

Morley Towns Fund Socio-economic baseline

Executive summary

October 2020

Mott MacDonald
Floor 3
1 Whitehall Riverside
Leeds LS1 4BN
United Kingdom

T +44 (0)113 394 6700
mottmac.com

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1 Executive summary

1.1 Study purpose

Mott MacDonald was appointed by Leeds City Council (LCC) in August 2020 to undertake a socio-economic baseline assessment of the town of Morley. This report provides an executive summary of the socio-economic assessment to assist and support Leeds City Council with the development of a Town Investment Plan for Morley and subsequent business case development. The purpose is to provide a robust evidence base that can be used to underpin subsequent project development and prioritisation for the town centre as part of the Morley Towns Fund submission.

1.2 Headline summary

Error! Reference source not found. below summarises the links between the strengths and challenges identified across Morley in this executive summary document and the full socio-economic baseline report. This table also highlights key intervention recommendations.

Table E.1: Strengths, challenges and interventions

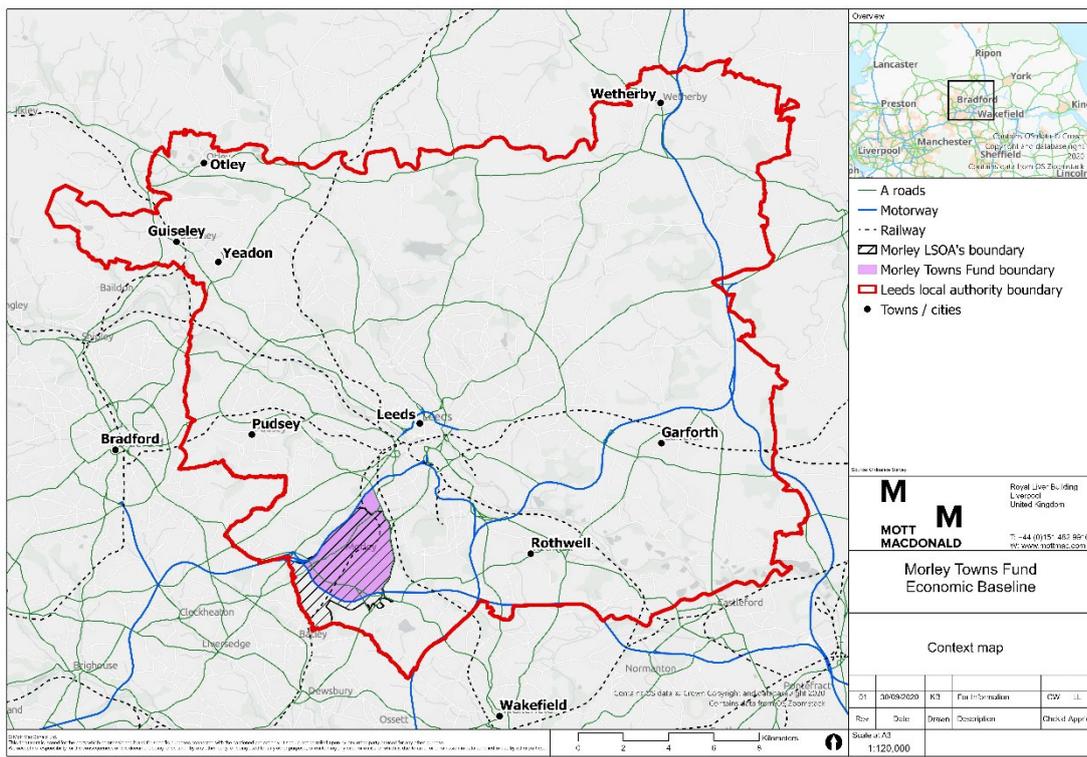
Theme	Strengths	Challenges	Interventions
Employment sectors and business base	<ul style="list-style-type: none"> Strong employment base of retail, financial & professional services. Key growth in financial services. Large working age population. 	<ul style="list-style-type: none"> Retail vulnerable to online retail trends and COVID-19. Business start-ups are low. 	<ul style="list-style-type: none"> Provide the infrastructure to support and encourage business entrepreneurship and diversify the sector base could help boost start-up rates and improve resilience.
Labour market	<ul style="list-style-type: none"> Net importer of labour, localised employee base. High labour market participation rates- higher levels of employment and economic activity. Good public transport service and higher usage outbound to Leeds 	<ul style="list-style-type: none"> Morley has a low skills base profile. Fewer residents are employed in the most highly skilled jobs. Morley has lower proportions of residents qualified to NVQ4+. Pockets of deprivation persist. Higher rates of commuting by car for inbound travel to work Steep rise in unemployment due to COVID-19. Unemployment has already risen steeply to more than double the rate pre-COVID-19. 	<ul style="list-style-type: none"> Supporting infrastructure to upskill the labour force with both basic skills levels and to attract higher skilled employees within Morley Providing an agile working offer within Morley could prove attractive where the home working set-up is not efficient, and to people starting out as entrepreneurs. Supporting wider travel mode options for inbound commuters could bring benefits (environmental, inclusivity and health).
Housing, health, quality of life	<ul style="list-style-type: none"> Morley is relatively affordable as a place to live. In 2020, average house prices in Morley are lower than Leeds, West Yorkshire and Yorkshire & the Humber. 	<ul style="list-style-type: none"> Health indicators for Morley are generally poor. Within the town centre, obesity & cancer rates are higher than the Leeds average. Across Morley, access to Superfast broadband is generally good although there are some areas within the town centre with more limited availability. 	<ul style="list-style-type: none"> Improved cycling and walking infrastructure. Encouraging active modes may help improve Morley resident health outcomes. Exploring barriers and need for digital infrastructure to ensure businesses and residents have access to fast reliable broadband.
Heritage assets	<ul style="list-style-type: none"> Morley stands to benefit from tourism in Leeds and Yorkshire & the Humber. 	<ul style="list-style-type: none"> Few heritage assets are utilised for visitor economy. Scope for repurpose of these assets to strengthen heritage offer. 	<ul style="list-style-type: none"> Pocket parks and designed space Morley has heritage sites that could be leveraged to better represent the history and heritage of Morley. Consider other leisure attractions into the town centre - e.g. museums/event space, dining/restaurants.

