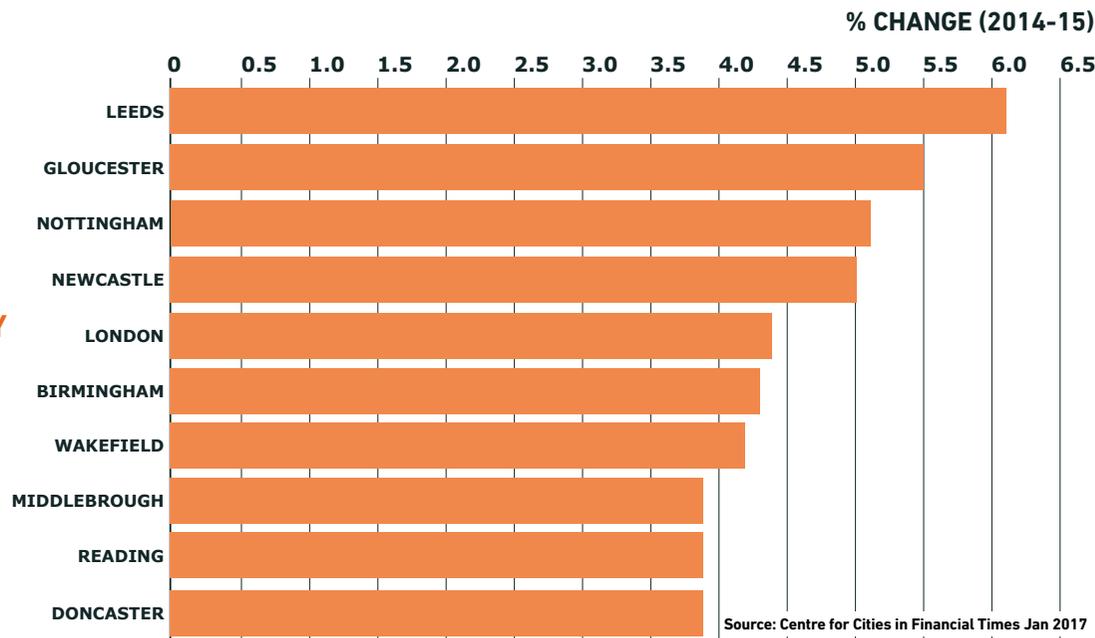
Improving productivity is also necessary. By backing innovators and entrepreneurs we can build on our strong start-up and scale-up performance. Technological change will create opportunities for cities who are at the forefront of the next wave of digital transformation, but poses risks for any cities that lag behind on digital investment and digital skills. Promoting a modern, dynamic, diverse and outward-looking image of Leeds – including maximising the economic benefits of culture - can drive greater inward investment, exports and tourism.

## INCLUSIVE GROWTH

**Inclusive growth is about:**

- Ensuring all people and communities can contribute towards and benefit from our economy
- Tackling inequality – through low pay, in-work progression, improving skills and opportunities
- Supporting all sections of our society into good jobs
- Supporting people to live healthy and active lives, through good housing, social values, green and transport infrastructure, regenerating neighbourhoods, low carbon initiatives and involvement in sport.
- Raising skills levels and increasing productivity

## LEEDS HAS SEEN THE HIGHEST GROWTH IN PRIVATE SECTOR JOBS OF ANY UK CITY



## TWELVE BIG IDEAS

These act as an action plan to encourage inclusive growth in the city. Our big ideas are focused on supporting people, places and productivity.

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### PUTTING CHILDREN AT THE HEART OF THE GROWTH STRATEGY

- Strengthening the role of schools developing students to contribute to the economy to their full potential, including getting them ready for the world of work, raising educational attainment, improving careers advice and business engagement in schools
- Extending Early Years provision, linking this to supporting more parents to get into work or to progress into better jobs

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### BETTER JOBS – TACKLING LOW PAY AND BOOSTING PRODUCTIVITY

- Encouraging employers to pay the Real Living Wage
- Initiatives to support firms and people to improve their skills and progress into better jobs
- Continued investment in small scale productivity gains in SMEs

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### SUPPORTING PLACES AND COMMUNITIES TO RESPOND TO ECONOMIC CHANGE

- Targeting investment and intervention to tackle poverty in priority neighbourhoods
- Improving housing and quality of place in priority neighbourhoods
- Building more homes
- Transforming the role of town centres as economic and service hubs
- Making assets work to support growth and communities

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### EMPLOYERS AND PEOPLE AT THE CENTRE OF THE EDUCATION AND SKILLS SYSTEM

- Bringing employers and education providers together to develop and commission education and training to meet employers' needs and economic priorities
- Supporting our current and future workforce to be resilient to economic change
- Tackling the skills gap at all levels

