

# The Great Jobs Agenda and the Leeds Anchors Network

Date: 15<sup>th</sup> December 2021

Report of: Director of City Development and Director of Resources

Report to: Executive Board

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## What is this report about?

### Including how it contributes to the city's and council's ambitions

- Covid-19 has had an unprecedented impact on the economy locally, nationally and internationally. The [Leeds Economic Recovery Framework](#), published in October 2020, outlines our approach to recovery from the Covid-19 pandemic as being centred around the need to Respond, Reset and Renew and Build Resilience, all within our ambition to create a strong economy set within a compassionate city. The Recovery Framework has therefore provided us with an approach to continue with our ongoing Employment Agenda, in line with the Great Jobs Agenda.
- In March 2020, we published an update report, following a report in November 2018, outlining our work against the standards of the TUC's Great Jobs Agenda and our ambitions, recognising that we have a key and ongoing leadership role across the city. However, Covid-19 has greatly changed the jobs and employment landscape for our city (and beyond), as well as had a huge impact on what the Council has been able to deliver and progress.
- Whilst the pandemic is not over yet, we feel that the time is now right to reset and to ask for Executive Board's ongoing support for the Council's Employment Agenda and our approach to continue to pay Council staff, including apprentices, the Living Wage Foundation Real Living Wage, which we have done since 2015. We have worked with Leeds Anchor institutions to ensure they also pay the Real Living Wage and we want to continue to work with other employers across the city to encourage them to do so too.
- In this report we explore the city's approach to promoting the Living Wage and Great Jobs Agenda across the whole of the Leeds district. The report also focuses on the Leeds Anchors Network, including the recent successful bid for funding to the Health Foundation to expand the Anchors programme within local communities. We also revisit the powers and influence the Council has as an Anchor institution, particularly when convening the Leeds Anchors Network, which is a consortium of 13 organisations employing over 58,000 people, and also the private sector. This is set within the context of the current and future financial climate for local government. Furthermore, we set our commitments in the context of the new Mayor of West Yorkshire's ambition to have a Fair Work Charter by spring 2022.
- The activities and policy framework set out in this report align to the Great Jobs agenda and contribute directly to our ambition for all of our residents to benefit from a strong economy in a compassionate city. In particular, the actions contribute towards the delivery of Inclusive Growth by helping people into work and into better jobs; tackling low pay; targeting

interventions to tackle poverty in priority neighbourhoods; supporting businesses and residents to improve skills; supporting growth and investment; and helping everyone benefit from the economy to their full potential.

## Recommendations

- a) Executive Board is asked to continue to support the Council's Employment Agenda, as set out in paragraphs 12 to 15.
- b) Executive Board is asked to endorse an approach whereby the Council continues to pay Council staff the Living Wage Foundation Real Living Wage.
- c) Executive Board is asked to note that the officers responsible for the implementation of this report are the Chief Officer Human Resources and Chief Officer Culture and Economy. All employment issues within the Council, including engagement with Trade Unions, is the responsibility of the Chief Officer Human Resources and the Chief Officer Culture and Economy is responsible for supporting both the Leeds Anchors Network and wider employer engagement.

## Why is the proposal being put forward?

- 1 In November 2018, we published a [report](#) asking Executive Board to endorse the aims of the TUC's Great Jobs Agenda, which was part of their Great Jobs for Everyone campaign that launched in 2018 and which sought to engage employers to provide better jobs that offer a Living Wage and good working conditions. Following this, in March 2020, we published another Executive Board [report](#) outlining our work against the standards of the TUC's Great Jobs Agenda. In that report, the Council outlined its endorsement and support for the standards which were central to the campaign. The report also outlined the progress we had made in acting against the six standards of the Great Jobs Agenda and how we were committed to continuing to work against the standards. This included stating that we would keep working on encouraging and supporting our supply chain employers to pay the Living Wage, as well as stating that we would continue our leadership role across the city with the aim of becoming a Living Wage City overall.
- 2 However, Covid-19 has greatly changed our local economy (as well as the national economy and international economies alike) and the jobs and employment landscape for our city now looks very different. We therefore feel that now is the right time to reset and relaunch our ambitions around the Great Jobs Agenda and the Living Wage as we continue on our recovery from the Covid-19 pandemic.
- 3 In October 2020, the Leeds Economic Recovery Framework outlined how the pandemic had had an unprecedented impact on the world economy, with large cities being particularly affected, although remaining as engines of growth. We knew that the shape of recovery would not be linear and we were mindful that different areas of the economy had been disproportionately affected, with a risk of some businesses and sectors bouncing back less quickly than others. This is why we proposed an approach to recovery rather than a plan, to enable us to adapt quickly whilst striving to build more resilience into our economy.
- 4 Leeds entered 2020 from a relative position of strength, but like all cities it has been hit hard by the Covid-19 pandemic. There is a limitation on data available since March 2020 and forecasting medium- and long-term impacts is difficult, but we know a total of 115,000 workers were furloughed overall in the city and that this protection has helped business closures to remain low.
- 5 The most recent Labour Force Survey and ONS Vacancy Survey show that nearly 2.2 million people in the UK started jobs this summer (July to September), the highest level in at least 20 years, driven by record flows into work as well as record levels of job-to-job

moves. In addition to this, vacancies remain high across all sectors and encouragingly the end of furlough does not seem to be impacting on the labour market, meaning unemployment is predicted to fall back towards pre-crisis levels faster than recent official forecasts have suggested.

