

Leeds Inclusive Growth Strategy 2023 – 2030: One Year On

Date: 11th December 2024

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

This paper updates Executive Board on the progress the city has made in delivering inclusive growth since the publication of the city's second Inclusive Growth Strategy in September 2023, embedded in the Best City Ambition. The strategy aims to ensure that the future of our city is more inclusive, healthier and greener and that everyone living in the Leeds can have the opportunity to flourish.

The strategy sets out three themes of People, Place and Productivity together with nine Big Ideas. Since launching the updated strategy, we have already made significant progress in delivering against these three themes, securing major investments in key projects that will support our ambitions.

Highlights include:

- The council's Employment and Skills Service Adult Learning and Employer Provider Apprenticeship programmes achieving an Outstanding Ofsted judgement.
- The delivery of a range of careers fairs to inspire talent in emerging areas of the economy and help people into work, for example the Leeds Apprenticeship Recruitment Fair which alone attracted 11,000 visitors in February 2024.
- The government's announcement of the West Yorkshire Investment Zone which is accelerating plans for the Innovation Arc.
- 13,000 people attending the third UK Real Estate Investment and Infrastructure Forum (UKREiif) in 2024 at the Royal Armouries, with the three day programme having now generated £38.5m of local economic activity.
- The former Department for Levelling Up, Housing and Communities (DLUHC) publishing its joint vision with Leeds City Council and West Yorkshire Combined Authority which outlines proposals for a decade of growth and prosperity in Leeds.
- WYCA's plans for a regional Mass Transit system and bus reform continuing to progress, with Leeds City Council backing the first phase of Mass Transit which would see two lines created in Leeds.

- The Flood Alleviation Scheme end of construction event was held on 22nd November as phase 2 is complete. It will provide the 1 in 200 year standard of protection to circa 4000 residents and 1000 businesses.
- Leeds PIPES continuing to expand, with £24.5 million funding recently secured from the government, the most significant single investment into the project since its inception.
- The [Leeds Business Anchors Network](#) launched in 2023 bringing together businesses that are committed to increasing their contribution to Leeds, with employment identified as their first priority.

Projects outlined in this paper are included to highlight progress on improving economic growth in the city. Work has also taken place to build awareness and support for the new strategy, including through our Inclusive Growth Partnership, which now has over 1400 members.

Our main measurement tool to build our understanding of progress in inclusive growth over the long-term is the [Social Progress Index](#) which has been updated in 2024 and now includes five years' worth of comparative data. The inclusive growth website also contains more traditional economic indicators and is available through our [dashboard](#).

This paper responds to the White Paper motion approved by Full Council at its meeting on 13th November, in support of the Government's landmark new Employment Rights Bill which aligns with our work to ensure that the future of our city is more inclusive. In relation to fair pay, the report highlights the council's continued commitment to paying the Real Living Wage to all staff and encouraging other employers to also pay it.

Recommendations

- a) Executive Board is requested to note progress on delivering the second iteration of the Leeds Inclusive Growth Strategy and the publication of this annual progress report, as previously agreed by the Board in September 2023.
- b) Executive Board is requested to agree the contents in the report showcasing a year of progress to deliver Inclusive Growth in Leeds.
- c) Executive Board is requested to agree that the Director of City Development will continue to lead on implementing the delivery of the Leeds Inclusive Growth Strategy working under the Best City Ambition.

What is this report about?

- 1 The second iteration of the [Inclusive Growth Strategy 2023 - 2030](#) was launched in September 2023, following approval from Executive Board. One of the Key Pillars of our Best City Ambition, the updated Inclusive Growth Strategy provides a framework for how best to deliver growth that benefits all our citizens and communities and enables us to raise our ambition even further. Updates will be provided annually to Executive Board with this report being the first since publication. Not all activity can be covered in one report and these projects are not a comprehensive list, rather a selection of some of the things happening across the city. Whilst significant progress has been made there is still much to do in order to deliver our objectives and ambitions over the longer term.
- 2 The Best City Ambition sets out a strategic intent shared between the council and its partners to work together as Team Leeds, sharing ideas and learning, working in genuine partnership, being ambitious about our collective impact and sharing resources and assets as we work towards common goals. Delivering inclusive growth requires a collective effort from the public, private and third sectors in the city working together. Businesses and third sector organisations can help us determine the future we want and continue to play a crucial role in supporting local communities. Meanwhile, the public sector needs to be more

enterprising and efficient in working with its full range of partners to shape the services people need and creating places people feel proud of.

- 3 The Leeds economy has performed broadly similar to other UK core cities. We have many strengths, including a thriving and collaborative digital sector with Leeds Digital Festival being the largest open tech event in the UK. Our tech sector grew 125% faster than the national average in 2023. Finance and professional services are one of Leeds' highest value sectors, which is why the city has been chosen as a location by national institutions including the UK Infrastructure Bank (now the National Wealth Fund), Financial Conduct Authority and Bank of England. Leeds also has an internationally renowned health sector, which is the largest driver of employment growth in the city (between 2015-2022), with key strengths in HealthTech, digital and data and pathology. We are building more homes than any core city, are home to innovative companies and over 65,000 students have chosen Leeds as a place to study.

