2016

Building Our Future

Liverpool City Region Growth Strategy

Liverpool City Region Local Enterprise Partnership

www.liverpoollep.org

LIVERPOOL CITY REGION COMBINED AUTHORITY

www.liverpoolcityregion-ca.gov.uk

Foreword

Liverpool City Region faces a unique opportunity to deliver greater prosperity for residents for generations to come. This is our single, sustainable strategy to realise our ambitions for economic growth over the next 25 years.

This document outlines our Strategy for Growth, a strategy which encompasses the entire City Region, acknowledging the unique strengths and assets of each of our local authority areas and communities.

The timing of this document is crucial because it follows our Devolution Agreement with Government, a milestone which means we are better able to shape our own future.

The time to face our challenges and to seize our opportunities is therefore now. We have, for the first time in a generation, the right powers and the right governance to deliver real and lasting change. Not only are we stronger together, we are also stronger when we make decisions locally together.

Whilst the focus of this Strategy is economic growth, it is important to remember that economic growth is not, in itself, an end. It is rather the key factor in ensuring that all of our residents have the opportunity for a decent quality of life for themselves and for their children and their children's children.

Action for us will be built upon the three pillars of this Strategy: Productivity, People and Place.

By Productivity, we mean focusing on businesses where the opportunity for growth is greatest; by People, we mean ensuring residents and workers are equipped with the right skills; and by Place, we mean making the most of our physical and cultural assets and our infrastructure.

Our ambition is to deliver this Strategy and to translate it into effective action by working collaboratively and inclusively.

Only together can we say with confidence that we have the assets, the talent and the ambition to deliver our vision to create a truly global and competitive City Region.

Everyone can play their part in realising our bold ambitions. We would like to thank all partners and stakeholders who have supported the development of this Strategy and who will help us make it happen.

Produced by
Liverpool City Region LEP
on behalf of Liverpool City Region
Combined Authority

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Contents

1 **Introduction** 04

2 **Vision and Delivery**
- Making the Most of Devolution 08

3 **Our Strategic Approach**
- Building on our Assets 10
- Focusing on our growth sectors 12
- Responding to our challenges 14
- Realising our potential 15

4 **Productivity**
- Enterprise 16
- Growth sectors 20

5 **People**
- Improving our Skills and Talent 46

6 **Place**
- Improving our Physical and Digital Connectivity 52
- Place Making in our City Region 60

7 **Summary** 63

The Three Queen's weekend attracted an economic spend of **£29.1m** in Liverpool and a further **£3.8m** in Sefton and Wirral with audiences of **1.2 million.**

1 Introduction

Since the turn of the millennium, Liverpool City Region has undergone a remarkable renaissance with a rising population and economic growth, a burgeoning of high growth companies and a vibrant cultural resurgence.

£28.3bn
economy.

1.5m
population.

969,000
working age population.

691,000
residents in employment.

598,000
jobs.

We are at a pivotal moment in Liverpool City Region's history. In May 2017, our residents elect a City Region Mayor who will take control of newly devolved budgets – ranging across transport, skills, infrastructure, business support, innovation, planning and housing – as part of our historic Devolution Agreement.

Devolution provides us with an unprecedented opportunity to take control of our economic future, to build on recent success and to address the challenges before us.

The City Region's diversity, its local characteristics and assets are a major strength. By bringing those assets together and working collaboratively, that strength is multiplied many times over.

Our City Region economy is worth £28.3 billion GVA, with output increasing by 8.4% in the five years up to 2014.

We also have the second highest incidence of high-growth firms in the country, second only to London. Our City Region is internationally renowned with an outstanding physical environment, more listed buildings of architectural distinction than any other UK city outside London, and a waterfront recognised by UNESCO as a World Heritage Site.

We have significant strengths and huge potential in innovative and globally-competitive sectors: Advanced Manufacturing, Digital and Creative, Financial and Professional Services, Health and Life Sciences, Low Carbon Energy, Maritime and Logistics, and the Visitor Economy.

