

## Leeds Inclusive Growth Strategy 2023 - 2030

Date: 20<sup>th</sup> September 2023

Report of: Director of City Development

Report to: Executive Board

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### Brief summary

As the Leeds Economy grows, this update to the Leeds Inclusive Growth Strategy ensures that the future of our city is more inclusive, healthier and greener and that all in the city can benefit from that growth.

Since the last update to the strategy in 2018 there has been a significant change to the economic, political, social and environmental landscape, and this updated strategy re-affirms our commitment to working with our Anchor institutions and other partners to ensure that that growth helps us tackle inequality, ensures we have the right infrastructure to enable our ambition, tackles the climate emergency, supports all sections of our society into better jobs, raises skill levels and improves the health of the poorest the fastest.

The updated strategy sets out nine refreshed 'Big Ideas' for how best to deliver growth that benefits all our citizens and communities, set within the three themes of People, Place and Productivity.

We will measure the impact of the Leeds Inclusive Growth Strategy through both the use of the Social Progress Index for Leeds and traditional economic indicators.

### Recommendations

- a) That the new Leeds Inclusive Growth Strategy 2023 - 2030, as appended to this report, be agreed, and that approval also be given for the Strategy's publication;
- b) That approval be given for the Director of City Development to lead on implementing the delivery of the Leeds Inclusive Growth Strategy 2023 - 2030;
- c) That approval be given to the proposed approach to stakeholder engagement to support the implementation of the Strategy; and,
- d) That an annual progress report will be submitted to Executive Board.

## **What is this report about?**

- 1 The *Leeds Inclusive Growth Strategy 2018 - 2023* was published in July 2018 following approval by Executive Board. It set the city's vision for delivering a strong economy within a compassionate city and informed the Best Council Plan. The Strategy has had a significant impact across the city through its clear delivery framework to deliver inclusive growth and has been reflected in the organisational strategy of key partners.
- 2 In 2023, the Inclusive Growth Strategy has been updated to reflect the changed economic, political, social and environmental context whilst maintaining a focus on economic growth that benefits everyone. The updated strategy will continue to focus on tackling inequality, ensuring we have the right infrastructure to enable our ambition, tackling the climate emergency, supporting all sections of our society into better jobs, raising skill levels and improving the health of the poorest the fastest while helping people to live healthy and active lives.
- 3 The Inclusive Growth Strategy will inform and support the delivery of our Best City Ambition to tackle poverty and inequality and to improve the quality of life for everyone who calls Leeds home. The poorest in Leeds are not always benefitting directly from growth and stubborn challenges around inequality remain. 22% of people (178,639) in Leeds<sup>1</sup> are living in poverty and there are now more neighbourhoods in the city that are classed in the 10% most disadvantaged in the UK, according to the Index of Multiple Deprivation in 2019 (compared to 2015). 32,933 (22%) of children under 16 are living in poverty in Leeds. The cost-of-living crisis has had a profound effect on families and children in Leeds. We know the scale of the challenge and will continue to work to support families through financial inclusion, support through our housing teams, our Healthy Holidays programme and support to help people improve their skills and employment.
- 4 The updated strategy will cover the period 2023 – 2030 and provide a framework for how best to deliver growth that benefits all our citizens and communities. The strategy refreshes the big ideas within the three themes of People, Place and Productivity. The strategy will galvanise city partners and ensure we are aligned around our vision, as part of Team Leeds. Our Team Leeds approach will be fundamental to delivering the Inclusive Growth Strategy, which revolves around supporting one another to make Leeds the best it can be, sharing ideas and learning, working in genuine partnership, being ambitious about our collective social and environmental impact, and organisations sharing their resources and assets as we work towards common goals. The Strategy will create a direction of travel for the next decade, which will help to build confidence against a backdrop of economic uncertainty. We want to use the strategy to highlight the role that businesses have to play in providing good jobs and supporting communities, and that the public sector has to play in being more enterprising and efficient in delivering better services.

