

# Sectors of the Economy

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## Leeds' broad industrial sectors, rankings, and forecasts

Table 9.1 shows employment change between the period 2001 to 2006 for broad industrial sectors.

- The two largest employment sectors in 2006 were financial and business services and public administration, education and health with 112,093 and 112,142 employees respectively. Both sectors accounted for 26.9% of Leeds' total employment.
- Between 2001 and 2006, the fastest growing sectors were financial and business services (+29.9%), public administration, education and health (+22.5%), and construction (+30.9%).
- Sectors experiencing the greatest decline included manufacturing (-24.7%), energy and water (-77.8%) and transport and communications (-18.0%).

<b>Table 9.1 Broad industrial sector employment change in Leeds</b>				
	<b>2001</b>	<b>2006</b>	<b>Employment change</b>	<b>% change</b>
Agriculture and fishing	932	809	-123	-13.2
Energy and water	5,037	1,116	-3,921	-77.8
Manufacturing	51,786	39,004	-12,782	-24.7
Construction	18,776	24,587	5,811	30.9
Distribution, hotels and restaurants	84,583	84,181	-402	-0.5
Transport and communications	26,677	21,883	-4,794	-18.0
Financial and business services	86,308	112,093	25,785	29.9
Public administration, education & health	91,555	112,142	20,587	22.5
Other services	20,338	21,440	1,102	5.4
<b>TOTAL employment</b>	<b>385,992</b>	<b>417,255</b>	<b>31,263</b>	<b>8.1</b>
<b>Source: ABI 2006</b>				

Table 9.2 shows local authority rankings, for authorities outside of London, by number of employees in 2006. With the exception of engineering, Leeds consistently features among the top four local authorities for aggregate sector employment. For the financial and business service, construction, printing, manufacturing, distribution, education, retail and wholesale sectors, Leeds appears in the top two rankings.

## Table 9.2 Sector rankings and share of regional employment in 2006

For each sector, local authorities are ranked by number of employees in 2006. Also included is the share of regional employment for the sector.

### Manufacturing

Birmingham	55,900	
Leeds	39,000	12.7%

### Engineering

Birmingham	32,900	
Sheffield	18,100	
Derby City	17,000	
Sandwell	16,300	
Walsall	15,400	
S. Gloucestershire	14,100	
Leeds	13,600	11.9%

### Printing

Leeds	8,600	20.5%
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### Construction

Leeds	24,600	20.1%
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### Total Service Sector

Birmingham	417,100	
Leeds	351,700	19.8%

### All Distribution

Birmingham	118,200	
Leeds	84,200	16.2%

### Motor Vehicles

Birmingham	8,600	
Leeds	6,900	13.0%

### Wholesale

Birmingham	19,500	
Leeds	18,100	19.4%

### Retail

Birmingham	44,000	
Leeds	37,500	15.8%

### Transport & Telecommunications

Manchester	33,200	
Crawley	25,200	
Birmingham	22,900	
Leeds	21,900	17.1%

### Banking, finance, insurance & business services

Leeds	112,100	28.4%
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### Creative and digital industries

Glasgow	14,500	
Birmingham	14,000	
Manchester	12,200	
Leeds	11,600	24.4%

### Legal

Manchester	10,400	
Birmingham	8,700	
Leeds	7,800	34.3%

### All Public Services

Birmingham	148,200	
Glasgow	122,600	
Leeds	112,100	17.8%

### Education

Birmingham	51,600	
Leeds	44,900	19.7%

### Health & social work

Birmingham	62,700	
Glasgow	60,700	
Leeds	46,500	16.5%

### Media

Glasgow	13,700	
Birmingham	13,000	
Edinburgh	12,800	
Leeds	11,700	22.8%

## Sectoral employment forecasts

Table 9.3 shows forecast change in employment in the broad sectors over the next decade:

- In keeping with the historical analysis above, by 2018 both financial and business services and public administration, education and health are forecast to remain the two dominant sectors, accounting for 142,600 and 120,200 employees respectively. Whilst employment growth is anticipated to remain strong, it is unlikely to continue at the rate experienced over the last decade. Between 2008 and 2018, financial and business services is forecast to grow by 14.8% whilst public administration, education and health is forecast to grow by only 4.4%.
- Manufacturing is forecast to continue its decade long employment decline and is likely to fall by around 15.7% between 2008 and 2018. This is a lower rate than the 24.7% decline between 2001 and 2006.
- Behind financial and business services, construction is predicted grow the fastest with a 10.5% rise between 2008 and 2018.

<b>Table 9.3 Sectoral employment forecasts</b>			
<b>Sector</b>	<b>2008</b>	<b>2018</b>	<b>% change 2008-2018</b>
Manufacturing	38,900	32,800	-15.7
Construction	33,600	37,200	10.5
Distribution	93,700	97,100	3.7
Transport & Communications	23,000	25,000	8.7
Financial & Business services	124,300	142,600	14.8
Public admin, education & health	115,100	120,200	4.4
Other services	32,400	33,300	2.9
<b>Industry total</b>	<b>463,700</b>	<b>490,200</b>	<b>5.7</b>

**Source: Experian Business Strategies Yorkshire Futures model, spring 2008**

# Detailed sector analysis

The following sections examine in detail a number of Leeds' key sectors.

## The knowledge economy

It is generally held that the source of comparative advantage in the modern globalised economy is innovation and knowledge. The Work Foundation define the knowledge economy as "The share of national income and employment produced by innovating organisations combining ICT and highly skilled labour to exploit global scientific, technological and creative knowledge networks".

### Knowledge based industries sector

This sector draws together a number of sub sectors from the traditionally defined sectors. The OECD definition includes both "Knowledge Based Services" and "High Technology Industry":

- Knowledge Based Services; telecommunications, computer and information services, finance, insurance, royalties and other business services.
- High Technology Industries; aerospace, computers and office equipment, radio, TV and communications equipment, and pharmaceuticals.

There is no standard industrial classification category for this sector. However an estimation of the number of employees can be obtained from the Annual Business Inquiry by combining different SIC codes.

- The number of employees in the knowledge economy in Leeds in 2006 was 111,862 (26.8% of total employment), which is higher than the national, core cities and regional averages.

<b>Table 9.4 Knowledge based Industries</b>				
	<b>2001</b>		<b>2006</b>	
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
Birmingham	106,139	22.0	109,269	22.2
Manchester	81,046	27.7	99,197	32.4
<b>Leeds</b>	<b>92,612</b>	<b>24.0</b>	<b>111,862</b>	<b>26.8</b>
Nottingham	42,343	23.5	57,125	31.3
Bristol	67,447	28.4	66,113	28.8
Newcastle	34,545	21.0	46,846	25.9
Sheffield	39,515	17.1	51,377	20.7
Liverpool	43,815	20.6	46,252	20.4
Core Cities	507,462	23.2	588,041	25.8
Yorkshire and Humber	350,763	16.6	445,183	20.0
GB	5,571,367	21.9	6,357,281	24.2

**Source: ABI 2006**

## Banking, finance, insurance and business services

The banking, finance, insurance and business service sector is highly diverse, comprising companies operating within banking, financial intermediation, insurance, pensions, legal, accounting, real estate, additional business services and call centres.

- Over the last decade the sector has been the key driver behind UK, regional, and Leeds' economic growth.
- In Leeds, over 112,000 employees work in financial and business services and it is predicted to grow by a further 14.8% between 2008 and 2018 to 142,600.

- Leeds is currently the largest centre for financial and business services outside of London and attracts 25 percent of its workforce from outside of the city.
- The sector not only contributes employment opportunities but also supports the wider economy through productivity gains and the support it offers to the corporate infrastructure, such as the provision of a range of services indispensable to sound business practice and management.
- In 2008, Leeds' financial and business service sector output was over £5.5bn. This accounts for (i) 42% of Leeds City Region's and 29% of Yorkshire and Humber's financial and business services output and (ii) 36% of Leeds' total industry output.

<b>Table 9.5 Cross city employment comparisons for financial and business services</b>			
	<b>2001</b>	<b>2006</b>	<b>% change</b>
Leeds	86,308	112,093	29.9
Birmingham	106,897	104,121	-2.6
Manchester	79,757	92,633	16.1
Bristol	70,353	68,990	-1.9
Nottingham	39,414	52,370	32.9
Sheffield	38,935	48,822	25.4
Liverpool	38,669	46,828	21.1
Newcastle	34,724	41,053	18.2
Core Cities	495,058	566,910	14.5
Leeds City Region	203,853	252,763	24.0
Yorkshire and the Humber	308,479	394,961	28.0
Great Britain	5,014,946	5,590,858	11.5

**Source: ABI, 2008**

<b>Table 9.6 Major banking, finance, insurance and business services companies in Leeds</b>	
<b>Company</b>	<b>Activity</b>
Alliance & Leicester Giro AXA Barclays Bank	Telephone banking arm of Alliance & Leicester Insurance Banking
Deloitte & Touche Direct Line Group Ernst & Young First Direct G E Capital RFS	Accountants & management consultants Insurance and motoring assistance Chartered accountants & consultants Telephone banking In store credit card services
Halifax Halifax Direct HSBC HSBC Customer Service Centre KPMG	Banking & Financial Services Telephone banking Banking Banking Call Centre Management consultants
Leeds Building Society Lloyds TSB Group National Westminster Bank Norwich Union Insurance Group PricewaterhouseCoopers	Building Society Banking Banking Insurance Chartered Accountants & consultancy
T D Waterhouse UKI Partnerships Ventura Yorkshire Bank Zurich Insurance	Stockbrokers Insurance Customer Management services Banking & financial services Commercial insurance

**Source: Leeds City Council**

## Leeds Financial Services Initiative (LFSI)

LFSI is a partnership organisation whose aims are to promote Leeds as the premier UK centre for financial and professional services outside London and to improve the cohesion of the financial services sector in the region. It has a membership of over 100 organisations including all the major national and international financial institutions and professional firms in the city. Membership is open to any financial or related business service organisation with an interest in the city.