This Strategy will capitalise on our strengths in these key sectors to unlock growth, creating tens of thousands of new jobs and new businesses.

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**THE FOCUS OF THIS STRATEGY IS ECONOMIC GROWTH.
THIS WILL BE DELIVERED BY FOCUSING ON THREE GROWTH PILLARS:**

Productivity:

The first pillar to sustained economic growth is to maximise the potential of our sector strengths and related assets and to focus on starting and growing more successful businesses by promoting innovations and entrepreneurial activity.

People:

The second pillar is to improve and increase skills, developing existing talent and attracting new talent for sustainable growth.

Place:

The third pillar is to improve our transport, energy and digital infrastructures, and protect and enhance our cultural and environmental assets. This will improve quality of life for residents and attract and retain investors, skilled workers and visitors who will contribute to growth.

Despite our great strengths we still face many challenges.

An historic skills gap, too few private sector jobs, high levels of worklessness and pockets of concentrated poverty are the biggest barriers to growth.

We recognise the need to drive growth in an inclusive, integrated and sustainable way, in line with wider socio-economic agendas.

We will build on the powerful combination of private sector and industry experts working alongside public and third sector leaders which has proven to be the formula for delivering dynamic and innovative strategic approaches to enable sustainable growth interventions in the City Region.

In line with the Devolution Deal, governance arrangements in the City Region have continued to strengthen and mature, with partners committed to joint working.

This Strategy will take advantage of the opportunity presented by devolution by providing the strategic focus for the priorities and objectives of the Single Investment Fund (SIF) and future investment programmes.

The State of Liverpool City Region Report: Making the Most of Devolution, published jointly in 2016 by the University of Liverpool and Liverpool John Moores University has provided a detailed yet clear sighted analysis of the City Region's assets, capabilities and opportunities for the future, and an invaluable platform on which to build our Strategy. Its conclusion is simple and compelling: "Liverpool City Region has achieved a lot and there is a lot to build upon. With the right leadership, capacity and ambition, it could achieve even more in the future".

We have the assets, the heritage and talent to deliver our vision to create a truly global and competitive City Region. This Strategy will help us make our vision a reality.

2 Vision and Delivery

Our Vision:

We will build on our core strengths and capacity for innovation to create a truly global and competitive City Region at the heart of the Northern Powerhouse.

Our Mission:

To start, attract and develop more businesses.

To nurture and grow our talent base.

To enhance and protect our distinctive quality of place.

To create more sustainable employment and high value jobs.

Our Guiding Principles:

MEANINGFUL COLLABORATION:

Through partnership working we can overcome issues and maximise opportunities for the greater benefit of the City Region.

LOCAL KNOWS BEST:

We know better than anyone our area's challenges and opportunities and how to address them. It is up to us to make the most of this knowledge.

FORM FOLLOWS FUNCTION:

We are not prescriptive about models and structures, we do what is best to provide effective leadership and deliver the best results for the City Region.

ADDED VALUE:

The constituent parts of the City Region share a common economic geography and by aligning together we are stronger and more innovative.

MEASURABLE DELIVERY:

Translating the City Region's needs, and our vision, into tangible activity on the ground is paramount. Delivery needs to be rapid, cost effective, integrated and sustainable.

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Making the most of devolution

Our recent Devolution Deal means we have extended powers and responsibilities which will enable us to drive growth.

The Devolution Deal provides the levers through which the pillars of our Strategy, Productivity, People and Place, can be supported by the emerging Liverpool City Region governance structure: the Combined Authority, City Region Mayor and Local Enterprise Partnership (LEP).

From May 2017, the Combined Authority and a directly elected City Region Mayor will receive newly-devolved powers and responsibilities to deliver growth and manage public services at the city-regional scale. The City Region Mayor will exercise powers over strategic planning, supported by the creation of a Mayoral Development Corporation, a Single Statutory City Region Framework, and a Land Commission and a Joint Assets Board for economic assets; as well as a devolved local transport budget.

The Combined Authority will gain control over a devolved budget for post-19 adult skills funding from 2018/19 and will be in a position to co-design future employment support for harder-to-help claimants.