- 6 Despite record vacancies and new jobs being created, there are still approximately half a million fewer jobs than before the pandemic across the UK. The vacancy issue is being caused largely by an increase in economic inactivity. Young people appear to be exiting the labour market overwhelmingly into full-time education, while for older people it appears to be a combination of ill health and retirement. The large falls in participation for women aged over 65 are particularly stark and are equivalent to the labour force being a quarter smaller than pre-pandemic trends for this group. The total level of economic activity (i.e. those either in work or looking/available for work) is now nearly one million below pre-crisis levels. Approximately one third of this 'missing million' is explained by a smaller population, mainly due to lower migration, while two thirds is due to higher economic inactivity.
- 7 The fall in employment has been most notable in the private sector. Between March 2020 and June 2021, employment levels in the private sector fell by 2.4%, while they increased in the public sector by 4.0%. The surge in total vacancies has mainly been driven by low-paying occupations, in which new job openings are around 20% higher than pre-pandemic. Across West Yorkshire, job activity remains strong, with online job postings having exceeded the pre-crisis level for the last seven months, rising to new highs at the start of November.
- 8 In Leeds the Claimant Count rose 100% between March 2020 and March 2021, but this has been falling consistently since then and is now only 55% above March 2020 levels, with 28,100 people claiming Out of Work Benefits in October 2021, a reduction of 765 claimants from September. The furlough scheme closed on 30<sup>th</sup> September, with almost one million people across the UK still using the scheme. For context, in February 2021 there were 50,900 workers on furlough in Leeds and when the scheme ended at the end of September 2021 there were 10,900.
- 9 With vacancies at a record high in November, mass unemployment is now considered unlikely. However, a comparison of job posting trends across high-, mid- and low-paid categories shows the extent to which growth has been driven by the recovery of lower-paid sectors this year. Job postings for the low-paid tercile are now 66% above the pre-pandemic baseline, compared with 39% for mid-paid and 28% for high-paid. Also a concern is how data on employment for disadvantaged groups presents a different picture, with employment gaps either growing or remaining stubbornly wide for disabled people, ethnic minorities, those aged over 50 and young people outside of education. There are growing signs that recovery is not being felt by those further from work – coming at a time of labour shortages, higher inflation and cuts to Universal Credit. This evidence shows that there is still much to do on the Great Jobs Agenda to tackle issues on low pay, insecure work and help those further away from the labour market achieve their full potential.
- 10 On a West Yorkshire level, the Mayor of West Yorkshire has committed to putting in place a Fair Work Charter for the region during her first year as Mayor - thus, by spring 2022. This is a joint venture between the Mayor, partners, key stakeholders and businesses to develop a way of setting a clear and ambitious standard for fair work in West Yorkshire. The Charter is dedicated to genuine levelling-up across the region; encouraging good pay (including the Real Living Wage); fair and flexible working conditions; and promoting diversity and social mobility within the workforce. The Charter is currently being developed by a steering group, who will develop the criteria for membership of the West Yorkshire Charter to ensure suitability for all types of employers in the region, including SMEs across all sectors and Third sector organisations. It will also ensure maximum alignment across the North,

building on existing regional models in both Greater Manchester and Liverpool City Region, as well as, where appropriate, with local initiatives. The Fair Work Charter mirrors work that is being undertaken in Leeds, both collectively through the Leeds Anchors Network and also by individual Anchor institutions and other organisations. The focus therefore should be on joining up work from across the city into the regional work that is currently ongoing and that will be progressed going forwards as well.

## **The role of the Council**

- 11 The Council has a huge role to play both as a major employer and Anchor institution within the city of Leeds, but also as a civic leader and convenor. As a place-based leader, the Council can influence other employers and act as an advocate and provide services for local citizens. The work that the Council has already done to support and complement the Great Jobs Agenda and promote good employment standards across the city illustrates this and we want to continue playing this role the best we can. This is set within the context of the current and future financial climate for local government.

