

Report of the Director of City Development

Report to Executive Board

Date: 27 June 2018

Subject: Adoption of the Leeds Inclusive Growth Strategy 2018 - 2023

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 checked="" type="checkbox"/> Yes	<input 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. Following a Growth Strategy Summit held in January 2017 with stakeholders to develop the draft Leeds Inclusive Growth Strategy considered by Executive Board in July 2017, a number of consultation events and opportunities have provided the opportunity for broader engagement to finalise the document. The Consultation Draft has been well received with positive feedback from stakeholders and communities with several city partners submitting pledges supporting the strategy aims and committing to actions to deliver our inclusive growth ambitions.
2. The Leeds Inclusive Growth Strategy will cover the period 2018 – 2023 and provides a framework for how best to deliver growth that is inclusive and benefits all of our citizens and communities. It sets out a series of ideas and actions for growth, as well as broad themes of the Leeds economy and targeted sectors around the three themes of People, Place and Productivity. The Growth Strategy complements the aims in the Best Council Plan to encourage growth that is sustainable and inclusive.
3. The Strategy will guide action to deliver improved outcomes on economic performance through improved infrastructure, increased productivity and innovation and on living standards through increased skill levels, access to jobs with improved pay and progression opportunities. The programme of interventions will be focused on how more people can benefit from and contribute to economic growth.
4. The report on Workspace for Creative Businesses in Leeds City Centre to be considered at today's meeting provides an example of how we are building on our

economic strengths, responding to and working in partnership with business to take forward elements of the strategy to provide appropriate infrastructure in an expanding city centre and backing innovators and entrepreneurs in business and social enterprises.

5. The strategy forms part of a wider series of strategies for the city and has a clear focus on economic growth for the benefit of all. It helps inform the Best Council Plan and sits alongside the Health and Wellbeing Strategy. It forms part of a joined up strategic approach for Leeds including the emerging Leeds Culture Strategy, the HS2 Growth Strategy and South Bank Framework, and has a strong read across to the Leeds Transport Strategy. It also reflects the aims set out in the Core Strategy and Site Allocations Plan.
6. The consultation responses recognised that achieving the Plan's ambitions would be done through a collective and collaborative effort, and demonstrated their commitment to working in partnership to achieve this through a series of pledges included within the document. The Sustainable Economy and Culture Board will oversee implementation including how partners are supporting delivery through the fulfilment of their pledges.

Recommendations

7. Executive Board is recommended to:
 - a) Agree the finalised Leeds Inclusive Growth Strategy 2018 – 2023 and approve its publication.
 - b) Agree that the Director of City Development will lead on implementing the delivery of the Leeds Inclusive Growth Strategy.

1 Purpose of this report

- 1.1 This paper accompanies the Leeds Inclusive Growth Strategy for 2018 – 2023 which has been finalised following the latest round of consultation. The Growth Strategy updates the Consultation Draft published in July 2017.
- 1.2 The paper outlines the main changes to the Consultation Draft and the consultation process.

2 Background information

2.1 The Executive Board Paper “Growing the Leeds Economy” published in November, 2016 included a Leeds Growth Strategy – Issues Paper setting out the challenges and opportunities for Leeds. In summary these are that :-

- Leeds has a broad based economy that has enabled the city to recover strongly from the recession creating a vibrant, successful city full of innovation and enterprise. We have not always communicated this well, although this is beginning to change. This strategy will help to better tell this story better to enable the city to attract and retain talent, business, investment and visitors.
- Leeds has experienced strong private sector jobs growth since 2010, above the national average. It has the largest city concentration of financial and professional services and digital jobs in the UK outside London. It is a major hub for health innovation, data analytics, innovative manufacturing, and knowledge intensive jobs. The city also has the second highest productivity levels (GVA per hour worked) of the core cities. The Leeds economy performed particularly well 2014-15 when it had the fastest rate of private sector jobs growth of any UK city and wages increased 6% over this period.
- Growth needs to be carefully managed to prevent unwanted implications like inequality, which would cause the gap between rich and poor to widen. We are committed to building a strong economy within a compassionate city with a focus on “good growth”. Growth that helps all Leeds residents benefit from the effects of the city’s prosperity and addresses environmental and social impacts. If we seek to tackle poverty separately to supporting growth there is a risk that we will only mitigate the consequences of deprivation, not tackle its causes.
- There is a need to do more on inclusive growth to ensure everyone in the city contributes to and benefits from the economy to their full potential. There is a need to do more to tackle poverty. Low pay and low productivity are big issues both nationally and in Leeds, and the strategy recognises the importance that low wage sectors have in our economy. Some sectors may not experience high levels of growth but they still provide jobs and incomes, and many have high job replacement requirements and support essential public services such as social care.