Source: Mott MacDonald

1.3 Morley

Morley is a medium sized town, located less than 5 miles south-west of Leeds within the metropolitan borough of the City of Leeds. The metropolitan district is comprised of the administrative centre and city of Leeds, alongside smaller towns and villages, including Morley. Morley is one of eight main towns within Leeds alongside Garforth, Guiseley, Otley, Pudsey, Rothwell, Wetherby and Yeadon. The city centre of Leeds is the economic and administrative hub of West Yorkshire and Leeds City Region.

Map E.1: Morley study area within Leeds district boundary

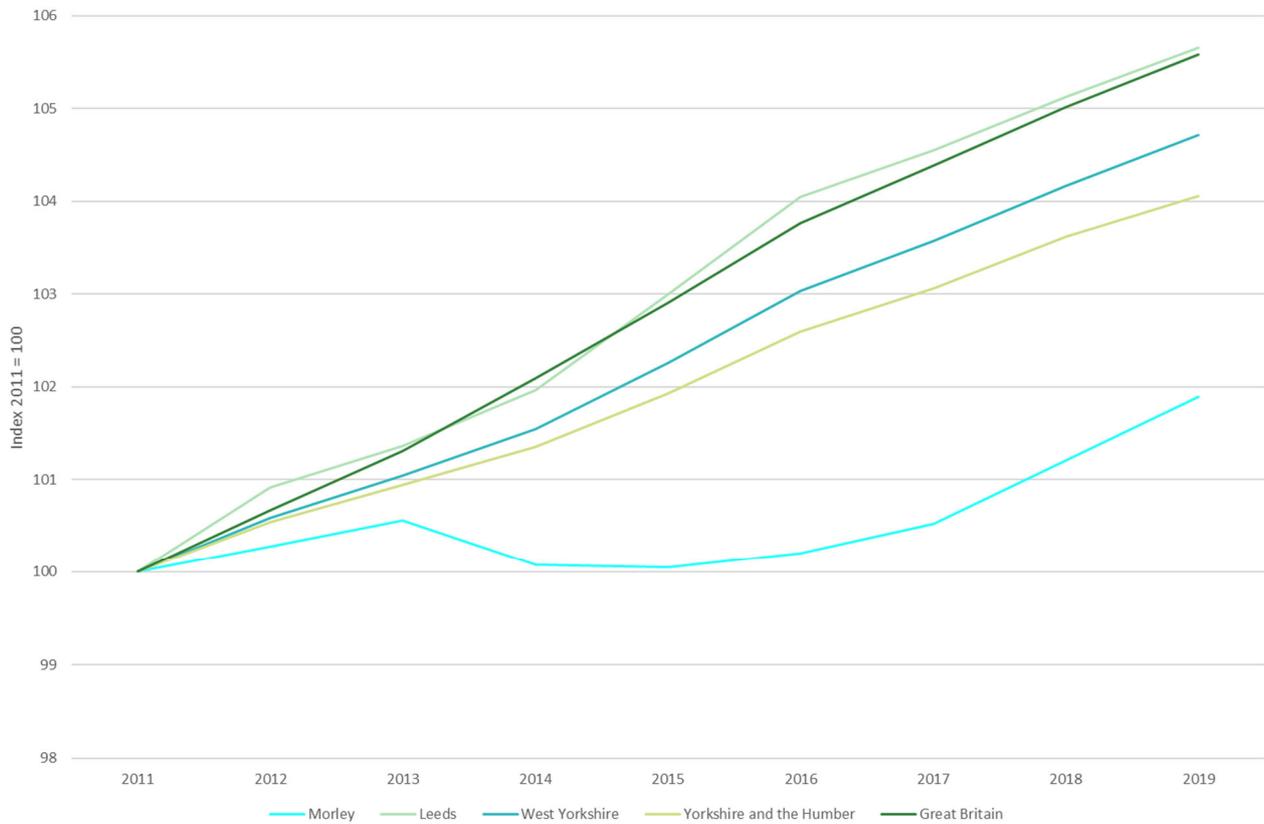


Source: Mott MacDonald

1.4 Population

Morley's population consists of 31,600 people, which represents 4.0% of Leeds' total. Morley, similar to Leeds, has a working age (16-64) proportion that is larger than Yorkshire & the Humber and Great Britain respectively. Whilst the town struggles to retain some of its young population cohorts, this implies it is an attractive location for working age households, and adults who typically work in Leeds city centre. Since 2011, Morley's population growth has lagged behind all comparator areas. In contrast, Leeds has shown consistent, rapid population growth, in comparison to national rates, between 2011 and 2019.

Figure E.1: Index of population growth, 2011-2019 (2011=100)