### **The Council's Employment Agenda**

- 12 The Council employs 14,100 staff, making us a major employer and key influencer in terms of good employment practice. As mentioned above, in March 2020, Executive Board was updated on activity which showed alignment and opportunities to further embed LCC's employment policy and practice with the Great Jobs Agenda and its six standards: A voice at work; Fair and decent pay; Guaranteed hours; Fair treatment and respect; Learning and progression; and Safe and healthy workplaces.
- 13 The report also outlined how the new Council People Strategy for 2020-25 set out an ambition to make LCC the 'Best Place to Work' and how this would be achieved by centring on: creating the best employee experience for all staff; having the best leadership and management; and ensuring the best organisational values and culture.
- 14 Delivery plans to address this were, however, revised due to the Covid-19 pandemic. Priorities for the next 12 to 18 months have been reorientated to ensure we: align activity to address the workforce impact of Covid-19 and its aftermath; support the wellbeing of our workforce; and support the Council's financial challenges, especially in relation to the 2021/22 budget, as well as the medium-term financial plan.
- 15 As many aspects of our employment policy remained unchanged this maintained adherence to the standard. Nevertheless, new priorities have meant a switch in emphasis which has catalysed some new approaches. In relation to the standard the following are noteworthy:
  - **A voice at work** – The impact of Covid-19 has created new approaches to canvass the views of staff. This is key to informing our wellbeing approaches and understanding how revised working practices have affected people, for example the rapid adoption of working from home. We rely on a regular "pulse-surveys" to shape employment issues. We have also dedicated resources to expand the use of social media, including operating an all-LCC Facebook group providing a platform to not only inform staff about key issues but to encourage feedback and discussion. This has reduced the previous digital divide, benefiting staff who did not use computers as part of their job. We have also continued to closely engage with our Staff Networks and trade union colleagues.
  - **Guaranteed hours** – LCC did not furlough staff, but instead reallocated them from services that were closed, such as sport centres or museums. This flexibility was underpinned by a framework for making agreements with staff over working patterns

and pay so nobody was at a detriment. With Covid-19 reducing our staffing capacity, we remain extremely grateful to employees who did other jobs to keep our most critical services operating.

- **Fair treatment and respect** – New initiatives have been launched with our Staff Networks. The Corporate Leadership Team has led this, working with our BAME Staff Network to shape responses to Black Lives Matter. Open and honest conversations have been held to challenge and re-shape how LCC operates in terms of recruitment and grievance. This work is underpinned by the new Race Equality Action Plan 2021-2023.
- **Learning and Progression** – Despite the impact of the pandemic, we have adapted our apprentice programmes and still have over 600 staff undertaking apprenticeships. In addition, we utilised the KickStart programme for young people on Universal Credit. Our Leadership and Management Development offer to our 2,500 managers has been updated and launched in the autumn of this year. We are also part of the new T-Level in Health initiative operating across the city. We have also pledged to offer support to local apprentices who may be struggling to complete their training as a result of the Covid-19 pandemic by setting out a plan of action to provide support and guidance to those affected. In some cases, this may mean the Council working with an employer to source funding that will allow an apprentice to be retained or working with a training provider to find an alternative place where the apprentice can complete their training. The Council has also committed approximately £600k through its Apprenticeship Levy Transfer to support costs for 200 apprentices in the last 12 months, which may have had an impact on the ability of businesses and training providers to retain them.
- **Safe and Healthy Workplaces** – Developing Covid-19 safe working places has strengthened working relationships with the trade unions. The pandemic has raised considerable, ongoing challenges about how we keep staff and the public safe. With the co-operation of the trade unions we have been able to respond to different scenarios that affect virtually all aspects of service delivery. We have also concentrated on supporting the wellbeing of staff, with Covid-19 affecting the mental and social health of many. A range of supporting measures have been developed and deployed to help managers and employees to raise issues that affect their wellbeing, recognising the impact on individual and family life. As mentioned, our pulse survey suggests most staff feel they can access appropriate support if they need it. We have, however, focused on a far smaller cohort who may be very anxious about matters. These staff have welfare calls from HR to further support them.

### *The Council as civic leader and convenor*

- 16 The Council can influence other employers and act as an advocate for and service provider to local citizens as a place-based, civic leader and convenor. As outlined in this report, the actions and planned work of the Council support and complement that of the Great Jobs Agenda and promote good standards across the city through the Leeds Anchors Network (further detail about which is shown below) and its wider engagement with employers in Leeds. This includes through its Key Account Management service, Business Support services and the Leeds Inclusive Growth Extended Delivery Partnership, which involves representatives from across all sectors within the city and which sees c. 120-170 attendees at each tri-annual event. The Council is also opposed to the 'fire and rehire' practice, whereby an employer dismisses an employee but then re-offers them their old role on new, and often less favourable, terms, therefore giving the choice to a worker of worse terms and conditions or losing their job.

### Future Talent

- 17 One area of work that the Council is currently undertaking is a major project looking at the refresh of the Leeds Talent and Skills Plan. The project, Future Talent, is aiming to deliver a plan that will be owned and updated by stakeholders in the city, supporting people to develop and maintain the skills that make them and our businesses resilient in the face of change. This is in response to economic trends and policy changes, including accelerated underlying trends due to Covid-19; the transition following the decision for the UK to leave the European Union; changes in national skills policy; and West Yorkshire Devolution.
- 18 The Future Talent Plan will support the Great Jobs Agenda through generating action around promoting employment into good jobs, tackling inequality in the labour market and supporting employers to promote the skills and wellbeing of employees. It is intended to provide guidance to employers and education and skills providers, as well as create confidence for inward investors. The Plan will be action-focused, backed by stakeholders and clear on time horizons, with an agile approach regarding monitoring and review. Drafting of the final plan will begin in winter 2021, using analysis from the two rounds of public consultation. The first of these online conversations took place in September 2021 (having over 360 participants and nearly 850 contributions) and the second in November 2021, the latter of which was undertaken to validate the initial findings. The Future Talent Plan is due to be taken to Executive Board for approval in spring 2022.