Policy Context

- 4 In the context of long-term stagnant productivity and low levels of growth, the government set out its first budget on 30th October 2024. This included tax increases including employers National Insurance contribution, large spending increases for the health service and a modest increase for local government. Further detail on local government funding will be set out in the upcoming Local Government Finance Settlement.
- 5 Prior to the budget, in September the government published its Industrial Strategy Green Paper which sets out the government's 10-year plan to tackle barriers to growth, targeting high growth-driving sectors and places, recognising the potential of cities and regions across the UK. The new Industrial Strategy will be published in Spring 2025 alongside the Spending Review.
- 6 The Industrial Strategy Green Paper states that the government will work in partnership with devolved governments and give Mayors in England the tools they need to grow their economies. Against this backdrop the West Yorkshire Combined Authority has published its Local Growth Plan and will be considered at the meeting of WYCA on 12th December This shows the West Yorkshire economy is broad based with a strong manufacturing sector (mostly outside Leeds) and knowledge-based sectors mostly in Leeds.
- 7 The Growth Plan also highlights the opportunity for our economy if we could close the productivity gap to match that of London and the South East. Currently our £66 billion regional economy is £11 billion smaller than it would be if we met the national average of GVA per person. On current trends that gap is projected to widen, and by 2044 we are due to lag the UK average by more than £19 billion. Closing the gap would mean 18,000 additional businesses, 53,000 more people with Level 4 qualifications, and £3.2 billion more each year in investment.
- 8 In addition to the Budget, the government has introduced a landmark new Employment Rights Bill, which includes measures to provide protection against unfair dismissal from day one; establish parental and bereavement leave from day one; end exploitative zero hour contracts; end unscrupulous practices of fire and rehire and fire and replace; make flexible working the norm where practical; deliver stronger protections for pregnant women and new mothers; and strengthen statutory sick pay. The Bill also seeks to modernise trade union legislation, giving trade unions 'greater freedom to organise, represent and negotiate on

behalf of their workers'. At its meeting on 13 November 2024, the Full Council approved a White Paper motion which complements the work undertaken to deliver our Inclusive Growth Strategy as set out in this report. The minutes of this meeting can be found [here](#).

Inclusive Growth Strategy Delivery Update – One Year On

People

- 9 This section looks at the issues surrounding poverty and inequality, its impacts on health and how we can improve this, how we can support businesses to create more better paid, secure jobs, and make the most of training and education in the city to meet local needs.

Talent and Skills

- 10 Work continues to deliver our Future Talent Plan, which underpins the Inclusive Growth Strategy, enabling people and businesses to thrive in a rapidly changing labour market and focusing on those who need our support the most. The government's Employment Bill will support the continued delivery of our Future Talent Plan, improving the lives and raising the living standards of workers in Leeds.
- 11 The Future Talent Plan sets out our intention to raise the bar on inclusive recruitment, better jobs and healthier workplaces. An important part of this is our commitment to the Real Living Wage, which we are committed to paying all staff and encourage other employers to also pay. The government's commitment to increasing the national minimum wage by 6.7% as set out in the Autumn Budget is a step towards delivering a genuine living wage for all workers.
- 12 The Council continues to modernise our approach to recruitment supported by the implementation of a new recruitment system. Linked to our Equality, Diversity and Inclusion (EDI) agenda we are supporting managers with more innovative approaches to attract diverse candidates including links with local communities to support people into work. The mandatory EDI training for all managers promotes inclusivity throughout the recruitment process, supported by additional guidance including taking positive action. The Human Resources Team continue to promote opportunities to develop skills using the apprenticeship levy for both employees and entry routes into the organisation, supporting the Future Talent Plan.
- 13 Our strong values and behaviours offer an inclusive place to work, where people are encouraged to bring their whole self to work, with lots of initiatives to support people to be well at work. Employment practices and policies already in place mean that the Council is in a good position in relation to some of the areas that are covered by the Employment Rights Bill (as outlined above). However, it is expected that some policies and practices will need updating to reflect anticipated changes in legislation that will be made as outlined in the Employment Rights Bill, especially in relation to giving day one rights. The HR team are closely monitoring developments in this area and will feed into consultation and ensure appropriate changes are made to reflect legislation as more details emerge, with many elements not expected before 2026.

14 Our Employment and Skills service continues to support people to find work, training, apprenticeships and education opportunities, helping thousands of people each year. The figures from the last two years are set out below:

	Apr 23 to Mar 24	Apr 22 to Mar 23
People accessing Employment and Skills	13,513	14,179
People into work	3,094	2,999
People with improved skills	4,300	3,753

15 Following an Ofsted inspection in December 2023, the council's Employment and Skills Service Adult Learning and Employer Provider Apprenticeship programmes became the first Local Authority to achieve an Outstanding judgement since the new Education Inspection Framework commenced in September 2019.

16 An important part of our Future Talent Plan is creating healthier workplaces to encourage people back to work and help people already in work. This complements measures in the government's Employment Bill to improve employee rights within the workplace. As part of our commitment to improving recruitment and retention of the 50+ workforce, Leeds City Council has adopted the Age Friendly Employer Pledge, encourages other organisations to adopt it too, and is exploring opportunities to include age friendly principles in employment and skills projects and future contracts.

17 Through our annual careers fairs, we are inspiring people about opportunities in emerging areas of the economy as well as supporting people with SEND (Special Educational Needs and Disabilities) into work or other opportunities:

- Our SEND Next Choices event supports young people and their parents, carers, and support workers in taking the next steps in getting ready for adult life. In 2024, there were approximately 2,000 visitors and 70 exhibitors attending on the day.
- The Leeds Digital Careers Fair 2024 took place at the end of September, sponsored by the Bank of England, Leeds City College and KPMG, with 56 exhibitors taking part and 4,200 people attending.
- Our Creative Skills Festival returned on 18th November 2024, hosted at the Royal Armouries, with 2,700 people attending.
- The Leeds Apprenticeship Recruitment Fair, the largest apprenticeship recruitment fair in the north of England, attracted 11,000 visitors in February 2024, which is nearly as many as the number of people who engaged with all our recruitment fairs in 2022.
- An extended, year-round programme of events for Leeds's seventh Manufacturing Festival launched in February 2024, highlighting career opportunities for young people in the region's manufacturing sector. A launch event at Leeds City College included keynote speeches from Boeing Defence UK and Make UK's national apprenticeship training academy.