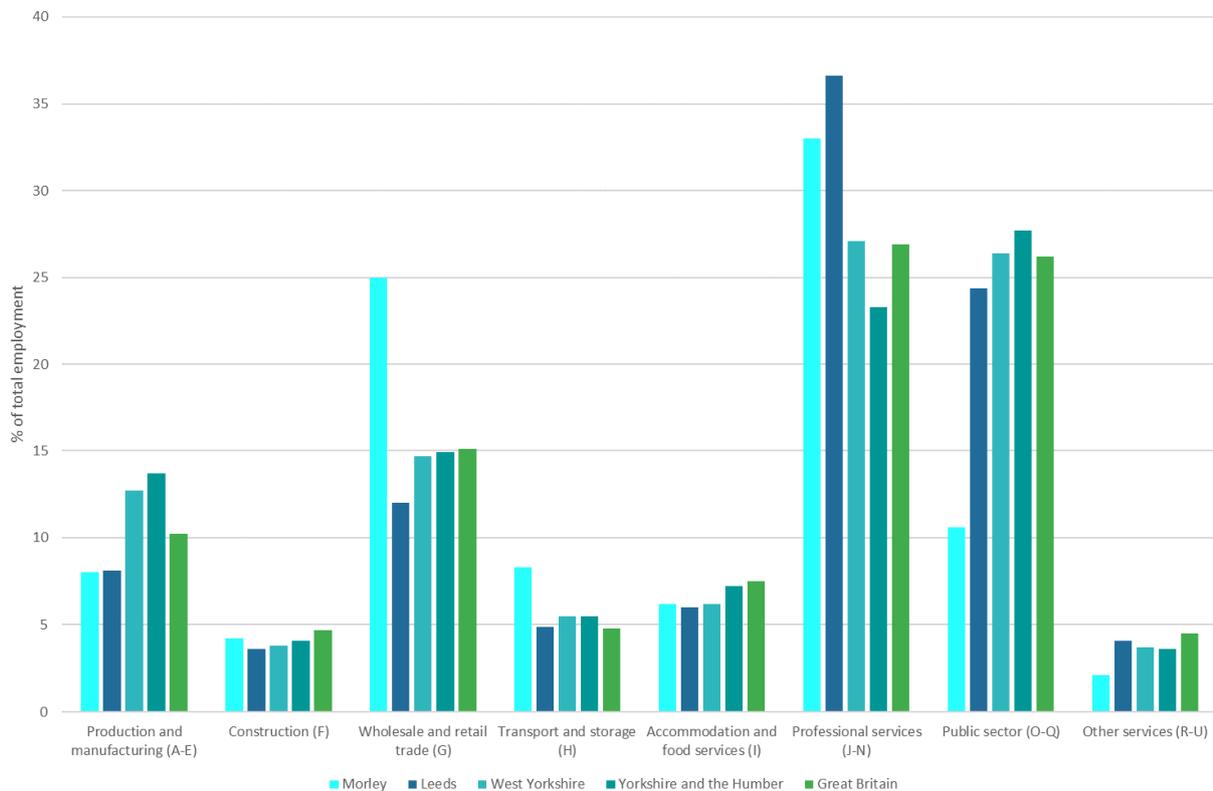


Source: Population Estimates, ONS, 2011-2019. LSOA data only available from 2011 as this was the inception of the LSOA boundary geography system used from the 2011 Census.

1.5 Key employment sectors and business base

In Morley, the key employment sectors are in Professional services (33.0% of employees), Wholesale & retail trade (25.0%) and the Public sector (10.6%). The employment structure is similar to that of Leeds and reflects Morley’s role as a key service centre for public administration, retail and other key services for the surrounding metropolitan population, and as a satellite town for Leeds.

Chart E.1: Employees by broad sector, as % of total, 2018



Source: BRES, ONS, 2018. Note: Professional services includes Information and Communication, Financial and Insurance, Property, Professional, Scientific and Technical and Business Administration & Support Services. Public sector includes Public Administration and Defence, Education and Health.

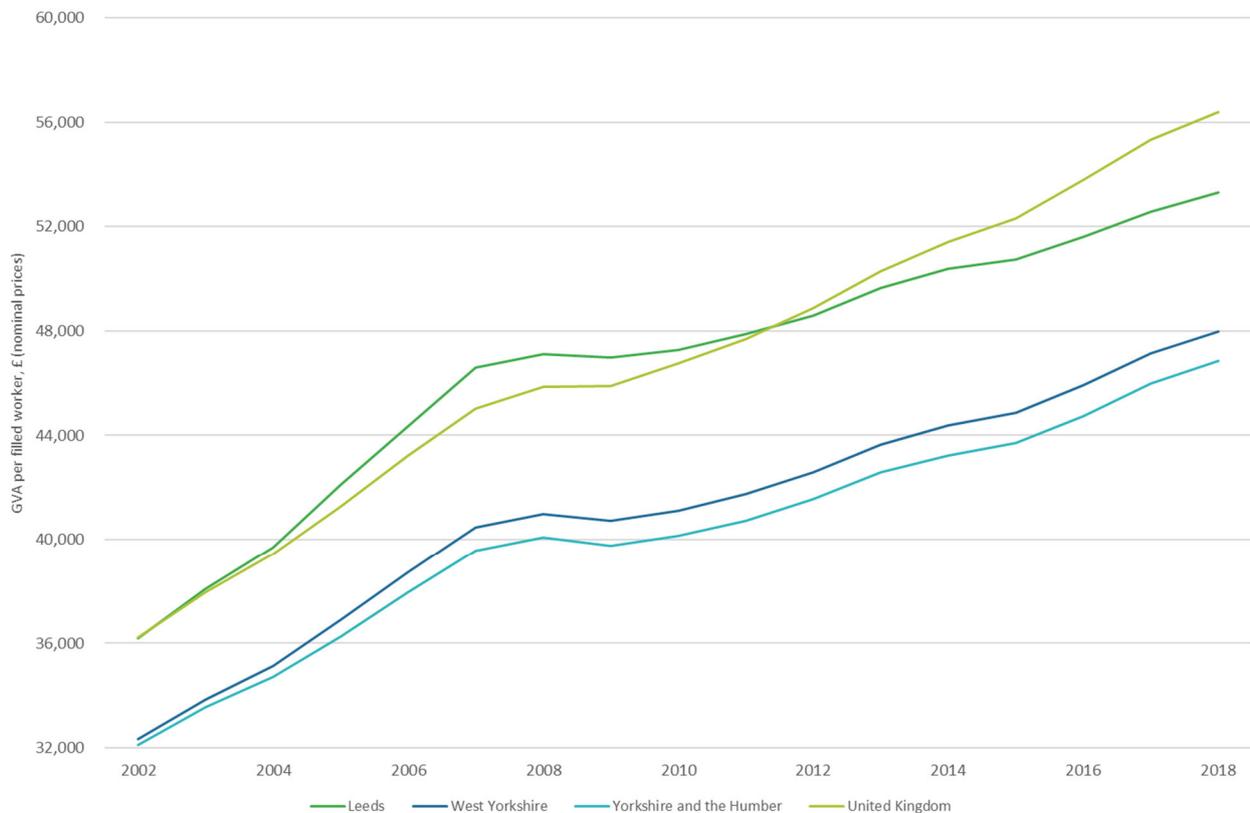
Exploring Morley’s employee base in more detail shows the town’s important economic role as a key service centre for Wholesale & retail trade and the Public sector, but also shows substantial employee growth in Financial services and wider Professional services. This is based around key logistical offices for Hermes, and offices for HSBC, WSP and HMRC at the White Rose office park, and retail services at White Rose shopping centre, both located in Morley.