2.2 The Consultation Draft, published in July 2017 was produced following extensive consultation with Members, businesses and stakeholders. It set out our 12 big

ideas, actions to encourage inclusive growth in Leeds. These were split into 3 themes of People, Place and Productivity. It included a series of pledges from businesses and stakeholders, who have chosen to support the aims of the strategy.

- 2.3 The strategy forms part of a wider series of strategies for the city and has a clear focus on economic growth for the benefit of all. It helps inform the Best Council Plan and sits alongside the Health and Wellbeing Strategy. It forms part of a joined up strategic approach for Leeds including the emerging Leeds Culture Strategy, the HS2 Growth Strategy and South Bank Framework, and has a strong read across to the Leeds Transport Strategy. It also reflects the aims set out in the Core Strategy and Site Allocations Plan.
- 2.4 The Leeds Talent and Skills Plan was adopted at Executive Board in March, this expands on the big ideas themed around people and skills in this Strategy and includes an action plan to support its delivery.
- 2.5 The government published its Industrial Strategy in November, 2017 which sets out proposals for how Government intends to develop a modern industrial strategy which is place-based, and builds on the UK's strengths in technologies, professions and research and highlighted particular strengths in Medical Technologies for Leeds. The Leeds Inclusive Growth Strategy provides a platform on which to build our city response to this.

3 Main Issues

- 3.1 A Growth Strategy Summit was held at KPMG in January, 2017 with 100 guests attending from business, universities, social enterprise, and communities. The discussions were centred on people, productivity and place and the need for inclusive growth. There was an acknowledgement that Leeds is performing well, with some real successes to build on but there was a need to talk up the city more.
- 3.2 Following the summit further engagement took place including with internal council departments, business, the chamber, universities, economists, social enterprise groups and third sector partners. These discussions fed into the Consultation Draft, published in July, 2017 following a report to and endorsement from Executive Board.

3.3 Consultation

- 3.3.1 The consultation period ran from 18th July until October 9th although submissions were still accepted beyond the closing date and have been included up until 31st January. A total of 1,500 businesses in Leeds and a further 150 stakeholders and partners were contacted. The Consultation Draft was available both online and in print and was distributed to nearly 2,500 people (1411 electronic downloads from the leedsgrowthstrategy.com website combined with 1000 printed copies which were distributed at events). Nearly 8,000 users visited the website between July and December 2017, this contains further supporting information and is updated regularly.

- 3.3.2 Presentations were delivered to Council Community Committees and this engagement will continue over the coming year. Additional meetings and presentations were held with stakeholders and businesses including the Leeds Chamber of Commerce, Leeds Law Society, Leeds Digital Board, Leeds Property Forum, Federation of Small Businesses and others. A series of sector themed events were held at Platform in the city centre, including construction and digital. There were a series of events organised by the Third Sector and officers attended as part of the consultation.
- 3.3.3 Responses to the Strategy have been very positive, particularly our vision for inclusive growth. A large amount of engagement was carried out before publication and informed the draft, which has been well received from businesses, stakeholders and communities. As a consequence responses have been limited compared to the high number of downloads of the strategy.
- 3.3.4 Alongside the strategy, further supporting materials including the Growth Strategy website have been praised, this is a resource that is updated regularly by the council and a number of external partners have commented on the easy access to information about the city. This also informs our Leeds Ambassadors network as a way to promote the city.
- 3.3.5 Health, wellbeing and skills were key areas highlighted to improve lives and encourage inclusive growth. Regeneration, stronger community links, stronger careers advice, and greater emphasis on apprenticeships were all raised as ways to deliver growth. Transport and infrastructure were also highlighted as ways to encourage growth, including new employment allocations such as at the airport, and improvements to public transport, park and ride facilities and the provision of new rail hubs.
- 3.3.6 The strategy has been updated to reflect written consultation responses, pledges, discussions at events and meetings and is appended to this report.