18 In addition to our careers fairs, we continue to bridge skills gaps with initiatives such as our partnership with Microsoft and education provider UA92. In two bootcamps on Cloud Infrastructure and Data, we have supported 31 individuals across Leeds and Manchester who have traditionally been unable to access opportunities in digital to start or transition into tech careers.

- 19 To address skills shortages in key areas of the economy including health, digital and the green economy, the council is working with partners in the city to deliver a key element of the UK Shared Prosperity Fund (UKSPF) Hyper Local offer. Partners including Learning Partnerships and PATH, who are rooted in local communities, are supporting residents particularly those living in priority neighbourhoods to access employment opportunities in these sectors.
- 20 Our Leeds SEND Employment Forum launched in October 2023 to bring together a wide range of organisations who offer their time, knowledge and expertise to help improve employment opportunities for young people with SEND. One of our key priorities includes increasing the number of supported internships available in the city, training programmes of up to 12 months for people aged 16-25.
- 21 As well as the SEND Employment Forum, the Lighthouse Futures Trust – a specialist college and charity that helps young neurodivergent people develop the skills and confidence to move into sustainable, paid employment, launched the Leeds Inclusive Employer Network (LIEN) in June 2023. This is a means of providing information and support to employers about all aspects of inclusive employment.

Health and Social Care

- 22 We are committed to improving the health of the poorest the fastest, and work continues to transform health and social care services in Leeds. HomeFirst is a new partnership approach which enables more people to stay in their homes and receive care, or return home sooner, rather than stay in hospital. Over the previous Winter period in 2023/24, there was a significant drop in the number of people admitted to hospital, as well as those waiting to be discharged from hospital. The success of the programme means it has been expanded throughout 2024 and drawn national attention as best practice in health and social care integration.
- 23 In addition to HomeFirst, a new Community Health and Wellbeing Service which also aims to transform home care services has been rolled out across Bramley, Stanningley, Armley, Farnley and Wortley. The service ensures residents have access to a more consistent service with social care workers undertaking their care on a regular basis. Care workers are also paid for their whole shift rather than separate home visits, improving their terms and conditions. Establishing fair pay in the adult social care sector is specifically referenced within the government's new Employment Bill, and Leeds City Council is signed up to various ethical care charters where we have committed to promoting the Real Living Wage for care staff across the city, as well as embedding fair work practices as referenced above as part of our commissioning of homecare.
- 24 Leeds City Council continues to work closely with the Department for Health and Social Care Hub, which primarily involves promoting more integrated working with civil service colleagues and sharing best practice in Leeds and West Yorkshire. We have showcased a number of initiatives including the Leeds Health and Care Academy and wider workforce strategy, bringing through the importance of uncovering hidden talent and targeting entry level jobs in deprived parts of the city.

- 25 A follow on from this includes an ongoing focus on the importance of work and health, and in December there will be a joint work and health summit involving the council, the Hub, the West Yorkshire Combined Authority and colleagues from the Department for Work and Pensions. This will involve looking at best practice and will help shape the approach in Leeds and West Yorkshire, including looking at how we will deliver the successful £11m National Institute for Health Research regional work and health accelerator bid.
- 26 Regarding Employment and Skills, Connecting Communities to Health and Care Careers focuses on narrowing inequalities with a one system approach across the sector, adapting recruitment methods and building on the good practice models in the system. A hub and spoke adapted recruitment model continues to be expanded, prioritising the most disadvantaged wards across the city. Between April 2023 and March 2024:
- 106 gained employment
 - 88 are being supported to improve their functional skills to achieve the required level through the council's Adult Learning service
 - 41 are being supported to move into employment either through the Employment Hub or NHS Talent Pipeline

The model continues to evolve and now includes pre-screening for Apprenticeship Roles within Health focusing on Pharmacy and Dental.

Tackling Inequalities

- 27 Earlier this year, Leeds City Council collaborated with the Centre for Local Economic Strategies (CLES) to explore how women can be better prioritised in local economic strategies, with a report called [Women's Work](#) launched at an event in March 2024. The report highlights best practice from Leeds and other places and provides an agenda for change with recommendations for local and national government. The recommendations explore how women can be supported to participate in the economy and achieve their full potential, and how some of the key barriers can be tackled.
- 28 In the Autumn Budget, the government committed to continuing the UK Shared Prosperity Fund (UKSPF) at a reduced level for a further year, providing £900m which represents a 40% reduction in funding. Since the programme began in Leeds in January 2023, we have been investing in areas that support reducing inequality and the future of the economy of Leeds. The priorities of the programme have included Mitigating the Impact of Poverty; Community Infrastructure; Culture, Heritage and Engagement; and Supporting Innovation, Business and Productivity.
- 29 An example of a project delivered under the SPF programme is the Money Buddy outreach sessions delivered by Burmantofts Community Project. The sessions provide substantive, face to face financial capability support and emergency debt advice to vulnerable residents in Leeds and those at a greater risk of being affected by the Cost of Living Crisis. The project has supported over 2,170 households over two years, with total financial gains at £6.1m in terms of debts written off or savings made through budgeting or support with bills and energy switching.
- 30 The 100% Digital Leeds team is also using UKSPF funding to increase digital inclusion. All of the funding is being distributed as grants to build the capacity of Voluntary Community and Social Enterprise (VCSE) organisations, with a focus on digital inclusion and financial resilience for individuals and communities living in poverty or on a low income. The 100% Digital Leeds team have worked with Leeds Community Foundation, Voluntary Action Leeds, and Third Sector Partnership to ensure equitable access to the funding.