They will also oversee the Liverpool City Region Single Investment Fund – comprised largely of an annual £30m funding allocation over 30 years.

The devolution journey is now picking up pace. Strategically, Liverpool City Region's economic future aligns closely with that of the Northern Powerhouse, of which we are a fundamental part.

The Northern Powerhouse initiative has expanded beyond transport to push for pan-Northern collaboration and integration in skills and employment, trade and investment, industrial policy and innovation, and housing and planning.

As a whole, devolution presents an unprecedented opportunity to take greater control of economic development at the city regional scale.

This Strategy provides the framework for the delivery of devolution and achievement of long-term sustainable economic growth.

What we will deliver:

The aspirations which have driven this Strategy are ambitious, far-reaching and bold. Our proposed strategic interventions will lead to new jobs, new opportunities and improved prosperity and quality of life right across the Liverpool City Region.

We are committed to implementation of this Strategy so that we can achieve these outcomes at pace and with scale.

Outcomes:

PRODUCTIVITY

The creation of over **100,000 additional jobs** in the Liverpool City Region by 2040.

A net increase of **20,000 businesses over the next 25 years**, with an increased **diversity** of business ownership, including a **doubling of the number of women owning and running businesses.**

The creation of an additional **£22 billion** (2012 prices) in GVA by 2040 so that it stands at **£50 billion.**

Average productivity per worker to increase by **56%** by 2040 to over **£76,000**.

A substantial **increase** in the number of **exporting businesses** and the **value of exports**, plus a substantial increase in the **commercialisation of research and development.**

PEOPLE

Falling unemployment in the City Region, with the resident employment rate of the 16-plus population increased to **58% by 2025.**

Population increase by 83,000 to **1.6 million** by 2040, with an additional **50,000 people** coming to live in the City Region.

PLACE

Increased demand for public services such as health and education, with additional demand for public transport as well.

Increased demand for housing across the Liverpool City Region and rising **house prices** in response to that demand.

This document articulates a clear vision, identifies long-term goals and sets out a series of strategic challenges, opportunities and priorities.

The key to implementation will be the attraction and focused allocation of investment, with partners across the City Region aligning their existing resources to support the growth pillars of Productivity, People and Place. This resource will help leverage private sector and external investment opportunities as they become available.

Implementation of the Strategy will be aligned to the Strategic Investment Fund and the Devolution Delivery Plan.

The Implementation Plan will necessarily be both detailed and ambitious. It will address the objectives of starting, growing and investing in business to create sustainable employment and high value jobs, and to attract and capitalise on our existing talent to grow our economy.

The Single Investment Fund commitment through the Devolution Deal creates an opportunity for an additional £30million per year for 30 years.

£1.8billion is also to be allocated by Government to LEP areas through a further round of Growth Deals in 2016.

The City Region will use this Strategy to identify priorities to ensure we secure further funding for growth.

3 Our Strategic Approach

Building on our assets

Liverpool City Region is built on a rich history of international maritime trade and world-leading innovation and achievement in science, culture and civic life. Building upon this extraordinary legacy will be pivotal for our future prosperity.

The leading offshore wind centre in the UK servicing the second highest concentration of offshore wind turbines in the world.

1 of only 3 significant Internet of Things clusters and the second fastest growing tech start-up cluster in the UK.

The largest cluster of maritime businesses outside of London, supported by the newly-established **Maritime Knowledge Hub**.

Over the past two decades Liverpool City Region has undergone an economic renaissance, with a diversifying economy of internationally-oriented markets and businesses. A growing number of globally significant companies, including Unilever, Jaguar Land Rover, Dong Energy, IBM and Inovyn, are investing heavily in our economy. These companies support a dynamic base of SMEs – which comprise 99.6% of all our businesses across a diverse range of sectors.