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<sup>1</sup> DWP [Households below average income \(HBAI\) statistics - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/households-below-average-income-hbai-statistics) Please note: data collection for HBAI in recent years has been affected by the Covid 19 pandemic and the figures produced are subject to additional uncertainty and are not comparable with previous years.

- 5 A new delivery framework will enable us to raise our ambition even further. Leeds is a self-starting city that doesn't rely on subsidies, the only core city that is a net contributor to the UK economy. Our unique geography, broad-based economy, diverse population, and reputation for collaboration and as the place people come to try things out has enabled Leeds to accelerate its success. We want to reflect the progress that has been made and influence future policy, showing what could be achieved if we had more funding. A growing economy will lead to more income for the city, for example through increased business rates, council tax and the New Homes Bonus which in turn can be used to provide more support to tackle inequality and the other issues the city faces, delivering on our promise of delivering inclusive growth.

### Some of our Achievements

- 6 Despite the challenges thrown at us over the past five years Leeds has made significant progress in delivering inclusive growth because of strong, consistent leadership from the council and our city partners as part of our Team Leeds approach.
- *We've been working with our Anchor Institutions to maximise the power of some of the city's biggest employers to help create more jobs and spending in local areas, with £722m spent in the Leeds economy in 2021/22 and £961m within West Yorkshire*
  - *We've grown our campaign to make Leeds a child friendly city to over 1,000 businesses and organisations who amplify the voice of children and put them at the heart of our economic plans*
  - *We've unleashed our Year of Culture in 2023, with the total amount of investment by Arts Council England into Leeds through the National Portfolio Organisations increasing from £21m to £29m*
  - *We were home to the first UK Real Estate Investment and Infrastructure Forum (UKREIIF) in 2022, which was established in Leeds in 2021, and will once again be in the city in 2023 providing a major economic impact and showcasing the potential of Leeds for large scale conferences*
  - *We've been chosen as the destination of choice for major institutions such as the new UK Infrastructure Bank, and have attracted global companies including Channel 4, Burberry and Cognizant, a testament to the talent pool in Leeds*

### *Support our Businesses and People*

- *Through our Employment and Skills Service, in 2022 we:*
  - *Supported over 3,700 people to improve their skills*
  - *Helped 3,000 people into work*
  - *Hosted careers fairs for over 12,000 people, including in key areas such as Creative Industries and Digital*
  - *Hosted our Next Choices Special Educational Needs and Disabilities (SEND) event*
  - *Provided recruitment and skills support to over 340 businesses in the city*
- *We have supported over 2,000 SMEs to undergo digital transformation through the Digital Enterprise Programme and over 4,000 entrepreneurs and start-ups to grow their business through the AD:Venture Programme since 2016*
- *We have tackled the digital divide through our 100% Digital Leeds programme working with over 200 organisations and bringing in over £2m of external funding to the city*

### *Connections*

- *We're Connecting Leeds and have completed £750million investment in decarbonising transport, creating healthier streets, spaces and communities, flood alleviation and transforming the city centre*
- *We've grown the footprint of the city centre, revitalised the waterfront and generated more homes, businesses and educational facilities through the South Bank regeneration programme and are delivering a new city centre park, delivering on the commitments we made in the Inclusive Growth Strategy 2018-2023*