- 31 At the heart of our ambitions is the need to reduce the numbers of children and young people living in poverty, with a new Child Poverty Strategy (2023-2027) for the city recently launched. Actions being taken to mitigate the impact of poverty on children in Leeds including the delivery of the Healthy Holidays programme and supporting young people to access work experience, employment and volunteering opportunities were set out in a [report](#) that was considered by Executive Board in September 2024.
- 32 A report on the cost-of-living crisis and actions being undertaken by the council and partners, including delivering the Together Leeds cost-of-living information website and the Leeds Money Information Centre providing signposting for money advice, was also considered in a [report](#) by Executive Board in April 2024.

Productivity

- 33 This section looks at the ways in which we are improving productivity in Leeds to enable businesses to innovate and grow. It also looks at how important it is to continue to build the profile of Leeds for the region and the UK.

Innovation

- 34 We continue to accelerate the delivery of our innovation vision in Leeds, stimulating innovation which drives and delivers measurable impact towards a healthier, greener and inclusive future. Through backing diverse innovators and entrepreneurs with the potential to develop high growth businesses, Leeds plays a key role in driving future productivity growth not just in the city but for the wider UK economy.
- 35 With the government setting out the importance of innovation in the city in the MHCLG (former DLUHC) Vision for Leeds, and the announcement of England's third Investment Zone in West Yorkshire set to drive HealthTech innovation in the region, the spotlight has been firmly placed on Leeds. The West Yorkshire Investment Zone is a five-year programme commencing in 2024/25 and concluding in 2028/29. Subject to confirmation it will deliver £80m of funding to innovation focused projects and activities of which Leeds will secure a funding share, alongside benefitting from region-wide investment and activities.
- 36 Partners across Leeds are backing diverse innovators and entrepreneurs to encourage the development of high growth businesses. Nexus, the University of Leeds's hub for innovators and entrepreneurs is now its fifth year, and since 2019 has contributed almost £43m in GVA, more than half of which accrues to the local and regional economy. It has nurtured 120 high growth member companies across sectors such as Health, MedTech and Digital. Alongside WYCA and other partners, Nexus is supporting 75 diverse founders to foster socially impactful innovations through the £1.23m Innovative Entrepreneurs Programme.
- 37 Through the council's own [innovation@leeds](#) funding programme, we have recently announced support for activity such as Climb, the UK's only innovation festival; events and activities including for Black business founders; and the development of a smart cities innovation hub at White Rose Park.
- 38 One of the [innovation@leeds](#) funded projects is the Athena Festival delivered by Lifted Ventures, an early-stage investment connector increasing the flow of capital to female founders. Only 18% of high-growth enterprises include one or more women on the founding team and almost 45% of England's female led high-growth enterprises are located in London. The annual festival aims to empower female founders beyond London facilitating growth, connections and opportunities. The inaugural festival took place in October 2024 and included lightning pitches from female founders, marketing and investment tips together with mentoring from several successful female business leaders.

39 The council is supporting a further round innovation@leeds funding through its 2024/25 revenue grants programme. Applications were received between October and November 2024, with small and microbusinesses set to receive grants ranging from £15,000 to £25,000 sourced from a £175,000 funding pool funded by the UK Shared Prosperity Fund.

Business Support

40 An update about the [Council's support to businesses](#) was outlined in a Scrutiny report in December 2023, which forms a key component within the Productivity theme of the Inclusive Growth Strategy. Headlines include that over a three-year delivery period (2019-22), the Business Growth Service was estimated to deliver a net addition to GVA of £38.6m, with the AD:Venture programme delivering 1,678 new jobs across the City Region (2016-23) and the Digital Enterprise programme delivering 665 new jobs across the City Region (2019-23).

41 The table below outlines more recent support provided via our regional programmes to businesses in Leeds:

Business Support Service	Time Period	No. Businesses Supported	No. Jobs Created
AD:Venture <i>Support for growth-focused new businesses that trade with other businesses</i>	July 2023 (start of current programme) – present	201	57
Growth Service <i>Connects businesses with a local growth manager to discuss where their business is now and what they would like to achieve in the future</i>	April 2023 – March 2024 (first year of current programme)	171	40
Start Up West Yorkshire <i>Providing fully funded business support that can help any type of business under three years old, as well as those who have not yet launched their business</i>	September 2023 (launch of the Inclusive Growth Strategy) - present	103	25
Digital Enterprise <i>Supporting businesses to grow and scale by investing in digital</i>	July 2023 (start of current programme) - present	94 via grants 44 via non-financial support	60

42 Our business support programmes strive to balance equal access while taking positive action to be more representative of the communities they serve. For instance, the Start Up West Yorkshire team has been engaging with entrepreneurs and young businesses across the city, including attending events targeted towards female founders, holding drop-in sessions at Kirkgate Market, and targeting those raising capital for their businesses (including diverse founders). From the businesses it has supported captured in the table

above, 57% were female founders, 49% were from an ethnic minority background and 42% had a disability.