Activities and services include:

- Promotion and lobbying regionally, nationally and internationally
- Forum for networking and the exchange of information
- Regular seminars and meetings with high profile speakers on topical issues
- Research into local trends and market developments
- Contributing to policy making on local and regional economic strategy issues
- Assisting inward investment projects

LFSI's current strategy is focusing on developing the brand of Leeds as a financial centre nationally and internationally, promoting Leeds as a key part of the UK financial services industry, forging closer links with universities and working with other partners and agencies to promote the city of Leeds.

The aims of the plan and LFSI's programme are in line with the strategic aims of the Vision for Leeds, the overall strategy for the city under the direction of the Leeds Initiative.

## Financial and business service sub-sectors

Table 9.7 shows employment in some of the key financial and business service sub-sectors. The sector's diversity is indicative of the wide range of expertise within Leeds.

	<b>2001</b>	<b>2006</b>	<b>Change</b>	<b>% change</b>
Financial intermediation	12,079	16,176	4,097	34
Insurance	6,235	10,779	4,544	73
Auxiliary to financial intermediation	3,153	3,894	741	24
Real estate	4,241	7,368	3,127	74
Renting machinery & equipment	4,290	3,092	-1,198	-28
Computer & related	5,701	4,982	-719	-13
Research & development	704	172	-532	-76
<b>Other business activities:</b>				
Industrial cleaning	9,294	11,027	1,733	19
Labour recruitment	12,061	14,183	2,122	18
Legal	6,064	7,777	1,713	28
Architectural & engineering consultancy	4,314	6,990	2,676	62
Other	18,172	25,653	7,481	41
<b>TOTAL</b>	<b>86,308</b>	<b>112,093</b>	<b>25,785</b>	<b>30</b>

**Source: ABI, 2006**

## Financial and related business service sector

The majority of the financial and business service sector's output and employment in Leeds is accounted for by the following sub-sectors: Banking, Insurance, Legal Services, Accountancy, and Real Estate. Together these are defined as the financial and related business service sector. In 2006, an estimated 54,100 employees worked in this sub-sector accounting for 48% of Leeds' financial and business service employees.

## Call centres

Leeds is one of the UK's largest centres for telephone-based customer services. There are around 18,000 people employed in the sector. Growth started with the establishment of First Direct, Britain's first 24 hour telephone bank in 1989 and at least 30 call centres are now located in the city. They operate in several sectors, notably financial services, retail and customer services management, mobile telecommunications, breakdown services and utilities.

Call centre employment has enabled many part-time workers, including parents with young children or semi-retired professionals, to access labour market opportunities and contribute to economic activity in the city. The call centre industry is also a major occupier of UK office space accounting for over 65 million square feet of commercial space in 2005.

**Table 9.8 Major call centres in Leeds**

Centre	Total Jobs	Call Centre	
Alliance and Leicester	350	300	Leeds is the regional office of Alliance and Leicester Giro, which provides a 24-hour telephone banking service
Carlsberg Tetley	384	85	Sales support and order processing
Centrica	1,250	1,100	Formerly British Gas Trading, deals with installation servicing and billing enquiries
Direct Line Group	2,632	1,930	Insurance and motoring assistance (Direct Line, Privilege and Green Flag)
First Direct	3,500	1,200	The UK's first telephone banking service opened in 1989 in Leeds
GE Consumer Finance	2,000	1,200	A division of US multi-national GE group, Leeds is the hub of the UK operation which provides retailer financial services
Halifax Direct	1,148	914	Since 1995 Halifax has been operating a round-the-clock bank service from Leeds
HSBC Customer Services Centre	770	537	Leeds is the base for one of its five divisional management centres, providing telephone support for over 400 outlets
Loop Customer Management	600	450	Handles Kelda's customer liaison, billing etc
Hitachi Capital Consumer Finance	176	68	Offers retail credit. Based in Leeds since 1985
O2	1,200	1,200	BT relocated the enquiry service function of its cellphone subsidiary from Slough to Leeds. BTCellnet and BT Mobile now O2
Ventura	1,326	966	Outsourced customer service management subsidiary of the Next Group.
T D Waterhouse	390	130	Share dealing
William Hill	900	250	National centre for telephone betting
Universatile Net Centres	210	210	Call centre operation at Leeds Innovation Centre
<b>Source: Leeds City Council</b>			

## Legal sector

Outside of London, as Table 9.9 shows, Leeds is the UK's third largest centre in terms of employment. Between 2001 and 2006, the sector grew by 28.2% and accounted for 7,777 employees by 2006.

	<b>2001</b>	<b>2006</b>	<b>% change</b>
Manchester	8,251	10,447	26.6
Birmingham	7,133	8,652	21.3
<b>Leeds</b>	<b>6,064</b>	<b>7,777</b>	<b>28.2</b>
Edinburgh	6,699	6,932	3.5
Glasgow	4,711	5,851	24.2
Liverpool	3,490	5,654	62.0
<b>Source: ABI, 2006</b>			

A large proportion of the growth in Leeds' legal services can be attributed to ten major law firms: Addleshaw Goddard, Cobbetts, DLA Piper, Eversheds, Gordons, Hammonds, Irwin Mitchell, Lupton Fawcett, Pinsent Masons and Walker Morris.

Leeds provides a variety of specialisms including corporate and finance, intellectual property (IP), commercial property, public finance initiative (PFI) and taxation.

### Leeds Legal

**Leeds Legal** is a unique alliance of the city's legal profession. It is dedicated to promoting the world-class legal sector in Leeds and bringing more national and international corporate clients to the city.

Launched in April 2006, it is still the first ever city-based legal marketing campaign of its kind in the UK. It is backed by the Leeds Law Society and regional office of The Law Society of England and Wales along with UK Trade & Investment (UKTI), the campaign's main sponsor. It is also funded by a number of key sponsors including four of the leading Leeds-based corporate legal practices; Clarion Solicitors, DLA Piper, Lupton Fawcett and Pinsent Masons, as well as several commercial sponsors.

Leeds Legal's campaign activities and objectives include:

- Promoting the high levels of service, expertise, no-nonsense advice and value-for-money service provided by the city's law firms.
- Developing the profile of Leeds as the largest legal services market outside London.
- Attracting regional, national and international clients to the city's legal market.
- Hosting a programme of business briefings and events in cities across Europe and worldwide to forge new client relationships.
- Raising the profile of Leeds Legal and law firms in Leeds in the media

## Creative and digital

The creative and digital sector encompasses a broader range of industries than the traditional media and communications sector and includes the activities of visual arts, architecture, crafts, design, designer fashion, music and the performing arts as well as film and video production, TV and radio and publishing.

As there is no standard industrial classification category for this sector, the data in Table 9.10 uses a definition provided by the Department for Culture, Media and Sport (DCMS).

- In 2006, there were 11,583 employed in creative and digital industries in Leeds, a marginal increase from the 2001 figure of 11,464.
- There are an estimated 1,650 companies in the sector, including major regional media groups, as well as a number of independent advertising agencies with national and international clients.
- New media businesses involved in internet provision and related activities are expanding and Leeds is renowned as the largest new media city outside of London, particularly for business applications. These companies are connecting the wider region with growing national and international markets.

<b>Table 9.10 Creative and digital industries</b>	
	<b>2006</b>
Birmingham	14,019
Manchester	12,205
Leeds	11,583
Nottingham	10,029
Bristol	8994
Newcastle	6302
Sheffield	5306
Liverpool	5067
<b>Core Cities</b>	<b>73,505</b>
<b>Yorkshire and the Humber</b>	<b>47,539</b>
<b>GB</b>	<b>879,717</b>
<b>Source: ABI 2006</b>	

Research undertaken in 2005 by Leeds University indicated that approximately 85% of businesses are micro-enterprises employing fewer than ten people. The sector is characterised by an entrepreneurial approach and nearly 2,000 self-employed people work in the sector, many of whom are sole traders.

Major companies based in Leeds include: Orange Multimedia Operations, BBC North, Yorkshire Post Newspapers, Yorkshire Television, Radio Aire and Magic 828, Real Radio, TEAMtalk, Communis One, Poulter, Elmwood Design, Brilliant, Wanadoo Freeserve, Galaxy 105, Principles Agency, Sinclair Mason, Corporate Document Services and Ptarmigan.