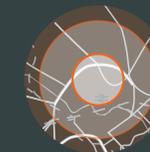
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### INSTITUTIONS EMBEDDED IN AND WORKING FOR COMMUNITIES AND THE LOCAL ECONOMY

- Developing a strategic approach to corporate responsibility
- Securing better outcomes for the Leeds economy in terms of jobs, skills and supply chains from procurement by the public and private sectors, and through major development and infrastructure projects
- Securing specific commitments from organisations within the city to support inclusive growth and promote the city

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### DOUBLING THE SIZE OF THE CITY CENTRE

- Delivering new jobs, homes, a new city park and a revitalised waterfront in the South Bank, as one of the most significant regeneration projects in Europe
- Creating an Innovation District around the universities and hospital
- Rebuilding Leeds Station, the busiest transport hub in the north, including HS2 and Northern Powerhouse Rail
- Supporting development and regeneration of Quarry Hill, Eastgate, and the West End
- Connecting people to jobs by improving links between the city centre and surrounding communities

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### **BUILDING A FEDERAL ECONOMY - CREATING JOBS CLOSE TO COMMUNITIES**

- Strengthening transport links to enable people to access jobs
- Supporting growth and investment in main economic hubs in the north, south, east and west of the city including:
  - Aire Valley Enterprise Zone
  - Thorpe Park
  - Thorp Arch
  - White Rose
  - Capitol Park
  - Kirkstall Forge
  - Leeds Bradford International Airport

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### **LEEDS AS A DIGITAL CITY**

- Promoting and growing the digital sector
- Making every business a digital business
- Developing a workforce that can be resilient in the context of technological change
- Strengthening digital and data infrastructure (including 5G), promoting Leeds as a smart city and using data to help address challenges
- Increasing digital inclusion, so all people can access services, education and training
- Using digital technology and data to improve health outcomes and tackle health inequalities

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### **PROMOTING LEEDS AND YORKSHIRE**

- Building on recent progress to increase awareness of Leeds as place to invest, visit and live
- Inward investment, including strengthening links with London
- Tourism
- Attracting and retaining talented people
- Using our ambition to be a compassionate city as a powerful marketing message

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### **21ST CENTURY INFRASTRUCTURE**

- Coordinating plans and leveraging investment to improve infrastructure including:
- Transport
  - Smart cities
  - Low carbon energy - electricity, hydrogen and water networks
  - Social infrastructure - schools, health services, community centres and sports facilities
  - Flood protection
  - Green infrastructure
  - Housing of the right quality, type and range in the right places

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### **BACKING INNOVATORS AND ENTREPRENEURS IN BUSINESS AND SOCIAL ENTERPRISES**

- Supporting start-ups and scale-ups
- Boosting innovation throughout the economy, including commercialising knowledge from universities and government, and supporting firms of all sizes in all sectors to improve their products, processes and capabilities
- Promoting social enterprises and innovation in public services

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### **MAXIMISING THE ECONOMIC BENEFITS OF CULTURE**

- Supporting the city's ambitions to become European Capital of Culture 2023
- Increasing visitors and enhancing the image of Leeds through major cultural and sporting events and attractions
- Growing the cultural and creative sector as well as boosting creativity across the wider economy, education system and communities



## SECTORS

Growth and change in our main sectors will create wealth and jobs. We are creating the base for business to grow through major development and regeneration sites, and focusing on training and skills. All sectors are important to our economy, and we will make a particular effort to support those on low pay and those in insecure jobs.

Work is being done on all our sectors to increase growth, through skills, infrastructure, innovation and productivity. Advancements in technology are creating new opportunities, and linking sectors in new ways, such as medtech, low carbon and fintech.

## HEALTH, MEDICAL AND THE AGEING POPULATION

Leeds has world leading assets in health, the City Region is home to 22% of digital health jobs in England and the Leeds Care Record, supported by the two largest UK patient record providers. Our universities are developing new technology and training new professionals and the sector is at the forefront of innovation allowing people to gain more control of their own health. The Leeds Academic Health Partnership is addressing health inequalities, bringing together our three universities, NHS organisations and the City Council to create an ambitious alliance. There are challenges, particularly in high staff areas such as social care and thousands of people in deprived areas live shorter lives than they should. Our Health and Wellbeing Strategy seeks to address these issues, it is rooted in partnership working, inclusive growth and using technology to improve health and care services.

There are also opportunities to support inclusive growth by businesses and others through taking action to improve skills and provide community benefits specific to particular sectors.

## COMMITMENTS

This is a strategy for the whole city, and in this spirit we want to offer partners the chance to pledge committing their time, expertise or support to deliver inclusive growth. Some stakeholders have already responded and their pledges are incorporated in this document, we aim to build on this over the summer.