### Green Jobs

- 19 Another area of work which we have begun this autumn/winter is a workstream reviewing the local green transition through an inclusive economic lens, exploring what addressing the Climate Emergency could mean for the Leeds economy and assessing opportunities and risks for our economy and businesses too. Through this work we intend to look at what the Just Transition (which ensures that moving to an environmentally sustainable economy is as inclusive as possible) could mean for businesses in Leeds and what could be done practically to help our economy make the transition.
- 20 We know that there are significant opportunities in emerging Green sectors – modelling from the Local Government Association in summer 2020 shows that Leeds will become a hotspot for new Green jobs, generating the highest estimated number of jobs in the low-carbon and renewable energy sector of all the English Core Cities, with the city expected to see almost 34,000 jobs by 2050. As an example of the Council's work within this area of focus, earlier this year, the Council was successful in securing £25.3m to decarbonise 38 publicly owned buildings, cutting the city's carbon emissions by nearly 4,000 tonnes. The work will also help stimulate the local green economy, safeguarding or creating an estimated 338 jobs as part of our recovery from the pandemic.
- 21 The work exploring green jobs and the green economy in Leeds will support the Great Jobs Agenda by ensuring we explore and understand the opportunities and challenges for our economy as we act to meet our Net Zero by 2030 target as a city, which will include potentially the pivoting of certain businesses, looking at the support we provide to businesses and the skills required by residents and businesses alike. We know that green jobs will be essential to our recovery from the Covid-19 pandemic and to building resilience into our economy for the future.

### Procurement

- 22 Spending money wisely is one of the core LCC values and the financial element of tender evaluations is designed to drive value. The procurement process should always also consider social value offerings and our standard specification gives example of what should

be considered, including increasing employment and training opportunities; increasing routes in to employment; reducing pay inequalities; social innovation to create local skills and employment; and social innovation to support responsible business.

- 23 When procuring externally it is not legally possible to dictate that only Leeds-based companies must be used. However, when procuring a new contract, consideration is always given to whether the procurement would be of interest to local suppliers and/or third sector organisations. Furthermore, the Council is committed to support local Voluntary, Community and Social Enterprises (VCSEs) and SMEs and believe, because these organisations are grounded in their communities and work to deliver social change, investment in these organisations provides social value over and above the services they provide. Consequently, the Council encourages bidders to prioritise investment with VCSEs and Leeds-based SMEs when designing their social value commitments.
- 24 It is not legally possible to dictate that Council suppliers will pay a Real Living Wage as part of procurement processes. However, the Council does encourage our contracted suppliers to do this as part of its standard specification, emphasising that LCC is committed to promoting the Living Wage Foundation Real Living Wage across the city and encourages all contractors and suppliers to pay the Real Living Wage to all their employees as a minimum.
- 25 Additionally, in May 2016 the Council and other partners in the city signed up to the Leeds Social Value Charter. This sets out social value ambitions for Leeds and goes further than the Social Value Act in asking Council officers to consider social value in all we do, procurement and commissioning. The Council works closely with the Social Value Portal to ensure that all its contracts include social value commitments that are to be delivered in addition to the goods, works and services being procured. In the current financial year, over £10m of social value commitments have been included in Council contracts.
- 26 The procurement standard also includes encouragement of sustainability in bidder responses, such as innovative measures to respond to the Climate Emergency; a clause incorporating apprenticeships and training, including a minimum number of employment and skills measures to be delivered; a clause that supports the employment of older workers; and a process in place to encourage bidder commitments in relation to percentage of women, BAME, LGBTQ+ and disabled employees hired on a contract.

### **The City's Approach to paying the Real Living Wage**

- 27 A Leeds Living Wage baseline measurement conducted by Living Wage Foundation in October 2019 shows that only 2% of Leeds' economically active population are directly employed by accredited Living Wage employers. The campaign to make Leeds a Living Wage City was launched by the former Leader (Baroness Blake) on 26th February 2020 at Leeds Art Gallery. This event marked the start of a process which enables partners to explore challenges, share their learning and set out plans to address low pay in Leeds.
- 28 The Living Wage Foundation offers formal recognition to geographical areas (such as towns, cities, boroughs and regions) across the UK that show leadership, progress and ambition on the uptake of the Living Wage through its Living Wage Places model. The model offers an opportunity to encourage collaboration between key local institutions and harness place identity as a motivator for more employers to join the Living Wage movement. The scheme focuses on Anchor institutions that employ large numbers of local people, are able to influence their networks and are representative of particular places due to their long-established social, cultural, economic and political roots in the area. There is a three-step process beginning with forming an action group to influence and champion the Living Wage; researching low pay to understand the challenge locally; and finally creating

an ambitious action plan to deliver change. All this being said, there are also potential challenges around formal accreditation, which includes the need for employers pay to be accredited, as well as potential significant cost pressures which will apply to commissioned services.