Visitor Economy

- 43 Our Visitor Economy team continues to promote Leeds as a global destination, supporting our retail, hospitality and leisure sectors and driving up productivity. In 2023 Leeds day and night visitors contributed £2.7bn to the local economy (up from £2.2bn in 2022). Leeds has now established itself as one of the Top 10 conference destinations in the UK, with business tourism worth £408m to the local economy.
- 44 In May 2024 Leeds once again hosted UKREiiF, the national Real Estate Investment and Infrastructure Forum. 13,000 people attended the latest UKREiiF event at the Royal Armouries. An independent report by ARUP highlighted that the event generated £21m of local economic activity within the city and wider West Yorkshire region in 2024, the event has now generated £38.5m since its first in 2022. Looking ahead to next year, 17,000 visitors are expected at UKREiiF 2025, and plans are being put in place to utilise bed stock across the whole of West Yorkshire including York and Harrogate.
- 45 A new Local Visitor Economy Partnership (LVEP) bringing together tourism leads from across West Yorkshire launched in October 2023, set up to explore ways to grow the visitor economy, attract more visitors and inward investment and create jobs and opportunities across the region. The West Yorkshire LVEP has three initial priorities to unlock the region's visitor economy, including data and research, developing a commercial strategy and relationships with the private sector, and capitalising on film and tourism. Work is also underway to scope opportunities for a regional visitor pass.
- 46 Leeds has a strong and diverse events programme including: Leeds Waterfront Festival, Slam Dunk, Live at Leeds, Carnival, Leeds International Film Festival, Millennium Square Summer Series, Pride, Light Night, Leeds International Concert Season, The Rob Burrow Marathon and many others. In response to the question in our most recent Visitor Perceptions Survey 'What sort of things are most important to you when making your choice of destination for a UK city break or day trip?', 69% of respondents said attending events in that location and 63% stated entertainment including theatre shows, comedy festivals, music/gigs and sporting events. Visit Britain research also shows that attending an event is one of the main motivations for taking a city-break.
- 47 However, given the wealth of events that take place in Leeds, data and research (from our own surveys) shows that Leeds is not well known for being an 'events city' and that the perception is that there's not enough to do to fill a short stay. The focus for 2024 for Visit Leeds has been to push back against those beliefs by creating and delivering an integrated marketing campaign using the headline: *Leeds, the City that loves to Entertain*.
- 48 This summer the Leeds BID brought Monopoly to the city. This free, family friendly immersive experience used key locations and landmarks as the gameboard with life-size tokens, clues and puzzles around every corner, welcoming people to explore the city centre. Leeds original home to Waddingtons, Britain's leading manufacturer of board games and playing cards, which produced the UK version of Monopoly from the 1930s in Leeds and was responsible for the now famous London properties in the game.

Inward Investment

- 49 Leeds remains a leading UK city for inward investment with DLA Piper's £100m office at City Square House being one of the most prominent locations in the city centre and both ARUP and Lloyds Banking Group expanding into one of the UK's most sustainable new developments at Wellington House. These investments signals confidence in our city, and we are working to make sure that it results in jobs and opportunities for local people and communities.
- 50 The momentum has continued throughout the year with an announcement that Microsoft have purchased the former Skelton Grange power station site outside Leeds, which will be used for a 'Hyperscale Datacentre' as part of its £2.5 billion next generation datacentre project aimed at harnessing the power of AI. Both the Bank of England and the Financial Conduct Authority have announced plans and are now actively recruiting to further expand their Leeds footprints, with the Bank of England having 500 staff in Leeds by 2027 and the Financial Conduct Authority bringing a further 100 of its workforce to the city. The Visitor Economy Team are developing welcome programmes for companies to showcase the best of Leeds.

Culture

- 51 The Inclusive Growth Strategy highlights the importance of valuing, protecting and growing our culture and heritage. Council-run museums and galleries in Leeds generated £42m for the local economy in the last year. We continue to build on the legacy of LEEDS2023, exploring how we can expand on our cross-sector partnerships to help sustain and grow local cultural ecosystems and enhance the contribution that culture makes to our city. A future update to members will follow in the coming months.
- 52 We are continuing to support culture through our new Cultural Investment Programme, which launched in October 2023 and has six possible investment routes for individuals and organisations. The programme seeks to recognise and support the cultural industries in Leeds, help residents to access culture and creativity, and lever external investment into Leeds. Across the different funding streams, the programme has supported 78 individuals and organisations with £1,952,590 investment in 8 rounds of funding since its launch.

Place

- 53 This section looks at how we are making our places work, putting people first. Creating a city where you don't need a car, delivering jobs and homes in the right places, ensuring our city and local centres thrive, building in resilience and adapting for the future.

Mass Transit, Bus Reform and Rail

- 54 West Yorkshire Combined Authority (WYCA) ran the consultation phase for Mass Transit in the Summer of 2024, which will improve our region's transport system, bring economic growth and connect people to jobs and opportunities. Leeds City Council has backed the first phase of the scheme, which includes a Leeds line between St James' Hospital and White Rose Park, as well as a Leeds Bradford line. Mass Transit will have strategic importance in Leeds, including unlocking new housing growth opportunities across the city. Construction of the £2.5 billion project is currently programmed to commence in 2028.
- 55 As part of its new Local Transport Plan, WYCA are also improving the regional bus service to provide better access to the network, increase affordability and improve punctuality and reliability. Proposals for a franchising scheme were approved by West Yorkshire leaders earlier in 2024, which will bring buses under the control of West Yorkshire Combined

Authority and contract private operators to run services on the Combined Authority's behalf. Franchising will be introduced in phases, with the first franchised buses running in parts of Leeds, Kirklees and Wakefield from March 2027.

- 56 Work continues to redevelop Leeds Train Station, helping to meet passenger demand at the busiest station in the North and ensure that Leeds can become as productive as other parts of the UK. Footfall at the station has increased by 12% this year compared with 2023. A schedule of works commenced in 2023, including the Sustainable Travel Gateway Scheme creating a more people-friendly environment around the station which can accommodate growing passenger numbers. In 2024 Leeds Station footfall has already recovered to 95% of 2019 volumes with some months showing increases on this too.