3.4 **Amendments to the Strategy following consultation**

- 3.4.1 Due to the positive feedback and previous consultation leading up to the Consultation Draft the format and content of the strategy remains broadly similar. More recent economic information has been added where available and this includes the National Industrial Strategy published by government in November, 2017. The three themes of People, Place and Productivity have been made clearer to reflect their importance in the strategy.
- 3.4.2 A stronger linkage to individuals and deprivation, health and wellbeing and activity was suggested by the Health and Wellbeing Board, the Inclusive Growth, Culture and Sport Scrutiny Board and others. This has led to the creation of a new Big Idea focussed on health and wellbeing. In addition to this the strategy now links more explicitly to the Health and Wellbeing Strategy. The new Big Idea is as follows:

Best City for Health and Wellbeing

- Working in partnership to improve the health of the poorest the fastest

- Building on our strength as a leader of health innovation by further developing our workforce and attracting new skilled jobs in growing sectors such as digital and medtech
- Supporting healthy, active lifestyles to enable people to fully realise their social, educational and economic potential
- Working with schools, colleges and universities to open up opportunities for our residents to develop their skills and promote social mobility
- Enabling more people to manage their health in the community and workplace, working with people to promote prevention and self-management

3.4.3 Two sections have been streamlined into one for clarity, these are the 'Better Jobs – Tackling Low Pay and Boosting Productivity' and 'Institutions Embedded in and Working for Communities and the Local Economy', and this idea is now 'Working Together to Create Better Jobs, Tackling Low Pay and Boosting Productivity'.

3.4.4 Stronger links have been made to the Leeds Talent and Skills Plan, adopted in March by Executive Board, this sits alongside the Leeds Inclusive Growth Strategy and reflects the critical importance of skills to economic growth. It develops on the themes in the Growth Strategy, particularly People and also Productivity.

3.4.5 Sections that make reference to culture have been amended and no longer make reference to the European Capital of Culture, instead they reaffirm the commitment to the city's ambitions to deliver a Year of Culture in 2023. The need for sustainable development has also been highlighted, embracing the social, economic and environmental impacts.

3.4.6 Sections that reference business have been strengthened to recognise the role played by the independent small business sector. Leeds has more than 6,000 small independent businesses accounting for more than half of the employment in the city and therefore their continued access to finance and support to create jobs, invest in staff training, adopt new technologies and innovate is vital.

3.4.7 The section on housing has been amended to reiterate the commitment to build good quality housing including homes that are affordable to match the city's economic growth ambition.

3.4.8 Whilst the consultation period has now closed, we are continuing to encourage and accept pledges from businesses and stakeholders. These have been updated in the strategy where available including Leeds Chamber of Commerce and Grant Thornton, The Leeds Rhinos Foundation and others. The Pledges are set out in more detail on the Leeds Growth Strategy website and we are encouraging more pledges from partners committing their time, expertise or support to deliver inclusive growth for Leeds. This is an ongoing process and will help continue our engagement moving forwards.

3.5 **Next steps and Implementation**

- 3.5.1 The strategy is designed to be more than a typical economic plan with ownership across the whole of the council in partnership with other sectors. It sits alongside the Health and Wellbeing Strategy as a basis for the Best Council Plan. Delivering inclusive growth is essential for Leeds and should be at the heart of everything we do and we need to work in new ways across services and agency boundaries to achieve our goal.
- 3.5.2 The strategy is a city plan, rather than a council document and has been developed in close consultation with partners. It needs to be delivered in partnership with businesses and stakeholders and we have begun this work through a series of pledges within the document from business, education institutions, health institutions and the third sector, setting out what they will do to help drive inclusive growth in the city, to help enable stakeholders to get involved and support the plan.
- 3.5.3 The pledges, addressing the three themes of People, Place and Productivity, vary in scope, from delivering increased investment in the city, working with universities to deliver programmes, improving skills, being ambassadors for the city, collaborating with the council, promoting culture, supporting apprenticeships and widening access. The pledging organisations represent a number of different sectors, from professional services, education, manufacturing, construction to the third sector. Although the Strategy has now been finalised, we will continue to encourage new pledges, and work closely with our Leeds Ambassadors to promote the city as we aim to increase the number of partners contributing directly to implementation.
- 3.5.4 Some short excerpts of pledges made by our partners include:

Leeds Rhinos and Leeds Rhinos Foundation

The Foundation will deliver a range of programmes to impact on the city's priorities and to target poverty and inequality across a range of Leeds communities, for example through our programmes for health and education and through our mission to "change lives through sport"

Leeds Teaching Hospitals NHS Trust

As an anchor institution, Leeds Teaching Hospitals is committed to changing how we manage our activity to support the delivery of the Leeds Inclusive Growth strategy. As a key local employer and the largest employer of apprentices in the entire NHS; as a buyer of goods and services to support local business; and as a provider of high quality health services we are already making good progress in supporting our shared city ambitions.