### Screen Yorkshire

The region's screen media industry is promoted through Screen Yorkshire, which was set up to help create employment within the sector and champion the creativity of the region. Screen Yorkshire focuses on promoting and developing successful film, TV, games, and interactive media.

### Leeds Media

Leeds Media is a partnership of media companies in the city (supported by Leeds City Council), which works to develop and promote the city's media sector.

<b>Table 9.11 Major media and communications companies in Leeds</b>	
<b>Company</b>	<b>Activity</b>
An Agency Called England	Advertising agency
Attic	Advertising and design agency
BBC	TV/radio broadcasting
Brahm	Communications and Public Relations
Brilliant Media	Media planners and buyers
BT	Telecoms
Cable & Wireless Communications	Telecoms
Corporate Document Services (CDS)	Marketing communications agency
Elmwood Design	Design Agency
Galaxy 105	Radio broadcasting
ITV Yorkshire	Television broadcaster
Mezzo Films	Film production
Ntl	Cable franchise holder
Numico	Multimedia, design and advertising
O2	Multimedia operations
Orange Multimedia Operations	On-line information
Pipex Communications	Web hosting and related services
Poulters	Marketing communications agency
Principles Agency	Marketing communications agency
Radio Aire/Magic 828	Radio broadcasting
Real Radio	Radio broadcasting
Sinclair Mason	Public relations, marketing and events
TEAMtalk.com	Online sports information
Yorkshire Post Newspapers	Newspaper publishers
<b>Source: Leeds City Council</b>	

## **The Round Foundry Media Centre**

The Round Foundry Media centre has been developed to establish and manage facilities that will support the growth and development of digital enterprises in Leeds and contribute to Yorkshire Forward's Digital Cluster Strategy. The centre provides a flagship location for dynamic companies who have between 1 and 20 employees, and represents some of the outstanding digital businesses in the region. Offering flexible, high quality serviced accommodation and infrastructure, the Round Foundry Media Centre is designed to increase opportunities for collaboration and to develop new products and markets. It has capacity for up to 50 businesses and a total of two hundred employees.

## **Creative Industries Research**

Two pieces of research into the creative industries in Leeds were undertaken by the University of Leeds in 2004 and 2005. "The Creative Industries in Leeds: An Initial Economic Impact Assessment" established a baseline which illustrated the importance of the sector to the local economy.

In 2005 a follow up report was commissioned by Leeds City Growth and Leeds Cultural Partnership which aimed to build on the baseline study and explore the issues for Leeds as a location for businesses in this cluster. The more recent study found a number of key strengths in Leeds including;

- A substantial business base, particularly in creative services such as advertising, interactive media, PR/marketing and design
- A strong entrepreneurial approach with little evidence of 'dependency culture' in contrast to areas where there has been a lot of public funding
- The presence of a strong financial and business services sector supports the creative and digital industries, both as a provider of services and as a client base in itself

- The universities and colleges in the city offer a broad pool of talent and students are also an important source of demand.

The report also identified weaknesses in the sector in Leeds. These include;

- A sense that the city has not fully understood or capitalised on the diversity of the Creative and Digital industries and the role of these industries in enhancing the profile of Leeds
- Areas such as music, fashion and visual arts remain relatively underdeveloped in comparison with the performing arts sector
- Geographical dispersal of businesses across the city led some respondents to note a sense of isolation with no distinctive cultural or creative quarter in the city providing a natural focus for networking

## **Environmental goods and services (EGS)**

Nicolas Stern's report, "The Economics of climate change" (2006), emphasised the great risk that climate change poses to economic growth: investment of 1% of global GDP now could save 20% in 20 years time.

In addition to this economic threat, climate change is increasingly recognised as a business opportunity (see DTI, 2006; Carbon Trust, 2003) which can be exploited through adaptation and mitigation.

- Adaptation will be "crucial in reducing vulnerability to climate change and is the only way to cope with the impacts that are inevitable over the next few decades". It provides an impetus to "adjust economic activity in vulnerable sectors and to support sustainable development" (Stern, 2005).
- Mitigation: Reducing CO<sub>2</sub> emissions encourages businesses to switch away from high carbon goods and services, and to invest in low-carbon alternatives.

Innovation in environmental technologies and the implications of adaptation can "open up markets and enhance the competitiveness of UK companies....and be a driver for new business and jobs" (Alistair Darling, 2006).

The UK environmental industry is already a dynamic and growing sector. Research commissioned by the DTI showed that in 2005 the EGS sector had a turnover of £25 billion, and employed around 400,000 in approximately 17,000 companies. Turnover was forecast to grow to £34 billion in 2010 and to £46 billion by 2015. According to DTI research (2006), some of the greatest growth potential is in smaller fast growing markets such as energy management, renewable energy, environmental consulting services, and contaminated land remediation.

Research undertaken by Leeds City Council identifies over 400 companies active in the EGS sector in Leeds<sup>1</sup>. Table 9.12 highlights the number of companies operating within each of the 12 EGS sub-sectors.

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<sup>1</sup> The reason for the discrepancy with Yorkshire Forward's research is accounted for by the far narrower definition they adopted for the environmental sector.

<b>Table 9.12 Environmental goods and services sub-sectors</b>	
<b>Sub-sector</b>	<b>Number of companies</b>
Air pollution control	18
Cleaner technologies and processes	2
Decommissioning/decontamination of nuclear sites	0
Environmental consultancy	79
Environmental monitoring instrumentation and analysis	3
Energy management/efficiency	28
Marine pollution control	0
Noise vibration control	3
Remediation and reclamation of land	7
Renewable energy	5
Waste management, recovery and recycling	203
Water supply and water treatment	27
Miscellaneous	25

Each company was issued a survey to which 54 responded. The key findings are:

- i. The majority of companies were SME's employing between 1 and 50 employees. 40 companies estimated that employment had grown over the last 5 years, 34 that turnover had increased and 27 that profits had increased over the last 5 years.
- ii. Projections for the next 5 years indicate that 38 companies anticipate no employment increase, 37 predict that turnover will increase, and 29 companies predict that profits will increase.
- iii. The main factors driving growth/change are environmental regulations/legislation, government policy, access to finance, and increased environmental awareness.
- iv. Few companies indicate that they export overseas.
- v. 14 companies had launched a new product/service over the past two years.
- vi. The most significant barriers to growth were market conditions, difficulties recruiting suitably skilled staff, competition, limited marketing resources, and finance for business growth.
- vii. Increased support from the public sector was raised as a specific business support need. For example, inclusion on tender lists and better communication channels between the council and businesses.

## Healthcare

In 2006, approximately 46,500 people were employed in health and social work across the city, an increase of 13.6% since 2001. The following examines the large employers and the links to innovation, research and knowledge transfer.

### Leeds Teaching Hospitals NHS Trust

The largest employer is the Leeds Teaching Hospitals NHS Trust, the largest healthcare provider in Europe.

- The Leeds Teaching Hospitals NHS Trust employs over 16,000 staff, including 1,700 medical practitioners, across seven sites, treating around a million patients a year with a budget of £730m. The Trust is renowned for many areas of clinical expertise, with particular focus around several key areas: transplant surgery, oncology, cardiology, musculoskeletal disease, radiology and radiotherapy.
- The Trust received over £10m research funding from the Department of Health (DoH) and attracted over £16m external income in the year 2005/06.
- The Trust is also home to one of the largest Medical Physics departments in the UK. It has a turnover of £7m and employs 175 staff, with services such as radiology provided region-wide. Around 15%-20% of its turnover relates to external contract work, which spans servicing equipment, expert witness and engineering design and build.

- The Trust has a world renowned reputation as a centre of medical research and education. It also plays a supporting role in science R&D, much of which is in collaboration with the University of Leeds.

## **The Y&H Strategic Health Authority,**

The Y&H Strategic Health Authority, working with the local Primary Care Trust (PCT) and NHS Trusts, oversees and regulates the activities of the 24,000 NHS staff within the Leeds Metropolitan District. They also employ over 5,000 local authority staff who provide health related social services support.

- The district has over 2,000 medical and dental practitioners, 10,500 professionally trained clinical staff, 6,000 clinical support staff and over 5,000 infrastructure support staff. Nearly 400 staff are also employed through private sector hospitals, although many of the medical practitioners (consultants etc) work in both the NHS and private sector.
- Leeds PCT will implement the delivery of £930 million of services, around £1bn in 2007/8. The economic impact of this DOH expenditure in 2006-7 in Leeds can be estimated close to £2.5b.

## **Department of Health**

Leeds is home to the only DoH headquarters outside of London, reflecting its prominent position within the UK healthcare sector. 1,100 of the DoH's 3,250 national posts are at Quarry House (premises shared with the Department for Work and Pensions).

## **Innovation, research and knowledge transfer**

The academic teaching, research and knowledge transfer capabilities in Leeds are a driving force behind the strength of the Leeds healthcare sector. Health related research is the fastest growing research sector in the UK, linking both healthcare delivery and the industrial base. There are two universities in the Leeds Metropolitan District, The University of Leeds and Leeds Metropolitan University, and there are also eight colleges providing Further Education. With a combined turnover of over £500 million and 11,000 staff, the two Leeds University's educate over 80,000 students every year.