- 29 The Council remains committed to continuing to pay Council staff, including apprentices, the Living Wage Foundation Real Living Wage, which we have done since 2015. We have worked with Leeds Anchor institutions to ensure they also pay the Real Living Wage and we want to continue working with other employers across the city to encourage them to do so too. There are many benefits to paying the Real Living Wage for both employers and employees. These can include reputational benefits; improved recruitment and retention and broader business benefits such as securing contracts. We therefore want to encourage the number of employers who pay the Real Living Wage which could be done through methods such as as part of the Private Sector Progression Framework or our new planned Inclusive Growth website, which could both aid a self-declaration approach for partners and stakeholders across the city in relation to paying the Real Living Wage, as well as other matters such as ‘fire and rehire’.

### **The Leeds Anchors Network**

- 30 Established in 2018 and founded by Leeds City Council, The Leeds Anchors Network is a consortium of 13 organisations employing over 58,000 people, with approximately one in seven jobs in Leeds being within Anchor institutions. They have a combined annual expenditure of over £2bn and share a clear commitment to use their place-based economic, human and intellectual power to better the long-term welfare of their local communities. Through this Network, Leeds is leading the way in developing meaningful change and practical actions that will support the achievement of the city’s ambitions, including using the power and influence of Anchor organisations to focus on the Great Jobs Agenda. The Anchor institutions are: Leeds Teaching Hospitals NHS Trust, Leeds Beckett University, Leeds City College, Leeds and York Partnership Foundation NHS Trust, University of Leeds, Leeds College of Building, Leeds Community Healthcare NHS Trust, Leeds Trinity University, Leeds City Council, NHS Digital, Yorkshire Water, British Library and Northern Gas Networks.
- 31 The Anchor institutions were integral in the city’s response to Covid-19, including through the delivery of healthcare, social care and education. This being said, the Covid-19 pandemic did cause a hiatus in the regular meetings of the Anchors Network as a whole; however throughout 2021 the Executive Group has met again, as well as the individual working groups too, and has been working hard to refocus on its priority areas.

### **Actions taken by the Leeds Anchors Network**

- 32 Leeds is leading the way in developing meaningful change through the Leeds Anchors Network and is developing practical actions that will support the achievement of the city’s ambitions on inclusive growth and health and wellbeing. The foundation of the Network is that each Anchor organisation has committed to completing a progression framework (a copy of which can be found at Appendix 1) which helps them to rate themselves against five key areas in terms of their contribution to the local economy and help organisations capitalise upon their power as Anchor organisations. The five dimensions of being an Anchor institution are: Employer; Procurement; Environment and Assets; Service Delivery; and Corporate and Civic Behaviours. An action plan has also been built to move the organisations through the progression framework and the Network. The Council itself, as an Anchor institution, is currently updating our own progression framework.
- 33 The Network has already been actively putting into practice community wealth building, a people-centred approach to local economic development which redirects wealth back into

the local economy, by increasing the number of local businesses engaged in its supply chains, with Anchor institutions retaining £1bn+ of goods and services in the city through local purchasing; engaging local communities in employment support programmes (such as the targeted place-based employment support programme recruiting 49 people into Leeds Teaching Hospital Trust (LTHT) jobs); increasing their local training and apprenticeship offer; and committing to producing a [Diversity Dashboard](#) to collectively report on and take action on diversity pay gaps. This will make Leeds the first city in the UK in which employers will be working together to publish data showing the make-up of their workforces. The Dashboard will help the largest publicly funded organisations in the city to take joint action to improve representation amongst their staff and demonstrate to the public how they are making progress in becoming more representative of their communities. The Dashboard will help to provide a better understanding of gaps in representation in the workforce and areas where recruitment policies can be improved, therefore improving economic and social benefits within the city's most disadvantaged neighbourhoods.

34 Further specific case studies of the work of Anchor organisations include:

- Leeds Beckett University (LBU) switching their procurement practices and supporting their supply chain. LBU has developed a social value criteria in its procurement activity enabling it to increase the proportion of its discretionary spending from 25% (in 2019) to 60% (in 2021). Targeted work with suppliers has resulted in 72% of spend with SMEs and 20% with firms in the 15 most disadvantaged neighbourhoods. The University's Leeds Business School provides support to these organisations, seeking to strengthen supply chain resilience.
- LBU speech and language students and staff have also worked to transform the lives of more than 60 children, aged between two and nine, each with a range of speech, language and communication needs, by holding a series of clinics at the university's campus during school summer holidays (as part of a wider Leeds Community Healthcare NHS Trust initiative). Working alongside university and LCH staff, students helped children with fundamental social interactive skills, vocabulary development, comprehension and speech through a variety of fun games. The clinics had a significant impact on access to treatment, bringing waiting lists down from over 12 months to less than 18 weeks. There was also a major impact on NHS staff capacity – the addition of six LBU students and staff meant that NHS staff capacity quadrupled over the six weeks of the programme.
- LTHT is supporting its New Hospitals Programme through procurement practices. The planned investment as part of the New Hospitals Programme provides an opportunity to embed Anchor approaches and maximise economic impact and social value, for example by using the supply chain to target employment and skills initiatives in the most disadvantaged communities through the creation of partnerships between design and construction teams and Anchor institutions.
- LTHT is also the highest-ranking NHS employer of apprentices, employing 2,000 apprentices since 2010 and 18% of new starters now being apprentices. It has used apprenticeships to help fill vacancies and to enable progression and offers a wide range of opportunities, including innovative and inclusive approaches such as the Nursing Career Pathway which saw LTHT work with local providers and universities to create the UK's first Registered Nurse apprenticeship.

