

# Headline SWOT analysis

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"><li>• Substantial university strengths with one of the biggest HE clusters in Europe, with research strengths in key subjects.</li><li>• Innovation hotspots around the key university centres of Leeds and York.</li><li>• The area is characterised by high levels of green space and areas of outstanding natural beauty. Alongside areas of relatively affordable housing, these add to the area's attraction as a place to live and work.</li><li>• Although gaps to national performance persist, the labour market is strong by historic standards.</li><li>• A highly diverse economy that can help to withstand sector-specific shocks and challenges.</li></ul>	<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"><li>• Productivity is below national levels in all parts of our area, and the gap to national performance is not closing.</li><li>• Despite improvements there remains a gap between local and national skill levels, particularly in West Yorkshire and particularly for higher level skills.</li><li>• Relatively low levels of business investment in R&amp;D and innovation activity.</li><li>• Investment in the transport system has not kept pace with economic and population growth. Congestion and capacity constraints risk hampering future economic growth.</li><li>• Some of the highest levels of deprivation in the country, with pockets across the area.</li><li>• The lack of an OEM presents challenges around the coherence of supply chains and the productivity benefits such businesses can bring.</li></ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"><li>• Increasing exposure to key non-EU export markets such as US and China could deliver a productivity dividend.</li><li>• Universities provide opportunities to increase business innovation performance through collaboration.</li><li>• Manufacturing subsectors offer degrees of employment specialism, though professional services jobs have seen strongest growth.</li><li>• A tighter labour market offers potential to upskill existing staff, increase earnings and build a more inclusive economy.</li><li>• Existing strengths in energy generation offer potential in clean growth.</li></ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"><li>• Lack of investment, partly due to Brexit uncertainty, risks further weakening of productivity performance.</li><li>• Insufficient access to appropriately skilled workers could constrain businesses' ability to grow and this could be compounded by lack of responsiveness in skills system.</li><li>• Automation poses a threat to a significant number of jobs in a range of industries, particularly for lower skilled workers.</li><li>• The lack of a clear unique sector strength or focal point for economic narrative could reduce the area's distinctiveness.</li></ul>