Connecting Leeds

- 57 Work continues to make Leeds into a city where you don't need a car. An annual update on the Connecting Leeds Transport Strategy is also on the agenda for this meeting. A range of improvements to the transport network continue to be delivered from small scale such as the school streets programme and pedestrian crossings, extending the cycle network in the South Bank to much larger investments such as the award-winning City Square, Armley Gyratory and the £23m Connecting West Leeds project. Additionally, the City Bikes scheme launched in September 2023, providing 300 eBikes across the city as a healthier and more eco-friendly transport alternative.
- 58 All these improvements accord with our Vision Zero Strategy which sets our goal that by 2040 no one will be killed or seriously injured on Leeds' roads. A key driver within the Connecting Leeds Transport Strategy is our mission to become the first net zero city in the UK as set out in our Best City Ambition. To achieve this significant investment is needed to encourage the change to travel by sustainable modes.

City Centre

- 59 The most recent [Deloitte Leeds crane survey](#) which uses development volumes as a measure of economic activity, showed that there were 16 new starts in 2023, remaining above the annual average of 14 and signalling the strength of the city centre and demand for new developments across sectors.
- 60 We are continuing to develop a liveable, attractive and vibrant city centre, including investing in retail. This includes new developments on Briggate; Zara, Flannels and 'The Storehouse' which will consist of both retail and student residential housing. The redevelopment of the Core Shopping Centre, which will also include retail and student residential, is going through the planning process.
- 61 As part of our ambition to develop a vibrant city centre and continue to support independent retailers, Leeds Kirkgate Market is being refurbished to breathe further life and attract more customers. The proposed hotel scheme at the market has gained planning approval and two thirds of the ground floor space will be taken over by Active Leeds for a city centre gym. 'Stack', a Food & Beverage container company has ambitions to open in 2025 subject to planning permission. The market is also currently carrying out a £11m project to bring up the block shop units dating back to 1875.

Connecting and Strengthening Communities

- 62 Alongside the spring 2024 Budget, the Ministry of Housing, Communities and Local Government, (formerly known as the Department for Levelling Up, Housing and Communities) published 'A vision for Leeds: a decade of city centre growth and wider prosperity', with Leeds City Council and West Yorkshire Combined Authority. The document includes plans for:
- Transformational regeneration across 6 key city centre neighbourhoods: Mabgate, Eastside & Hunslet Riverside, South Bank, Holbeck, West End Riverside and the Innovation Arc.
 - A new Leeds Transformational Regeneration Partnership, bringing together national, regional and local government to deliver the vision and unlock the delivery of over 30,000 new homes in the city centre.
 - Exploring the potential for expansion of the Royal Armouries Museum to become a premier conferencing destination and bringing economic and social benefits to the wider Eastside and Hunslet Riverside area.
 - The £10m government funding for the British Library North is now in doubt following the autumn budget announcements. The West Yorkshire Combined Authority still has some devolved funding for this project and alongside the Council will work closely with government and partners to ensure this is delivered.
 - £5m funding for the National Poetry Centre is also in doubt following the Budget, with the council currently inputting into a government consultation ahead of a final decision.
- 63 This transformational regeneration area in the city centre represents a key location for sustainable housing growth in the city, which is of increasing importance considering new enhanced housing targets. The Leeds Local Plan 2040 is guiding development so that we can deliver housing at scale, quality and density, and increase affordable housing, in sustainable central and brownfield locations alongside critical public service and amenities to support our Marmot City ambitions. As well as the city centre, we are focusing on delivering housing across the city which meets local needs, such as affordable and older persons housing.
- 64 In the 12 months to the end of March, Leeds built a total of 4,441 homes, representing the city's highest level of delivery since the early 1980's and 35% above the local target rate for the year. This total included 665 affordable homes, with Leeds delivering more affordable homes than any other core city over the last 5 years.
- 65 The pace at which the city is continuing to build affordable homes continues to increase, with delivery highs in each of the last two years, and projections for the next two years being over 1,800 homes. Leeds delivers more homes for social rent than the national average and this year will see the completion of 58 new social rented homes at Leonora House, by 54 North Homes utilising commuted sums on a site ringfenced for affordable housing delivery by Leeds City Council. The Council is an active member of the West Yorkshire Housing Partnership which is made up of 13 housing associations and two local authorities. The partnership focuses on providing more affordable homes, regenerating local communities, contributing to local economies, advancing low carbon ambitions, combatting homelessness, supporting good health and connecting people to jobs, skills and opportunity. In addition, the Council facilitates a partnership forum with all Registered Providers on the Leeds Affordable Housing Framework.
- 66 Harnessing the potential of local communities is key to Inclusive Growth, the expansion of Asset Based Community Development (ABCD) by introducing 3 new pathfinder sites will work towards this mission. With these further sites the total number of sites will increase to 17 across Leeds. Each site will explore how they can harness and build on the capabilities,

strengths, and skills of residents to deliver citizen-led initiatives that seek to shift power back into the hands of the local community.