Innovation is key to unlocking future economic growth. The City Region has a strong network of scientific and knowledge assets. The Liverpool Knowledge Quarter comprises, amongst others, the world-leading National Oceanography Centre at the University of Liverpool, and the Liverpool School of Tropical Medicine, the first of its kind in the world. Sci-Tech Daresbury, one of two Enterprise Zones in the City Region and one of only two national Big Science campuses, has attracted over 100 high-tech businesses, and is host to the Hartree Centre, the UK's largest and most powerful supercomputer dedicated to industrial research.

Major investments in property, transport and energy assets are transforming the City Region. These include the £300m Liverpool2 deep water container port, the six-lane Mersey Gateway Bridge, Widnes Waterfront, Mersey Waters Enterprise Zone, and Burbo Bank offshore wind farm. Over the last few decades, the City Region has been transformed; investment in Liverpool ONE has revitalised Liverpool city centre, creating an attractive urban environment visited by over 26 million people annually.

Famous the world over for cultural creativity, with popular music and football amongst our biggest cultural exports. We have entertainment, visitor attractions and an architectural distinction second to none.

Liverpool City Region is, increasingly, a world-renowned destination for visitors, investors and businesses alike. Liverpool is now the 6th most visited city in the UK by people from overseas supported by Liverpool John Lennon Airport (LJLA).

Liverpool City Region has more museums, theatres and galleries, and more listed heritage buildings of architectural quality than anywhere in the UK outside London. With a beach-lined coastline and easy access to mountainous national parks, Liverpool City Region is one of the most liveable places in the UK.

This Strategy aims to build upon these many assets to attract and retain talent, stimulate innovation and support dynamic businesses.

Liverpool City Region

Historic Devolution Agreement signed in November 2015

Control of newly devolved budgets, ranging across transport, skills, business support, innovation, infrastructure, planning and housing

We have to address:

A wealth gap
with below average GVA per head

A business gap
with low rates business density and too few private sector jobs

A skills gap
with more skilled workers required for our growing industries

To date we have secured **£264m** of Growth Deal funding from Government

Liverpool City Region now has the 2nd highest incidence of high-growth firms among all LEP areas in the country

One of Europe's largest Health and Life Science clusters

20% of LCR workforce contributing **£4.1bn** to GVA

LCR is part of the UK's **2nd largest manufacturing region**

12% of LCR GVA vs **8.8%** for UK

Digital and Creative new business growth rates more than doubled between 2010 and 2013

Liverpool recognised by Government as a financial centre of excellence

A City Region built on a rich history of innovation and cultural creativity

UNESCO World Heritage Site

UNESCO City of Music

World renowned Football

£4.3bn private sector investment in Low Carbon Energy over the last 5 years

A car produced **every 80 seconds** at Jaguar Land Rover's Halewood factory

Investment in Liverpool2
Set to treble Port of Liverpool container capacity

Mersey Gateway a new 6 lane bridge

From 2001 to 2014, population grew by **31,000**

In 2014 and 2016, Liverpool City Region hosted the **biggest business event of its type in the world**, the International Festival for Business (IFB) and will do so again in 2018 and 2020

Focusing on our growth sectors

Liverpool City Region will maximise the impact of investment and opportunities over coming years by strategically focusing on those sectors with the greatest potential through smart specialisation.

University of Liverpool's Computer Science department ranked **1st in UK** for "world leading/ internationally excellent" research.

Through primary research conducted by Liverpool City Region Local Enterprise Partnership, complemented by independent evidence such as that contained in 'The State of Liverpool City Region Report: Making the Most of Devolution', we have identified key growth sectors, outlined in the table below.

These dynamic sectors, in which Liverpool City Region has considerable national and global competitive advantage, are what set us apart from other city regions. They are our focus because they have the most potential to grow our economy.

The close alignment of our growth sectors with those identified for the Northern Powerhouse demonstrates our shared economic fate, as well as the importance of the Liverpool City Region to the future of the North of England.

The Independent Economic Review (IER) of the Northern Powerhouse, commissioned by Transport for the North (TfN) in 2015 and produced by SQW Ltd and Cambridge Econometrics, identified four 'prime' Northern 'capabilities' and three 'enabling' capabilities. These are directly related to the City Region's growth sectors, as shown below.