In 2018, the Morley economy generated an estimated £1.3 billion of GVA, which was principally driven by Distribution & transport, Accommodation & food, Financial & insurance and Business services sectors. Morley is over-represented in Financial and insurance activities and makes a greater contribution to Leeds’ GVA within the sector.

In 2018, the Leeds economy generated £26.2 billion of Gross Value Added (GVA)¹ which was principally driven by the Public sector, Professional services, Distribution & transport and Accommodation & food, with an overrepresentation in the Financial services sector. The Leeds economy has remained consistently more productive than West Yorkshire and Yorkshire & the Humber levels since 2002. Leeds was home to around 28,600 businesses in 2019, and the business base is dominated by micro businesses. Enterprise levels are low with high survival rates highlighting a relatively static business base.

¹ GVA is the local counterpart to national measures of Gross Domestic Product

Figure E.2: Productivity (GVA per worker), 2002-2018, nominal prices



Source: GVA (B) per filled worker, Sub-regional productivity, ONS, 2002-2018

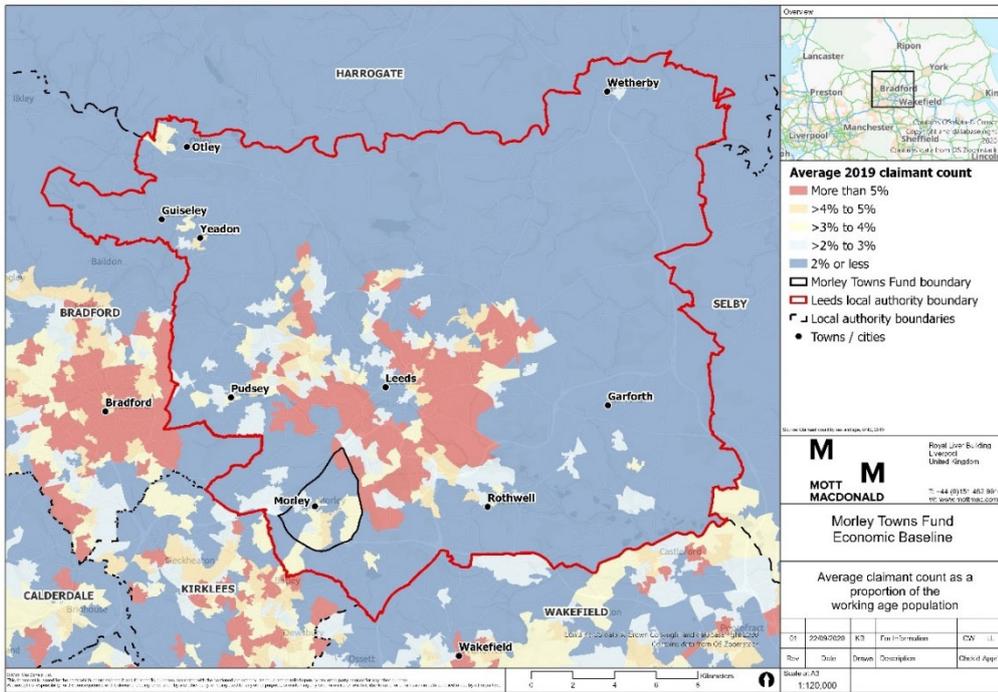
1.6 Labour market characteristics

Using 2011 Census data to examine economic activity in Morley highlights that labour market participation rates are higher than at the district and national levels with higher incidences of employment and economic activity. While Morley has overall low levels of economic inactivity, amongst those who are economically inactive, the primary reason is retirement which accounts for 55.1% of the economically inactive working age population, compared to 45.6% nationally.

Examining unemployment rates by location, as displayed in Map E.2 below, demonstrates that there are significant disparities in the prevalence of claimants across Leeds district. The higher proportion of claimants are concentrated in the centre of the district, around Leeds City centre and surrounding areas such as Headingley, Harehills and Beeston.

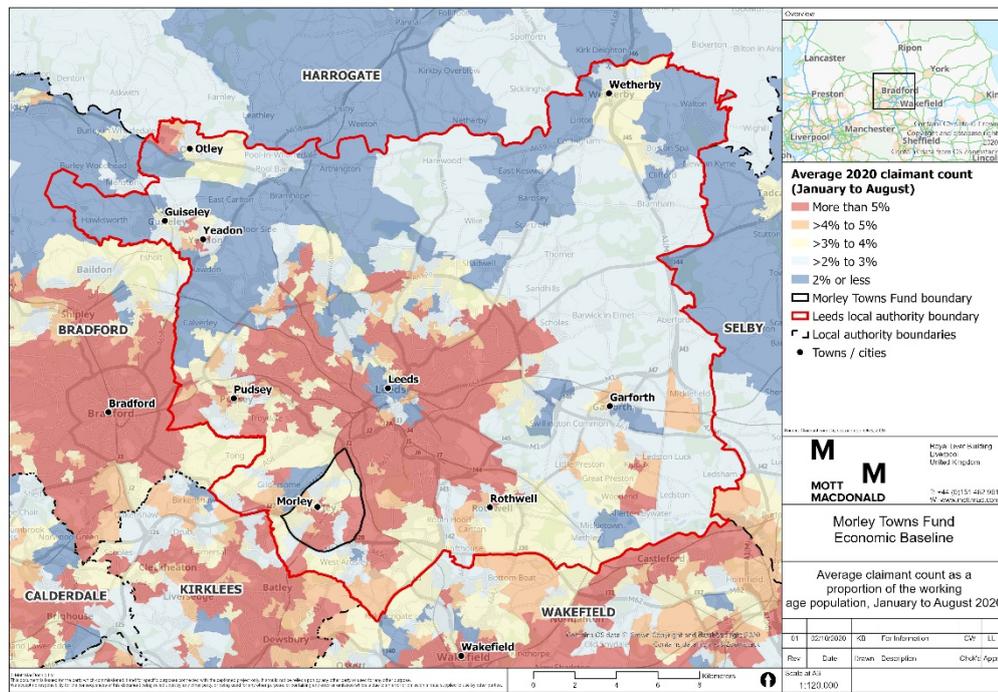
The unemployment rate has risen rapidly throughout 2020 as a result of the COVID-19 pandemic. Comparing Map E.2 below to map E.3, it is clear that proportions of claimants are rising throughout the district. This is also the case in Morley, where the average claimant count proportion was 2.0% in 2019, compared with an average of 4.0% in 2020 to date, with the figures rising month on month.

