

your

**local
economy**

Economic Strategy 2014

For consultation

Contents

	Page
1. Executive Summary	4
2. Introduction	8
3. The Kirklees Economy: strengths, weaknesses, opportunities and threats	9
4. Delivering the vision: strategic priorities, approach and headline initiatives	11
5. <i>Priority one</i> : precision engineering and innovative manufacturing	15
6. <i>Priority two</i> : innovation and enterprising businesses	18
7. <i>Priority three</i> : workforce, skills and employment	22
8. <i>Priority four</i> : infrastructure	26
9. <i>Priority five</i> : quality places	30
10. Delivery, monitoring and outcomes	34
<i>Annex A</i> : Evidence	35
<i>Annex B</i> : Strategic questioning framework	44
<i>Annex C</i> : Manufacturing vision	45

1. Executive Summary

Our vision is for **Kirklees to be recognised as the best place to do business** in the north of England and one where people **prosper and flourish in all of our communities**.

The way we grow our economy and connect its benefits to people will mean that this translates into:

- improved resilience, competitiveness and profitability for business;
- enhanced employment prospects, skills and incomes; and
- a great quality of life and environment where all people are connected to economic opportunity and live in strong and thriving communities.

Kirklees' combination of assets and its excellent location at the heart of the North and the Leeds City Region mean that our vision is a realistic one. The fundamentals are in place and are driving business investment and growth. But working together, we can do more to enhance performance, communicate our unique advantages far and wide and consolidate Kirklees as a place where business grows naturally.

By stimulating wealth creation, Kirklees will be well positioned to reinvest in services and infrastructure and address challenges where they exist. Those include the need to raise levels of employment, skills and productivity and to ensure progress in all of our communities. Economic growth must translate into jobs at all levels, progression opportunities, higher incomes, better health and less poverty and disadvantage.

Kirklees is in reality a very diverse place with a diverse economic geography. The degree of change targeted needs to be tuned to local needs and opportunities and ranges from:

- **Evolutionary improvement** – that maintains and enhances strong performance where it already exists, in areas such as Holmfirth, Liversedge, Birstall, Denby Dale and South Kirklees; to
- **Economic revitalisation** – in Huddersfield as the main focal point in the district, and other areas with similar challenges, making the most of existing assets and new opportunities to achieve strong economic and employment growth and enhanced resilience; and

- **Transformational economic overhaul** - in the Dewsbury area, our second largest centre and one which should be an asset given proximity to Leeds and fast rail access, but which is instead our area of greatest need across key indicators of skills, economic performance and quality of life.

Key initiatives including sector growth, strategic employment sites, skills and community economic development will be part of the way the desired change will be achieved in these targeted locations.

We will focus on **five priorities** to deliver our vision:

- **Precision engineering and innovative manufacturing:** strength in depth and excellence
- **Innovation and enterprising businesses:** championing creativity, entrepreneurship and resilience
- **Workforce, skills and employment:** extending opportunities and powering business success
- **Infrastructure:** making it easier for businesses to succeed and for people to access work
- **Quality places:** locations of choice for people, business and investment

Four of these priorities are taken from the Kirklees Business Deal, launched in 2013, and which this strategy builds on. A new priority has been added on quality places to ensure a rounded sustainable approach that reflects economic diversity and needs across Kirklees and its communities. This recognises that places form the foundations that support successful delivery.

A priority specifically focused on innovative manufacturing and engineering builds upon the sector's pronounced strength in Kirklees. Taking a leadership role in Leeds City Region, we will position our businesses at the heart of the Government's industrial strategy for a manufacturing revival based on high value, high skills and global competitiveness. The other four priorities apply to this sector and to other sectors of the economy, such as creative and digital, which are also important to our economy. The priorities combine those that drive wealth creation (priorities 1 and 2) and those that enable and create the conditions for it, through our skills, infrastructure and places (priorities 3, 4 and 5).

This strategy and the Kirklees Joint Health and Wellbeing Strategy reinforce one another. Good health allows people to enjoy life to the full and make a productive economic contribution. Meanwhile a strong and sustainable economy can have a positive influence on determinants of health such as learning, work and skills, incomes and housing. Both strategies focus on resilience, be that of individuals, communities, businesses or the economy. The ability to seize opportunities, bounce back from times of adversity, and shape one's own destiny is central to health and to the economy.

At the heart of both is a shared aim;

Kirklees is a district combining great quality of life and a strong and sustainable economy leading to thriving communities, growing businesses, high prosperity and low inequality and where people enjoy better health throughout their lives.

Six **headline initiatives** have the potential to create powerful impacts that contribute to all five priorities and to drive transformational change. These large scale investments will require integrated action by a range of public agencies, businesses and communities. They are in effect the six big ideas for Kirklees to deliver – either in whole or in good part - by 2020:

- Consolidate Kirklees as the heart of a **growing innovative manufacturing and engineering cluster** in Leeds City Region with stronger supply chains and radically improved innovation and exports activity
- Maximise the impact of a **suite of high quality innovation and enterprise assets**, including developing a Process Engineering Facility at Kirklees College and the Globe Mill Environmental Technology Centre to complement existing centres

- Implement an action programme to enhance **enterprise, skills and opportunities for young people**, in order to maximise their economic contribution, ensure routes for progression and tackle youth unemployment
- Develop **strategic employment sites to stimulate jobs and growth**, with focus on manufacturing and engineering supported by associated major infrastructure improvements
- **Revitalise Huddersfield** town centre including through an enhanced independent retail, cultural and leisure offer; mixed use development of the Waterfront Quarter and other key sites; and next generation digital connectivity
- Kick start the **transformation of Dewsbury** building on its strategic location and driven by integrated housing and economic development in the town centre.

These headline initiatives align closely with the priorities in the Leeds City Region Strategic Economic Plan. For instance, innovative manufacturing, business growth, skills and enterprise actions, priority centres such as Huddersfield and key development sites are all included in both. The initiatives combine aspects focused on business, people and infrastructure - including housing, which is intrinsically linked to the economy. Housing creates jobs and wealth in its own right, not just in the construction sector, but also through increasing the size of the local labour market and consumer base, and often kick-starting much needed regeneration.

We will take a 'SMART' approach to delivering the strategy. A supporting action plan contains this detail including actions, partners, named responsibility for delivery, resources and the outcomes and indicators that will test successful delivery. The overall success of the strategy will be measured against ten tests for whether the vision has been delivered.

Goal	Progress measures and 2020 targets
Vision - the best place to do business in the north	<ul style="list-style-type: none"> • Excellent perceptions within and outside the district about Kirklees as a business location and how cross agency activity supports business (business survey based indicator to be developed)
Improved competitiveness and profitability for business	<ul style="list-style-type: none"> • Proportion of businesses saying Kirklees is a good or excellent place to be based to rise from 50% to more than 75% • Reduce the percentage Gross Value Added per head gap to Leeds City Region average • Halve the gap to England average business start-up rates by 2020 and close it by 2025, whilst maintaining good business survival rates
Enhanced employment prospects, skills and incomes	<ul style="list-style-type: none"> • Employment rate to be at or around 75%; and youth unemployment to fall to below 12% • Halve the gap to national attainment at NVQ levels 1+, 2+, 3+ and 4+ • Median incomes increasing at a rate above England and Leeds City Region averages
A great quality of life and environment for people and communities	<ul style="list-style-type: none"> • Proportion of local areas in the most deprived 20% in England to fall from 28% to below 24% - halving the gap to average levels • Increase the contribution of health to work and work to health (e.g. by availability of a healthy workforce and healthy workplaces) • Carbon emissions reduced by at least 40% between 2005 and 2020 and at a faster rate than national average

“ We will seek to reduce inequalities ”

Across targets and measures we will seek to reduce inequalities, sometimes hidden within average figures. Kirklees has a good number of successful people and areas, but also too many that are in the bottom bracket on a range of economic and wellbeing indicators. That leaves an unusually small middle group. We want to expand this ‘missing middle’ by helping communities that fare worst on economic measures to progress, enabling them to build and make the most of their talents, make an economic contribution and enjoy a great quality of life.

For Kirklees Council, the purpose of this strategy is to create wealth and revenue streams that will enable quality service provision, enhance the district, improve the quality of life of the people and help to reduce inequalities into the future. With major cuts to core local government funding, raising revenue from business rates and the building of more new homes will be an important element of how we achieve that goal. In a virtuous circle, business growth that supports jobs, incomes and spending will in turn create more business opportunity and more inclusive communities.

Whilst the local authority will play a central role in creating the conditions for economic success, this is an economic strategy for the whole of Kirklees, not just Kirklees Council. It will continue the approach of the Business Deal, with the council and the private sector working as a team to achieve targeted outcomes and generate wealth. We will also work with a wider partnership of organisations that can support economic progress and connect it to people and communities. These include public bodies, the voluntary and community sector, Kirklees College and the University of Huddersfield - an anchor institution with global connectivity, and winner of the University of the Year award in 2013. We have collaborated with Leeds City Region to ensure this strategy is aligned with its Strategic Economic Plan and will continue to work as one with it in implementing local and city region priorities. This joined up approach will make the most of scarce resources and connect activities and investments to deliver our vision effectively.

2. Introduction

Our vision is for **Kirklees to be recognised as the best place to do business in the north of England** and one where **people prosper and flourish in all of our communities**.

The way we grow our economy and connect its benefits to people will mean that this translates into:

- improved resilience, competitiveness and profitability for business;
- enhanced employment prospects, skills and incomes; and
- a great quality of life and environment where all people are connected to economic opportunity and live in strong and thriving communities.

Kirklees' combination of assets and its excellent location mean that our vision is a realistic one. The fundamentals are in place and are driving businesses investment and growth. But working together, we can do more to enhance performance, communicate our advantages far and wide, and consolidate Kirklees as place where businesses create wealth and grow naturally.

Kirklees is a large and diverse area and the required approach varies by place. Whilst overall we seek a substantial and sustainable economic upgrade, the degree of change needed ranges from evolutionary improvement in some areas to transformational overhaul in others. We need to capitalise on existing assets, enable more businesses to compete globally, and ensure that people are able to become better skilled, higher earning and more resilient across our district. For Kirklees Council, the purpose of this strategy is to create wealth and revenue streams that will enable quality service provision, enhance the district, improve the quality of life of the people and help to reduce inequalities into the future. A virtuous cycle combining growing businesses, more and better homes, good jobs and reduced inequalities are at the heart of our ambitions.

This is an economic strategy for the whole of Kirklees, not just Kirklees Council. It builds on and is wholly consistent with the Kirklees Business Deal launched in 2013. That document set out a new way of working, with the council and the private sector working as a team to deliver economic success. There are many other parties who can also contribute to those goals - such as those working on education, skills and employment, transport, housing and health – sometimes locally, but also across Leeds City Region and at national level. Kirklees Council will work with this wider partnership to deliver our shared vision, making the most of scarce resources through aligning our activities and investments. This strategy spells out what action will be delivered, by whom, and what outcomes are expected. It connects economic success to the wider community and environmental goals it can support.

Ensuring access to opportunities and progression routes will help to cut poverty and disadvantage and reduce the gaps between different areas and communities. That includes too helping to achieve the health improvements that the Joint Health and Wellbeing Strategy seeks.

Kirklees has a good number of successful people and areas, but also too many that are in the bottom bracket on a range of economic and wellbeing indicators. That leaves an unusually small middle group. **We want to expand this 'missing middle' by helping communities in the lower bracket to progress**, enabling them to build and make the most of their talents, make an economic contribution and enjoy a great quality of life. That will require focus on groups who have untapped potential, including for instance middle aged, working class parents (usually mothers) who's skills often outstrip their qualifications, often working in the health and care sector and whom face barriers to entering higher paid or full time work.

3. The Kirklees Economy: strengths, weaknesses, opportunities and threats

3.1 Assets and opportunity

Kirklees' assets include world leading engineering businesses, a talented workforce, cutting edge innovation and superb transport connections. We have unrivalled access to the considerable markets across Yorkshire and the North West combined with connectivity to UK and international export markets. Our location between Leeds, Manchester and Sheffield means that within one hour we have:

- a population of over 8 million people and a workforce of more than 3 million
- an economy with around 250,000 businesses and worth around £150 billion
- fast road and rail links to major cities and markets and good access to ports and airports
- the University of Huddersfield with its excellent reputation as one of the leading universities in the country and pronounced strengths in engineering, metrology, enterprise and innovation; along with 11 other universities with a total student population approaching 300,000.

That adds up to a huge market and probably the best combination of an attractive environment and affordable quality of life anywhere in the North. We are committed to making the most of our advantages, enhancing our assets, and communicating our unique offer. With credentials buoyed further by being part of Leeds City Region, Kirklees can be an investment location of choice.