Tackling the Climate Emergency

- 67 A [report](#) taken to Executive Board in October 2024 provided an annual update on our work to tackle the climate emergency and become the first net zero city in the UK. In November 2023 Leeds City Council was recognised as one of 119 city authorities across the world leading the way on climate action as part of a list published by the international Carbon Disclosure Project (CDP). It joined the likes of New York, Paris, Melbourne, Tokyo, Rio de Janeiro, and Cape Town on the organisation's annual 'A List' for the second consecutive year.
- 68 In terms of the Leeds City Council's own contribution to tackling the climate emergency, the organisation has reduced its carbon footprint by nearly two thirds (63%) over the last two decades.
- 69 The report also sets out that the council is now beyond our halfway milestone in investing £100m to improve the energy efficiency of our homes, a target set in 2021. More than £60 million of projects have now been completed, benefiting thousands of residents with healthier, more comfortable homes that are cheaper to keep warm.
- 70 In response to the 2015 Boxing Day flood (Storm Eva), the Flood Alleviation Scheme (FAS) (phase 1 and 2) is now in its final stages of delivery. Taking a full catchment approach, it will soon provide 1 in 200-year standard of protection from flooding to over 4000 residents and 1000 businesses. This includes an uplift to the standard of protection of the first phase of the scheme (FAS1). FAS2 has achieved this in three main ways:
- Natural Flood Management (NFM) in the Upper Aire catchment is utilising in excess of 550,000 trees and 807 hectares of soil and land management (a nationally recognised scale) to reduce run off into the River Aire.
 - Flood Storage Area – storing up to two million cubic metres of flood water to both protect Leeds and reduce the scale of the engineering challenge downstream – less visually intrusive.
 - Raised defences – there are approximately 8km of raised defences.
- 71 FAS2 will provide additional protection to a large number of brownfield housing sites in the City, notably on Kirkstall Road. It is also anticipated to deliver a net additional 1,669 jobs to the Leeds City Region economy and an additional £88.2m Net GVA pa. The end of construction event was held on 22nd November 2024 at the new flood storage area between Calverley and Horsforth.
- 72 Work is continuing to reduce our emissions, cut energy bills and increase the city's resilience to the impacts of climate change, helping us to achieve a greener and more inclusive future. For example:
- Leeds PIPES continues to expand, with £24.5 million funding recently secured from the government to extend the network into the South Bank. This will benefit up to 28 buildings and 8,000 residents, making it the most significant single investment into the project since its inception. Earlier in the year, over 250 council properties in the Lovell Park area were connected as well as Leeds Conservatoire.

- We are continuing to undertake a number of initiatives to improve energy efficiency across the city. A £25m energy efficiency scheme has been completed across six tower blocks in Leeds, with the average annual energy costs for each flat expected to halve. A council scheme is providing homeowners in Leeds without gas central heating with energy efficiency measures, and we are working in partnership with energy services provider Everwarm Ltd to help 287 homes benefit from £6.08m government funding from the Home Upgrade Grant. We are also investing in improvements to back-to-back homes in Holbeck and Armley.
- In February 2024, the council completed its £22.5 million LED street lighting scheme to improve energy efficiency around the city, expected to bring annual savings of £3.4 million in electricity costs.
- The first phase of Aire Park is progressing with initial areas of the park now open to the public, including an outdoor events space to be used for a range of events such as outdoor markets and performances. The Hibiscus Rising sculpture launched in November 2023, transforming former car park and highway space into a new green space and residential development plot.
- Seven parks and green spaces in Leeds have once again been awarded the prestigious Green Flag Award.

Inclusive Growth Partnership

73 The Inclusive Growth Partnership brings together stakeholders from the public, private and third sectors in Leeds to showcase activities that deliver inclusive growth, share ideas and enable people to build new connections. It gives us the opportunity to engage people in the delivery of the Inclusive Growth Strategy, exploring topics from opportunities in health and care innovation to barriers facing female entrepreneurs.

74 Through targeted work to identify new stakeholders and regular communication with partnership members, the partnership has grown from 900 members in 2022 to over 1,400 members in 2024.

75 The last event took place in July themed around Place focusing on our aim to improve transport and connectivity to create a city where you don't need a car, bringing jobs and opportunities closer to people, including an update on Mass Transit. It also provided attendees with the opportunity to find out more about rail developments and connecting Leeds.

76 The next partnership event will be held on February 3rd 2025. More details will be available on the Inclusive Growth Leeds website [here](#).

Leeds Anchors

77 The Leeds Anchor Network brings together the city's largest public sector organisations and utilities to increase their collective contribution to the city through employment and procurement practices, environmental impact, service delivery and relationships with city partners and communities. The Anchors provide an important platform to come together as Team Leeds and agree and focus on collective goals.

78 In terms of employment, the Anchors are a key mechanism for delivering our Future Talent Plan across the city. They have the ability to provide an uplift to thousands of workers in Leeds in areas such as recruitment, pay and conditions, training and development and healthy workplaces, as well as supporting people into employment within their organisations.

- 79 Now in its sixth year, the network is finalising a partnership subscription model that will secure the longer-term sustainability of the network and accelerate its capacity to deliver through funding a programme team and an operating budget, which will be hosted by the Council. Financial contributions from Anchors have begun to be collected.
- 80 Priorities for the network for 2024 have included taking steps to improve access to Anchor contracts for smaller and local suppliers through bringing together procurement pipelines in one place; as well as exploring opportunities for cross-working between the Anchor sub-groups such as monitoring both carbon emissions and social value through procurement.
- 81 The council is receiving funding through Health Foundation's Economies for Healthier Lives programme to explore how Anchors can increase their contribution towards addressing health and economic inequalities in the city. The Good Jobs, Better Health, Fairer Futures project (2021-2024) is working to increase connections between Anchors and local communities, particularly through Leeds Community Anchor Network, deliver new project activity that connects Anchors to communities facing disadvantage, and generate evidence and learning through evaluation. The project has now been extended until March 2025, where the focus will be on embedding learning and new ways of working.
- 82 As part of this project, community listening exercises are being undertaken in three areas of the city to understand local priorities around employment and skills and explore how Anchors can respond. A report outlining the first phase of this exercise can be found [here](#). The next phase of this exercise is focused on bringing representatives from the Anchor Network together with community members to co-develop tangible solutions.
- 83 Also supported through Health Foundation funding, the Leeds Anchor Playbook has been developed to document the development of Anchor working in Leeds and demonstrate its impact, using interactive multimedia content including video, testimonials, infographics, and case studies. This is available on the [Inclusive Growth website](#) and has been shared through national networks. Work continues to collect and develop case studies which showcase the impact delivered by the Anchors network.
- 84 In September 2023 the [Leeds Business Anchors network](#) was launched. It brings together businesses that are committed to increasing their contribution to Leeds and have the scale and influence to make a significant impact, through their employment and procurement practices, their environmental contribution and use of their buildings, and through their relationships with local communities. From initial meetings and work with the council's Employment and Skills Team and Economic Development, the Business Anchors have identified employment as their first priority with a focus on their early careers offer. A Business Anchor Playbook is also being developed to share learning about the establishment of the network outside of Leeds.
- 85 Case studies showcasing the good work of our Business Anchors can be found on the [Inclusive Growth website](#). An example is Leeds Building Society, who have used the Progression Framework to sense check their Responsible Business Strategy and have made progress through reducing their carbon emissions and achieving diversity targets at senior leadership level. They are also exploring how they can tackle barriers to home ownership facing disadvantaged groups and how they can support the financial independence of vulnerable young people.