### Why update the Inclusive Growth Strategy?

- 7 The global and national economic context has changed significantly over the past five years, and we are facing bigger challenges than any generation before us. We currently have significant volatility which is likely to continue for some time. The impact of the Covid 19 pandemic, significantly higher inflation, the war in Ukraine, higher interest rates and the new relationship with the EU are all impacting on our economy. We still need to continue tackling poverty, entrenched inequality and support our most disadvantaged communities while growing our economy and this challenge has grown more difficult owing to the impact of current economic conditions.
- 8 Alongside geopolitical instability, we see significant long-term trends and changes that represent a challenge and an opportunity for Leeds. For example, for businesses to survive, be productive and remain competitive, they need to embrace innovation and new and emerging technologies including Generative Artificial Intelligence and other technologies.
- 9 As well as responding to trends and building resilience, the updated Inclusive Growth Strategy addresses and aligns with a policy landscape that has been changing since 2018. West Yorkshire secured a devolution deal in 2020 and the Mayoral model has already provided opportunities for Leeds, with more to come. Leeds City Council is aligned with the West Yorkshire Combined Authority on calling for additional investment and powers for the region to deliver our shared ambitions.
- 10 As part of our approach, we are shifting power to citizens. We want to become a city which champions Community Wealth Building, retaining more wealth and opportunity for the benefit of local people. Leeds has also pioneered the use of ABCD (Asset-Based Community Development) to create the largest programme of this type in the country, founded on the principle that given the tools and the opportunity, small groups of citizens can change the things they believe need changing in the community, better than anyone else. We're also working with our Leeds Anchors to embed these principles.
- 11 The updated Inclusive Growth Strategy will reflect new policies and strategies that have been developed locally, including the Future Talent Plan, the Connecting Leeds Transport Strategy, a future update of the Local Plan, the Leeds Digital Strategy and the Destination Marketing and International Relations Plan.

### Leeds and the Leeds Economy

- 12 The Leeds economy is the main economic centre of the Leeds City Region driving growth across the North. In 2021, the size of the Leeds economy measured through GVA (Gross Value Added) was £26.3bn. We have a large and varied geographical footprint that allows us to plan for growth in a more sustainable way than many other comparative cities.
- 13 Leeds has a growing population, which increased from around 751,500 in 2011 to 812,000 in 2021. This represents an increase of 8%, which is above the English population rise of 6.6% over the same period. Although Leeds has a younger population than most other UK cities, the

long-term trend shows that the population is ageing and with it, with the median age in Leeds increasing from 35 to 36.

- 14 Leeds has undergone huge development change over the last 10 years with £4bn invested in large scale development projects and an even larger active pipeline of over £7bn including the East Leeds Extension – the biggest infrastructure project undertaken by the Council in fifty years, easing congestion and unlocking 5,000 new homes and green space in the north east of Leeds and the Flood Alleviation Scheme (FAS) protecting 3,000 residential properties, 500 businesses and 22,000 jobs from flooding.
- 15 We have seen continued investment in the city centre while a number of neighbourhoods in Leeds continue to be cut off from the opportunities that exist in the city centre through physical barriers, poor transport connectivity and difficulties connecting people to the types of opportunities available. Only 38% of Leeds' population can reach the city centre on public transport in 30 minutes<sup>2</sup>, and the city has a concentration of older poor-quality housing predominantly in more disadvantaged areas. We need to find the right balance in improving communities and places, supporting and enabling growth and connecting communities to opportunities, particularly to employment.

## Climate Change

- 16 Leeds was recently ranked by Forbes as the location in the UK showing the most progress on reaching net zero. The updated Inclusive Growth Strategy sets out how we intend to address the climate emergency whilst continuing to grow an economy which has health and wellbeing, social progress and community resilience at the heart. For example, we will support businesses to reduce their impact on the environment, be resilient in the face of climate change and take advantage of opportunities associated with net zero such as moving towards circular economy business models.

## Leeds Inclusive Growth Strategy 2023 - 2030

- 17 Delivery of the updated strategy is already underway and is reflected within the updated delivery framework for Inclusive Growth which continues to be built around People, Place and Productivity.

### 18 People

#### **Tackling poverty and inequality to improve people's lives**

- Ensure that Leeds is the best city in the UK to grow up and grow old in
- Improve the health of the poorest the fastest
- Continue to support the most disadvantaged communities and people

#### **Supporting people and businesses in a rapidly changing labour market**

- Raise the bar on inclusive recruitment, better jobs and healthy workplaces
- Help people into work or to start a business, focusing on those who need our support the most
- Enable people in work to learn new skills, progress throughout their career, and be able to change jobs

#### **Making sure education and training meets local needs**

- Develop talent in emerging and vital areas of the economy
- Work together better as a city to enable people to progress from learning to employment