35 Additional actions undertaken by other Anchor organisations in Leeds are also outlined under the 'Future ambitions for the Leeds Anchors Network' section of this report, in paragraph 42.

- 36 In November 2020 Expressions of Interest (EOI) opened for a new funding opportunity through the Health Foundation (an independent charity supporting better health and healthcare across the UK) called 'Economies for Healthier Lives'. This £1.7m funding programme was established to strengthen relationships between economic development and health by supporting partnerships to promote health and reduce health inequalities through economic development strategies and will be split across a number of cities in the UK and will see a small number of projects working to create partnerships and benefit local communities across a city or region.
- 37 Leeds City Council was successful in the EOI round and was invited to submit a full application in March 2021. The Council was invited to interview on 15<sup>th</sup> July 2021 and was subsequently successful in being awarded funding of £439,502 to reduce health inequalities across the most disadvantaged communities in Leeds.
- 38 From September 2021, the funding will support new opportunities for a joined-up approach to economic and health issues, focusing on areas with the most need. A dedicated team will work to strengthen links with communities, co-design projects with social or economic benefit, create new employment or training opportunities and measure the impact on the health of local people.
- 39 The Council is set to receive national profile from our involvement in this Health Foundation programme, which includes other cities and authorities from across the UK. The overall aim of the Council's Good Jobs, Better Health, Fairer Futures programme outlined in its bid to the Health Foundation is to demonstrate that health inequalities can be improved through a joined-up and targeted approach to economic and health interventions in the most disadvantaged communities in Leeds. The initiative is particularly important to the city's recovery from Covid-19, as poverty and deprivation remain significant challenges in some parts of Leeds, with inequalities widening during the pandemic, such as mortality rates and Covid-19 vaccine uptake.
- 40 Through the Good Jobs, Better Health, Fairer Futures programme, we aim to achieve systematic and routine involvement of Anchor institutions in interventions that support our priority neighbourhoods. The interventions will be deployed through the Leeds Anchors Network and funding will be used to:
- Better engage and support Anchor institutions in their work to generate additional social and economic benefit in our least advantaged communities;
  - Enable the co-design of initiatives that improve health outcomes, strengthening links between Anchor institutions, community organisations and local people;
  - Link Anchor institutions to established interventions that connect people to quality jobs and scale-up initiatives, as outlined above;
  - Use an evidenced-based approach to identify new pathways to employment, quantify impact, and deliver at scale;
  - Connect the private sector with the Anchors Network, supporting them to deliver greater social value;
  - Develop a metric framework to capture health impact of Anchor economic activity; and,
  - Fund two new staff posts within the Council, a Project Manager and a Project Officer.
- 41 At present, the project is in its initiation phase. Recruitment for a Project Manager and a Project Officer is underway.

*Future ambitions for the Leeds Anchors Network*

42 The Anchors Network has an established Business Plan to track priorities and progress for the Network. The priorities and latest updates on each are shown below:

- Establish the new LTHT hospital(s) as a flagship project which embeds Anchor principles, so that the project can be a demonstration of what is possible. This is likely to include a focus on issues such as procurement, environment and estates. We will work with LTHT through the Anchors Network to agree practical mechanisms and actions. An approach for how social value will be embedded in procurement has now been agreed.
- Diversity Dashboard: Continue progressing work delivering the commitment to publish all diversity data. A prototype Dashboard has been developed and the Anchors Executive Group has agreed to proceed with the fully developed Dashboard. We also have the ambition to extend impact of this work by using the Dashboard as a tool to identify actions that will support Anchor organisations to improve diversity in ways that reflect their local communities. There is a link also to action on Priority Neighbourhoods and Community Anchors. As mentioned above, the Network has now published the Dashboard.
- Priority Neighbourhoods and Community Anchors: Make meaningful progress in at least two Priority Neighbourhoods, working with relevant Community Anchors where appropriate to co-design activity based on local need and aligned to individual anchor service delivery. This has included the targeted actions of LTHT in the Lincoln Green area of the city to recruit people into LTHT jobs. It also includes action by LBU in New Wortley, whereby the university's Law School provided legal support to people from the local community. Furthermore, the University of Leeds' dentistry outreach programme saw dentistry students run an 'Open Wide' programme in schools and colleges to educate children about oral hygiene and guide young people towards a career in dentistry. Additionally, members of the local community were this summer given the first chance to apply for new support staff opportunities at the Leeds and Yorkshire Partnership Foundation Trust's new Children and Young People's Mental Health Service in the Red Kite View inpatient building on the St Mary's Hospital site at Armley. These actions can also be aligned to the work of the Health Foundation project (mentioned above), where we are seeking to connect Anchor organisations further to some of the most disadvantaged communities in Leeds. The Network is also committed to undertaking an audit on community action to support planning for next steps.
- Climate Emergency: The aim is to establish mechanisms to integrate climate/environmental activity into the Leeds Anchors programme, such as staff carbon literacy and low carbon procurement. An audit of action taken by Anchor organisations and their climate position is underway, including identifying leads at each Anchor. There is also intended alignment with the work of the Yorkshire Climate Commission. There are some case studies of action being taken, including NHS Digital working towards clear, factual targets with clear ownership and accountability, such as technical modelling of a carbon emissions baseline and pathways for reduction (considering changing boundaries of carbon footprint estimations due to the recent increase in hybrid working); examining climate impacts; and holding suppliers to organisational standards. Furthermore, Leeds and York Partnership Foundation NHS Trust is utilising reporting mechanisms to provide a framework to manage environmental performance and oversee progress, such as the Sustainable Development Assessment Tool, which is used to measure progress and benchmark each year and also the organisation's Sustainable Development Action Plan.
- Private Sector: The prototype Private Sector Progression Framework has been trialled with targeted businesses, with three businesses successfully testing it so far, providing positive and constructive feedback. Further information is provided below in paragraphs 43 to 45.