Monitoring

- 86 The Inclusive Growth website has been refreshed to improve user experience and showcase the new strategy. The new website content, which is regularly updated, informs the audience about different aspects of inclusive growth in Leeds such as the Leeds Anchors Network, the Future Talent Plan and our Innovation Vision. It enables people to keep in touch with progress in delivering inclusive growth through regular publishing of news and events. The website also features the Social Progress Index as well as an economic dashboard.
- 87 The Social Progress Index (SPI) is a tool being pioneered in Leeds which is used to measure how well the city is doing in terms of inclusive growth. It was designed by the Social Progress Imperative, an international NGO who produce global, country and city level SPIs. The Leeds SPI is built on three themes: Basic Human Needs; Foundations of Wellbeing; and Opportunity.
- 88 The SPI has recently been updated to the Leeds Social Progress Index 2024, which now references data from 2018 – 2022 at ward level and above. For this second iteration of the Leeds SPI, the Office for Data Analytics – a specialist team who are part of the Integrated Digital Services (IDS) - were involved in the design and production of the data model and visualisations.
- 89 Initial findings from the Leeds SPI 2024 show a reduction of the overall score (all the indicators) between 2019 – 2022. This is not unexpected and shows us that the pandemic has had tangible social and economic consequences at a local level within Leeds. We were making progress before Covid-19 but are still feeling the effects up to 2023. There are some green shoots as one of the three dimensions, Foundation of Wellbeing did see a rise in 2022 compared to 2021.
- 90 In addition to the SPI, the Leeds Economic Dashboard enables us to measure progress against traditional economic indicators. According to the latest data for Leeds:
- GVA (Gross Value Added) is £26.3bn (in 2021)
 - The employment rate is 73.5% (March 2024)
 - The unemployment rate is 2.8% (March 2024)
 - The economic inactivity rate is 24.3% (March 2024)
 - The claimant count is 5.1% (August 2024)

What impact will this proposal have?

- 91 The Inclusive Growth Strategy provides the city with an economic framework up to 2030, delivering impact across People, Place and Productivity and being a crucial contributor to driving forward the Leeds Best City Ambition. Through work undertaken to build engagement with the strategy across the city, as well as a renewed focus on delivery through a wide range of projects, programmes and partnerships, we are maximising our ability to create growth in our economy that works for everyone. This means 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.
- 92 An Equality, Diversity, Cohesion and Integration Screening has been completed as part of this report.

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

Health and Wellbeing

Inclusive Growth

Zero Carbon

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

Health and Wellbeing

94 The Inclusive Growth Strategy was updated in alignment with the new Health and Wellbeing Strategy, which recognises that breaking the cycle of poverty and poor health is more important than it has ever been. Good health leads to wealth across communities. Raising people's living standards, their start in life, access to education and skills, quality of jobs and homes available are some of the key ingredients to improving people's health.

Zero Carbon

95 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 whilst capitalising on emerging opportunities. As well as this, there is a focus on improving the resilience of our places and businesses against the impacts of climate change.

Wards affected: N/A

Have ward members been consulted?

Yes

No

What consultation and engagement has taken place?

96 The Inclusive Growth Strategy was developed following extensive public consultation. The main vehicle for engagement is through the Inclusive Growth Delivery Partnership, a series of public events and the Inclusive Growth website.

What are the resource implications?

97 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 UK Shared Prosperity Fund, and local policy.

98 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?

99 Local authorities continue to face financial challenges. Without additional government funding to bridge this gap, there is a risk that along with other Core Cities, our city's growth potential will be undermined and efforts to deliver inclusive growth will be hampered. In the context of working with limited resources, the council and city will have to be agile and responsive to opportunities to secure capital and investment, as not all of our ambitions currently have funding.

100 The council's Corporate Risk Register includes the risk of Economic growth lag: Growth in Leeds' businesses is slower and less inclusive than the national and international economy, leading to lower wages, fewer jobs and poorer citizens and communities. The rate of economic growth falls behind that of other core cities, and growth fails to benefit the

most deprived households in the city. The Leeds Inclusive Growth Strategy is a key part of managing this risk.

101 Regarding the delivery of the Inclusive Growth Strategy, a lack of focus on implementation could lead to the strategy not being used by our partners, 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 our strong focus on engagement with the city this risk is being mitigated.

102 In terms of the Social Progress Index, there are several risks and challenges still existing with the production of the Leeds SPI model including data collection and data adequacy and transparency, which we will mitigate through continued work between teams to ensure the SPI functions well.

What are the legal implications?

103 There are no legal implications relating to the recommendations in this report.

Options, timescales and measuring success

What other options were considered?

104 Not applicable.

How will success be measured?

105 As discussed above, we are measuring our success in delivering the Inclusive Growth Strategy via the Social Progress Index and the economic dashboard which sit on the Inclusive Growth website [‘Measuring Success’](#) page.

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

106 The next Inclusive Growth Partnership event will take place on 3rd February 2025.

Appendices

- Equality, Diversity, Cohesion and Integration Screening

Background papers

None