- The University of Leeds makes a substantial contribution to Leeds' healthcare sector, across teaching, research and technology/knowledge transfer. Over half its annual research income, £40 million, around 1,800 staff and over 7,500 students are involved in healthcare related research and learning in 2005-6. In 2003/2004 the University had over 5% of the UK's Clinical Medicine & Dentistry students (2,345). 13 of the University's subject areas achieved a rating of above 4 in the 2001 Research Assessment Exercise.
- The University has identified five research 'peaks of excellence': Cardiovascular Disease, Diabetes, Cancer, Molecular Medicine and Musculoskeletal Disease, which are a priority for research and innovation. However, these are also complemented by a multitude of additional research and teaching strengths.

Leeds is the base of Medipex Ltd, which is one of the most successful NHS Innovation Hubs in the UK. As part of its role, Medipex has the remit to stimulate new ideas/innovative practices from across NHS staff in Leeds and Yorkshire. Medipex ensures that the innovations and intellectual property (IP) that exist within the NHS can be identified, secured and developed in the interests of improved patient care and for the benefit of the NHS and its inventors.

## **Increasing innovation in healthcare**

A 2006 research study, "Research into increasing innovation in healthcare" by Medilink (Yorkshire & Humber) Ltd for the West Yorkshire Economic Partnership showed that Leeds, West Yorkshire and the wider region have significant technological and research strengths with excellent collaboration between universities and the NHS. Specifically it says that the relationship between the Leeds Teaching Hospitals NHS Trust (LTHT) and the University of Leeds (UL) provides the region with a national power house for clinical research.

The study found there are 125 West Yorkshire healthcare technology companies. Most are small and the sector's products and services are diverse. Some companies have emerged from the NHS and universities and have high growth potential.

The LTHT, with the support of the UL, leads on 14 NHS research programmes. Companies can engage with the research and development in several ways. For example, via Yorkshire Forward funded Centres of industrial Collaboration (CiCs).

One set of recommendations relates to company support issues such as early stage financing and support, easing the way companies connect with universities and the NHS, and targeting of high growth companies. Another set aims to build on the sub-region's strengths by exploring the feasibility of a flagship medical device innovation/trials centre, bidding for NHS Technology Centres of Excellence in orthopaedics and woundcare, and improved marketing to attract inward investment around cardiology, diagnostics and orthopaedics.

## **Leeds NHS Employability Programme**

The Leeds NHS Employability Programme is a partnership between the Jobs and Skills Service (Leeds City Council) and the Leeds Teaching Hospital Trust. The programme started in 1999 and offers unemployed people pre-employment training along with a work placement as an Administrator or Nursing Assistant in a hospital environment.

Programmes run throughout the year and to date have helped more than 680 unemployed people back into work. Figures for last year show 89% of starters were from the top 10-20% most deprived Super Output Areas (SOAs); 72% of starters gained employment, with two cohorts having a 100% success rate.

A recent evaluation report confirms entering employment after periods without work is often accompanied by improvements in health, well-being, income and socio-economic status. The report highlighted the programme as an exemplar to other organisations 'demonstrating what can be achieved by successful partnership working'.

## Manufacturing

Despite undergoing long term employment decline, in 2008, manufacturing:

- Accounts for approximately 38,900 employees in Leeds, 8.4% of Leeds' total employment.
- Has an output of £1.794 billion, 11.3% of Leeds' total output.
- By 2018, employment is predicted to decline by 15.6% to 32,800 and output by 12.5% to £1.974 billion.
- According to the latest ABI data, in comparison to other UK local authority districts outside of London, in 2006, Leeds' manufacturing sector employed the second largest number of employees behind Birmingham.
- In 2008, Leeds accounts for 21.8% of the City Region's and 11.6% of Yorkshire and Humber's manufacturing employees.
- In 2008, Leeds accounts for 22.6% of the City Region's and 11.9% of Yorkshire and Humber's output.

	<b>Leeds</b>	<b>Leeds City Region</b>	<b>Yorks and Humber</b>	<b>UK</b>
<b>Employment</b>				
<b>1998</b>	55,066	243,164	446,978	4, 517, 448
<b>2008</b>	38,921	178,340	335,280	3,188,674
<b>2018</b>	32,838	156,510	297, 696	2, 858,328
<b>Output (£m)</b>				
<b>1998</b>	1,794	7,590	14,152	147,529
<b>2008</b>	1,754	7,773	14,681	152,315
<b>2018</b>	1,974	8,935	16,923	174,443
<b>Source: Experian Business Strategies Yorkshire Futures Model, Spring 2008</b>				

## Manufacturing sub-sectors

The major manufacturing sub-sectors are engineering, printing and publishing, food and drink, and chemical/chemical product manufacturing.

	<b>2001</b>	<b>2006</b>	<b>% change</b>
Manufacturing of food and beverages	4,938	4,213	-14.7
Engineering	20,186	13,551	-32.9
Printing	10,282	8,551	-16.8
Other manufacturing	16,380	12,689	-22.5
<b>TOTAL</b>	<b>51,786</b>	<b>39,004</b>	<b>-23</b>
<b>Source: ABI, 2006</b>			

## Engineering

Leeds has been an important engineering centre since the nineteenth century when companies such as Yorkshire Copper Works, the Hunslet Engine Company and Thackray gained a world-wide reputation for their goods. In 2008 engineering contributed output of over £393m (22% of manufacturing output).

Today Leeds engineering firms continue to be successful especially where they are involved in research and development work. DePuy International for example, which took over Thackray Medical Care in the early 1990s, have recently opened a new European head office in Leeds to support their orthopaedic implants manufacturing operations in Holbeck. Another Leeds company, electrical engineering firm RF Winder Electrical, won a £1.2m contract on the Channel Tunnel rail link, a project that yielded one of the highest profile successes for Winder Electrical in its 100 year history. Further, their subsidiary, Winder Power, is moving to newer and larger premises in Leeds.

### Engineering employment

- As the largest manufacturing sector in Leeds, engineering employed approximately 13,550 employees in 2006, a decrease of 32.9% since 2001.
- Leeds has the seventh largest engineering sector outside of London behind Birmingham, Sheffield, Derby City, Sandwell, Walsall, and S. Gloucestershire.
- The scale of job losses which have been experienced over the last two decades are a function of structural changes in the economy towards the contracting out of non-core activities: a number of previously in-house jobs were transferred to the service sector. Many job losses are therefore related to companies' drive towards higher productivity.
- In 2006, approximately 14 business units employed over 200 people whilst 674 business units employed fewer than 50 staff.

<b>Table 9.15 Engineering business units 2006</b>	
1-10 employees	527
11-49 employees	147
50-199 employees	47
200 or more employees	14
<b>TOTAL</b>	<b>735</b>
<b>Source: ABI, 2006</b>	

<b>Table 9.16 Major engineering companies in Leeds</b>	
<b>Company</b>	<b>Activity</b>
A E T C	Aircraft turbine blade mfrs
Airedale Int'l Air Conditioning	Close control air conditioning
Ellbee Limited	Aluminium doors & windows
Cameron	Valves & pipelines - oil industry
Denso Marston	Vehicle radiators & oil coolers
DePuy International	Surgical/orthopaedic equipment
Optare Group	Passenger service vehicles
Schneider Electric	High voltage switchgear
Sulzer (UK) Pumps	Centrifugal pumps, engineering
Wabco Automotive UK	Hydraulic valves, fuel injection
Yorkshire Fittings	Copper, copper alloys
<b>Source: Leeds City Council</b>	

## The Keyworth Institute at the University of Leeds

The Faculty of Engineering at the University of Leeds is one of the top engineering faculties in the UK and also has an international reputation for both the quality of its research and its graduates.

The Keyworth Institute's role within the faculty is to form links and partnerships with companies for *mutual benefit* through 'knowledge transfer'.

If you think there are opportunities for your company to work with us for *mutual benefit* we would like to hear from you.

## CIC Engineering Design

The Engineering Design Centre for Industrial Collaboration is a collaborative project between the University of Leeds and the University of Hull to improve the competitiveness of industry through Engineering Design and Innovation. The Centre is based on six core research strengths of the two Universities: effective engineering, design analysis, design optimisation, design for manufacture and assembly, rapid manufacturing/mass customisation, product data management/design within an enterprise network.

## Paper, printing, and publishing

Outside of London, Leeds is the UK's largest centre for paper, printing and publishing.

- In 2006 there were approximately 8,550 employees, a decrease of 16.8% since 2001.
- In 2008 the sector's output was just over £322 million, 18% of total manufacturing output.
- In 2006, there were a total of approximately 399 business units. 8 employed over 200 staff whilst 381 employed fewer than 50 staff.

1-10 employees	310
11-49 employees	71
50-199 employees	10
200 or more employees	8
<b>TOTAL</b>	<b>399</b>
<b>Source: ABI, 2006</b>	

The sector is essential to the economy, with local companies having strong markets throughout the UK. The industry serves all sectors of the economy and the structure of the industry in Leeds reflects this fragmented market. Demand for the products of this industry is very dependent on the state of the economy and consumer expenditure.