- **Procurement:** The functioning Task Group has been refreshed, with an immediate focus of aiming to explore how to exploit post-Brexit flexibilities allowing more and easier local procurement. The Group will also look at how procurement policy can assist carbon measurement and response to the Climate Emergency. Furthermore, the inclusion of social value within Anchors' procurement practice provides an opportunity to re-align the National Taskforce Themes, Outcomes and Measures (TOMs) to be adapted to enable local enterprises to become familiar with a Leeds City Region set of TOMs that is uniform across all Anchor procurement practices when tendering for Leeds contracts across all Anchor institutions. The realignment of the TOMs will provide a consistent approach on how the city embeds social value.

### The Private Sector Progression Framework

- 43 As mentioned above in paragraph 32, each Anchor organisation has committed to completing a progression framework which helps them to rate themselves against five key areas in terms of their contribution to the local economy and help organisations capitalise upon their power as Anchor organisations. Further to this, we have developed a version of this progression framework as a practical tool that the private sector can adopt and use to assess their position and prioritise their actions. This Private Sector Progression Framework can be found at Appendix 1.
- 44 The focus of the Private Sector Progression Framework is on Inclusive Growth – building a better local economy in ways which maximise both the contribution of and benefits for disadvantaged people and communities – but it is also about how businesses can be active in their place and its economy in the round, including other issues where they can make a difference, such as education, the environment and climate goals and civic collaboration too. The framework tool is a self-assessment, aiming to prompt discussion, ideas and action, as well as to encourage a manageable number of priorities that get acted upon and make a difference. A pilot has been held with three private sector organisations in the city to trial our Private Sector Progression Framework, with a fourth shortly to complete the pilot as well. This has enabled the Framework to be tested and for us to receive feedback from the organisations too. We will be identifying further private sector organisations to take part in a trial and we will be setting up a workshop/learning session for those businesses who have been involved in the testing of the Framework to date.
- 45 The Private Sector Progression Framework includes paying the Real Living Wage as a question; however it goes beyond this too, covering issues such as methods of recruitment; flexible working; contract types; mental and physical health and wellbeing; leadership culture; local procurement and engagement with local businesses; social value goals; contributing to local regeneration; being a good neighbour for local communities and organisations; and reducing carbon emissions (amongst many others too). The Framework will therefore help bring together a range of initiatives to make it easy and simple for employers to link in to actions, such as the Mindful Employer Network.

### What impact will this proposal have?

#### **Wards Affected: All**

Have ward members been consulted?      Yes      No

- 46 The Executive Member for Economy, Culture and Education has been fully engaged with the work set out in this report, with particular focus on the activities associated with the Leeds Anchors Network and wider engagement with employers within the city. The Executive Member for Resources has also been advised on proposals and implications for LCC's budget.

47 The Leeds Inclusive Growth Strategy aims to build a strong economy within a compassionate city which reflects the values of the Council and informs the revised Best Council Plan. It is promoting growth that is inclusive and supporting the reduction of inequality in Leeds. The overall objectives are to reduce inequality, tackle deprivation and ensure the benefits of a growing economy reach all citizens of Leeds. The commitments and actions highlighted in this report are working towards outcomes including, but not limited to, tackling low pay, encouraging good working conditions and supporting job creation. Furthermore, we know there are more people living in poverty and with long-term health conditions than the England average, lower levels of social mobility and lower than average educational attainment. As a result, our shared approach to Inclusive Growth and Health too outlines how good schools, good jobs and safe homes are really important for good health and wellbeing. The promotion of social mobility through, for example, good jobs and good pay, as outlined in this report, are key to generating the city of the future.

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

- 48 The Anchors Executive Group continues to lead and drive the Network's Business Plan and Priorities. They remain fully engaged with the actions outlined in this report in relation to what the city's Anchor organisations have done and are planning to do going forwards within the realm of the Great Jobs Agenda (and beyond).
- 49 As mentioned previously in the report, three private sector organisations have already tested the Private Sector Progression Framework and we are learning from these companies and actively seeking a small number of other Leeds employers to join and learn with us together too.
- 50 The next Inclusive Growth Extended Delivery Partnership event will take place on 27<sup>th</sup> January 2022. At this event, which will be attended by partners and stakeholders from a variety of sectors from across the whole of the city, there will be a panel and subsequent wider discussion on the Great Jobs Agenda.