Map E.2: Average claimant count as a proportion of the total working age population (16-64), 2019



Source: Claimant count 2019 and mid-year population estimates, 2019

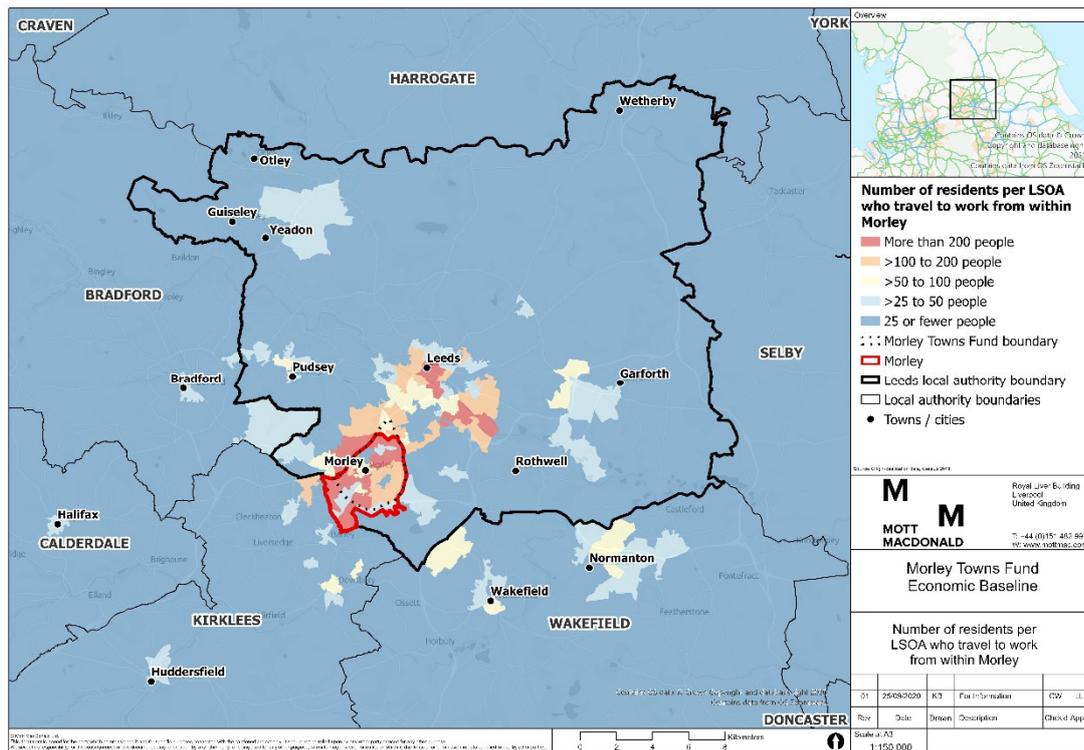
Map E.3: Average claimant count as a proportion of the total working age population (16-64), 2020



Source: Claimant count 2020 and mid-year population estimates, 2019

Morley is a net importer of labour, with more people travelling into the area for work than travelling out for work. In 2011, approximately 33% of jobs in Morley were filled by Morley residents, with the remaining two-thirds filled by residents in neighbouring local areas. This is highlighted in **Map E.4**, which shows the localised nature of the Morley labour market, and the reliance on Leeds city centre as an outbound work location. When the major employment centres of the White Rose Shopping Centre and Business Park, and Capitol Park, are removed from the data, Morley is still a net importer of labour.

Map E.4: Travel to work, outbound from Morley, 2011



Source: Census 2011, ONS

There are fewer residents employed in the most highly skilled (SOC 1-3) jobs compared to England and more people employed in administrative & secretarial and sales & retail jobs. This reflects the economic structure of the town and surrounding area which is more geared towards administrative support, retail and sales. The White Rose Shopping Centre and Office Park and Millshaw Park Industrial Estate and Howley Park Industrial Estate to the south contribute significantly to these occupations.

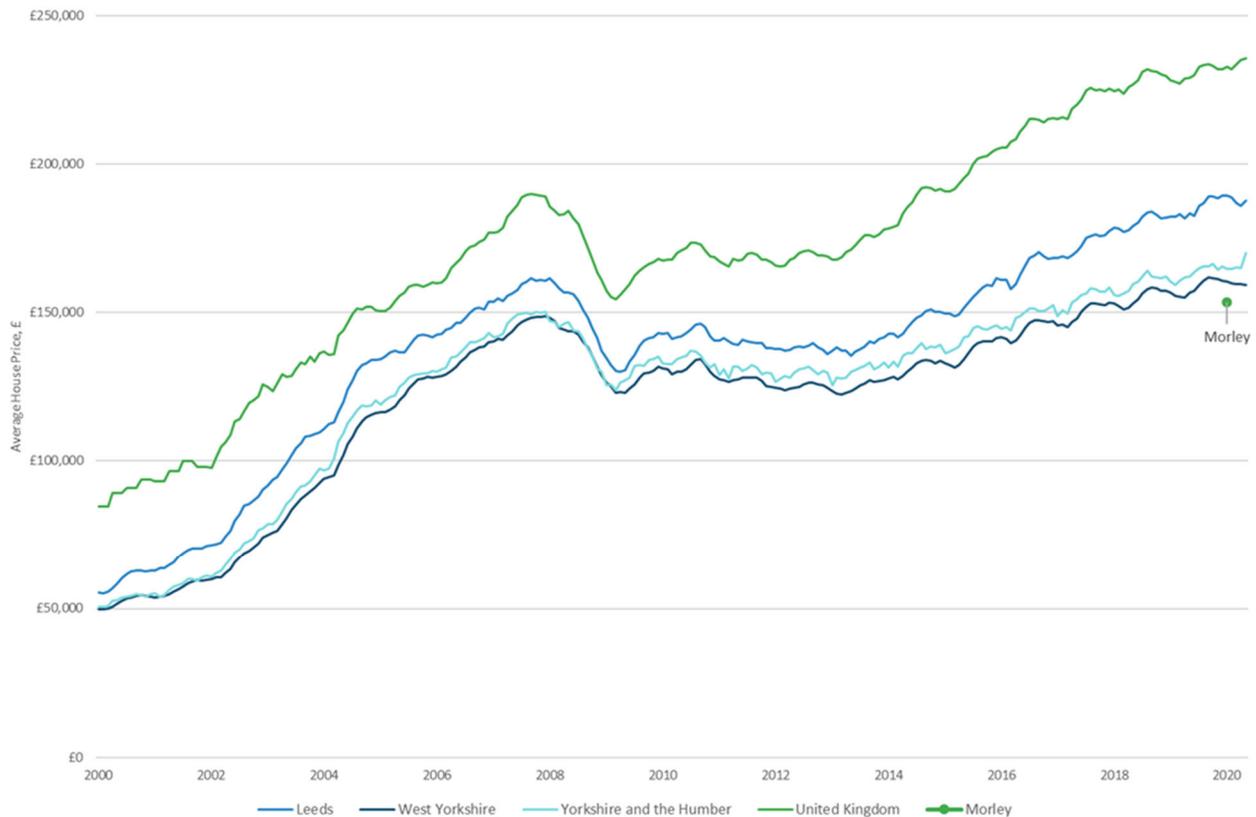
In 2019, average workplace-based earnings in Leeds are around £1,700 higher than residence-based earnings, demonstrating that workers in Leeds travel into the district for work and reside elsewhere, and that those who travel into the district for work have better paid work than those who live in Leeds. This suggests those who travel into the district for work have better paid work than those who live in Leeds such as the residents of Morley (on average).