### 19 Place

#### **Investing in our places and transport to create a sustainable economy and greener future**

- Enable and drive key development locations across the city to create jobs and investment

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<sup>2</sup> [Why improving public transport is about more than just infrastructure | Centre for Cities](#)

- Improve transport and connectivity to create a city where you don't need a car, bringing jobs and opportunities closer to people

### **Maximising the potential of our city centre and local high streets**

- Continue to focus on developing a liveable, attractive and exciting city centre with clear opportunities for growth
- Support our local centres and high streets to respond to changes in the economy and diversify, as well as being attractive community centres to meet, shop, work and access services

### **Connecting and strengthening our communities**

- Increase the benefits of city centre growth into surrounding communities
- Build and improve more homes of the right type, quality, that are in the right places and increase the number that are affordable
- Enable local people to make their own decisions on how to improve their communities

## 20 Productivity

### **Stimulating innovation which drives and delivers measurable impact towards a healthier, greener and inclusive future**

- Back diverse innovators and entrepreneurs with the potential to develop high growth businesses
- Invest in our innovation infrastructure including the Innovation Arc to create a centre of global significance

### **Helping businesses and organisations to become more productive and thrive in the face of change**

- Support our businesses to reach their growth potential
- Help businesses to capitalise on technology and transition to net zero

### **Promoting Leeds as a global destination for people to visit, live, work, study and invest**

- Position Leeds as one of the UK's leading tourist and conference destinations
- Value, protect and grow our culture and heritage
- Strengthen our relationships across the globe to raise our profile and increase investment

## Delivery of our Big Ideas

21 Delivering our big ideas will only be possible through partnership and the actions of everyone who is part of Team Leeds. What's clear is that there are some key moves that can really move the dial and we will work to accelerate our progress to deliver them between 2023 and 2030 despite the challenging financial climate.

22 We know what the challenges are but it's clear we are working with limited resources, so the council and city will have to be agile and responsive to opportunities to secure capital and investment, as not all of these ambitions currently have funding.

- Work with our Leeds Anchors to maximise the power of some of the city's biggest employers to help create more good jobs with fair pay, increase spending in local areas and create pathways for the city's employers to make a real difference in their local communities
- Ensure our health and care system is resilient and ready for the future through:
  - the delivery of new infrastructure including two new state of the art hospitals at the LGI site
  - leading the way on policy thinking through the Health and Social Care Hub and becoming a Marmot City
- Make Leeds a city where you don't need a car by creating an integrated, affordable, reliable green transport system including rail and mass transit, one that is fit for the future connecting both nationally and locally

- Continue to target and define growth areas across the city, connect these to communities in our Priority Wards and deliver good, accessible jobs
- Build on the success of the South Bank to further regenerate neighbourhoods surrounding the city centre including new homes and development
- Develop the South Leeds Gateway – connecting our key hospital, health and life science assets at St James' and LGI through the city centre to Morley, a linked pipeline of over £2 billion of development, drawing together the Innovation Arc, Leeds Station, Leeds Dock, Elland Road, White Rose and more
- Accelerate growth of our innovation ecosystem through:
  - The Innovation Arc - Linking the universities, hospital, cultural and innovative assets to turbocharge entrepreneurs, businesses, Research & Development
  - Being a test bed for new ideas and products
  - Tackling barriers for entrepreneurs preventing them from starting a business
  - Building new innovation spaces across the city including at White Rose and the LGI site
- Strengthen Leeds as a global city using our culture, assets, events and relationships to encourage tourism, trade and investment including delivery of British Library North, new conferencing facilities and the National Poetry Centre

23 Our commitment to greening the economy is more than a single key move. It underpins all our ambitions as we work towards Net Zero. Achieving good growth will be a city-wide effort, with businesses adapting operations, protecting jobs and reskilling where necessary. Failing to act is not an option and only stores up more issues further down the line. The city's energy bill is projected to hit £1.5bn in 2030 and £2bn in 2050 but could be cut in half if action is taken to improve efficiency.