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

- 51 Resources for delivery activity are constrained due to the financial situation outlined earlier in this report. Any implementation above and beyond our current funding will need to either be delivered through external funding bids or through prioritisation within individual service plans, if resources allow.
- 52 In November 2021, the Living Wage Foundation announced the new Living Wage rate as £9.90 across the UK (a 40 pence increase) and £11.05 in London (a 20 pence increase). The Council's budget assumes a 2% pay award, in which case the costs of raising any grades that are still under £9.90 would be £325k. Additional costs would also apply regarding any premium pay staff may receive in addition to this. Even if the 22/23 pay award is not agreed for the beginning of the financial year, we will apply this rate from April 2022 so everyone is paid the real living wage, which would benefit around 2,400 employees.

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

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

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

- 54 Resources for delivery activity are constrained due to the financial situation outlined earlier in this report. Any implementation above and beyond our current funding will need to either

be delivered through external funding bids or through prioritisation within individual service plans, if resources allow.

- 55 Risk management plans will continue to be developed and monitored as this work progresses to identify and address any risks to delivery across the activities outlined in this report. These include financial and reputational risks.
- 56 The work and risk management of actions undertaken by the Leeds Anchors Network is overseen by the Anchors Executive Group. The organisations within the Leeds Anchors Network are also dealing with ongoing pressures of Covid-19, including working through backlogs as a result of the pandemic, which may result in changes to delivery of actions taken through the Network or changes in priorities as required.

### **Does this proposal support the council's 3 Key Pillars?**

Inclusive Growth

Health and Wellbeing

Climate Emergency

- 57 The Council's three pillars provide a framework for everything we do as a Council. It is clear that the activities and policy framework set out in this report aligning to the Great Jobs agenda and becoming a Living Wage council and city, also contribute directly to our ambition for all of our residents to benefit from a strong economy in a compassionate city. In particular, the actions contribute towards the delivery of Inclusive Growth by helping people into work and into better jobs; tackling low pay; targeting interventions to tackle poverty in priority neighbourhoods; supporting businesses and residents to improve skills; supporting growth and investment; and helping everyone benefit from the economy to their full potential.
- 58 'The Marmot Review 10 Years On' (2020) sets the central and local government agenda for reducing health inequalities. Marmot calls for health equity and inclusive growth approaches to be at the heart of economic planning post-Covid-19. Furthermore, we know that health inequalities can be improved through a joined-up and targeted approach to economic and health interventions. It is in this context that we are aligning our health and inclusive economic growth priorities – for example, via the Good Jobs, Better Jobs, Fairer Futures Health Foundation-funding programme, as well as via our ambition to become a Living Wage Employer and for Leeds to become a Living Wage City.
- 59 In addition, the Leeds Anchors Network is actively exploring how Anchor organisations can establish mechanisms to integrate climate/environmental activity into the Leeds Anchors programme. This involves working to identify tangible activities and projects, potential areas for which could link to energy use, procurement/supply chains and communication to workforces. The Private Sector Progression Framework also includes direct questions about environmental policies, systems and low/zero carbon targets; what action is being taken to reduce carbon emissions; how businesses are minimising waste, pollution and use of natural resources; and the support of nature and green space at business premises.

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

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

- 60 This report is outlining actions that have been undertaken so far within the Council's own Employment Agenda, in alignment with the Great Jobs Agenda, as well as interventions that have been made by the Leeds Anchors Network and the city's Anchors organisations, either collectively or individually.

#### **b) How will success be measured?**

- 61 We want to encourage employers to pay the Real Living Wage and ensure that they provide a positive overall package as employers for their staff. Although this could be

difficult to measure, we will aim to capture data wherever possible through our Business Support services and by making better use of the Leeds City Region business survey, as well as our Key Account Management service. We will also explore new and experimental data, in particular on wage rates, wherever possible to help us better understand impact. This could also be done through other methods such as as part of the Private Sector Progression Framework or our new planned Inclusive Growth website, which could both aid a self-declaration approach for partners and stakeholders across the city in relation to paying the Real Living Wage and other issues, such as 'fire and rehire'. The Leeds Anchors Business Plan will also record priority areas for the Network; actions taken by our city Anchor organisations; achievements and targets met; and also any potential issues or blockers, as well as any relevant next steps for a priority.

**c) What is the timetable for implementation?**

- 62 As this report spans multiple areas of work, there is not one clear timetable for implementation for everything that is covered within the report. We will, however, ensure that areas for implementation are included in forward work plans and reported through appropriate channels and Executive Board too.
- 63 This being said, the Leeds Anchors Health Foundation programme specifically is a three-year funded programme, with funding being first received by the Council in September 2021.

**Appendices**

- 64 Appendix 1 – Draft Private Sector Progression Framework.
- 65 Appendix 2 – Equality, Diversity, Cohesion and Integration Screening.

**Background papers**

- 66 None.