LCR KEY GROWTH SECTORS AND THEIR ECONOMIC SIGNIFICANCE	NORTHERN POWERHOUSE IER CAPABILITIES: Prime / Enabling
ADVANCED MANUFACTURING	**ADVANCED MANUFACTURING** (materials and processes)
DIGITAL AND CREATIVE	**DIGITAL** (computation, software design, data analytics, simulation/modelling)
FINANCIAL AND PROFESSIONAL SERVICES	**FINANCIAL AND PROFESSIONAL SERVICES** (essential services to businesses, growth through re-shoring)
HEALTH AND LIFE SCIENCES	**HEALTH INNOVATION** (life sciences, medical tech and service delivery)
LOW CARBON ENERGY	**ENERGY** (generation, storage, and low carbon tech)
MARITIME AND LOGISTICS	**LOGISTICS** (particularly linked to port and airport activity)
VISITOR ECONOMY	

NB Enabling capabilities also include Higher and Further Education

Liverpool2
will be the most centrally located deep water container terminal in the UK and will allow **global** services to connect with Liverpool.

Liverpool2
will be one of the most operationally efficient and modern terminals in **Northern Europe.**

Liverpool2
will be capable of handling two 380m mega **post-panamax** vessels simultaneously.

© Peel Ports Ltd

Responding to our challenges

The State of Liverpool City Region Report: Making the Most of Devolution, published in January 2016, re-emphasised longstanding challenges facing the City Region.

WEALTH GAP

GVA per head remains about three quarters of the UK average (£17,852 against £23,755), equating to an £8.9 billion gap.

BUSINESS GAP

Low business birth and survival rates, a relatively small stock of businesses, coupled with an over-dependence on public sector jobs. In 2014 there were only 235 businesses per 10,000 population (although up from 225 in 2013).

JOBS GAP

We have the lowest employment rate of the 63 largest cities in the country (just working age residents) and very low jobs density compared with other core cities.

WORKLESSNESS

High levels of long-term sickness and significantly higher proportions of workless households than the national average. We have the 4th highest work claimant rates of any UK city, at 3.6% of population.

PRODUCTIVITY GAP

High levels of economic inactivity contribute to very low wealth per person at only £17,852 GVA per capita in 2013. This is despite relatively high per worker productivity, at £46,000 GVA in 2014, due to the presence of high value added manufacturing sectors, but still comparing unfavourably to London's £73,400.

SKILLS GAP

One of lowest educational attainment and skilled worker rates: 15.9% working age residents lack any formal qualifications; only 25.7% have attained high level qualifications.

SPATIALLY CONCENTRATED DEPRIVATION

The City Region is home to some of the country's most disadvantaged neighbourhoods. Liverpool and Knowsley are among the most deprived local authority areas in the country (ranked 4th and 2nd worst performing respectively in 2015).

Realising our potential

Our strategic approach to addressing our challenges and realising the City Region's economic potential is focused on three strategic pillars: Productivity, People and Place.

Artist impression Advanced Manufacturing Centre, Unilever, Wirral

Productivity:

The first pillar to sustained economic growth is to maximise the potential of our sector strengths and related assets and to focus on starting and growing more successful businesses by promoting innovation and entrepreneurial activity.

People:

The second pillar is to improve and increase skills, developing existing talent and attracting new talent for sustainable growth.

Place:

The third pillar is to improve our transport, energy and digital infrastructures, and protect and enhance our cultural and environmental assets. This will improve quality of life for residents and attract and retain investors, skilled workers and visitors who will contribute to growth.

4

Productivity

Liverpool City Region has the potential to become one of the best places in Europe to start, grow and invest in companies through the development of a dynamic innovation and enterprise ecosystem.

Enterprise

Liverpool City Region has a diverse and resilient business community in a wide range of sectors. In recent years we have seen growth through inward investment, an increase in start-ups and the number of high growth firms. Despite this strong recent performance, significant challenges and opportunities remain to uplift our business density and female entrepreneurship levels.