1.7 Housing, health and quality of life

Data from the Morley Housing Market Assessment show that in 2020 there were around 17,000 dwellings in the Morley area. Of these dwellings, the majority are terraced and semi-detached

housing, which cumulatively account for 59.9% of the housing market. In 2020, average house prices in Morley are considerably lower than Leeds, West Yorkshire and Yorkshire & the Humber. Since 2000, average house prices in Leeds have been lower than national rates but higher than regional rates, reflecting its status as a major city and desirable living location.

Figure E.3: Average house prices, 2000-20



Source: House Price Index, 2000-2020, HM Land Registry, 2020, both ONS. Great Britain not available for HPI data.

Generally, Morley has good road connectivity with Leeds, Huddersfield, Barnsley and Doncaster accessible within 45 minutes. The town is also well served by public transport with hourly direct rail services to Huddersfield and twice hourly direct services to Leeds (that are 12 minutes in duration). Bus connections in the town are also good with frequent services in and out of the town centre, along key corridors such as the A643 and to key employment site such as the White Rose Shopping Centre and Office Park to the north and Howley Park Industrial Estate to the south.

In the district of Leeds, there is good digital connectivity, with the district performing better across all indicators than the United Kingdom. There are also fewer issues relating to existing digital skills. Across Morley, access to Superfast broadband is good although some areas within the town centre have limited availability.

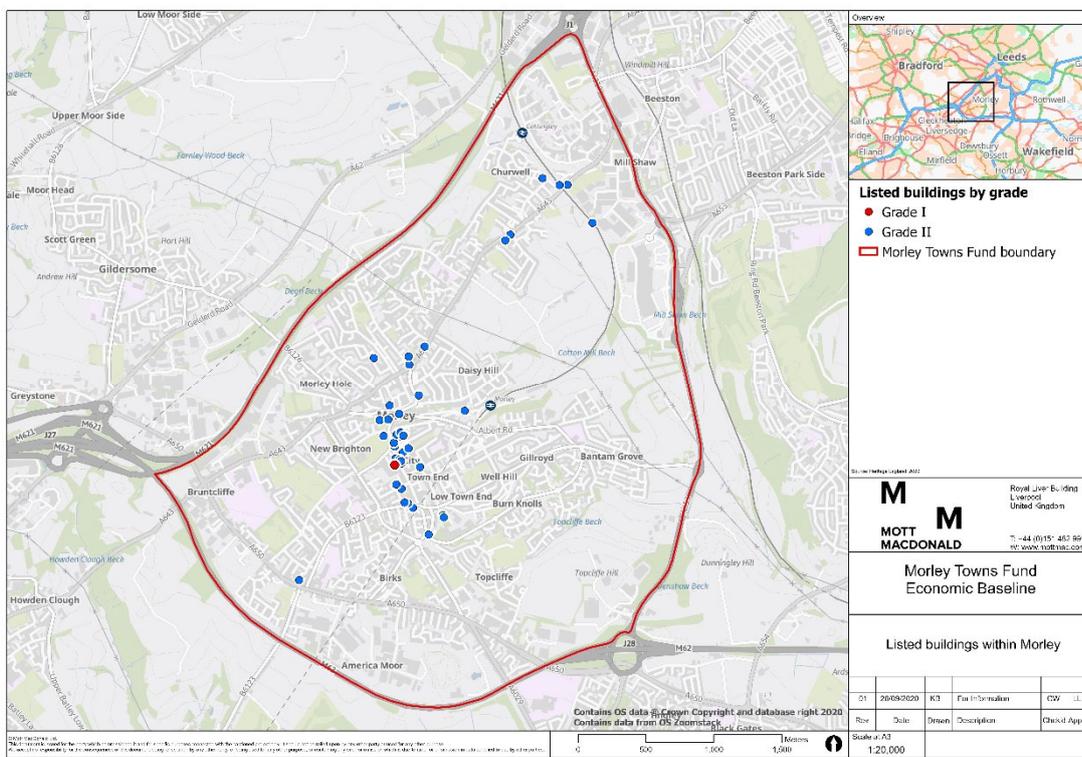
Health indicators are poor within Morley, with GP-reported adult obesity and cancer rates exceeding the average across Leeds, which indicates potential health problems. This may be linked to deprivation levels and the older age profile of the area.

1.8 Heritage assets

Morley is well served by heritage sites, with a Grade I listed town hall and many Grade II listed buildings. All of these buildings remain occupied, however, many of these buildings are not in their original use. This leaves scope to repurpose these buildings in order to maximise the tourist potential and heritage offer within Morley.