University of Leeds

We will work through the Leeds Academic Health Partnership to address health inequalities; improve health outcomes and patient experience; attract investment

for economic growth and work to develop and retain a high skilled health and social care workforce in the City.

Leeds Community Foundation

In support of the strategy we pledge to continue to work closely with businesses to encourage them to expand their community investment activities so as to provide more support for local communities in terms of time, talent and finance.

- 3.5.5 A complete list of pledges is available at www.leedsgrowthstrategy.com and the website also provides an opportunity for new pledges to be submitted.
- 3.5.6 Members will be aware that the Chief Officer Economy and Regeneration left the council at the end of last year. The recruitment process to appoint a successor is now complete and the new Chief Officer starts in July. The delivery of the Growth Strategy will be a key focus for the new Chief Officer Economic Development who will lead this work with city partners once in post.
- 3.5.7 To reflect the fact that the Strategy is a plan that is owned by the city as a whole, and the need for implementation to be taken forward in a collaborative way, it is proposed that the Sustainable Economy and Culture Board will oversee this work and drive forward the delivery of the strategy. The Board will also act as the custodian of the Leeds Talent and Skills Plan, and the Chief Officers Economic Development and Employment and Skills will facilitate the Board's oversight of the implementation of these two strategic city plans, reporting to the Board on progress, including how partners are supporting delivery through the fulfilment of their pledges.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 In addition to the consultation outlined above there have been several internal council meetings and discussions with Members, and also presentations to the Inclusive Growth, Culture and Sport Scrutiny Board and the Health and Wellbeing Board.
- 4.1.2 The Leader of Council and Executive Member for Economy and Culture has been consulted on the Growth Strategy.
- 4.1.3 An Inclusive Growth conference was held on 25th June at the First Cloth Hall. This event is part of the launch of the strategy and showcased the 12 big ideas and how we deliver on the aims set out in the strategy.

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. The Growth Strategy encourages inclusive growth, aiming to ensure that the benefits of a prosperous economy impact on all Leeds citizens, this includes supporting young people, people with disabilities and those suffering from mental health issues

4.2.2 An Equality Diversity, Cohesion and Integration screening has been undertaken to assess the impact of this report on equality and diversity and is appended to this report.

4.3 **Council Policies and Best Council Plan**

4.3.1 Our vision is to for Leeds to be the best city in the UK, one that is compassionate and caring, with a strong economy. This helps frame the Leeds Inclusive Growth Strategy which will be a complementary addition to the council plan

4.3.2 Inclusive Growth is also a specific priority within the recently updated Best Council Plan for 2018/19 – 2020/21 in alignment with the new Inclusive Growth Strategy.

4.4 **Resources and value for money**

4.4.1 The measures in this report do not have a direct impact on funding, nor set out a 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 that growing the economy has positive benefits to the city.

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 This paper accompanies the Leeds Inclusive Growth Strategy 2018 – 2023, and seeks approval to adopt the final strategy. The Consultation Draft has been updated to reflect the consultation responses and the most recent economic information.

5.2 The strategy has been well received and will act as a city wide plan to deliver inclusive growth, set out in the 12 big ideas. Building a strategy centred on inclusive growth means providing everyday jobs in everyday places. It will mean more money for public services, reduced unemployment and increased wages. Reducing inequality in our city will also boost our economic performance.

5.3 This can only be achieved through a partnership approach with business and stakeholders working alongside the council to take ownership of the strategy, to build a strong economy set within a compassionate city.

6 Recommendations

6.1 Executive Board is recommended to:

- a) Agree the finalised Leeds Inclusive Growth Strategy 2018 – 2023 and approve its publication.
- b) Agree that the Director of City Development will lead on implementing the delivery of the Leeds Inclusive Growth 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.