24 In addition, the updated Inclusive Growth Strategy will set out our ambition to position Leeds as a Digital City. The digital sector in Leeds is thriving, underpinning a number of the city's highest growth sectors such as FinTech. Digital enterprise and innovation is happening in the city on a regional, national and international level, and we have a strong digital talent pool and renowned tech ecosystem. As we face the challenges of the future, we need to support people to thrive in a digital world by continuing to prioritise digital inclusion, tackle digital skills gaps at all levels and utilise technology to support people's health. We need to continue to support businesses to unlock opportunities to innovate and adopt new technology. We also need to look at how our digital technology can support our places to become smarter and tackle climate change.

### How we will measure success

25 We will seek to understand the impact of the Leeds Inclusive growth strategy through both the use of the Social Progress Index for Leeds and traditional economic indicators including GVA and Employment data.

26 The Social Progress Index (SPI)<sup>i</sup> is a tool being pioneered in Leeds which is now being used to measure how well Leeds is doing in terms of Inclusive Growth. The Social Progress Index (SPI) is a measurement framework model that was designed by the Social Progress Imperative an international NGO who produce global, country and city level SPIs. It is a tool that helps measure how well Leeds is doing in terms of Inclusive Growth. The SPI is built on three themes: Basic Human Needs; Foundations of Wellbeing; and Opportunity. Linked to the United Nations Sustainability Goals which are a commitment by world leaders to improve wellbeing of all people and ensure environmental sustainability by 2030, the Social Progress Index asks universally important questions about the success of societies.

- 27 As the Inclusive Growth Strategy is being delivered, the Social Progress Index will be used to compare how different wards in Leeds are performing, identifying which areas are doing well and which need improvement. It is building a stronger spatial understanding of progress on inclusive growth, deepening our understanding of progress from the ward level over time, and is a starting point for conversations with communities to understand what will make a difference to people's lives.
- 28 The Social Progress Index has been shared with elected members, the voluntary and third sector and with LCC colleagues, helping to inform how they target interventions in communities. Leeds City Council Communities team have started to use the SPI as part of their priority ward workshops and are looking at the indicators to track as partnership plans are developed and our regeneration team are using it to inform their engagement work for the regeneration of the South Bank.
- 29 We are constantly seeking to improve our understanding of communities and how we collect data. A new iteration of the Social Progress Index will be launched in Autumn 2023.
- 30 We are working to improve how we can measure the impact of culture on people's lives as well as on the economy of Leeds. We are exploring how we can tie together existing mechanisms to measure culture including the LEEDS 2023 Year of Culture evaluation and the Cultural Investment Programme whilst also exploring the possibility of new indicators to be included in the Social Progress Index.
- 31 In addition to the Social Progress Index, we will track our progress against traditional economic indicators, including growth (GVA), jobs, key labour market data including employment, unemployment and economic inactivity, claimant count and data relating to businesses such as start-up rates.
- 32 This data is published alongside the strategy as a dashboard on the Inclusive Growth website, enabling us to regularly update and monitor trends. We will also undertake comparisons with other core cities in the UK.

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

- 33 The Inclusive Growth Strategy provides the city with an economic framework up to 2030, delivering impact across People, Place and Productivity.
- 34 The strategy identifies and seeks to remove the barriers that people face in participating in the economy, living a healthy life and achieving their full potential. This includes addressing poverty and the inequalities that different communities and people face, poor health, a lack of skills and opportunities.
- 35 The strategy seeks to deliver positive impact in our places, identifying the infrastructure, transport investment, housing and development that our communities need and want. It will promote a balanced approach, ensuring that development is sustainable, that investment is spread around the city, that jobs are close to houses, and that people living in all areas can benefit from the city's growth.
- 36 Finally, the strategy will unlock growth at all levels, from supporting businesses and sectors with high growth potential, to removing the barriers that entrepreneurs face in starting a business, to helping SMEs successfully navigate a changing business landscape. It will also raise the city's



profile across the globe, whilst ensuring that people can benefit from increased levels of inward investment.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

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

#### Health and Wellbeing

38 The Inclusive Growth Strategy has been updated along the same timescales as the Health and Wellbeing Strategy, with regular co-ordination and joint engagement. Health and Wellbeing is a fundamental aspect of Inclusive Growth, in terms of helping people to live healthy lives from childhood to old age, reducing health inequalities, supporting people with long-term health conditions into work, and improving people's lives through unlocking the potential of health and care innovation.