Conversely, Leeds' visitor economy is established and growing in size, with a reliance on day trips for visitors. Direct expenditure and total employment was increasing up to the period of COVID-19 restrictions, with over 30 million visitors during 2019, highlighting the importance of the sector for Leeds. The large visitor economy gives an indication of the potential market size available to Morley, if the town can expand on its heritage offer. Visit Leeds highlights the city as a destination for culture, shopping, conferences and sporting events which Morley could take advantage of to attract visitors.

Map E.5: Listed Buildings within Morley town centre



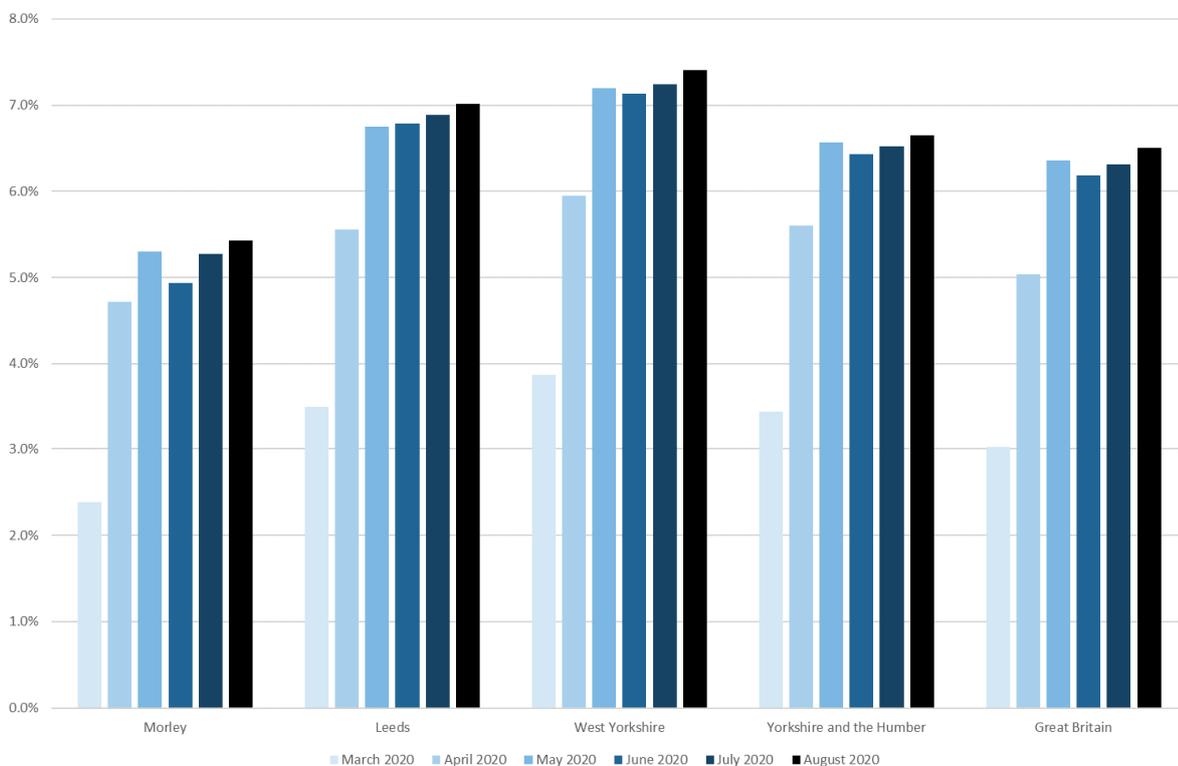
Source: Heritage England

Morley's tourism sector consists of around 1,800 employees, representing 7.3% of total employees. This is a smaller proportion of employment than in Leeds, or nationally, and has fallen in the last year, whilst the sector is expanding in Leeds, West Yorkshire and Yorkshire & the Humber. This suggests that the sector has potential to tap into Leeds' expanding tourism sector to benefit Morley in the future.

1.9 COVID-19 impacts

Morley, like many towns, is likely to be significantly impacted given the high proportion of economic activity within the retail and food & beverage industries. Morley also lacks strong employment in sectors with good prospects, such as healthcare (there is no hospital in Morley), that ensure employment in the current COVID-19 pandemic. Unemployment, based on the claimant count measure, has already risen steeply to more than double the rate pre-COVID-19, which represents a similar rate to all comparator areas, but has stayed below district and national levels. Examining unemployment by age shows that the 25-49 and 50+ age cohorts experienced the greatest growth in claimant counts, rising by circa 50% each since 2019. This differed from Leeds, where the young adult (16-24) population saw a 52% rise in unemployment, the largest of all age cohorts.

Figure E.4: Total claimant counts, as a proportion of all residents ages between 16 and 64, March to August 2020



Source: Claimant count for residents aged between 16 and 64, January to August 2020 and 2019 mid-year population estimates

COVID-19 is already accelerating many existing retail and leisure trends, including the shift to greater online spending and changing demands around a modern leisure offer, which will fundamentally change the role of town centres moving forwards. Morley also lacks strong employment in sectors with good prospects such as healthcare, though a high level of employment within the warehousing sector is beneficial.

Confidence can be taken from a very gradual return to work in Leeds City Region, reflected in early results from the Quarterly Economic Survey, but this is likely to be dampened by the return to lockdown measures nationally in the United Kingdom in late September. In terms of

redundancies to date², in most cases for businesses in Leeds City Region, this accounted for less than 10% of the workforce, and only 10% of businesses had made 10-50% of their workforce redundant.

1.10 Opportunities

The key opportunities for Morley are as follows;

- Morley, as in Leeds, has a large working age population proportion that is larger than Yorkshire & the Humber and Great Britain respectively.
- Morley's economy is supported by a diversified employment base of retail, financial & professional services, with growth in financial and professional services over the last three years.
- Morley is well connected. It has good road connectivity and strong public transport routes with direct services to Leeds via rail. Bus connections in the city are also strong with frequent services in and out of the town centre, along key corridors such as the A643 and to key employment sites such as the White Rose Shopping Centre and Office Park to the north and Howley Park Industrial Estate to the south.
- Morley, as well as Leeds, is a net importer of labour, with more people travelling into the area for work than travelling out for work. Journeys into Morley for work tend to originate from a localised area around the town in the south west of the district.
- Morley is well represented by major employers in the town. Key logistical offices for Hermes, offices for HSBC, WSP and HMRC at the White Rose office park, and retail services at White Rose shopping centre are all located in Morley.