Our ambition is for Liverpool City Region to become an 'Enterprise Capital of Europe' delivering increased business density, growth and employment.

There are a wide range of factors that impact on business formation, survival, investment and growth. Never before have we had a coherent approach to all of these factors to deliver increased business density and growth across the whole City Region.

Our Strategy embodies a coordinated approach to these challenges and opportunities, informed and developed by business, education and the public sector to create a dynamic enterprise ecosystem that identifies and responds to the needs and opportunities of our diverse community.

It recognises the multiple factors that impact upon business performance, proposing new and incisive interventions in each to achieve our ambition.

Particular interventions proposed include comprehensive, sustained and coherent City Region-based development and delivery of:

- Competitive procurement programme
- Business leadership mentoring
- Premises for new and growth businesses
- Extended business start and growth mentoring
- Export plan and exporters network
- Finance Hub and growth funds
- Inward Investment
- Schools Enterprise

Addressing the core issues impacting upon our business density and female entrepreneurship levels is fundamental to achieving the growth potential of the City Region.

All of these initiatives will be developed with business, for business, with and through the City Region's business organisations to create new, dynamic and commercial solutions.

A key concern for the business community in delivering growth is the availability of suitable skills. Businesses are reporting some challenges in securing suitable talent to grow their business, both for entry level positions and for higher, technical roles. There is a large pool of talent for employers to draw upon in the City Region but the particular needs of business identified include:

Entry Level: Basic English/Maths skills; business understanding; attitude

Technical: Volume of high calibre candidates particularly for SMEs

Higher Level: Commercial awareness, graduate retention, career progression opportunities

This approach to enterprise will be integrated into our smart specialisation work in our key growth sectors to realise specific opportunities in each area.

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Enterprise Culture

SCHOOLS AND COLLEGES:
We will ensure enterprise programmes are embedded into schools, colleges and universities and linked into local businesses to provide inspiring enterprise experiences for young people.

BETTER PLACES:
We will create attractive environments for business through investment in public realm and transport infrastructure, schools, parks, events and public safety.

BUSINESS FACILITIES:
We will support development of an extensive portfolio of business premises and facilities to foster business start-up and growth right across the City Region.

COMMERCIALISATION:
We will encourage and enable the increased use of paid professional services to support business growth – demand-driven with a focus on quality.

INSPIRATION:
We will engage with business owners and managers, celebrate their role, and support them to raise their confidence and aspirations to grow their businesses.

More Business

SURVIVAL:
Too many viable firms struggle to survive at and beyond the five year point of the business lifecycle. Our ambitions for a net increase of 20,000 businesses over 25 years will only be achieved by supporting our existing SMEs. Extended support for businesses will be encouraged with finance coaches and mentors plus a commercial triage service.

BUSINESS START:
Business Start Programmes will be developed to meet the differing needs, challenges and opportunities of our diverse community, stimulating increased levels of sustainable business starts.

HIGH GROWTH STARTS:
More intensive and bespoke sales, finance and product development support will be provided to new businesses with high growth potential.

PROCUREMENT:
We will secure a significant increase in local business opportunities arising from public and private sector procurement through targeted interventions with both buyers and suppliers.

INWARD INVESTMENT:
A single coherent and suitably resourced Inward Investment Strategy will be developed to attract new investment by focussing on our distinctive and internationally competitive specialisms.

Growing Business

NEW MARKETS:
Support will be developed for businesses to access new markets to grow the value of exports and number of exporting businesses. We will establish a City Region Export Plan with UKTI and a City Region-wide Export Network to enable increased peer-to-peer support for established and early stage exporters and make increased use of investments in our ports and infrastructure.

FINANCE FOR BUSINESS:
Ensuring suitable forms of business finance are available for all aspects of business formation and growth to complement private sector provision. This will involve building on the strength of providers such as Merseyside Special Investment Fund and ensuring new entrants, such as the Northern Powerhouse Investment Fund, meet our requirements. We will develop funds where gaps exist and which stimulate growth particularly in smaller firms. The pipeline of businesses suitable for investment will be stimulated through provision of access to finance and investment readiness support.