Kirklees is not only a good base to access opportunities from; it is a great place to be. We combine the thriving university town of Huddersfield with stunning Pennine countryside. Diverse towns and communities range from Dewsbury at the edge of Leeds to Holmfirth at the edge of the Peak District. We have excellent schools and colleges and a university that genuinely works for business; plus attractive neighbourhoods and affordable homes. We stage international sporting events and festivals and have the business assets and amenities you would expect of one of the UK's top 15 centres of population. Look up <http://home.placetomakeit.co.uk/> to find out more.

Economically, Kirklees has one of the biggest concentrations of manufacturing in England. This includes world leading expertise, reputation and high level skills in component gears, turbo valves, pumps and gaskets and process and systems engineering. The latter is cutting across markets for energy (including oil, gas, nuclear and wind), water, automotive powertrain, defence, food production and the low carbon economy. The "Made in Huddersfield" marque epitomises our reputation for excellence in textiles; and depth is also clear in pharmaceuticals and the creative and digital sector. These sectors point to the character of our district too – an emphasis on practicality, reliability and doing things well is coupled with creativity, enterprise and the determination to punch above our weight.

Alongside real assets and advantages, Kirklees also faces significant challenges. Those include relatively low economic output, below average skills in some areas, unemployment and disadvantaged communities. Our strategic priorities have been identified through analysis of the Kirklees economy (and variation within it) and performance assessment in relation to England and Leeds City Region comparators. Evidence also draws on the Kirklees Employer Survey 2013; a key barometer of business sentiment which also allows for better business engagement, targeting of support, and monitoring of key elements of our vision and targets. Analysis of the spread of evidence is contained in brief in Annex A. The headline implications for Kirklees in terms of strengths, opportunities, weaknesses and threats are set out in the table that follows on page 10.

“ We have one of the biggest concentrations of manufacturing in England ”

4. Delivering the vision: strategic priorities, approach and headline initiatives

Strengths and opportunities	Weaknesses and threats
<ul style="list-style-type: none"> • Unique heart of the north location - with ease of access to 3m workforce, 250,000 businesses, a £150bn economy, and 12 universities, plus the attractiveness and affordability to retain businesses and people • TransPennine rail upgrade and new High Speed 2 lines will further enhance access • The University of Huddersfield - impressive statistics on teaching excellence, placements graduate employment, and facilities for business innovation and enterprise – plus its University of the Year 2013 award • Schools that score highly on GCSE attainment and some of England's top performing colleges • Concentration of engineering, manufacturing and design, driven by globally leading businesses in fields such as gears, valves, pumps, turbos, chemical and textiles (with a strong "Made in Huddersfield" reputation) • A national reputation as a low carbon leader • Growing creative and digital businesses with excellent physical support assets • A concentration of leading enterprise activity, buoyed by a strong independent spirit and a relatively young and diverse population • Attractive built and natural environment and distinctive heritage – which adds to our visitor and quality of place offers • Huddersfield is a 'top 100 town' (which is key for retail) and has cultural and heritage attractions ranging from festivals to contemporary classical music to real ale • Next generation digital infrastructure opportunities • An Enterprising Council and partnerships with the University, FE college, businesses and Leeds City Region 	<ul style="list-style-type: none"> • Fewer businesses per capita than England average and higher business closure rates • Gross Value Added per head is low - £14,400 compared to £17,700 in Leeds City Region and £21,000 in England • The low but improving, employment rate is below Leeds City Region average - there would be 11,000 more people in work if Kirklees matched the England average employment rate • Relatively low but improving business exports and take-up of innovation incentives and external support • Polarisation between and within areas – contrast of high skills/high wages for some and low incomes or worklessness for others • Adults skills levels below average overall (but with concentrations of high level skills in certain places and sectors e.g. manufacturing and engineering) • Historically low demand for office space keeping downward pressure on rental and sale values and making commercial development less viable • Some centres perform below average on key indicators and are in need of revitalisation and investment • Lack of a major tourism attraction to draw in footfall and spend, and a limited town centre accommodation offer • Limited and reducing public sector finances, but more to do to enable economic success

4.1 Priorities

In pursuit of our vision for Kirklees to be recognised as the best place to do business in the north, and one where people prosper and flourish in all of our communities, the Kirklees Economic Strategy is based on five priorities. The priorities are:

- 1 Precision engineering and innovative manufacturing:** strength in depth and excellence
- 2 Innovation and enterprising businesses:** championing creativity, entrepreneurship and resilience
- 3 Workforce, skills and employment:** extending opportunities and powering business success
- 4 Infrastructure:** making it easier for businesses to succeed and for people to access work
- 5 Quality places:** locations of choice for people, business and investment

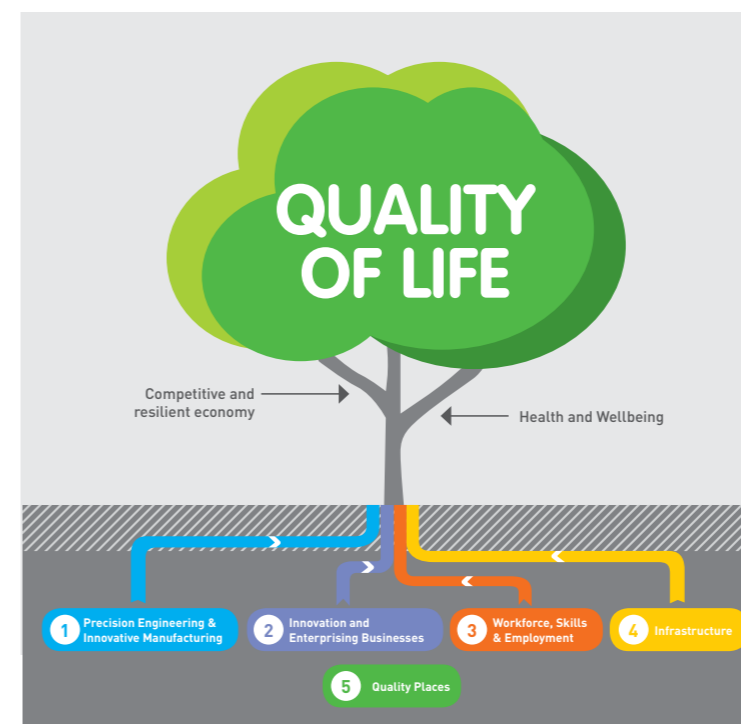
Quality places is a priority in its own right and a foundation for the other priorities - in keeping with the diagram left, it is the 'earth' from which actions spring. Safe, attractive and accessible places attract business investment, entrepreneurs and the skilled people that key sectors and innovation often rely upon. This is not just about bricks and mortar. It is about helping to shape communities as cohesive places that support a diverse mix of incomes, ages, and ethnicities where people can access the range of housing, employment, education, healthcare and services that support this mix.

This strategy is closely linked to the **Kirklees Joint Health and Wellbeing Strategy (JHWS)** to deliver the inclusive and sustainable development that Kirklees seeks. The JHWS will help to ensure that we have a healthy community – meaning that all people in Kirklees can live their lives confidently, in better health, enjoy life to the full and make a productive economic contribution. To support this, the economic strategy will help to bring about improvements in many of the wider determinants of health such as learning, work and skills, incomes and debt, housing and a healthy environment. Both strategies place focus on resilience, be that of individuals, communities, businesses or the economy. The ability to seize opportunities, bounce back from times of adversity, and shape one's own destiny is central to both long and healthy lives and a strong economy.

This linkage comes together in the form of a shared aim for each strategy;

Kirklees is a district combining great quality of life and a strong and sustainable economy leading to thriving communities, growing businesses, high prosperity and low inequality and where people enjoy better health throughout their lives.

Like the JHWS, the economic strategy will use a Strategic Questioning Framework (see Annex B) to challenge investment decisions and ensure that at all times we are delivering the best outcomes for businesses, people and communities, and to ensure that the full system of delivery works in accord.



4.2 Strategic approach

Five priorities allow finite resources to be focused where evidence shows we either have strong assets and opportunities; or where need is greatest. This prioritisation addresses three critical strategic issues:

1. **Balancing universal provision with bespoke interventions** targeted on specific businesses, places or issues, in keeping with the realities of financial pressures and constraints in the public, private and voluntary and community sectors.
2. **Avoiding a one-size-fits-all approach** across what is in reality a very diverse economic geography. As detailed in priority 5, this strategy applies an approach of delivering a sustainable economic upgrade to improve quality of life across the district, with the degree of change targeted – and the tools for getting there - tuned to local needs. That ranges from:
 - **Evolutionary improvement** – that maintains and enhances strong performance where it already exists, in areas such as Holmfirth, Liversedge, Birstall, Denby Dale and South Kirklees; to
 - **Economic revitalisation** – in Huddersfield as the main focal point in the district, and other areas with similar challenges, making the most of existing assets and new opportunities to achieve strong economic and employment growth and enhanced resilience; and
 - **Transformational economic overhaul** - in the Dewsbury area, our second largest centre and one which should be an asset given proximity to Leeds and fast rail access, but which is instead our area of greatest need across key indicators of economic performance and quality of life.

Key initiatives including sector growth, strategic employment sites, skills and community economic development will be part of the way the desired change will be achieved in the targeted locations.

3. **Ensuring sustainable growth that benefits people** – economic growth does not automatically or equally benefit all people; the type of growth and action to connect communities to it is crucial. Our approach will focus on the quality as well as quantity of growth and ensure that it creates opportunities and benefits for local people, especially those on low wages or living in poverty. We will further develop the economy in ways which promote sustainable development, create green jobs, reduce carbon emissions and waste and enhance green infrastructure – building on Kirklees’ reputation as a low carbon leader.

4.3 Headline initiatives

Six initiatives stand out as having the potential to create powerful impacts that extend above and beyond their immediate purpose, often contributing to all of our five priorities. These investments are big in scale and bring together multiple agencies, businesses and communities. In so doing they can deliver transformational economic change – enhancing jobs, growth, quality places and opportunity. They are in effect the six big ideas for Kirklees to deliver in whole or in good part by 2020.

Headline initiative	Long term, cross cutting impact		
	Economy	People	Places
1. Consolidate Kirklees as the heart of a growing innovative manufacturing and engineering cluster in Leeds City Region	£500m of additional Gross Value Added and increased investment, innovation, exports, embedded local supply chains and business networking	3,500 jobs and 50% more apprenticeships	High quality employment land unlocked to allow development in Huddersfield and surrounding urban areas
2. Maximise the impact of a suite of high quality innovation and enterprise assets , including developing a Process Engineering Facility at Kirklees College and the Globe Mill Environmental Technology Centre	Improved access to expertise and facilities for product and process innovation; and a network of centres through which to deliver excellent support to business	More people with the skills that key business sectors demand; improved profile of engineering amongst young people and take-up of associated courses	State of the art facilities delivered incorporating quality design and low carbon construction; helping to enhance and regenerate neighbouring areas
3. Action programme to enhance enterprise, skills and opportunities for young people - to maximise their economic contribution and reduce unemployment	Increase in young people's skills, enterprise and work readiness Reduced skills shortages Higher business start-up rates	Much reduced youth unemployment rate – below 12% by 2020; and greater community cohesion/inclusion	Benefits felt across Kirklees, especially in areas of highest youth unemployment
4. Develop strategic employment sites to stimulate jobs and growth , with focus on manufacturing and engineering, supported by associated infrastructure improvements	Substantial increase in employment land for growth and investment, creating a concentration of high value, innovative manufacturing and associated inward Investment	Significant new local employment opportunities across the skills spectrum, accessible by local communities	High quality, landmark industrial sites, incorporating green infrastructure and well connected to other Kirklees and Leeds City Region assets and local communities
5. Revitalise Huddersfield Town Centre including through an enhanced independent retail, cultural and leisure offer; mixed use development of the Waterfront Quarter and other key sites; and next generation digital connectivity	Strategic location fully utilised – widening office, retail, leisure, residential and creative and digital sectors and attracting spend and investment Helps to attract and retain skilled people and investors	New employment opportunities for local people and enhanced services and leisure opportunities for residents and visitors	Improved quality, diversity and profile of town centre as a business and residential location, learning environment and visitor destination Smart Town initiative driving digital infrastructure and technologies
6. Kick start the transformation of Dewsbury building on its strategic location and driven by integrated housing and economic development in the town centre	Cycle of decline arrested (based on key economic performance indicators)	Gaps in employment, incomes, health and deprivation start to level off then improve in comparison to Kirklees and Leeds City Region averages	Stronger communities with more, better and affordable housing, excellent transport links, proximity to Leeds and improved green infrastructure

These headline initiatives align closely with the priorities in the Leeds City Region Strategic Economic Plan. For instance, innovative manufacturing, business growth, skills and enterprise actions, priority centres such as Huddersfield and key development sites are all included in both.