#### Zero Carbon

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

Wards affected:

Have ward members been consulted?

Yes

No

climate change.

### What consultation and engagement has taken place?

40 The 2018-2023 strategy was developed following extensive public consultation. As set out above, a shift in the local policy landscape over the past few years has led to a significant amount of consultation with the public being undertaken, for example, consultations via the development of the Future Talent Plan, Innovation Arc, Local Plan Update and Connecting Leeds Transport Strategy. The feedback from these consultations and resulting pieces of work were fed into the development of the Inclusive Growth Strategy.

41 An engagement event brought together the Inclusive Growth Partnership, which took place on the 23<sup>rd</sup> January 2023. This allowed cross-sectoral representatives to input into the development of our Big Ideas.

42 In addition to this, targeted stakeholder engagement was carried out between November 2022 and May 2023. For example:

- Anchors Executive Group
- Health and Wellbeing Board
- Culture Consortium
- Manufacturing Alliance Steering Group
- Third Sector Partnership and many others

### What are the resource implications?

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

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

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

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

46 Regarding the delivery of the Inclusive Growth Strategy, a lack of focus on implementation could lead to the plan not being used by partners in the city, with the ability of businesses and other organisations including the council potentially unable to fully commit to the actions in the current economic climate. However, through strong stakeholder engagement, co-production and monitoring this risk will be mitigated.

47 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.

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

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

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

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

49 Not applicable – our previous strategy runs out in 2023 and the Inclusive Growth Strategy is in alignment with the Best City Ambition.

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

50 See above

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

51 September 2023 - Launch of the Inclusive Growth Strategy, including launch event with the Inclusive Growth Delivery Partnership.

52 July – December 2023 – Update of website content to complement the Inclusive Growth Strategy including a new update of the Social Progress Index and an economic data dashboard.

### Delivery Partnership

53 To ensure that we have a strong partnership engaged in the delivery of the Inclusive Growth Strategy, we have reviewed our existing partnership approach.

54 Building on our successful approach of the last five years, we will continue to work through our extended citywide delivery partnership to continue to build our shared sense of purpose and understand the difference we're making to people in Leeds.

- 55 This partnership brings together stakeholders from public, private and third sector from across the city to showcase delivery of activities that deliver inclusive growth and continue to strengthen the collaboration across the city and build new connections.
- 56 We will continue to convene the partnership three times per year.
- 57 In 2018 we established a Core Delivery partnership with 12 Inclusive Growth Ambassadors, one for each big idea. Now that the wider partnership and the strategy is matured, we believe the best way to continue to build our collaboration is through the extended partnership. We are now bringing the Core Partnership to a close and we thank the Ambassadors for their hard work over the past five years.
- 58 Where we need to bring together partners to focus and collaborate on specific issues, we will follow the successful approach which underpinned the development of our Future Talent Plan. We will bring together task and finish groups with specific expertise to help us respond to challenges and opportunities. The successful Digital Forum and Digital Steering Group established to support the delivery of the Inclusive Growth Strategy will continue.
- 59 As the Inclusive Growth Strategy falls under the Best City Ambition as a key pillar, any future developments will be driven by the Best City Ambition.

## **Appendices**

- EDCI screening
- To Follow: Leeds Inclusive Growth Strategy 2023 – 2030

This will be made available before Executive Board but is not circulated with this report.

## **Background papers**

None

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<sup>i</sup> [The Leeds Social Progress Index | Inclusive Growth Leeds](#)