PRODUCT AND SERVICE DEVELOPMENT:
Extensive support will be provided for businesses to invest in applied research, development and innovation that can be commercialised to improve the competitiveness of their products and services.

SUPPLY CHAINS:
Support will be provided for local businesses to identify and exploit supply chain opportunities in both the public and private sector, assisting them with tender and procurement processes.

LOCAL GROWTH HUB:
We will further develop our City Region Growth Hub to help businesses find the best support from the myriad of services and providers available. The Local Growth Hub will work closely with all local business organisations to engage with and support our diverse business community through a coherent and comprehensive brokerage service – helping businesses to become better informed consumers.

Workforce Development

INSPIRING LEADERS:
We will support interventions that develop leadership and management skills amongst business owners and their senior management. We will particularly promote and encourage the development of peer-to-peer networks and mentoring.

FINANCE TRAINING:
We will support businesses in embedding good financial management and understanding, particularly start-ups and young SMEs.

SALES TRAINING:
Extensive programmes of commercial sales training for businesses will be established to ensure they can realise their potential in national and international markets.

TENDER TRAINING:
Programmes to develop business skills and capacity in responding to tenders and developing partnering approaches with other suppliers will be supported.

SYSTEMS TRAINING:
We will encourage businesses to ensure business processes and efficiencies are improved through training in quality assurance and business processes including benchmarking.

Growth Sectors

Liverpool City Region has a wealth of intelligence, expertise, capacity, capability and opportunity in its core business sectors that will be the catalyst to provide a powerful engine for increased productivity and the sustained growth of our economy over the coming decades.

We have exceptional, world-leading assets and capabilities in businesses and universities in these sectors that offer the potential for regional, national and international competitive advantage for indigenous and investing businesses.

Our ambition is for each sector to become a beacon of excellence, productivity and accelerated growth through smart specialisation.

Whilst they currently make a significant contribution to the City Region economy, their potential, both individually and collectively, is not as yet fully realised.

Our ambition is for each sector to become a beacon of excellence, productivity and accelerated growth, through investment in facilities, infrastructure, networks, people and innovation, creating more and higher skilled jobs and more growth businesses throughout our economy.

Achieving this ambition requires multiple strategic interventions in each sector, with hard-edged, evidence-based technical and commercial appraisal in order to demonstrate the deliverability and the economic impact of each.

There are considerable synergies between our sectors and we recognise that some of our most potent and distinctive opportunities are in the overlap between them.

These sector strengths significantly align and complement those of the Northern Powerhouse and highlight the potential for growth through wider, cross-boundary collaboration.

Our approach embodies innovation and recognises the emerging technological and market trends and disruptive technologies which will impact on our economic landscape in the future.