“ we will be open to change, and show agile and responsive leadership ”

4.4 Guiding principles

A partnership of public, private, and third sector agencies focused on a shared ambition is fundamental to delivering our vision of being the best place to do business in the North. Kirklees Council is committed to providing the strategic leadership that will harness this partnership so that collectively we create the right conditions for sustainable jobs, growth and improved quality of life. Success will require a new perspective. For our own part as a council, we must be open to change, and show agile and responsive leadership. We must take our relationships with business to the next level and proactively encourage others to do the same. In keeping with this, we will apply eight guiding principles:

In Kirklees we:

- **Make partnership working centre stage** – Kirklees will become recognised for its best practice partnership approach to sustainable economic development; including a focus on enabling action, championing the district, and on collaboration and influence beyond our boundaries, notably by working as part of Leeds City Region.
- **Ensure that there is no wrong door for all businesses** – we will work with partners across Kirklees to develop a single gateway for advice and support with an ethos and system of quick and focused responses to enable business growth, competitiveness and resilience.
- **Engage with business in a proactive and targeted way** – with in-depth engagement and assistance focused on growing and medium sized businesses that are critical to driving our local economy - firms investing here will know they can rely on a stable base from which to grow naturally over time.
- **Combine wealth creation with reduced inequality** – we will create conditions that support business growth and job creation and extend opportunity to disadvantaged groups and communities. Wealth creation and reducing disparities will go hand in hand and be at the heart of decision making.

- **Think smart and sustainable** – drawing on our existing strengths and assets we will protect, enhance and utilise Kirklees’ green infrastructure to benefit quality of life, and accelerate the transition to a low carbon economy, including using innovative technology based solutions.
- **Adopt a long term view** – we will act early to secure long term opportunities or prevent problems in the future, using our assets and collective purchasing power where helpful.
- **Be intelligence led** – with focus on evidence based action, best practice, horizon scanning and an international outlook, we will listen to businesses and communities, share intelligence and open data, and together identify key issues, new opportunities and innovative solutions.
- **Use a strategic questioning framework to inform decision making** – we will use this tool, similar to that in the Joint Health and Wellbeing Strategy (JHWS), so that it becomes the norm to appraise and challenge investment, action and delivery decisions to ensure we deliver the best outcomes for Kirklees.

5. Priority one: precision engineering and innovative manufacturing

5.1 Strength in depth and excellence

Manufacturing and engineering is not the only important sector in Kirklees, but it is our stand out strength. We have a concentration of world leading companies, research and development, innovation assets, skills and depth. The other priorities of this strategy will benefit firms in all sectors. This priority connects to the other four, but also sets out actions specifically tailored to manufacturing and engineering.

Kirklees has an established reputation for engineering and manufacturing. The sector’s concentration here is double the national average; it combines breadth with high added value activities and real niche strengths. Those include design, process, electrical and mechanical engineering, technical textiles, and products that are critical to automotive, energy and low carbon supply chains such as gears, valves, pumps and turbo chargers. The “Made in Huddersfield” textiles marque is internationally recognised. Our Manufacturing Vision builds on this. As part of Leeds City Region, it is that **Huddersfield will take centre stage in driving forward a 21st century smart manufacturing revolution** (see Annex C for the full Vision).

Strengths and opportunities	Weaknesses and threats
<ul style="list-style-type: none"> • Manufacturing makes up a quarter of the Kirklees economy (Gross Value Added of £1.5 billion) • Employs over 25,000 people – 17% of jobs and the 3rd highest figure in England • Companies including Cummins, VTL and David Brown are global leaders in their fields and have headquarters in Kirklees • One of the greatest UK concentrations of component manufacturing, with the versatility to access new and changing markets (e.g. low carbon and energy) • High level skills in the sector and connections to training and expertise at local colleges and universities • Emerging trend for re-shoring operations • Central position within Leeds City Region and between the UK manufacturing centres of West/South Yorkshire, the North West and Birmingham 	<ul style="list-style-type: none"> • An ageing workforce and retirement of skilled staff, and a shortage of engineers to replace them • Outdated perceptions/image that can deter skilled new recruits from entering the sector • Scope for greater innovation and connection to external research and development expertise • Limited land supply • Risk of outsourcing basic production jobs to low cost locations plus competition from cheap imports • Increasing energy and resource costs could impact on competitiveness

The extent and specialism of the sector locally provides a strong foundation for attracting investment and further expansion – and one that cannot easily be replicated. It means that skills and supply chain opportunities are available and that **innovation assets** are already in place. Huddersfield’s university and colleges already have well developed expertise and courses in engineering disciplines. For example the 3M Buckley Innovation Centre at the University of Huddersfield can help with design and modelling, precision measurement and prototyping. The Textile Centre of Excellence offers training, access to leading edge technology, a technical workshop for warping and weaving, and a product-testing lab.

The sector in Kirklees does and can further benefit from external linkages. They include those to businesses and universities elsewhere in the Leeds, Manchester and Sheffield city regions, including the Advanced Manufacturing Research Centre near Sheffield. Securing a process engineering facility at Kirklees College will further add to local innovation and learning assets, as will the development of the Globe Mill Environmental Technology Centre (see priority 2).

Manufacturing has endured challenging decades, although jobs in the sector in Kirklees have actually increased in recent years. Pressures include low cost competition from abroad and rising energy costs. A focus on advanced engineering and manufacturing, where advantage is based on knowledge and innovation will be vital to future growth. Resource efficiency, taking advantage of new energy and low carbon opportunities, and export markets will also engender success.

To fulfil its potential, the sector needs to innovate further making full use of higher education (HE) expertise, and to replace an ageing labour force with skilled new recruits. There are skills shortages in engineering in particular and a range of activity including promotion of apprenticeships and collaboration between businesses, schools and the council can help to address that (see priority 3).

The Confederation of British Industry’s ‘Future Champions’ report identifies how the 2% of businesses that are medium sized (50-500 employees) are often overlooked, but account for 16% of employment and 22% of revenue. Businesses in and around this size bracket form the bedrock of the engineering and manufacturing sector in Kirklees. We will put them and their **supply chains** at the heart of our approach (see priority 3).

Engineering and manufacturing are also pronounced in neighbouring areas such as Bradford and Calderdale and the sector locally is a priority for Leeds City Region and of national and international significance. An integrated package of initiatives will **make Kirklees the heart of a growing Leeds City Region innovative manufacturing and engineering cluster**. Achieving this will see the sector grow at twice the rate of the wider economy and we will target the creation of over 3,500 jobs in it by 2020. Delivering this will mean successfully implementing the identified spread of actions, working in collaboration with partners in Kirklees, Leeds City Region and beyond, and building the sector’s **international profile and networks**. The University of Huddersfield will play a key role, building on recent successes such as its establishment of a new UK Rail Centre of Excellence, and exploiting potential for further developing its innovation assets and international connectivity.

Sector growth will combine expansion of existing companies and **inward investment**. We will work with city region partners to develop a specific investment proposition based on our existing business, innovation and knowledge asset base; supply chains; university alumni and locational advantages. That will be key to a sustainable approach where we attract companies that will remain in Kirklees for the long term because our advantages match their business requirements; our labour pool meets their skills needs; and they can benefit from supply chain relationships with companies based here. There is also potential to ‘re-shore’ business back to Kirklees from abroad, based on quality, supply chain proximity and transport advantages¹ and building on recent successes.

The expansion of the sector will need land and premises, and as such, long term alignment is required between planning and strategic manufacturing goals. Some of this land will be at currently allocated sites including Lindley Moor in Huddersfield and Moor Park in Mirfield; but additional infrastructure for economic growth will be needed for new and expanding businesses in the sector, including high quality capacity specifically targeted on the sector (see priority 4).

Priority one: precision engineering and innovative manufacturing		
Action	What	Who
1a	Lead on innovative manufacturing in Leeds City Region and take forward the M62 manufacturing hub concept linked to supply chains, inward investment, exports and innovation	Kirklees Council, Leeds City Region
1b	Enhance and develop supply chains in the sector and identify and communicate new opportunities for collaboration	Kirklees Council, private sector, Leeds City Region
1c	Develop skills and competence programmes for business on innovation, intellectual property and exports	Private sector, UKTI, CoC, Leeds City Region, Kirklees Council
1d	Build profile and networks through a biannual Kirklees engineering fair and an international symposium on knowledge and technology, bringing together manufacturers and the sectors they supply	Kirklees Council, private sector, Leeds City Region
1e	Take a pro-active, proposition-led approach to attracting inward investment , focused on existing supply chains and relationships and firms who would gain long term advantage from moving to Kirklees	Leeds City Region, Leeds and Partners, Kirklees Council, private sector
Support for the sector through applying actions in other priorities		
2a	Ensure the right combination of physical centres and maximise their strategic co-ordination to help businesses to start-up and to innovate	
2b/c	Deliver the Globe Mill Environmental Technology Centre; and secure and deliver a Process Engineering Centre by 2016 and achieve year on year increases in its use for training and by business	
2h	Help businesses implement resource efficiency measures and exploit low carbon opportunities	
3c	Raise the quality and awareness of apprenticeships , and make them easy and attractive to take up and an effective route into good jobs – including through an apprenticeship hub	
4b	Develop strategic employment sites to stimulate jobs and growth, with focus on manufacturing and engineering.	
4j	Develop the Resource Smart Corridor plan for a network of high quality hubs and corridors and integration of physical and knowledge assets along the district’s strategic corridors.	

Outcomes: five tests of success by 2020

- The local manufacturing sector to expand by double the average Gross Value Added growth rate of the Kirklees economy, and at least the average rate for employment – with a minimum target size of £2b Gross Value Added and 29,000 jobs by 2020
- Increase apprenticeship starts in the sector by 50% by 2020
- Innovation – increased business take up of Research and Development Tax Credits and Patent Box, and use of and value from the 3M Buckley Innovation Centre and the Textile Centre of Excellence further increased

- Internationalisation – higher exports, major businesses in the sector retained and reinvesting, and a mature pipeline of investments including at least two new foreign direct investments in the sector
- Greater resource efficiency, lower industrial carbon emissions, greater sales in low carbon markets.

¹ Kirklees has good M62 access to the Humber ports and to new ports developments in Salford, and in Liverpool which will become capable of handling large ‘post-panamax’ ships that can sail an upgraded Panama Canal from 2015. This will further open up and extend trade routes and international opportunities for the sector based here.

6. Priority two: innovation and enterprising businesses

“ Innovation drives business growth, wealth creation and lasting success ”

6.1 Championing creativity, entrepreneurship and resilience

Innovation is about businesses continually evolving and improving their products, processes and services. It drives business growth, wealth creation and lasting success; and helps to future-proof and build resilience by creating a culture of adaptation and responsiveness to change. Innovation and other factors that support competitive business are important to all of our sectors, including for instance the creative, cultural and digital sector in which we have strengths. This priority, and those on place, infrastructure and skills, will help business to grow across all parts of the Kirklees economy.

Strengths and opportunities	Weaknesses and threats
<ul style="list-style-type: none"> • Strength and depth in innovation and enterprise assets through specialist centres • 53% of businesses have innovative capacity; 44% have introduced new products or services in the last 12 months; and 41% innovate through supply chains • Over 2,000 business starts in 2012 – more than in 2010 and 2011 and above national average. Almost 10% of all start-ups in 2009 were social enterprises, above Leeds City Region average • Over 40% of firms source more than half of their resources locally • University of Huddersfield - winner of the Times HE Entrepreneurial University of the Year 2012, Queens Award for Enterprise and Trade 2013, and University of the Year 2013 • Kirklees College ranked second for college student performance in England in 2012/13 • There is a strong social enterprise base in the District driven by the Kirklees Third Sector Leaders Group 	<ul style="list-style-type: none"> • Too few businesses capitalise on innovation assets and support – only 4% use Research and Development Tax Credits or Patent Box, and 3% work in a Knowledge Transfer Partnership • Fewer businesses per capita than national average, with fewer start-ups and high business closure rates suggesting local barriers to sustained growth • Below average but improving levels of exports • Barriers to growth cited include business regulation as well as cash flow and access to finance • Limited business networking

Kirklees businesses demonstrate innovation in practice. For example, whereas in many places the textile industry has faded away, ours has had a renaissance. Our businesses have applied innovation to move up the value chain and become globally competitive in niche technical textile markets. These businesses, along with those in the precision engineering and innovative manufacturing and creative and digital sectors, have helped Kirklees to gain an international reputation for creativity. But we need more businesses to recognise the long term gains from innovation.

There is a strong spirit of enterprise in our district, with a business start-up rate that has at times been above the Leeds City Region average. Small businesses fuel the Kirklees economy. Embedded in communities, they reinforce the ‘Kirklees Pound’ – where wealth circulates around the local economy with benefits for local employment, skills, supply chains, resilience and carbon footprint. Yet, the number of businesses in Kirklees is 2,660 lower than if we had England average levels of firms per capita. In simple terms this means less jobs and less wealth. We must ensure all residents have the support they need to start and embed a business or social enterprise. New businesses and self-employment can offer a route out of unemployment or low paid, unfulfilling work, and also tap the enterprise, creativity and energy of our young people, many of whom will benefit from our drive on enterprise education (see priority 3). This links to goals sought through the JHWS on enabling people to reach their full potential.