## FINANCIAL AND PROFESSIONAL SERVICES

Leeds has the UK's largest financial services cluster outside the capital and the sector is growing strongly. There are over 30 national and international banks based in the city and the city region is also home to the headquarters of three of the five largest UK building societies. We have major offices of the Big Four accountancy firms in the city. Leeds has the UK's fastest growing legal sector, with Leeds firms offering a wide range of expertise which they export globally. The Leeds Legal Apprenticeship Scheme offers young people the opportunity for a career in the sector. Emerging fintech and cyber security sub-sectors are being recognised as advancements in technology and create new opportunities. The FCA has highlighted the Leeds / Manchester area as one of only two UK fintech hotspots outside London.

## CREATIVE AND DIGITAL

Leeds is rapidly establishing itself as the digital centre of the North, with a thriving private sector, internationally important infrastructure, a significant public sector presence through NHS Digital, and an approach to growing the sector based on close collaboration between the Council and the private sector. We are a world leader in Big Data and have a growing digital media sector. The Leeds Digital Skills Plan focusing on attracting and training talent for the digital sector has had many successes, including the Digital Careers Fair at Leeds Arena. The Leeds Digital Festival has helped raise the profile of the sector and encouraged collaboration. Elsewhere our film and TV companies have an annual turnover of £424m across Yorkshire and are growing at a higher rate than the national average.

## HOUSING AND CONSTRUCTION

Leeds has adopted an ambitious house building plan including council housing. We have identified locations for growth across the city, including around some major regeneration and infrastructure projects such as the Enterprise Zone, South Bank and HS2. These will create jobs, apprenticeships and supply chain opportunities. There is a skills shortage in the sector (including higher level positions) that our specialised education facilities are seeking to address, aligning skills training to match local economic priorities and business needs. Initiatives such as the Forging Future Campus at Kirkstall Forge aim to offer young people and people from the local area the opportunity to get hands on experience and mentoring from contractors on site.

## MANUFACTURING

Manufacturing and engineering is not simply about making things, the industry supports creativity, innovation and design, provides advanced services, whilst developing skills. There is a high level of innovation and exports in the sector. Nationally there is a growing shortage of trained people equipped for careers in this sector. Developing the right skills, making sure training and education matches the future needs of businesses is essential for growth. The sector has an ageing workforce meaning attracting young people and women into the industry is particularly important. Our new University Technical College will help address this. Protecting employment land, developing new sites and ensuring the existing stock specification is of a suitable standard for modern businesses are all priorities.

## RETAIL AND THE VISITOR ECONOMY

Our retail growth is bucking the national trend and the opening of Victoria Gate in 2016 has moved Leeds from fourth to third in the National Retail Ranking as the best place to shop in the UK. In recent years major developments have helped cement Leeds as a national destination offering a range of activities and events, including the Leeds Arena which attracts one million extra visitors to the city annually. The expected re-modelling of the West Yorkshire Playhouse will start during 2017 adding to our cultural offer. Leeds continues to produce world class athletes and host major sporting events in Rugby, Cricket, Football and other sports such as the Columbia World Triathlon Series which was watched by 80,000 people along the route. Developing a more professional and targeted approach to tourism promotion has helped showcase Leeds as a visitor and conference destination.

## TRANSFORMATIONAL PROJECTS IN LEEDS TO HELP DELIVER THE NATIONAL INDUSTRIAL STRATEGY

- **University of Leeds Technology Park** - anchored by a new £19m national institute for high speed rail engineering
- **Burberry Leeds Campus**, in Holbeck situated in Leeds South Bank adjacent to HS2
- **Hydrogen 21, Leeds** - the gas network in Leeds to be the first to convert from natural gas to 100% hydrogen
- **Leeds Innovation District** - creating a 21st Century Science park in Leeds City Centre
- **Screen Hub** - a package of measures to grow the screen industries
- **Leeds Hub** - transformation of Leeds Station, already the busiest transport hub in the north

## SOCIAL ENTERPRISE AND THE THIRD SECTOR

There is a strong tradition of social enterprise in Leeds, from local self-help groups and cooperatives through to some of the best known social businesses such as John Lewis and Leeds Building Society. We have many thriving charities which are increasingly looking to trading as a way to fund social objectives. Social enterprises can provide routes into jobs and employment for those with enduring needs, and our experience in Leeds of using social value clauses to provide work in construction has much to offer in other settings. In recycling and environmental improvement, the sector makes a significant contribution to the city and to individual lives. There is a real sense that across the economy, social enterprise is poised to make significant growth and this is set out in our Third Sector Ambition statement.