The UK **printing industry** is currently undergoing a period of major change. One of the reasons is digital technology. Digital presses are revolutionising many printing processes and eliminating many pre-press functions. Technical advances have also had the effect of replacing many tasks previously completed by hand. It is thought that the future of many printing companies will depend on their ability to embrace new technology and working practices. UK print and packaging companies could provide faster turnaround of goods than overseas competitors due to the shorter distances involved.

<b>Table 9.18 Major paper, printing and publishing companies in Leeds</b>	
<b>Company</b>	<b>Activity</b>
Agfa Gevaert	Litho plate makers
John Blackburn	Commercial & direct mail print
Communis plc	Direct mail & communications
Kodak Polychrome Graphics	Litho plate makers
The Lettershop Group	Direct mail
Nampak Cartons	Carton Printers
Polestar Petty	Web offset colour printers
Safepack	Corrugated cases
Scientific Games International	Lottery and games tickets
Scorpio Print Finishers	Print finishing
Wm Sinclair & Sons (Stationers) Ltd	Writing pads, school supplies
Yorkshire Post Newspapers	Newspapers & publications
<b>Source: Leeds City Council</b>	

### **Leeds College of Technology**

Leeds College of Technology houses the Print College, the UK's Centre of Vocational Excellence for Print. It is dedicated to providing print courses and quality training to both companies and individuals. As well as a portfolio of in college courses the college has developed a range of award winning online learning packages, enabling trainees to access their print work from work and at home.

The Print College has also developed a partnership with the University of Leeds and together they deliver a unique part-time BSc (Hons) degree in Communication, Print and Packaging.

### **CiC Digital Printing**

The UK's first Centre for Industrial collaboration (CIC) in Digital Printing has been established at the University of Leeds. The aim of the CIC is to help businesses improve profitability and enhance performance, whilst giving them the tools to flourish with digital technology. The Digital CIC will deliver a whole spectrum of services from trouble-shooting consultancy and training to technology transfer for the print and print related sector.

### **Food and drink**

- In 2006, the food and drink sector employed approximately 4,200 people, a decrease of 14.7% from 2001.
- In 2008, sector output totalled over £237 million, 14% of total manufacturing output.
- In 2006, there were approximately 72 business units. 9 employed more than 200 staff and 55 employed fewer than 50 staff.
- Across Yorkshire and Humber there are more than 15,000 companies, the largest concentration in the UK.

<b>Table 9.19 Food and drink business units, 2006</b>	
1-10 employees	46
11-49 employees	9
50-199 employees	8
200 or more employees	9
<b>TOTAL</b>	<b>72</b>
<b>Source: ABI, 2006</b>	

Leeds is home to national companies such as Britvic, but also many Leeds based companies. Richmond Foods is an example of an indigenous firm, which started in 1985 with 4 employees. It has grown considerably in recent years and is now the country's biggest supplier of "own brand" (supermarket) ice cream and related products supplying an estimated 60% of total national sales. Following a successful stock market floatation ten years ago, which valued the company at £19.5m, in 2006 the company was bought by an American organisation Oaktree Capital Management in a deal thought to be worth £182m.

**Table 9.20 Major food and drink companies in Leeds**

<b>Company</b>	<b>Activity</b>
Ainsleys of Leeds	Bread and confectionery
Arla Foods	Milk & dairy products
Britvic Soft Drinks	Soft drinks
Carlsberg UK	Brewers
Country Style Foods	Frozen foods
Greggs Plc	Bakers
Daniel's Chilled Foods	Prepared fresh fruit
Greencore Frozen Foods	Yorkshire Puddings
Northern Foods	Corporate HQ, biscuit, chilled and frozen foods divisions
R & R Icecream	Ice cream & related products

Source: Leeds City Council

## Cluster development

### **Ethnic Food Action Group Ltd**

Ethnic foods have been identified as an important and emerging sector in the Yorkshire and Humber region. The Ethnic Food sector can be defined as "World inspired foods including traditional South and East Asian cuisines, Mediterranean cuisines, Tex Mex as well as emerging sub-sectors such as Thai, Japanese, and the Caribbean etc."

Ethnic Food Action Group Ltd. was established to represent and assist the cluster, within the Yorkshire and Humber region. Its purpose is to develop and implement strategies to maximise economic activity within the sector, improve company competitiveness and promote the region as a centre of ethnic food industry excellence and as a location for inward investment.

### **Food and Drink Yorkshire**

Yorkshire Forward is working to ensure that the food and drink economy continues to grow, establishing the region as an industrial hub for the world's producers. A key objective is to ensure that the region can offer a skilled local workforce. The aim is to make the region one of the best food and drink manufacturing locations in Europe, catering for businesses and operations of all sizes. A food and drink strategy has been developed working to:

#### 1. Exploit and Negate Future Market Trends

Exploit opportunities:

- The expanding food and drink international market
- Emergence of new food and drink sectors
- The healthy living agenda
- Greater consumer interest in food and drink provenance

Negate threats:

- Fighting increased costs in a low pricing culture (differential inflation)
- Consumers targeted with mainstream offerings (middle ground squeeze)
- The industry's skills shortage

## 2. Collaborative Working within Partner

Network

- To reduce confusion in business support schemes
- Build competitive advantage for regional food & drink businesses

## The Food Chain Centre of Industrial Collaboration

The Food Chain CIC at the Universities of Leeds and York and the Central Science Laboratory will allow the region's food businesses to exploit university research to maximise food quality and find lasting technical solutions. The CIC builds on the long history of food research and development at the University of Leeds which has the highest national rating (5 star) for its food science department. The centre will provide businesses with:

- access to a hygienically designed food pilot plant laboratory
- state of the art imaging facilities and microscopes
- controlled environment room for food storage studies
- specialist facilities for cryogenic treatment of foods
- instrumentation for monitoring chilling and freezing processes

## Food Research Group at Leeds Metropolitan University

A newly equipped microbiology laboratory which is dedicated to providing high level consultancy services to the region's food and drink sector. Supported by grant funding from the European Regional Development Fund, the Leeds Met Food Research Group, is collaborating with Yorkshire Forward's Food Technology Advisory Service to provide consultancy services to the industry.

## Other Manufacturing

As well as engineering, print and publishing, and food and drink, Leeds has a range of other manufacturing companies. In 2006, these accounted for 12,700 employees in sectors including chemicals, textiles, and furniture manufacturing.

**Table 9.21 Major companies in the other manufacturing sector in Leeds**

Company	Activity
Abbeycrest	Jewellery
Allied Glass Containers	Glass bottles Manufacturer
B O C	Gases
Clariant UK	Dyestuffs, pigments & chemicals
Danoptra Holdings	Amusement & gaming machine mfr
A W Hainsworth & Sons	Industrial fabrics, uniform
Unilever UK	Toiletries preparations mfrs
Moore's Furniture Group	Kitchen & bedroom furniture
Thomas Ramsden & Co	Hand knitting yarn spinners
Rocol	Lubricants, greases
The Symphony Group Plc	Furniture manufacture
Source: Leeds City Council	

## LEEDS MANUFACTURING

**Leeds** is the third largest manufacturing centre in Britain and its varied and diverse industry mix supports over 39,000 jobs. Leeds is a major centre for engineering, chemicals, toiletries, textiles, glass, furniture, food processing and is the largest printing centre outside London.

**Leeds Manufacturing (LM)** has joined forces with Leeds Chamber of Commerce and Industry to support manufacturing companies in the city.

Complementing the work of Leeds Chamber, LM provides a unified voice for manufacturers within the Leeds Metropolitan District.

The main focus of Leeds Manufacturing's current activities is to raise the profile of manufacturing in the city. A number of case studies have been, or are being, developed which show the diversity and richness of manufacturing in Leeds. These studies are being used in the local, regional and national media and at events.

## Construction

- In 2006 approximately 24,600 people were employed in the construction sector in Leeds, an increase of 31% from 2001. This equates to 5.9% of the city's total workforce, 36.2% of Leeds City Region's and 20.1% of the region's construction employees.
- Across the region, between 2001 and 2006, the number of people in construction increased by 16% to 122,600 whilst across the city region employment increased by 13% to 67,900.

Sub-contracting and self-employment are highly important to the sector. According to Yorkshire Futures/ Experian Business Strategies, in 2008, people working on a self-employed basis account for approximately 32% of the construction workforce and 25% of all self-employed people in Leeds. In 2008, construction output was approximately £10.5 billion.

**Table 9.21 Major construction employers in Leeds**

Employer	Activity
Carillion	All forms of building & civil engineering
Taylor Wimpey plc	Building Contractor
A D T Security Systems	Intruder, fire alarms, cctv
Vallectric	Electrical installation
Shepherd Construction	Construction, design & build
A Andrews & Sons	Contractors, ceramics, marbles
Mowlem Facilities Management	Property management
Source: Leeds City Council	

## Recent research

In 2005 the **Leeds City Growth** initiative commissioned research into construction businesses in Leeds. Some of the key findings were:

- The industry in Leeds is characterised by many small traders (over 85% employ fewer than 10 people).
- Leeds has greater than national average employment in many of the internal trades. Particularly strong areas are plumbing (non-domestic sector) and construction of roads and highways.
- The market is controlled by national contractors who can meet public sector demands on cost.