This priority cuts across each sector, viewing innovation and enterprise as a route to resilience, competitiveness and value. And it **aligns with the Leeds City Region focus on innovation**. Kirklees already boasts a strong and unique innovation and enterprise infrastructure, and that is intrinsic to the vision for Kirklees to be the best place in the North to do business. These assets include the 3M Buckley Innovation Centre, the National Physical Laboratories, the Media Centre and the Textile Centre of Excellence.

Work is also underway to develop the Globe Mill Environmental Technology Centre in Slaithwaite, a UK Rail Centre of Excellence at the University, and (with Leeds City Region support) to secure a major **Process Engineering Facility** at Kirklees College, connecting business, training and education. These developments can be combined with making the most of the Council’s nine district-wide

Enterprise Centres to complete a suite of high quality innovation and enterprise assets. We will explore the potential for a specific delivery vehicle responsible for leading and delivering **strategic coordination amongst this network of facilities**. This will help to maximise their impact, boost innovation and enterprise, reap networking benefits amongst businesses, and enhance the national/international profile and unique offer of Kirklees as a place to do business.

It also provides a route through which to engage with businesses and to signpost and coordinate access to wider business support.

Given local trends, there is a strong case for enhancing the stability and scale of our **social enterprises**. These businesses are a significant part of the economy in their own right, employing thousands of people and creating great social value. They build the capacity and confidence of local people and communities and often progress innovative approaches to delivering the services and support needed by local people, including public sector contracts for example in the health and social care sector. The Kirklees Voluntary and Community Sector Strategy will be linked to this one and help to further build the sector’s resilience, service delivery ability and value.

Kirklees Council has pledged to make **good quality intelligence and data** available that will help entrepreneurs to spot business opportunities. The Council will work with public sector partners to ensure that procurement includes local labour clauses wherever possible, maximises contract opportunities for local enterprises, and connect businesses to specific start-up support. This includes building on the success of the Kirklees Youth Enterprise Centre.

Innovation is not just about high-tech investment. It is about doing things differently in order to grow, become more profitable and gain competitive advantage. But all too often businesses do not know where to go to access advice and so growth opportunities are missed. There must be **no wrong door for businesses seeking support**. Local partners must work seamlessly together to build an integrated advice system that drives excellence, consistency and delivers quick and focused responses to business. Business Advocates within the new Kirklees Business Hub will be central to the support offer and will further enable business to business networking and trade.

Priority two: innovation and enterprising businesses		
Action	What	Who
2a	Ensure the right combination of physical centres and maximise their strategic co-ordination to help businesses to start-up and innovate	Kirklees Council, University of Huddersfield, 3M Buckley Innovation Centre, Media Centre, Textile Centre of Excellence, Enterprise Centre Network
2b	Deliver the Globe Mill Environmental Technology Centre	Kirklees Council, Hartley Property Group Ltd, University of Huddersfield
2c	Secure and deliver a Process Engineering Facility by 2016 and achieve year on year increases in its use for training and by business	Kirklees College, Kirklees Council, Leeds City Region, private sector
2d	Deliver the Kirklees Voluntary and Community Sector Strategy to grow the sector, its capacity, resilience and value	Kirklees Council, voluntary/community sector, Third Sector Leaders
2e	Develop a new Kirklees Business Hub to promote local business to business supply chains and trading	Kirklees Council, private sector
2f	Direct businesses to integrated support at local, Leeds City Region and national level, including on exports and access to funding	Kirklees Council, Chamber of Commerce, Leeds City Region, UKTI, Innovation/Enterprise Centres
2g	Help local businesses, social enterprises and the voluntary/community sector to win contracts through access to public procurement processes and quality intelligence	Kirklees Council, Kirklees College, other public bodies, private sector
2h	Help local businesses implement resource efficiency measures and exploit low carbon opportunities	Kirklees Council, private sector
2i	Increase productivity by working in partnership on Better Health at Work initiatives through the Workplace Wellbeing Charter	Kirklees Council, private sector

Local business support will be linked to that at Leeds City Region and national level in areas such as **access to finance; overseas trade and maximising business growth potential**. Local regulation will be business friendly, co-ordinated and used to make businesses aware of available support and the value of good practice such as **healthy workplace initiatives**, maximising the impacts of good health on productivity. It will ensure that in a climate of limited resources, we receive better value for money.

Low carbon solutions and resource efficiency will be integral to our business support offer. Specialist expertise will also be of value. We will continue this provision and work with Leeds City Region to adopt a **resource smart approach**, enhance renewable energy generation and uptake, and to create new market opportunities and green jobs.

Outcomes: five tests of success by 2020

- Increase in research and development expenditure and take up of external innovation support including Patent Box and Research and Development Tax Credits
- Increase in the number of businesses accessing business support and reporting it to be beneficial
- Reduce gap in businesses per capita compared to England average by a third, with gap to England average business start-up rates halved by 2020 and closed by 2025 (including more business starts amongst young people and those from ethnic minorities and disadvantaged communities)
- Increase the number of firms sourcing goods and services locally and winning public contracts
- Above average reductions in carbon emissions from industry/commerce to 2020, in line with cuts required for overall Kirklees CO₂ targets, plus proportionate reduction in emissions per capita Gross Value Added



7. Priority three: workforce, skills and employment

7.1 Extending opportunity and powering business success

Skills are critical to success in a modern economy and businesses agree that people are their number one asset. As global competition grows, so too does the value of talented, confident and healthy employees and leaders. Skills will be critical to enhancing work and progression opportunities, incomes and quality of life.

Strengths and opportunities	Weaknesses and threats
<ul style="list-style-type: none"> • A workforce of 150,000 people and a greater than average proportion of young people • Rapid improvements in GCSE attainment, now above national average • A wealth of enterprise education activity, including at the University and a new Peter Jones Academy at Kirklees College • Over 4,500 apprentice starts in 2011/12 – above average and a big rise on 2009/10 • Strong and growing reputations of the University of Huddersfield and local colleges (e.g. Kirklees College had the 2nd best results of the 60 large colleges in England in 2013) • Employment growth opportunities in the health, care and voluntary sectors • Initiatives promoting smarter working, work placements and youth employment • Alignment with Leeds City Region Skills Plan 	<ul style="list-style-type: none"> • A fifth of recruiting employers reported hard to fill vacancies • 77% of businesses have skills requiring development in their workforce, e.g. technical, customer and management skills • High level skills are below national average - although strong in some areas and industries – such as engineering • The proportion of the population with NVQ levels 1-3 is slightly below national average • As is the case nationally, the employability skills of new recruits are often not of the level that businesses expect • Below average but improving employment rate (including for young people), low incomes and too many deprived areas • Graduate retention and utilisation could be higher

Skills and employment levels vary widely across the district. We have areas that excel (Holme Valley and Mirfield, Denby Dale and Kirkburton) and others with more than three times their share of deprivation (Dewsbury). Building on excellent school and college results we must ensure good qualification and income levels across the district.

Improving skills and employability will provide skills that are pivotal to business success as well as job and progression opportunities, including for young people and for those experiencing in-work poverty. There are very strong links here to the outcomes of the JHWS, in particular people having the chance to make the most of their talents, skills and qualities to fulfil their potential, navigate through life, achieve goals and become productive members of society through having the best possible start

in life. We will better use our excellent assets, including colleges and the University, to effect this transition. **Work will align with the Leeds City Region Strategic Economic Plan and its Skills Plan** and include making the curriculum relevant, engaging with businesses, building an enterprising culture, more apprenticeships and creating opportunities for young people.

Kirklees has seen impressive rises in GCSE attainment in recent years and now performs above national average across the district (with the exception of Dewsbury). Work to build dialogue and **relationships between education and businesses** moved forward in 2013, increasing understanding of the pressures facing schools and the ability of firms to influence what is taught and how.

Other initiatives include a new Creative and Media Studio School, and the development of a 'skills portfolio' setting out a list of abilities and experiences a young person leaves school with.

There is a real buzz about **enterprise** in Kirklees. Kirklees College has secured a new Peter Jones Academy (the only one in West Yorkshire), a Youth Enterprise Centre has been created, there is enterprise education in schools, and the University of Huddersfield is driving intensive activity to promote enterprise skills and graduate entrepreneurship. This activity will furnish young people especially with the experience, skills and self-belief to start a business or social enterprise, become self-employed, or simply more enterprising in work. We will connect up this activity under the 'Enterprising Huddersfield' banner and further extend enterprise education – including to all schools and colleges, and work with Leeds City Region to make it an exemplar that others can emulate.

Whilst the number of employers reporting specific skills gaps is modest, there are difficulties in recruiting to some roles, such as engineers and skilled machinists (see priority 1). Extending **apprenticeships** and work placements that combine 'earning and learning' is one way of responding, as is developing a reputation for training up and utilising the practical skills of technicians. We will extend the Kirklees Apprenticeship Hub and enhance the quality, ease and attractiveness of apprenticeships for both young people and employers, including higher level apprenticeships.

The University of Huddersfield has an excellent track record on graduate employment, yet business uptake of graduates is limited and there is scope to better utilise **high level skills**. These skills are vital to business productivity and profits, and to income levels. We need more graduates in local businesses, and that will require the right job opportunities, attitudes and quality of place offer. We also need more businesses to recognise the competitiveness benefits of up-skilling their workforces, which also provides opportunities for progression, including for those on low and middle incomes.

The employment rate is improving but there is further to go, especially to reduce youth unemployment. We need to establish the conditions for job creation and put emphasis on **quality employment**. That includes ladders of opportunity that allow those who work hard and want to succeed to do so. Good quality, impartial careers information, advice and guidance will help people to weigh up career options including local business opportunities, and put vocational and academic routes on a level footing.

We need to heighten **skills attainment at all levels**, including the technical skills that are required in locally important sectors such as engineering, and basic skills that help people to get a job. Other more generic skills are harder to pin down in terms of qualifications, but businesses know that qualities like initiative, creativity, communication and a positive attitude often drive performance. These skills, plus real workplace experience, make recruits more employable and effective. Programmes including the Headstart Programme and Jobcentre Plus employer engagement activity will help to provide young and unemployed people with work experience and opportunities. Aligning with national and Leeds City Region action will help us deliver effectively and on a sufficient scale to make a difference.

“ There is a real buzz about **enterprise** in Kirklees ”

The Working Smarter Framework helps employers to improve **management skills**, which are often pivotal to business growth and success. That includes good employment practice including recruiting across diverse communities. Furthermore, evidence shows that paying a living wage can benefit business performance, reduce inequalities and help money to circulate around the local economy. Other factors including **childcare provision** are important in ensuring that economic growth and business success translate into opportunities in all communities - including the most deprived areas and minority ethnic communities (where the statistics point to lower employment rates). This also meets goals shared with the JHWS that people should be enabled to become more self-sufficient and resourceful; participate and contribute to society by being able to increase their potential, including for work; take advantage of opportunities and achieve goals. The greatest needs are in Dewsbury, where employment and incomes are lowest, and next greatest in Huddersfield and Batley. There is a need to break out of a 'low skills/low wage equilibrium' in areas where low skills both limit incomes and deter employers with higher skilled, value adding vacancies from moving in.

Kirklees Council and partners will more widely promote skills and progression routes that enhance business competitiveness, raise ambitions and reduce in-work poverty. Opportunities include social enterprises, which often engage with communities and enhance skills and inclusion. 'Green jobs' offer further potential to create economic as well as environmental and social benefits, as pioneering Kirklees initiatives to enhance home insulation have demonstrated. The **Health and Social Care sectors** are set to grow, linked to an ageing population. Jobs in them will increase, but the social care sector already has difficulty recruiting. We will build relationships with local NHS organisations and work with these sectors and skills providers to help to build relevant skills, match people to jobs, and encourage enhanced jobs and terms in the sector where needed and possible.