1.11 Constraints

Conversely, the key challenges for Morley are as follows;

- Morley's retail industry is simultaneously vulnerable to the rising trends in online retail and to social distancing measures and industry scarring resulting from COVID-19. COVID-19 is already accelerating retail trends, which will result in fundamental changes to the role of retail in town centres moving forwards. The demand for experiential leisure is significantly affecting the demand profile, with more diverse and changing consumer demands. This has resulted in increased vacancy in town centres similar to Morley.
- The town centre is well served by heritage assets, however, few heritage assets are used for the visitor economy. All of these buildings remain occupied, however, many of these buildings are not in their original use, which leaves scope to repurpose these buildings in order to maximise their tourist potential and heritage offer.
- Health indicators for Morley are generally poor. Within the town centre, obesity & cancer rates are higher than the Leeds average.
- Morley has suffered from a steep rise in unemployment due to COVID-19. Unemployment, based on the claimant count measure, has already risen steeply to more than double the rate pre-COVID-19.
- Morley suffers from a low skills base profile. There are fewer residents employed in the most highly skilled jobs compared to England and more people employed in administrative & secretarial and sales & retail jobs. In terms of qualifications, there persists a north-south divide within Leeds district, whereby areas in the south (including Morley) have lower proportions of residents qualified to NVQ4+.

² West Yorkshire Combined Authority, 'COVID-19 Fortnightly Insights Report', (2020). Available at: <https://www.westyorks-ca.gov.uk/media/5074/fortnightly-economic-transport-report-2020-09-18-final-002.pdf>

- Road safety appears to be an issue for Morley with a higher rate of accidents than average.

1.12 Recommendations

Based on the socio-economic evidence base an assessment of the potential types and scope of project interventions that may fit with the Morley Towns Fund has been undertaken. These are emerging recommendations based on the study team's³ experience of economic development and regeneration across the UK, particularly as part of the Future High Street Fund and Towns Fund process and work undertaken for local authorities to help them with understanding and mitigating against the adverse impacts of COVID-19.

Potential interventions that could be explored are considered below in **Error! Reference source not found.**, under a number of key themes:

Table E.2: Potential interventions for Morley – emerging thoughts

Theme	Potential intervention	Details
Urban regeneration planning and land use	Pocket parks and designed space	<ul style="list-style-type: none"> • Pocket parks and designed space with areas for people to dwell, rest and meet can enhance personal fulfilment of an area. • This can be particularly appreciated by older people, young families and young people, who will benefit from greenspace provision. • This will support the wider placemaking interventions and support extended dwell time in the town centre thereby supporting the retail sector. • Open public space has become increasingly important given COVID and that some town residents will not have access to private gardens. • More analysis of employment and housing land supply/demand needed to identify sites for development (if appropriate)
Economy	Skills infrastructure	<ul style="list-style-type: none"> • Morley has a low proportion of working age inhabitants qualified to NVQ4+ and above. Simultaneously, Morley should look to upskill its residents and retain them and attract graduates and post-graduates from the Leeds universities to businesses in Morley. • Morley would require accessible training programmes for adults and the provision of graduate level roles, possibly created by businesses within the White Rose office park, to diversify the employment offer. This would help Morley take advantage of its expanding employment sectors, such as Financial and Professional services, and move away from sectors vulnerable to COVID-19. • Supporting facilities for entry level training schemes will help Morley to retain a greater share of its young adults (16-24 year olds).
	Enterprise infrastructure	<ul style="list-style-type: none"> • There is some success in survival rates of new enterprise start-ups, but this likely reflects that start up rates are generally low, with the exception of skilled labour transitioning from years of experience in a particular field with another organisation. Interventions to provide the infrastructure to support and encourage business entrepreneurship could help boost the start-up rates.
	Flexible/ remote working	<ul style="list-style-type: none"> • In a post-COVID-19 era there could be demand for more agile working as people base themselves in corporate offices less and have more time at home with an option for a local agile office space on an ad-hoc basis. • Providing this offer within Morley could prove attractive to homeworkers where the home working set-up is not efficient, and to people starting out as entrepreneurs. • This could also attract higher skilled residents to Morley who historically may have located to those areas in Leeds city centre with better accessibility to major employment centres.
Local Transport	Cycling and walking	<ul style="list-style-type: none"> • Improved cycling and walking infrastructure could provide a feasible and healthy commuting option to Leeds city centre, for example, in the form of a dedicated cycling corridor to Leeds. This would, in tandem, meet the connectivity objective of the Towns Fund. • Encouraging active modes may help improve Morley resident health outcomes. • The pedestrianisation of towns has been a common feature of towns and cities following COVID-19, as the requirement for direct roads through towns and high streets is no longer deemed necessary. Targeted temporary/permanent expansion of pedestrianised areas could be considered.

³ Mott MacDonald's Economic and Social Development (ESD) team who have undertaken this socio-economic assessment.

		<ul style="list-style-type: none">• Local transport interventions should support getting around Morley and to/from key strategic transport infrastructure (road and rail) as well as key employment sites to help the town build on its strategic location.• Road safety could be a determining factor for where improvements are needed.
Arts, culture and heritage	Heritage	<ul style="list-style-type: none">• Morley has a Grade I listed Town Hall and several Grade II listed buildings in town centres that could be leveraged to better represent the history and heritage of Morley.• Consider other leisure attractions into the town centre – e.g. museums/event space, dining/restaurants
Digital connectivity	Infrastructure	<ul style="list-style-type: none">• Broadband connectivity is strong in Leeds relative to national position, however, local coverage is less comprehensive. Recent Ofcom data shows patchy coverage across Morley, this could be an area to investigate further.• Exploring barriers and need for digital infrastructure to ensure businesses and residents have access to fast reliable broadband.

Source: Mott MacDonald