- There is no lack of people wanting to enter the industry with Leeds College of Building courses oversubscribed. Employers were concerned by the lack of experience of new entrants to the industry. Colleges experience great difficulty in finding employers willing to take on student placements.
- There is an opportunity to better co-ordinate information on future supply of construction projects and contracts to give confidence to construction businesses (particularly SMEs) to give them the confidence to invest in new skills and personnel.

### **Rise: East Leeds Catalyst Centre**

The newly established Rise centre is situated on the site of the former East Leeds Family Learning Centre in Seacroft, east Leeds. The centre is a 15,000 sq ft single storey modular building housing a catalyst centre, construction training facility and managed workspace.

The catalyst centre has been funded through the Local Enterprise Growth Initiative (LEGI) a four year programme to increase enterprise and employment across some of Leeds' most disadvantaged communities. It provides office space and business facilities to new entrepreneurs on flexible terms and at low cost.

The Rise centre aims to assist local entrepreneurs to exploit business opportunities particularly in the construction sector. Over the next five years the East and South East Leeds (EASEL) regeneration scheme will begin. As one of the country's largest Public Private Financed (PFI) housing regeneration schemes, it will create a substantial market in the construction sector. The Catalyst centre will work in close partnership with the David Young Academy, the Construction Skills Learning Centre, and Bellway Homes (who are the lead developer on the EASEL project) to provide the skills, training and support that new entrepreneurs will need to exploit this emerging market.

### **Construction Leeds – generating jobs regenerating Leeds**

Construction Leeds is a business focused, strategic partnership engaging the whole supply chain on major construction developments within the city to ensure they make a real difference to the residents and businesses that surround them.

It is the conduit for construction businesses in Leeds helping the private, public and third sectors work together to address employment issues, training needs and business development.

Its vision is to deliver construction jobs to deprived communities and construction skills to the industry as a route to regenerating Leeds.

Its aims are to:

Create a single point of reference for all construction employment matters, encouraging investment in local people by engaging with employers – Growing the Market.

Engaging with deprived communities to improve local employability, support those furthest from the labour market and promote opportunities to the work ready – Ensuring Quality of Labour Supply

Developing contracting procedures that maximise community benefit, promoting partnership working and widening participation in the construction industry - A Sustainable Future for construction in Leeds.

# Tourism, culture and leisure

## Tourism

Leeds is an important destination for both business and leisure tourism. The tourism industry has developed rapidly and substantially over recent years. Yorkshire Tourist Board regularly commissions consultants to examine the economic impact of tourism to Leeds. The latest research found that the total value of tourism in Leeds was an estimated £832 million, supporting in excess of 14,000 jobs (Cambridge Econometric Impact Model, 2006). It was also estimated that in 2006:

- there were 10.9million days trips to the region, generating £513m of expenditure.
- staying visitors made 1.4 million trips into Leeds over an estimated 5.5m nights, generating an estimated £280m in expenditure.

The city also benefits from a thriving cultural scene and nightlife which attracts visitors from across the UK and Europe. It boasts national and regional attractions, including the Royal Armouries, West Yorkshire Playhouse, Harewood House and Thackray Museum.

## Conference Leeds

Conference Leeds has been appointed the official conference bureau for West Yorkshire, working in partnership with the local authorities for Bradford, Calderdale, Kirklees and Wakefield. It is now working with 227 venues in West Yorkshire, including over 100 in Leeds. As a result, the range of venues for conferences, meetings, training and corporate hospitality events has greatly increased. Venues in the Leeds district include city centre hotels such as The Queens, Leeds Marriott and Crowne Plaza Hotel, deluxe country house hotels and spas such as Thorpe Park Hotel and DeVere Oulton Hall Hotel and a range of unique venues including Headingley Carnegie Stadium and Royal Armouries International.

The British Conference Venues Survey 2007 estimated that there were 48,400 conferences taking place in Leeds, an average of 742 per venue generating £220m expenditure.

The UK Conference Market Survey 2007 listed Leeds as the 5th most popular destination for the association sector behind London, Birmingham, Manchester and Edinburgh and 4th most popular destination for the corporate sector behind London, Manchester and Birmingham.

## Leeds Visitor Centre

During July 2008 Gateway Yorkshire was re-named the Leeds Visitor Centre. The newly refurbished tourist information centre, has new signage and displays incorporating the city branding of Leeds, Live it, Love it.

An increasing number of visitors use the centre; in 2007, over 457,000 (an increase of 3.4% from 2006), positioning it as one of the busiest tourist information centres in the country.

During the past year Leeds Visitor Centre has handled over £76,000 of bookings through its accommodation service, which has been boosted by the introduction of the Yorkshire Destination Management System. Total sales increased by 27% during 2007 to £684,300, with major successes being Ticketmaster sales (up 34%) to over £100,000, Metro sales rising by 10% to £230,000, and gift sales up 21%.

## **Hotel and Conference Developments**

The city has continued to see major developments:-

Royal Armouries International opened Saviles Hall in 2007 with 1,540m<sup>2</sup> of floorspace and able to cater for up to 1,000 delegates.

The 218 bedroom Etap hotel opened at the Gateway North development on East Street in 2007

Roomzzz serviced apartments opened in two locations in Leeds, offering over 130 boutique style hotel rooms, with The Chambers also offering serviced apartments in two locations in Leeds city centre totalling 70 bedrooms.

Pantin Hotels are due to open their boutique hotel, The Ellington, on York Place in late summer 2008 with 35 bedrooms.

The Village Hotel is due to open its second hotel in the city. The new hotel is expected to open in September 2008 and is situated just off J28 M62 in Morley with 115 bedrooms.

City Inn are also developing a 333 bedroom hotel, located by the River Aire near Bridgewater Place due to open in summer 2009.

## **Attraction developments**

During the past twelve months, Leeds has seen some exciting new attractions open drawing further tourists to the city:

- The Yorkshire Planetarium, based in the grounds of Harewood House, is home to an interactive show to allow people to get closer to the night sky with special exhibitions and tours targeted at academic establishments.
- Since June 2008 Leeds City Cruisers has brought a new element to the city offering with boat trips on the River Aire by linking major attractions in the city, and providing a weekend shuttle service along the river in Leeds city centre.
- The Crime and Punishment tours at Leeds Town Hall let people discover the dark and secret history within its court and Victorian police cells with regular tours taking place throughout the summer and autumn.

## **Culture**

Since 2002 well over £180m has been invested in the cultural infrastructure of the city. Leeds possesses a variety of cultural resources and experiences, and continues to develop a critical mass of organisations of national renown. The city has seen the continued success of flagship organisations including: Leeds Art Gallery, Henry Moore Institute, Leeds International Piano Competition, Northern Ballet Theatre, Opera North, Central Library, Temple Newsam, West Yorkshire Playhouse and Yorkshire Dance. These have helped to attract other major investments, including the Royal Armouries and the Thackray Medical Museum. Additional recent cultural investment includes the following: City Museum (£23m invested), Discovery Centre (£6.3m invested) or Kirkstall Abbey (£4.5m invested).

## **Using culture as a tool for learning and regeneration**

The Council's Arts and Regeneration Unit manages the city's strategic programme, "arts@leeds", working in partnership with arts organisations of all sizes around the city. The Unit also leads a number of projects aimed at broadening participation in the arts (Bright Young Things, Urban Fusion, Get Creative, Light Night). It has attracted major external revenue funding in support of new initiatives and organises a large-scale youth arts programme including the annual Breeze International Youth Festival. It is also an advocate for the creative arts sector and for the sector's role in using the arts to energise city growth. Currently, major initiatives include Gallery 37 Plus (a youth arts summer school forming part of a national programme), Get Creative, which offers young people aged 10-16 the opportunity to take part in a programme of summer workshops, Respect, which aims to improve the life experiences of young people in challenging circumstances through music based mentoring. Find Your Talent is Leeds winning submission under the national "5 Hours of Culture" programme for young people.

Dedicated and equipped learning spaces have been created in Leeds Art Gallery, the Industrial Museum Armley Mills, the Leeds Museum Discovery Centre and Temple Newsam. These are supported by a new dedicated Learning team providing a comprehensive education and outreach programme across the City Council's nine Museums and Galleries. This includes a comprehensive schools programme ('The Treasury of Learning') with a series of curriculum focussed programmes for different age & ability ranges. The Central Library has created a Youth space which will encourage young people to study, relax and develop skills such as film, DJ techniques and writing music.

The huge learning potential of the city's heritage treasures is being exploited through a programme called 'A Culture of Learning'. This has seen the development of Backstage Past, a theatre learning programme for the City Varieties, The Grand Theatre and the Carriageworks and Crime and Punishment, a citizenship module at Leeds Town Hall.