Priority three: workforce, skills and employment		
Action	What	Who
3a	Build stronger relationships between education and business to enhance attainment, work readiness, resilience, employability and life skills	Schools, colleges, University of Huddersfield, private sector, Kirklees Council
3b	Build enterprise skills through schools, colleges and universities, including an Enterprising Huddersfield initiative and the Peter Jones Academy	University of Huddersfield, Kirklees College, schools, Leeds City Region, Youth Enterprise Centre, businesses
3c	Raise the quality and awareness of apprenticeships , and make them easy and attractive to take up and an effective route into good jobs – including through an apprenticeship hub	Kirklees Council, Leeds City Region, Kirklees College, employers, Jobcentre Plus
3d	Encourage skills development in businesses and the uptake and application of higher level skills	Skills agencies, Leeds City Region, University of Huddersfield, Kirklees Council
3e	Expand and create routes into high quality employment through: <ul style="list-style-type: none"> enhancing the learning, self-belief and skills achievements of young people and adults at all levels from basic skills upwards promoting management skills, diverse recruitment and the benefits of paying a living wage through the 'Working Smarter' framework provision of impartial careers information, advice and guidance to support skills and career choices (including focus on current/future skills needs and English, maths, science, technology and engineering) helping young people to secure employment, including through Headstart Kirklees and successor programmes, placements, volunteering and work experience enabling parents to take up work or training and reducing educational and social disparities through securing sufficient high quality, affordable childcare and early education services 	Kirklees Council, employers, Leeds City Region, Jobcentre Plus, schools, colleges, University of Huddersfield, learning and skills providers, childcare providers
3f	Enhance employment and skills in the health and care sectors	Health and care employers, skills bodies

Outcomes: five tests of success by 2020

- Halve the gap to national average attainment at NVQ levels 1+, 2+, 3+ and 4+ and ensure that GCSE pass rates continue to rise and exceed England average
- All schools and colleges to have a functioning link to businesses and provide enterprise education, with the gap to England average business start-up rates halved by 2020 and closed by 2025
- Increase apprenticeships achieved to at least 3,000 per year
- Employment rate to increase to around 75% and youth unemployment to fall below 12%
- Employers to report improved employability skills, and reduced skills gaps and shortages.

8. Priority four: infrastructure

8.1 Making it easier for businesses to succeed and for people to access work

Kirklees benefits from a strategic location at the heart of northern England. This is combined with excelling education institutions, affordability, quality of life and access to an outstanding natural environment. It is a great place to act as a northern centre for innovation, learning and investment.

Strengths and opportunities	Weaknesses and threats
<ul style="list-style-type: none"> • Kirklees is at the heart of a £150bn economy including the Leeds, Manchester and Sheffield city regions • Quick train times to Leeds (25 mins) and Manchester (35 mins), to reduce further with Northern Hub improvements and Trans Pennine electrification by 2019; excellent motorway access via the M62 and M1 • Businesses locate here for good access to transport; quality, size and affordability of premises; and an attractive environment • Opportunity for more and better housing in targeted locations to support social, environmental and economic revitalisation • Investment in access to digital infrastructure/ information • A strong institutional and knowledge infrastructure and a history of good networking and collaboration. 	<ul style="list-style-type: none"> • Difficulty in striking the right balance between economy, growth and conservation • Some congestion and bottlenecks at peak commuting times (although less than in many large centres and cities) • Business locational concerns include traffic and quality of local centres/environments • Businesses cite costs of energy and waste as barriers to growth, indicating the need for support on resource efficiency measures • Flood risks to business in some areas - need for climate change adaptation in response

Kirklees' geographical position creates two unique opportunities. The first is in supporting the growth of our engineering and manufacturing sector by helping it to access markets, attract investment and collaborate across boundaries (see priority 1). The second is in cultivating and attracting businesses and sectors that value our location, such as digital and creative businesses and those seeking to recruit skilled workers from a wide labour market. Having the right physical infrastructure in place is critical to realising these opportunities and to making Kirklees a place where it is easy to do business.

Ensuring a good supply of employment land is critical to long term economic growth and to the district's ability to maximise its locational advantage. Many of our businesses tell us that they need more land to grow. It is vital that they

are not forced to look outside the district to find the space that meets their expansion ambitions. This will require the adoption of more flexible policies in relation to releasing land for jobs and for developing the appropriate mix of quality homes that will support this growth.

New strategic employment sites are needed to increase the volume of land available for employment and key business sectors. This will unlock significant opportunities for new investment and employment and will strengthen the Leeds City Region manufacturing arc that flows through South Leeds, Dewsbury, Batley, Huddersfield, Brighouse and South Bradford (see priority 1). We will use our influence to secure new funds for Kirklees from Leeds City Region and national sources to drive transport and other infrastructure improvements in these areas.

Provision of new high quality office facilities in our main town centres will widen the choice of commercial premises, support local higher paid jobs, and reduce the need for out-commuting. There are a number of specific opportunities. These include the Waterfront and St. George's Quarters in Huddersfield, alongside the Folly Hall scheme and new campus for Kirklees College; and the redevelopment of Pioneer House in Dewsbury to bring a key town centre building back into use.

We will work with partners, communities and businesses to connect schemes to the development of thriving local centres, creating positive impressions that drive up demand and attract businesses and skilled employees. That will in turn create a virtuous circle of improvement and investment. High profile and gateway sites such as those around Huddersfield's ring road are particularly important, and there is scope to build on recent and ongoing regeneration such as that led by the expansion and upgrade of University of Huddersfield buildings, and the creation of the new Leisure Centre to open in 2015. There is also potential to secure quality grow-on space for start-ups emerging from the Media Centre or 3M Innovation Centre; or to attract incoming investment. Where possible, we will seek productive future uses of currently underused and vacant office buildings that are having a downward impact on rental values, but that could for example be converted to apartments or student housing.

We will invest in **public transport and physical improvements** that facilitate the movement of goods and connect people in all our communities to economic opportunity. That includes peak hour commuting journeys from centres such as Holmfirth, Dewsbury/Batley, Mirfield and in the Colne Valley into Huddersfield; as well as addressing congestion that slows access from Kirklees into its neighbouring centres such as Leeds, Manchester and Halifax. Planned major improvements to the Trans Pennine rail route will be key to this, making services to Leeds and Manchester faster and more frequent, and further enhancing our offer as a location of choice. Enhanced cycling and walking options, linked to green infrastructure, can also help support access to jobs, reduce congestion and improve health outcomes sought in the JHWS. Schemes will be brought forward through the West Yorkshire Plus Transport Fund as part of the Local Growth Fund.

Similar to employment land, the supply of sufficient numbers of **quality houses** (for rent or sale) can support the sustainable economic growth of the district. Kirklees has a growing population, with a predicted sharp rise in the number of older people. Relatively low incomes for many also means that housing affordability is an issue, with many households (particularly younger people) unable to access market housing. The demand for social housing far exceeds supply. Insufficient supply of housing can restrict labour market mobility, exacerbate inequality and constrain economic growth. Conversely house building can create jobs and wealth, not just in the construction sector, but also through widening the local labour market and consumer base and kick-starting regeneration (see Annex A for evidence).

Development must meet the needs of Kirklees' diverse population, its mixed urban and rural landscape, and be in locations that allow easy access to jobs. Good housing facilitates the creation of sustainable communities where people of all ages and incomes want to live work and invest. It is an indicator not just of the health of our economy but also of the health and wellbeing of our people and as such has clear read across to the JHWS and its desired outcomes. Affordable, warm, safe housing with attractive green open space nearby (including gardens or allotments to grow food) must be available to all our residents. Retrofitting existing homes to high standards of energy and water efficiency can help by cutting living costs. We will encourage housing growth that meets these needs, supports local employment and embodies exemplary low carbon and environmental standards. This will range from new or refurbished town centre housing and conversion of historic mills and characterful buildings to new build housing on allocated sites across the district.

Our emphasis on next **generation digital connectivity** will focus on transforming the digital landscape in Kirklees to create excellent infrastructure that support innovation and economic growth. The Council will work with the private sector to facilitate investment in high speed connectivity across the district; and encourage partners to promote their own superfast networks such as that between the University of Huddersfield and the Daresbury Science and Innovation campus in Cheshire.

Kirklees has the opportunity to maintain and enhance exceptional **green infrastructure**, for instance green spaces, biodiversity, woodlands, waterways, footpaths, towpaths and cycleways. The Green Streets element of the Leeds City Region Fresh Aire Programme is an example of coordinated investment in this area, delivering a cohesive cycle and pedestrian network through the Aire and Calder Valleys. These assets can catalyse growth by enhancing quality of place, attracting visitors and inward investment, and assisting climate change adaptation (e.g. alleviating flooding). There are proven connections between access to the natural environment and mental health (which is itself important for employment and productivity), while allotments and garden space can enable communities to grow food, supporting health and reducing living costs. Additionally we have excellent assets and opportunities to support district heating and renewable energy solutions, supporting our low carbon and economic goals.

It is vital that our physical infrastructure is combined with our **institutional and knowledge infrastructure**. We will **develop a ‘Resource Smart Corridor’ Programme to ensure this integration and focus on key assets and developments** linked to the Kirklees Local Plan. The ‘Resource Smart Corridor’ Builds on opportunity and natural economic strength, the approach will add value to new investment, a resurgent Huddersfield Town Centre and planned infrastructure improvements to create the conditions for a high quality employment development. The Leeds Road and other strategic corridors across the District will become a 21st Century economic growth corridor and act as a gateway to Huddersfield and Dewsbury town centres.

The Resource Smart Corridor will have two key elements:

- “Resource” - Identifying, linking and progressing a network of high quality hubs and corridors that will be the focus of development and provide our economic superstructure. This will include key sites, centres and the corridors linking them; and the mix of premises, digital, transport, public realm and green infrastructure that is required to make them high quality assets that serve people and business.
- “Smart” - Better connecting knowledge and institutional assets so that they work together and in tandem with physical development. These connections are most evident in Huddersfield, including for instance the University, College, Council, rugby and football teams and large businesses. But the extent and value of connections can be enhanced and extended across Kirklees.

A good example is the corridor running from Huddersfield town centre along Leeds Road. Here we see latent potential to align design and delivery of investment in transport, green infrastructure, flood alleviation, district heating, broadband, skills and town centre regeneration. This approach will make the investment across multiple agencies truly transformational. We will maximise scope to attract business and investment, deliver a high quality urban landscape, make best use of external funding streams and find efficiency savings.

“ We have renewable energy solutions which support our low carbon and economic goals ”

Priority four: infrastructure		
Action	What	Who
4a	Use housing growth to support economic development and quality of life, through delivery of more, better and affordable housing ; including in town centres and through currently underused assets	Private sector, Kirklees Council, HCA
4b	Develop strategic employment sites to stimulate jobs and growth, with focus on manufacturing and engineering	Private sector, Kirklees Council, Leeds City Region
4c	Progress opportunities to unlock and upgrade business premises in town centres	Private sector, Kirklees Council, voluntary/community sector
4d	Invest in local public transport and road improvements in town centres and along strategic corridors (A62, A644, A629 and A653) to reduce congestion and better connect people to employment, including through the West Yorkshire Plus Transport Fund / Local Growth Fund	Kirklees Council, West Yorkshire Combined Authority, Leeds City Region
4e	Work with business, communities and central government to swiftly agree a Local Plan	Kirklees Council
4f	Advance low carbon solutions , specifically including district heating	Kirklees Council, Leeds City Region
4g	Deliver high quality green infrastructure and associated measures that attract investment, prevent flooding and build environmental resilience, including the Green Streets initiatives	Kirklees Council, Leeds City Region, Local Nature Partnership, Metro
4h	Improve the energy performance of existing homes and provide targeted support to vulnerable households	Kirklees Council, Leeds City Region
4i	Provide strategic leadership and collaborate with business to explore all means available to transform the digital landscape in Kirklees	Private sector, Kirklees Council
4j	Develop the Resource Smart Corridor plan for a network of high quality hubs and corridors and integration of physical and knowledge assets along the district’s strategic corridors	Kirklees Council, partners across sectors EA, WYTF, Leeds City Region

Outcomes: five tests of success by 2020

- Key employment sites unlocked, on course to be fully developed and occupied, and acting as locations of choice for the innovative manufacturing and engineering sector
- Stronger business premises offer in main town centres driving higher take up and an increase in rateable values as a sign of improved demand and investor confidence and inward investment
- Faster journey times by road, rail and bus on key transport corridors within and to/from Kirklees
- World-class connectivity across the district and increasingly adopted and exploited by business
- More and better quality housing, with a good range of options and affordability, and constructed (or retrofitted) to exemplar low carbon or carbon neutral standards

9. Priority five: quality places

9.1 Locations of choice for people, business and investment

Quality places and successful economies go hand in hand. Together they create sustainable communities where people of all ages and backgrounds enjoy good quality of life because they feel safe and secure and can easily access employment and quality housing, green spaces and services. These conditions attract skilled people, tourists, entrepreneurs and investment, creating a virtuous cycle of improvement.

Strengths and opportunities	Weaknesses and threats
<ul style="list-style-type: none"> • Excellent development potential in Huddersfield and other centres, including housing, offices, retail and leisure • Outstanding heritage and a highly accessible natural environment that supports tourism, particularly in South Kirklees with potential to do more linked to walking, cycling, creativity and food • Host to international sporting events, including the Tour de France 2014, and renowned festivals • Huddersfield has an excellent location with great accessibility, and sports and cultural events that draw in visitors and tourists • Fast and frequent rail access to Leeds from Dewsbury coupled with affordable quality of life gives a strong commuter offer 	<ul style="list-style-type: none"> • Wide variation in performance on indicators of deprivation within Kirklees – some areas well above and others below city regional and England averages • Businesses raise concerns regarding quality of local town centres and environment; as well as fear of theft and vandalism • Declining retail offer coupled with a limited cultural/leisure offer in Huddersfield centre. Needs revitalisation and a unique selling point to compete • Negative perceptions of Dewsbury as a place to live and invest • Few know where 'Kirklees' is or identify with it, hampering efforts to raise profile (however this also allows areas to promote their location as part of Leeds City region)

Kirklees is a diverse area ranging from the university town of Huddersfield; to the historic mill towns of Dewsbury and Batley strategically located at the edge of Leeds; to the rural splendour of the Holme, Colne and Dearne Valleys. Each of these places has a different story to tell. They each have a unique set of assets and characteristics that determine their present and that will shape their future.

As set out, evidence points to the nature of need and opportunity in Kirklees varying substantially across three categories – evolutionary improvement, economic revitalisation and transformational economic overhaul. As a result, there can be no one-size-fits-all response to creating sustainable communities. The approach must favour individual 'place-shaping' that draws on the collective influence and creativity of local people to

define their local ambitions. It is this local ownership that will go on to form the attractive, prosperous and safe communities in which people want to live and work, and in which businesses want to invest. This can also be used to support health promoting environments. This economic strategy does not seek to replace this local discussion and planning. Instead it draws out headline priorities that can address the distinct economic needs, opportunities, competitiveness and resilience of our communities and their residents. This approach is also recognised in the JHWS.

For **Huddersfield** as the main focal point in the district, the focus is on economic revitalisation and maximising the town's potential as a sub-regional centre based on its unique location and character; its innovative manufacturing, digital and creative industries; and distinctive built and natural environment. Revitalisation will require a fresh look at how to stimulate and attract greater investment to build a diverse and resilient economy accessible to local people. This includes tapping into the presence of the university as an anchor institution which brings in a concentration of skilled people, offers innovation excellence, supports physical regeneration and raises the town's national and international profile and connections. These are all essential ingredients in achieving a sustained economic revival and attracting and retaining more people, including students and graduates.

There is a core need to reinvigorate the town centre to reflect future demand and uses and respond to the realities of a contracting store based retail offer (nationally and locally). An enhanced retail offer, with focus on independent and niche outlets, alongside a broader cultural and leisure offer in or connected to the town centre, can lead the way in building urban vitality and a distinctive profile. Examples of opportunities include enhanced cinema and music options, leisure experiences and real ale and art/heritage trails. The new Huddersfield Leisure Centre will also be an asset when it opens in 2015. Good attractions and a good ambience drive footfall, encourage people to return and stimulate further private investment. Events such as the Festival of Light and International Contemporary Music Festival show this can be done; the challenge is to ensure the venues, promoters and will are there to make gigs, concerts and cultural events across a range of genres and audiences a more frequent, joined-up and significant part of the town's offer.

The town must exploit existing assets and invest strategically where gaps are identified, ensuring good connectivity between locations, particularly the central core and its outer zone. It will also mean ensuring a high quality physical asset base that supports office development, educational/academic ambitions, and the growth potential of the manufacturing and creative and digital sectors. There is scope to find imaginative new uses for key buildings in prominent town centre locations as part of upgrading Huddersfield's attraction and ensuring it continues to compete effectively against other centres. Agreeing an approach that maximises new opportunities, investment and design quality from the proposed HD

One leisure development, but which also supports and connects to the town centre must also be a priority. A coordinated approach will be required to achieve change now and into the medium term, with clarity on how to upgrade high profile and gateway sites in the long term.

For **Dewsbury**, as our second largest centre, the change required is more transformational in nature than elsewhere in the district. The challenge is to break out from the current negative perceptions of the town from some quarters and build a sustainable future for the town. This requires a long term and integrated approach to turning around poor performance on levels of employment, educational attainment, skills and income that block improved quality of life. The town needs more jobs of higher quality that will allow more people to develop their skills and progress to better paid roles and actions. Confidence, capacity and altered perceptions will also be key, as will making ethnic diversity a competitive business advantage. Linkages across the priorities of this strategy will be made, for example around public transport, access to skills and new employment sites and opportunities. Proposals must combine the efforts of all the partners that contribute, for example Kirklees College's plans for a business incubation unit providing flexible studio space for new businesses, with focus on the creative and cultural sector.

There are many assets to build on to help redefine Dewsbury's economic purpose. A growing young population with strong history of enterprise and community networks offering support and local circulation of wealth points to a business support approach centred on unlocking entrepreneurial capacity. This can be linked to Dewsbury's superb affordable location and fast access to Leeds. There is scope therefore to combine this economic focus with a housing based regeneration approach in the town centre. Provision of high quality and appropriate housing offers a route to reconnect people to the centre and to economic opportunity in nearby Leeds, draw in a new commuter market, and to catalyse investment. This approach, target markets and a long term plan need to be examined and agreed in moving forward.

Other parts of Kirklees, including many rural areas are already performing at or above average for the district and city region. This strategy seeks to maintain this and recognises that the best way to do so is through locally-led place making and community economic development, similar to the European LEADER model. This involves building capacity and empowering communities to identify their own ambitions centred on core functions, assets and local needs. This will generate distinct local definitions of what success looks like and how it can be achieved. It may be working in partnership to tackle crime against business; building purchasing schemes to support business and circulate wealth locally; or building resilience by connecting local people to employment. It may also involve highlighting gaps in service provision that leave local people excluded or isolated; or local physical development needs, especially those that strengthen green infrastructure. This approach offers great scope to bring about long term social, economic and environmental benefits.

Development across Huddersfield, Dewsbury and other areas will be joined up and linked with wider institutional, cultural and knowledge infrastructure as part of a 'Connected Kirklees' plan (see priority 4).

A **strong tourist offer** will be a component in a number of places across the district, particularly tourist hubs in South Kirklees and Huddersfield. A strategic approach focused on delivering unique, niche experiences, and building local distinctiveness will be critical. This will allow for high quality and targeted products, a stronger and more focused appeal, and a more vibrant and sustainable sector that supports jobs and nurtures a diverse cultural life for everyone visiting or living in Kirklees. Promotion of tourism should be centred on the Huddersfield and Welcome to Yorkshire brands and we should seek to gain enhanced representation for Kirklees within the latter.

“ a clear strategy on cultural priorities in support of quality of life, investment and tourism ”

We need to continue to seek investment in Huddersfield town centre for an enhanced hotel offer to realise the goal of doubling the number of overnight stays on a lasting basis.

Across the district we will seek to **maximise our cultural offer**; setting out a clear strategy on cultural priorities in support of quality of life, investment and tourism. A new approach to content will be delivered as part of a broader consideration of how to maximise the district's social, industrial and commercial heritage, mixture of valuable museum artefacts, and important art collection. In addition the district's municipal parks and historic houses offer a good base to attract visitors. This is well placed to take advantage of the wider marketing and promotion by Welcome to Yorkshire and has a particularly valuable link through the Bronte name. Kirklees again is uniquely positioned in the north, within easy reach of those visiting sites such as the Lowry Gallery in Salford, the Hepworth in Wakefield or the Bronte Parsonage in Haworth. Kirklees can exploit this tourist trail. The key to this will be in the transformational way in which Kirklees assets and attractions can be levered.

Priority five: quality places		
Action	What	Who
5a	Revitalise Huddersfield town centre with more cultural, leisure and independent retail attractions (including the new Leisure Centre) and development at Kingsgate Phase 2, Packhorse Centre, and The Piazza	Private sector, Kirklees Council
5b	Develop mixed use schemes in the town centre , to include quality residential and office space including at St George's Quarter, Waterfront Quarter and other prominent gateway sites	Private sector, Kirklees Council
5c	Deliver the HD One scheme in ways which enhance the leisure offer and job opportunities and build connectivity to the core town centre - without undermining investment and activity in the town centre itself	Kirklees Stadium Development Ltd, private sector
5d	Deliver the Huddersfield Smart Town initiative linked to 4j Resource Smart Corridor.	Private sector, Kirklees Council
5e	Kick start the transformation of Dewsbury , building on its strategic location and driven by integrated housing and economic development in and beyond the town centre and connected to communities	Private sector, Kirklees Council
5f	Redevelop Pioneer House as a key town centre building to catalyse investment elsewhere in Dewsbury	Private sector, Kirklees Council
5g	Use neighbourhood level economic development to improve local employment, skills, inclusion and physical assets	Kirklees Council, Local Action Groups, voluntary/community sector, private sector, Parish Councils
5h	Deliver priorities within an agreed Leisure Tourism Strategy , to include securing an improved town centre hotel offer	Kirklees Council, Welcome to Yorkshire, VisitEngland/Britain, private sector
5i	A transformational approach to, use of and promotion of district cultural assets	Kirklees Council

Outcomes: five tests of success by 2020

- Huddersfield exploiting its location advantage with a vibrant employment, education and leisure offer, evidenced by increasing footfall, demand for premises and the opening of quality new leisure/cultural venues in or connected to the town centre
- Substantial reduction in vacant commercial units as signal of improved confidence in Dewsbury town centre and attraction of new housing and economic investment
- Increase the proportion of businesses saying Kirklees is a good or excellent place to be based from 50% to more than 75%
- Proportion of local areas in the most deprived 20% in England to fall from 28% (in 2010) to below 24% - halving the gap to average levels
- Increase the value of the visitor economy by 5% year on year and double overnight stays by 2015 – with this maintained on a lasting basis

10. Delivery, monitoring and outcomes

10.1 Active management and delivery

We will take a 'SMART' approach to delivering and monitoring this strategy, with measurable outcomes and indicators and clear responsibilities for delivery. As part of the development process, we engaged with relevant partners across Kirklees, in Kirklees Council departments, and in Leeds City Region to ensure actions are deliverable, with resources already in place or routes to securing them identified.

A supporting action plan contains this detail including actions, partners, a named lead person, resources and the test of successful delivery – such as a performance indicator or deadline for delivering a key development.

We will conduct a brief annual review to track progress on delivering the strategy through engaging with each of the named lead contacts. In 2017, the half-way point to our 2020 targets, we will conduct a more thorough review of progress and this strategy.

10.2 Monitoring and outcomes

The overall success of the strategy will be measured against ten tests for whether the vision has been delivered. These are set out in the table below, which incorporates outcome measures focused on a particular priority where relevant. Measurables for individual actions are included in the supporting action plan.

Goal	Progress measures and 2020 targets
Vision - the best place to do business in the north	<ul style="list-style-type: none"> Excellent perceptions within and outside the district about Kirklees as a business location and how cross agency activity supports business (business survey based indicator to be developed)
Improved competitiveness and profitability for business	<ul style="list-style-type: none"> Proportion of businesses saying Kirklees is a good or excellent place to be based to rise from 50% to more than 75% Reduce the percentage Gross Value Added (GVA) per head gap to Leeds City Region average Halve the gap to England average business start-up rates by 2020 and close it by 2025, whilst maintaining good business survival rates
Enhanced employment prospects, skills and incomes	<ul style="list-style-type: none"> Employment rate to be at or around 75%; and youth unemployment to fall to below 12% Halve the gap to national attainment at NVQ levels 1+, 2+, 3+ and 4+ Median incomes increasing at a rate above England and Leeds City Region averages
A great quality of life and environment for people and communities	<ul style="list-style-type: none"> Proportion of local areas in the most deprived 20% in England to fall from 28% to below 24% - halving the gap to average levels Increase the contribution of health to work and work to health (e.g. by availability of a healthy workforce and healthy workplaces) Carbon emissions reduced by at least 40% between 2005 and 2020 and at a faster rate than national average²

² Target is across Kirklees and for all sectors (industry/commerce, transport, domestic)

Annex A: Evidence

Three areas of evidence provide an insight into the Kirklees economy and have informed priorities and actions:

- Comparison on key indicators (against England, Leeds City Region and neighbouring areas)
- Findings from the Kirklees Employer Survey 2013
- Variation in performance across Kirklees

Benchmarking Kirklees on key indicators

Population

- Kirklees had a population of 425,500 in 2012. It saw population growth of 6.3% between 2006-2011, well above England and Leeds City Region averages (4.9% and 2.6% respectively).

- Forecasts for the (longer) period of 2011-2021 are of 6.4% growth, a figure that moves Kirklees from having one of the fastest growth rates in Leeds City Region to one of the lowest (England and Leeds City Region average forecast is 8.6%).
- Kirklees currently has the third lowest proportion of people age 65+ within its population in Leeds City Region, and will continue to do so despite being impacted by an ageing population profile.

Economic Growth and Gross Value Added (GVA)

Table 1 shows the most recent data for total GVA and GVA per head in Kirklees and benchmark areas, as well as forecast growth.