## **Investment in cultural facilities**

Leeds Museum Discovery Centre which opened in 2007, provides an accessible store for the massive museum collections as well as educational, conservation and technical facilities. Leeds City Museum opened in September 2008 in the restored and refurbished Leeds Institute on Millennium Square containing galleries telling the story of Leeds, looking at the natural world, Egyptian, Greek and Roman archaeology and world cultures. These are part of a commitment to cultural investment that has seen a restoration of Kirkstall Abbey and the creation of a new Visitor Centre, as well as a phased refurbishment of the Art Gallery.

## **Galleries and theatre investment**

Further refurbishment is planned for the Art Gallery to build on the success of the first phase works in 2007 that restored the tiled hall at the front of the building, created a new exhibition space and learning area in the Gallery. Work has started on the Heritage Lottery Bid of the major refurbishment which this building needs. This cultural investment aims to result in good quality but affordable cultural facilities created in partnership with local people and communities.

The new theatre and conference venue in Millennium Square, the Carriageworks, has become a high quality city centre hub for local arts development (small scale, amateur and professional).

Phase 1 of a £28.5m development for The Grand Theatre has been completed. This has refurbished part of the auditorium, improved access and modernised the backstage and rehearsal areas. The bulk of the funding for the first phase came from a £13.5m grant from Arts Council England, with a £5m Leeds City Council grant, £1.5m from Opera North, £500,000 from Leeds Grand Theatre, and £500,000 from Yorkshire Forward. A second phase is now at the design stage,

as is a significant project to revitalise the City Varieties. Heritage Lottery Bids have been submitted for both. Planning for the new Arena in Leeds and a home for Northern Ballet Theatre and Phoenix Dance are progressing.

## Concert halls and arena

The University of Leeds has completed a £1.8m upgrade of the performance facilities in the historic Clothworkers' Centenary Hall centre, one of the region's best chamber music venues.

A procurement process is underway for an arena for Leeds, including a concert venue and exhibition facilities.

## Libraries

Two new libraries are now open at Holt Park and Beeston. Further developments are planned for 2008/09, with plans underway for a refurbishment for Moor Allerton. Garforth library has achieved a £1.4 million pound Lottery Bid for a state of the art refurbishment using local materials and green energy and business and community engagement plans are being finalised. The project is due to begin in October 2008.

## Heritage Lottery Funding for Cultural Infrastructure

Many major developments have received or are seeking support from National Lottery generated funding. See Table 9.22.

<b>Project</b>	<b>Cost £m</b>	<b>Grant Value £m</b>	<b>Details</b>
Temple Newsam	2.6	1.3	Renovation
Roundhay Park and Kirkstall Abbey	13.7	10.6	Renovation of park and Abbey
Leeds Museum and Discovery Centre	26.9	19.5	Bid successful and work in progress
Grand Theatre	1	Awaited	Bid to be decided June 07
City Varieties	3	Awaited	Stage 1 bid decision September 07

## Museums and Galleries

Leeds City Council operates nine museums and galleries which hold a number of important collections designated of national/international importance covering natural history, industrial history and the fine and decorative arts, and currently attracting 520,000 visitors each year (2007/8 figures).

## Events

Each year Leeds hosts one of the largest programmes of free concerts and events in the UK including: Breeze International Youth Festival, Opera and Party in the Park, Classical Fantasia, Leeds Mela, West Indian Carnival and Reggae Concert, Irish Festival, St Patrick's Day Parade, Leeds Lights Switch On.

New events include Live at Leeds and Big City Jazz. Taste of Leeds and World Corporate Games have also been held in Leeds for the first time in 2008, with Taste scheduled to return for two more years.

Last year, Leeds successfully hosted elements of the high profile IIFA "Bollywood" Awards which achieved worldwide attention.

City Centre annual attractions include 24km of Christmas lights, 'Christkindelmarkt' traditional German Christmas Market, The Ice Cube - the UK's largest outdoor temporary ice rink, the Leeds Half Marathon which starts and finishes in Millennium Square and the Leeds 10k - Jane Tomlinson's Run for All.

In addition Leeds is recognised for hosting a series of prestigious international festivals including: Leeds International Film Festival, Leeds International Concert Season, the triennial Leeds International Pianoforte Competition, and the Carling Leeds Festival (sister event to the Reading Festival).

Other important events taking place in the city include Leeds Young People's Film Festival and the FuseLeeds festival, a vibrant celebration of live music and highlight of Leeds' cultural calendar, which took place in 2004 and 2006, and is now being organised for 2009. The Conductor's Competition will also take place in 2009.

In September 2008, Leeds Town Hall will celebrate the 150th anniversary of its opening by Queen Victoria in 1858 and a varied programme of activities has been organised.

Preparations are under way for the Cultural Olympiad 2012 with the handover in August 2008 in Beijing and the national launch in September 2008

## **Leisure**

### **Sport, health and fitness**

Sport in Leeds is a key aspect of the city's education, leisure and tourist activity, with Sport Leeds, the city-wide partnership for sport and active recreation, providing a strategic lead.

4,000 people in Leeds obtain sports qualifications each year and sports related degree programmes are offered at the two universities and at Trinity and All Saints College. The regional training centre responsible for the Sports Coach UK programme and the Carnegie National Sports Development Centre are both at Leeds Metropolitan University, making Leeds a national as well as a regional centre for sports training and courses.

The city has a number of high profile sports clubs and venues including Leeds United Football Club, Leeds Tykes Rugby Union Club, Leeds Rhinos Rugby League Club and Yorkshire County Cricket Club. Many are based at the world renowned Headingley Carnegie Stadium and attract visitors to the area from around the globe. Additional events take place at Wetherby Racecourse.

Leeds Metropolitan University has won the competition developed in 2006 by Tessa Jowell to become the home of the UK Centre for Coaching Excellence in sport and disability sport. The review panel of Sports Coach UK chose Carnegie ahead of fierce competition. The Centre is pivotal to The Coaching Framework, agreed by all sports and the government, which aims to establish the UK, as part of the legacy of the 2012 Olympics, as the leading coaching system in the world by the 2016 Olympics. It will be the first of its kind in the UK and will benefit up-and-coming coaches in 29 sports to help them reach the top and help boost sporting success for future British athletes. Sports Coach UK and Leeds Met Carnegie will work in partnership to establish the centre that has received start-up funding of £600,000 from UK Sport and Sport England. It is also being backed by Sport Scotland, Sports Council for Wales and Sport Northern Ireland.

As well as the professional clubs and high level training facilities for the most talented sport participants, there are leisure centres, private sector gyms, sport clubs and community venues, including:

- Leeds City Council provides leisure centres at 19 sites and the John Charles Centre for Sport now has Aquatics, Tennis, Stadium Indoor Bowls and Athletics and provides a comprehensive programme of local, regional, national and international events attracting significant investment into the city and specifically into a deprived area.
- There are over 1,000 sport clubs in Leeds in over 50 different sports, but with some inequalities. For example 0.59 clubs per 1,000 residents in Killingbeck and Seacroft – 3.15 per 1,000 in Adel and Wharfedale.
- It is estimated that 25% of volunteering activity is through sport ('The Economics of Sport' – a research study undertaken by the Carnegie Research Institute). Within Leeds 4.4% of the population volunteer in sport and active recreation activity for 1 hour per week ('Active People Survey' October 05 – October 06).
- In 2006 it was estimated through 'Active Places Power' that there were 44 private sector health and fitness operators located within Leeds. There is a variety of provision ranging from larger operators such as David Lloyd, Esporta and Dragons Health Club to smaller facilities e.g. Body Balance, De Vere Leisure Club and 'First Stop Fitness'. All these organisations provide a valuable contribution to improving health in the city and create significant economic activity.

## **Key sport, health and fitness developments**

Leeds City Council in partnership with Sport Leeds aims to deliver more than £20m of investment into the city's sport facilities by 2012 from private and public sources outside the city.

Developments include:

- The continuing redevelopment of Headingley to ensure the continuation of test match cricket in the city.
- The completion of the 50 metre swimming and diving facility has provided a landmark facility for the people of Leeds and further enhance the range of facilities available at the John Charles Centre for Sport. The new site opened in October 2007 and provides one of the leading 50m swimming pools in Europe and a highly recognised synchronised diving facility. Due to the high quality of the facility, the British Diving Championship / Olympic Trials were held in Leeds in June 2008.
- A major grant from the New Opportunities Lottery Fund, together with funding from Leeds City Council has transformed the old John Smeaton Leisure Centre into a state of the art facility with a £7M rebuild mainly completed by January 07.
- The Yeadon Tarn Activity and Sailing Centre was completed through a New Opportunities Fund Grant in 2006 of nearly £1m. This has created a specialist outdoor pursuit centre that is unique within the city. During the summer it becomes a focal point of economic activity in the North West of Leeds.
- Through the Private Finance Initiative, developments are being finalised for the redevelopment of two leisure centres at Armley and Morley. It is envisaged this will generate £30m of investment into the city.
- 33% of the population reside within 20 minutes travel time of a quality assured sport and active recreation facility.
- During 2007/08 there were over 4.3m visits to leisure centres. The infrastructure for sport in the city generated significant employment, training and supply chain opportunities in the Leeds City Region and beyond.
- Regionally a structure has been put in place to ensure the area capitalises on the 2012 Olympics and a sustainable positive legacy is generated. Leeds City Council has put in place a Project Manager for the 2012 Olympic Games and Paralympic Games. This has resulted in a project with a specific focus on Leeds that is working within the structures put in place both at regional and national level. Some of the benefits have already been realised; a number of contracts from the Games have been awarded to companies from Leeds. Seven sports facilities have been included in the Training Camp Guide that will be issued to every participating country. Educational projects associated with the Olympics are being undertaken in schools. Over the coming years

projects will be developed to help encourage more people to participate in sport and active recreation, to get engaged as a coach or volunteer and to identify and support talented athletes.