Table 1: GVA and GVA/head – past, current and forecast

	Total GVA 2011 (£m)	% change 2000-2011	£GVA/head 2010	% change 2000-2010	Forecast GVA growth ³ (%) 2011-2021
England	1,124,881	56%	21,054	43%	21.5% (UK)
Leeds City Region	54,035	45%	17,700	31%	20.6
Kirklees	6,040	38%	14,368	27%	17.9
Bradford	8,237	42%	15,878	28%	21.5
Calderdale	3,549	53%	17,385	44%	23.4
Leeds	18,169	45%	21,950	25%	22.5
Wakefield	5,590	45%	16,870	37%	17.9

³ Data is from the March 2013 run of the Regional Econometric Model, provided by Experian for REIU

- Kirklees accounts for 11% of Leeds City Region's total GVA, but its growth in Gross Value Added has been below that in Leeds City Region and England average between 2000-2011. Forecast growth to 2021 is also relatively low at 18%.
- Gross Value Added per head of just below £14,400 in 2010 in Kirklees was the lowest figure in West Yorkshire.

Business base and enterprise

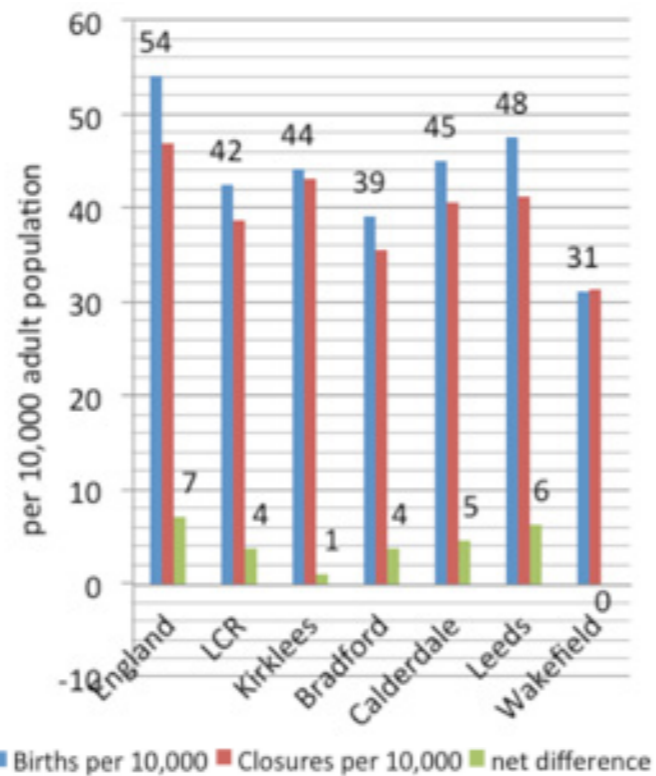
Table 2: Businesses by size profile – 2012
(VAT and/or PAYE registered businesses)

Area	Micro (<10)		Small (10-49)		Medium (50-249)		Large (>250)		Total
	Number	%	Number	%	Number	%	Number	%	Number
England	1,634,430	88.7	170,430	9.2	30,140	1.6	7,680	0.4%	1,842,680
Leeds City Region	74,545	87.4	8,730	10.2	1,630	1.9	390	0.5	85,295
Kirklees	10,480	87.4	1,250	10.4	210	1.8	55	0.5	11,995

(Source: IDBR, March 2012)

- The size profile of Kirklees businesses is very similar to Leeds City Region and broadly in line with that in England overall. There are marginally more small, medium and large businesses and fewer micro enterprises in Kirklees.
- Kirklees has nearly 10,500 businesses that are registered for VAT or PAYE, 14% of all those in Leeds City Region and broadly in line with its share of city region population. However, like most of Yorkshire, Kirklees has significantly fewer businesses per capita than England average and would need to have an additional 2,660 businesses to close this gap.

Part of the gap in business stock may be explained by business formation and closure figures (see chart below).



Kirklees has a business start-up rate that is above Leeds City Region (LCR) average but still significantly below England average, whilst its business closure rates are relatively high compared to West Yorkshire neighbours. More recent data on businesses starting bank accounts suggests Kirklees may have seen relatively good performance in Leeds City Region terms in recent years.

Industrial structure and sectors

Table 3: Employment and location quotient by sector ⁴

Sector	Number of employed	LQ by broad sector (100=GB average)		Share of employment (%)		
		Leeds City Region	Kirklees	Leeds City Region	Kirklees	England
Manufacturing	25,400	129	200	10.8	16.8	8.4
Health	21,500	106	109	13.8	14.2	12.7
Education	18,500	110	135	10.1	12.2	9.2
Retail	16,400	91	106	9.3	10.9	10.2
Wholesale	10,100	114	167	4.6	6.7	4.2
Business admin and support services	8,400	96	68	7.8	5.6	8.3
Construction	8,100	102	117	4.7	5.4	4.6
Transport and storage (inc postal)	5,800	109	85	4.9	3.8	4.6
Prof, scientific and technical	7,400	94	63	7.3	4.9	8.0
Accommodation and food services	7,200	88	70	6.0	4.8	6.8
Arts/entertain/recreation/other services	5,900	97	88	4.4	3.9	4.5
Public admin and defence	5,200	95	72	4.6	3.4	4.6
Motor trades	3,100	94	116	1.7	2.1	1.8
Information and communication	2,600	84	45	3.2	1.7	4.0
Financial and insurance	2,200	115	39	4.3	1.5	3.8
Property	1,700	72	63	1.3	1.1	1.8
Mining, quarry and utilities	1,500	103	77	1.3	1.0	1.1
Agriculture, forestry and fishing	100	8	3	0.1	0.1	1.4

LQ 110-150 or Employ % 1.25x higher than England

LQ >150 or Employ % 1.5x higher than England

⁴ BRES data, 2013

The Location Quotient (LQ) is a measure of the concentration of a sector compared to national average, where 100 equals national average, 10 is a tenth of national average, 200 is double national average and so on. It does not show the actual size of a sector, and in selecting any sectoral focus for activity it is important to look both at the size of a sector and how concentrated it is. Key points are:

- Manufacturing stands out as the most pronounced sector in Kirklees compared to national patterns. Its overall LQ of 200 is very high for an overall sector and it also employs a large number of people – over 25,000, accounting for 17% of local jobs and again twice national average.

- Wholesale is also notably more pronounced than average in terms of both LQ and employment share
- Other sectors that are large employers in Kirklees with above average LQs are education and construction and to a lesser extent health (which is a large employer but with a less inflated LQ)

Employment

Table 4: Employment rate 2004/5 – 2012/13

	Total employment (2012/13)	Annual employment rate (%)							
		2004 -2005	2006 -2007	2008 -2009	2009 - 2010	2010 - 2011	2011 - 2012	2012 -2013	Change (pp) 04/5-12/13
England	24,017,000	72.9	72.6	72.0	70.4	70.4	70.3	71.1	-1.8
Leeds City Region	1,378,600	73.0	72.8	71.2	68.9	67.9	67.8	70.2	-2.8
Kirklees	180,200	72.1	73.3	71.6	68.9	69.1	66.6	68.3	-3.8
Bradford	216,200	67.6	67.5	69.4	65.3	61.2	62.2	64.9	-2.7
Calderdale	94,200	72.6	74.7	72.8	69.4	68.0	69.3	72.8	0.2
Leeds	386,100	72.9	74.7	70.4	68.7	68.9	67.6	69.0	-3.9
Wakefield	146,300	76.0	73.1	71.6	70.7	68.5	69.1	70.0	-6.0

- At 68%, the employment rate in Kirklees is lower than in England and most areas of West Yorkshire (except Bradford). It has moved from above to below Leeds City Region average. However, employment is now on an upward trend since 2011/12.
- The employment rate for men (73%) was above that for women (64%) with the size of that gap fairly typical of average gaps in the city region.
- Youth unemployment rose faster than total unemployment between 2004/5 and 2012/13, with an increase of 10 percentage points in Leeds City Region moving the rate to above 21.4%. Whilst the Kirklees youth unemployment figure also rose up to 2011/12, it fell sharply to 16.8% in 2012/13 (although how far that may be due to statistical sampling error issues is uncertain)
- The claimant count rate in Kirklees was 4.5% (August 2013 data) above England average (3.3%), about the same as most of West Yorkshire, and double the rate in Kirklees in 2003 (2.3%).
- If Kirklees had England average employment rate, there would be approximately 11,000 additional people in work locally.

Skills

Table 5: Qualifications – attainment by NVQ level

Area	% of the working age population with qualifications levels (2012) ⁵					% pupils gaining 5 A*-C GCSEs inc English and Maths
	NVQ 4+	NVQ 3+	NVQ 2+	NVQ 1+	No qualifications	
England	34.2	54.9	71.8	84.2	9.5	59
Leeds City Region	30.9	52.2	68.8	81.5	11.3	57 (Y&H)
Kirklees	31.0	52.0	70.0	80.3	12.4	62
Bradford	24.7	43.1	61.7	76.2	15.0	52
Calderdale	30.8	51.4	69.0	81.3	10.2	61
Leeds	35.1	57.8	70.5	83.3	10.2	55
Wakefield	20.2	41.3	62.6	79.5	12.7	59

⁵ Source is Annual Population Survey Resident Analysis, ONS 2013. Data covers January-December 2012 and is for ages 16-64

- Kirklees is close to Leeds City Region average but below England average at most NVQ levels, typically by a margin of 2-3 percentage points.
- Educational attainment has risen sharply (by 52%) since 2005/5, moving Kirklees to a five good GCSEs pass rate (including English and Maths) of 62% - the highest in West Yorkshire and above England average.

“ Educational attainment has risen sharply ”

Carbon emissions

Table 6: Total and per capita carbon emissions 2005-2011

Area	Total emissions (kt CO ₂)			Total emissions (tonnes CO ₂ /person)		
	2005	2011	% change 05-11	2005	2011	% change 05-11
England	87,025Kt	72,661Kt	-16.5%	8.5	6.7	-21.2
Leeds City Region	22,498	18,705	-16.9%	7.9	6.3	-20.1
Kirklees	2,857	2,361	-17.4%	7.1	5.6	-21.1
Bradford	3,122	2,610	-16.4%	6.4	5.0	-21.9
Calderdale	1,568	1,345	-14.2%	8.0	6.6	-17.5
Leeds	5,722	4,752	-17.0%	7.8	6.3	-19.2
Wakefield	2,841	2,353	-17.2%	8.9	7.2	-19.1

(Source: Local CO₂ emissions estimates, Ricardo-AEA for DECC, July 2013)

- Kirklees has achieved a slightly greater total carbon reduction (7%) than benchmark areas. Emissions per capita have fallen by 21%, in line with England average but a little more than in most of West Yorkshire and Leeds City Region.

Evidence also shows that 17% of non-residential properties in Kirklees are at high risk of flooding⁶ - emphasising the need for change adaptation. However, there are potential employment and business benefits from both reducing CO₂ emissions and adapting to a changing climate. Key evidence includes:

- The prospect for green jobs to 2020 report (Quantum Consultants, 2011)** - mapped the current size and nature of the green sector in Kirklees and developed scenarios for job prospects in the sector to 2020. It found that Kirklees already has approximately 4,400 green jobs and that there are significant growth opportunities in the offshore wind supply chain, low carbon energy and green infrastructure sector, waste and recycling sector and low carbon retrofit.
- The mini-stern review and regional opportunities** - this review was commissioned by Leeds City Region and published in August 2011. It focused on the economics of decarbonising the local economy. Findings from a separate appendix prepared on the Kirklees economy included:
 - Kirklees has an overall energy bill of approximately £660 million per year and this will rise to £876 million by 2022 – an increase of £216 million per year within 10 years. This represents a leakage to the economy. The study suggested that an investment of the equivalent

of 1% of Gross Value Added – GVA - (£500 million in the case of Kirklees) could be profitably spent every year to exploit commercially attractive energy efficiency and low carbon opportunities.

- Such an investment would yield up to 1,265 jobs over the next 10 years and could increase the Gross Value Added of the local economy by £58 million per year (1-2%), from both cost effective and cost neutral measures targeted towards energy efficiency and low carbon energy generation.
- The study also found that intervention and investment at such levels indicated above could reduce carbon emissions in Kirklees by 48% by 2022 – at no net cost.

a) Findings from the Kirklees Employer Survey 2013

Key points from the survey⁷ are:

- Supply chains** – 15% of employers said that all their suppliers were local in Kirklees, this rose to 42% for at least a half of their supplies being local. 27% said they had no local suppliers.
- Sales** - a quarter of respondents sold only within Kirklees, whilst 11% said they sold nothing locally.
- Exports** – only 8% of businesses said they exported any of their goods or services (compared to 11% in national surveys).

⁶ Centre for Cities Small Business Outlook 2013, data from the Environment Agency
⁷ Information in this section is taken from BMG Research, Kirklees District Employer Survey 2013, prepared for Kirklees Council, June 2013

- Public sector supply** - more than a quarter of all private sector employers (27%) have done some business for the public sector. That proportion rises for the information/communications sector (42%), administrative services and other services (both 35%) and manufacturing (34%). The mean proportion of sales/revenue obtained from public sector work amongst those that serve this market is 32%; it is more than 80% for 15% of firms but 10% or less for 40%.
- Barriers to growth** - businesses said which of a list of potential barriers to turnover growth applied to them. Red tape/overregulation was most commonly selected (45%), with other frequently identified barriers including market size (42%), transport costs (37%) and energy/waste costs (26%). Some issues were split across quite specific aspects of an issue which, when added up, point to its importance. For example, money availability issues included cash flow (38%), access to bank finance (25%) and lack of capital for investment (35%). Similarly, skills issues

were spread between availability of skilled labour (14%), employability skills (12%), lack of training (9%), retention of skilled labour (10%) and leadership/management skills (7%).

- Outlook and workforce** - looking ahead over the next 12 months, 43% of private sector employers anticipated an increase in their turnover, just 10% a decline. 21% of employers expected the size of their workforce to grow over that timeframe, while 5% anticipated a decrease.
- Innovation** – More than a half of Kirklees employers (53%) thought that they have the technical capacity within their business to make product or process improvements. Reflecting that, most employers cited internal sources as the main source of product or process innovation in the business (34% mainly; 32% alongside external sources). One in five (21%) cited mainly external sources via suppliers.

Table 7: Perceived benefits of location in Kirklees by area (% stating a benefit)

	All	Huddersfield	Dewsbury	North Kirklees	South Kirklees
Access to transport links	51%	53%	58%	56%	42%
Personal/historic reasons	50%	45%	48%	48%	61%
Quality of premises	49%	50%	44%	49%	48%
Overall attractiveness of the area	49%	48%	35%	45%	62%
Size of premises	48%	50%	45%	50%	44%
Quality of local environment	47%	44%	36%	45%	58%
Availability of suitable land/premises	37%	38%	36%	39%	32%
Access to markets	36%	36%	40%	37%	32%
Proximity to suppliers/supply chains	32%	32%	35%	37%	26%
Proximity to other firms in same sector	31%	32%	38%	32%	25%
Cost of land and/or premises	31%	29%	32%	34%	28%
Cost of labour	27%	27%	34%	28%	22%
Access to skilled labour	25%	24%	27%	28%	24%
Proximity to higher education/research/other trade organisations	21%	23%	26%	18%	19%
Financial support/assistance	14%	14%	16%	17%	10%
Other	6%	7%	4%	6%	4%
No benefits	2%	3%	5%	1%	2%
Don't know	5%	5%	7%	6%	5%

“ 86% of employers have internet access ”

Only small minorities cited a Knowledge Transfer Partnership (3%) or University (2%) as a source of innovation, while just 4% of employers made use of Research and Development credits or Patent Box (although a further 9% plan to do so in the future). The most often stated source of assistance in developing new products or making process improvements was suppliers (41%).

- **Location** – 50% of employers rated the local area as a good or excellent place to do business. Table 7 lists the qualities they identified.
- The proportion of businesses stating that their local area is a good or excellent place to do businesses was highest in South Kirklees (54%) and North Kirklees (52%) and lower in Huddersfield (49%) and Dewsbury (35%). The proportion rating their area as poor ranged from 17% in Dewsbury to 6% in South Kirklees.
- Interestingly, whilst South Kirklees scored best as an overall location, it scored lower than other areas on perceptions of logistic or technical factors affecting business success (e.g. land and premises, transport and access, costs) but higher on personal reasons, quality of environment and overall attractiveness. That suggests that it is these subjective and quality of place based factors that have the strongest correlation to perceptions of a place as a good business base, related also to a lack of negative factors such as crime or traffic congestion.
- The most frequently cited concerns regarding current location were traffic and parking (37%, 36%), quality of local town centre (29%), theft and vandalism (29%), business rates (28%), quality of local environment (24%) and cost of premises (22%). Again this highlights the impact of issues such as quality of local environment/centres and crime.
- **Sites and premises** - 82% said their current site is big enough for their requirements for the next 3-5 years, while 15% thought that further land would be needed (21% for larger employers). 57% of those needing more space would seek to move. Three quarters (73%) of these employers expected to remain in Kirklees, however 9% were likely to leave Kirklees and 18% are were as yet unsure.

- **ICT** – most employers have internet access (86%) with 84% having access via broadband. The main uses by employers are promoting their goods and services through a website (69%) and processing payments (by credit/debit card) (62%). More than three-quarters of employers with broadband access (78%) considered it to be reliable and fast enough for their business needs. The remainder considered the download speed (19%) or the upload speed (13%) too slow.
 - **Business support** – employers would most value support in the form of grants and loans (33%), whilst 28% cited marketing, and the figure was around 20% for business planning, finance, legislation, markets/exports, ICT, energy/resource efficiency and taking on an apprentice. High growth firms were more likely than average to have used business mentors and to have an interest in sourcing business support/advice in a range of different areas.
 - **Networks and partnership** - around a quarter of employers (26%) were involved in local business networks. Around two fifths (41%) said their business would consider working in partnership with the local authority and other social/voluntary and community groups in carrying out social activities.
- b) Variation Across Kirklees – incomes, unemployment, deprivation and education**

Local statistics in Kirklees are available based on the coverage of seven area committees. Table 8 shows economically relevant statistics for these where data is available, and is focused on indicators at the household or individual level, such as relating to benefits, deprivation and incomes.

Table 8: Area Committee area statistics

	Population (2011)	Median gross household income (2013)	% JSA claimants (09-2013)	% Working age DWP claimants (Q3, 2012)	% of areas of multiple deprivation (worst 10% nationally)	% attaining 5 GCSEs (A*-C, inc Eng and Maths)
Huddersfield	133,500	£25,460	5.2	18.4	23.9	57.9
Dewsbury	57,800	£23,820	5.7	20.9	31.0	52.5
Batley, Birstall, Birkenshaw	55,000	£25,360	4.4	16.7	13.6	62.1
Spenn Valley	53,100	£28,110	3.8	14.7	3.0	65.3
Mirfield, Denby Dale, Kirkburton	52,500	£32,220	1.8	9.1	0.0	76.1
Holme Valley	35,600	£33,950	2.0	9.3	0.0	65.3
Colne Valley	35,400	£28,840	3.3	12.6	4.7	59.5
Kirklees	423,000	£26,660	4.2	15.6	14.3	62.0
England	53.1m	£28,000	3.1	14.0	9.8	58.8

- There is wide variation, with the Holme Valley and Mirfield, Denby Dale and Kirkburton both well above Kirklees and England average on all indicators, and Dewsbury well below. Huddersfield also fares relatively poorly, whilst the Spenn and Colne Valleys are around national average on most counts. Batley, Birstall and Birkenshaw are around or just below Kirklees average.

c) Housing and infrastructure evidence

Around 35% of households in Kirklees are either priced out of a market solution to their housing needs, or are living in a part of the market they cannot afford. 62% of households in Kirklees earn less than £25,000 per year. This means that for the majority of Kirklees households meeting their housing needs is absorbing a disproportionate amount of their income, leaving less money to buy goods and services.

The Government's Housing Strategy "Laying the Foundations" (November 2011) identifies that housing construction supports more jobs than many other sectors of the economy, because of related activity such as concrete production and glass and brick manufacturing. For every £1 million of new house building output 12 net jobs (seven direct and five indirect) a year are supported.

Other research finds that every home built means the creation of 1.5 full-time 'direct' jobs⁸ and that house building supports both related jobs (such as in legal services, real estate and housing management, etc.) and service jobs to supply new residents (education, health, retail, leisure, transport, etc.)⁹. In the US, the National Association of Home Builders has estimated that the building of 100 family homes will create 324 local jobs during construction and 53 jobs when the new homes are occupied.

⁸ Labour Needs of Extra Housing Input, Professor Michael Ball for the Home Builders Federation (http://www.hbf.co.uk/fileadmin/documents/barker/CITB_REPORT.pdf)

⁹ Research by Cambridge Centre for Housing and Planning Research, University of Cambridge for the Scottish Government (<http://www.cchpr.lanedcon.cam.ac.uk/Downloads/Social%20and%20economic%20impact%20of%20housing.pdf>) identifies

Annex B: Strategic questioning framework

How the Kirklees Economic Strategy is implemented

The Strategic Thinking Framework is a tool which can be used in identifying gaps and developing robust plans that meet the priority outcomes of the Economic Strategy. It enables insight into current practices and signposts areas to be shared and considered in future planning.

This framework should be used:

- To plan action against the five strategic priorities of the Economic Strategy
- By strategic leadership to identify gaps, pull out interdependencies and to ensure that the key local plans/systems contribute to the achievement of the Economic Strategy vision and outcomes
- By commissioners and service planners to inform the development or review of key strategies and plans.

Using this framework will also contribute to ensuring organisations fulfil their statutory equality duties.

Outcomes

- Q1. What difference are you trying to make for whom?
- Q2. Why does change need to happen?
- Q3. What are the main factors affecting these outcomes?
- Q4. How will you know what difference you have made?

Evidence

- Q5. What evidence do you have for the need for the actions you are proposing?

Actions

- Q6. What does evidence tell you about the actions that will be effective in achieving the outcomes?
- Q7. How will your actions address key local economic issues, particularly focusing on those identified as priorities in the Economic Strategy? – (1. create good quality jobs, 2. increase innovation and enterprise, 3. stimulate investment, 4. improve skills levels 5. achieve greater access to employment 6. Increase economic resilience)
- Q8. What could be changed by local action?

Impact

- Q9. What impact have your actions had on the desired outcomes?
- Q10. How will you plug any gaps in your understanding of the outcomes and the impact you are having on them?
- Q11. What were the unintended consequences and what have you done to mitigate against them?

Involvement

- Q12. Who else should be involved in order to achieve the outcomes?
- Q13. What economic strengths or assets are there, and how can they be used and developed?

Resources

- Q14. How can you change the use of resources?

Increasing resilience

- Q15. How do your actions support people and businesses to become more resilient?

Collaboration

- Q16. How do your actions promote collaboration, shared responsibility; integration of systems, technology, resources, capacity and finances where appropriate?
- Q17. How will your actions impact on other services and possible duplication of provision?
- Q18. How do your actions help people and/or businesses to help themselves?

Annex C: Manufacturing vision

Huddersfield will take centre stage in driving forward a 21st century smart manufacturing revolution based on knowledge, technology and innovation, enabling firms to become faster, more responsive and closer to customers. Huddersfield will build on its fine heritage in manufacturing and its excellence in component and process engineering to become the hub of a smarter, leaner manufacturing industry, helping to secure the long term growth and economic resilience of the UK economy.

The nature of manufacturing is fundamentally changing to the point that physical production processes are simply one element of much wider value chain activities, generating new and additional revenue from pre and post production activities.

Local and regional actors will work collectively to make Huddersfield an exemplar of modern manufacturing, capable of rapidly adapting physical and intellectual infrastructures to exploit changes in technology as manufacturing becomes faster, more responsive to changing global markets and customer needs.

Huddersfield will be at the forefront of a new super connected and intelligent age of manufacturing by becoming the country's first "Smart Manufacturing Town" (including high speed digital connectivity) and by harnessing the economic value of Big Data creating new revenue streams from manufacturing services, capitalising upon data generated by sensors embedded in products, for example.

Kirklees Council will coordinate the efforts of public and private sector partners to ensure that Huddersfield becomes globally recognised as the best place for manufacturers to do business by providing exposure to new market opportunities, easy access to innovation, extensive supply chain networks of collaboration and support, excellent connections, flexible use of land and premises ("smart factories"), and a highly adaptable and competent workforce.

Huddersfield will be the driving force behind a marked increase in supply chain, export, inward investment and intellectual property registration activity across the Leeds City Region, by encouraging the development new business models and cross cutting approaches in technologies, across sub-sectors, to drive 'disruptive growth' in manufacturing.

The University of Huddersfield will build on its reputation for excellence to play a central role in making this vision a reality. The University will seek to exploit its excellent innovation and research and development capabilities enhancing existing research Institutes and the 3MBIC, becoming the National Hub for manufacturing activities. Huddersfield will become a test bed for collaboration with the development of research and development clusters, co-locating production and the science base. The University and Council will work hand in hand to create a bespoke "proving factory" model for OEM / SME collaboration and the development of a Huddersfield Enterprise and Innovation Partnership centred on the development of a state of the art Research and Development Park, adjacent to the University campus.

Our fine educational establishments from the University through to the College and schools will work in concert to provide a generation of talent for a new smarter manufacturing industry. Huddersfield will become synonymous with excellence in science, technology engineering and mathematics (STEM) skills.

www.kirklees.gov.uk

This document was produced
by Kirklees Council
June 2014