<b>Table 9.23 Licensed premises in Leeds city centre, end of March 2008</b>			
<b>Category</b>	<b>Number of Premises</b>	<b>Number of premises open at 04:00</b>	<b>Number of 24 hour Premises</b>
Bars	91	36	0
Public Houses	35	1	0
Restaurants	92	6	0
Takeaway	37	20	0
Nightclubs	30	23	0
Hotels	14	2	0
Shops	29	0	0
Theatres	9	2	0
Social Clubs	5	0	0
Casinos/Bingo Halls	*3	1	0

\*1 licence held by a casino currently under construction on the Clarence dock development.

## Retail

Leeds has been a retail centre for over 800 years, with the first market charter being granted in 1207. The city centre is the main hub of retail activity although Leeds also has thriving market town centres and local district centres.

## Employment

- In 2006, approximately 37,450 people were employed in the retail sector, 9% of Leeds' total workforce.
- Between 2001 and 2006, employment within the sector declined by approximately 4,200, a decrease of 10.1%.
- In 2006, approximately 62% of employees were female and 54% of jobs were part-time positions.
- In 2006, approximately 9,420 people were employed in retail within the city centre, 25.1% of Leeds' retail employment.

Please note that these retail employment figures do not include restaurants, bars and banks.

## City centre

With over 1,000 shops and a retail footprint in 2007 of 2,284,100 sq ft, Leeds city centre is one of the largest retail centres in the UK. CACI in 2007 estimated retail expenditure on comparison goods (non-food items) in Leeds City Centre to be £1,729m.

In the last decade £294m has been invested in retail and leisure developments in the city centre, enhancing its excellent shopping and leisure facilities. Extensive refurbishment of parts of prime shopping areas and two major retail developments, the Eastgate Quarters, and Trinity Leeds, will enhance the city centre's retail offer and change the face of shopping in Leeds.

Trinity Leeds, a £650m Land Securities and Caddick development, will be Leeds City Centre's first 1 million sq ft shopping centre. Combining the former Burton Arcade site with a completely remodelled Leeds Shopping Plaza, Trinity Leeds will have entrances on Commercial Street and Briggate. The

development is due for completion in 2010 and will offer 100 retail units. Retailers who have already committed to Trinity Leeds include Marks & Spencer, Topshop and Boots.

The £800m Eastgate Quarters development by Hammerson and Town Centre Securities will comprise 1.45m sq ft of retail and leisure space and over 500 residential units. The development is due for completion in 2012 and will be anchored by a 260,000 sq ft John Lewis and a 196,500 sq ft Marks & Spencer.

The Valuation Office Agency's (VOA) 2007 Property Market Report estimates that Leeds' retail rents for type 1 units (those in a prime position in the principal shopping centre) were £3,350/m<sup>2</sup>/annum, type 2 (a good secondary off peak position in the principal shopping centre) were £875/m<sup>2</sup>/annum, and type 3 were £250/m<sup>2</sup>/annum (a modern purpose built non food warehouse unit circa 2,500 sq.m-5,000 sq.m in an edge of town location). The table below details rents for each unit type across the core cities:

<b>Location</b>	<b>Type 1 £/m<sup>2</sup>/ann</b>	<b>Type 2 £/m<sup>2</sup>/ann</b>	<b>Type 3 £/m<sup>2</sup>/ann</b>
<b>Leeds</b>	<b>3,350</b>	<b>875</b>	<b>250</b>
Nottingham	2,300	1,100	275
Newcastle	3,600	1,750	250
Manchester	3,050	2,300	300
Liverpool	3,425	2,250	275
Bristol	2,200	1,250	275
Birmingham	3,300	1,500	325
Sheffield	2,500	850	185
<b>Source: VOA, 2007</b>			

### **City centre retail yields**

On July 1<sup>st</sup> 2007, retail yields in Leeds city centre stood at 4.2%, a decrease of 0.3% from July 1<sup>st</sup> 2006 (VOA, 2007). Yields are calculated by dividing the annual rent by the capital value or sale price of a property. It can be used to assess the comparative attractiveness of different shopping centres.

### **Outside the city centre**

Leeds has a wide range of town and district centres, and out of centre shopping developments.

There are 28 town and district centres across Leeds as designated in Leeds' UDP as 'Policy S2 centres'. These are Armley, Boston Spa, Bramley, Chapel Allerton, Cross Gates, Dewsbury Road, Farsley, Garforth, Guiseley Otley Road, Halton, Harehills Corner, Headingley, Holt Park, Horsforth Town Street, Hunslet, Kippax, Kirkstall, Meanwood, Middleton Ring Road, Moor Allerton, Morley, Oakwood, Otley, Pudsey, Rothwell, Seacroft, Wetherby and Yeadon. Town centres are more often associated with free standing settlements comprising a mix of shops, offices, leisure facilities, hotels and community facilities, whereas district centres is the term used to describe those localities within the urban area of Leeds and are usually smaller with a range of shops, non-retail services such as banks, restaurants and local public facilities such as libraries.

The White Rose Centre is one of the best performing shopping centres in the region. It has over 100 retail and leisure units and is visited by over 12 million shoppers each year.

## Education & training

Park Lane College Leeds is a Centre of Vocational Excellence for Retail. The college delivers a range of retail-related training programmes and qualifications from pre-employment to foundation degree level and has retail training centres in Leeds City Centre and at the White Rose Centre.

The University of Leeds offers undergraduate and postgraduate courses in marketing whilst Leeds Metropolitan University offers a range of foundation, undergraduate, postgraduate and professional courses in retail marketing, sales and retail management.

## Public sector

The public sector includes health, education, national and local government administration including social services, judicial services, law enforcement and fire services.

- In 2006, approximately 112,100 people were employed in the public sector in Leeds, 26.9% of Leeds' total workforce.
- Between 2001 and 2006 the sector grew by 22.5%, an increase of just over 20,500.
- 70% of employees are female and 37% are part-time workers.

	<b>2001</b>	<b>2006</b>	<b>change</b>	<b>% change</b>
Leeds	91,555	112,142	20,587	22.5
Core Cities	609,931	703,017	93,086	15.3
Leeds City Region	308,019	347,309	39,290	12.8
Yorks and Humber	560,300	628,931	68,631	12.2
GB	6,191,369	7,090,844	899,475	14.5
<b>Source: ABI, 2008</b>				

The sector's largest employers include Leeds City Council and the Leeds Teaching Hospitals NHS Trust. Amongst local authorities outside of London, Leeds has the third largest number of employees, behind Birmingham and Glasgow.

## The Further Education sector

It is estimated that the FE sector generates over £100m in income every year across the Leeds FE colleges, and employs around 3,000.

## Wholesale distribution and transport

In 2006, there were approximately 30,000 people employed in the wholesale and transport sector in Leeds (the same number as 2001) and approximately 2,500 business units.

### Wholesale Distribution

Leeds is an important location for distributors because of its proximity to the M62 and M1 interchange, which allows easy access to UK markets. Road improvements such as the M621/M1 link and the M1/A1 link have enhanced accessibility.

The distribution industry has taken up development opportunities near the motorway junctions of the M1, M62 and M621 in the south and west of the City. Leeds has a large stock of local distribution facilities serving the whole of West Yorkshire on estates in Morley and Gildersome, at junction 27 and 28 of the M62. Recent proposals for warehousing and distribution south east of the city centre are taking advantage of the recent M1/M621/A1 improvements.

Within local authorities outside of London, Leeds accounts for the second largest number of wholesale distribution employees. In 2006, approximately 18,100 worked in the sector, a 0.7% increase since 2001.

## Transport

In 2006, there were approximately 11,900 people employed in the transport sector, a 1.3% decrease from 2001, and there are approximately 914 business units.

<b>Table 9.26 Major wholesale distribution and transport companies in Leeds</b>	
<b>Company</b>	<b>Activity</b>
A A H Pharmaceuticals	Pharmaceuticals
Royal Mail Group Plc	Postal services
Clipper Logistics	Clothing Distributor
Cypher Group	Booksellers, library suppliers
Elite Forwarders Ltd	Freight Forwarders
Makro Self Service Wholesalers	Wholesale cash & carry
Menzies Distribution	Newspapers, Magazine Distributor
Mercado	Carpets & floor coverings
Premier Farnell	Electronic components
Ring Ltd	Automobile lighting
Rocom Group Ltd	Telecommunications equipment
Star Garment Company Ltd	Ladies & men's clothing
Winerite	Alcoholic drinks
<b>Source: Leeds City Council</b>	