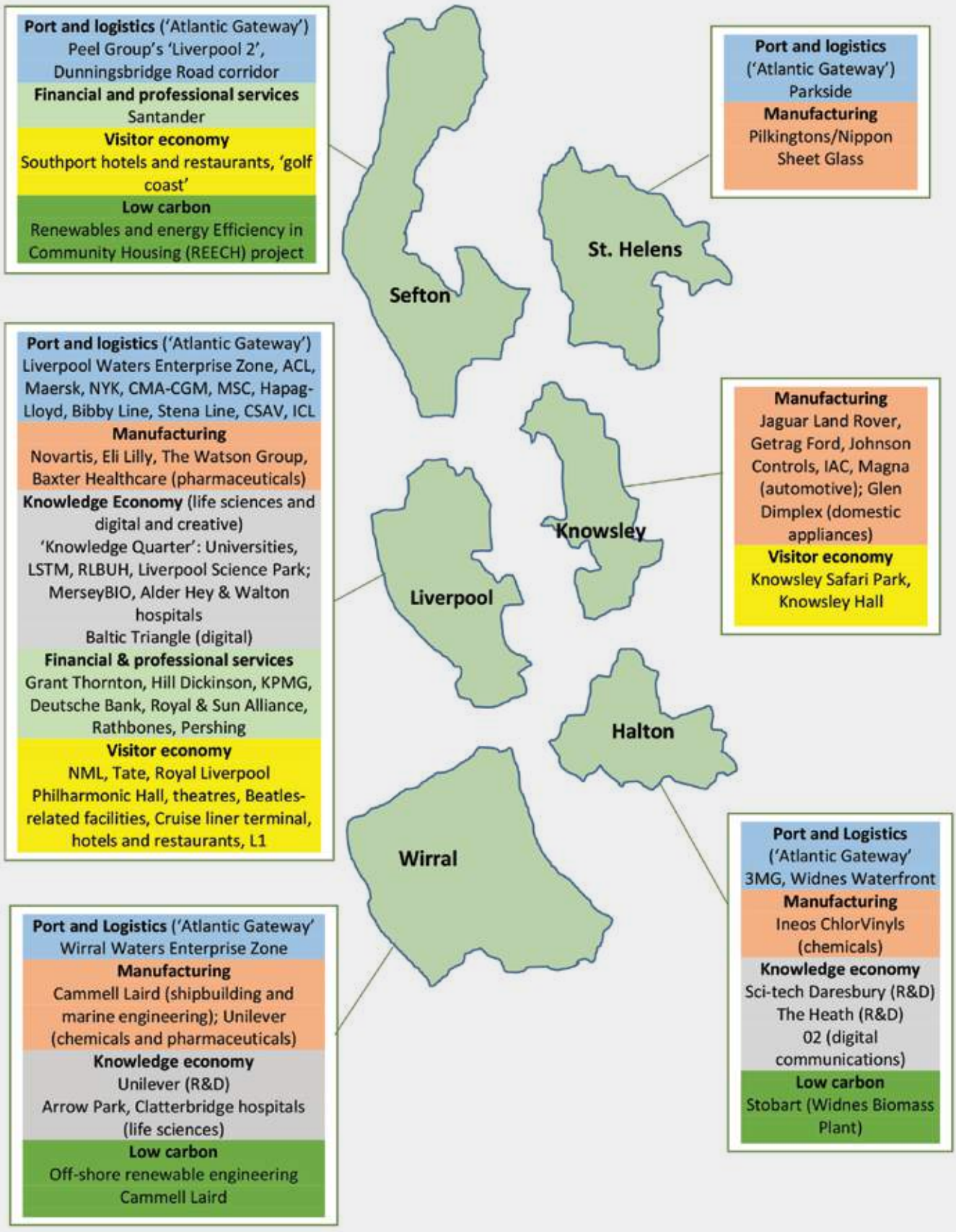
A particular opportunity is in the application of digitisation, big data analytics, cognitive computing and high performance computing, where our City Region has some of Europe's leading capability.

Sector-based interventions will focus particularly on those activities that accelerate growth, apply innovation commercially and deliver increased productivity.

Identification of these interventions is already taking place, driven by the private sector and enabled by the public sector and education in powerful and effective partnerships.

Further foresighting and capacity building work will be undertaken to develop and prioritise these interventions.

LIVERPOOL CITY REGION'S KEY SECTORS, FIRMS AND ANCHOR INSTITUTIONS



Source: The State of the Liverpool City Region Report

Advanced Manufacturing

STRATEGIC VISION:

To become a global hotspot for digital manufacturing with the smartest networks, talent, technology and investment in automotive, Fast Moving Consumer Goods (FMCG), chemicals and rail manufacture.

Over 3,000 businesses employing approximately 47,200 individuals.

Productivity stands at £47,000 per head – 7% higher than the UK sector average and is driven by success in both the automotive and pharmaceutical industries.

£3.3bn per annum is contributed to the economy from a sector which provides approximately 7% of all employment opportunities in the region.

CHEMICALS PHARMACEUTICALS AND FMCG

ASSETS

Unilever R&D and Manufacturing facility at Port Sunlight - £200m of investments including a £24m Advanced Manufacturing facility.

Materials Innovation Factory – a £64m joint venture between Unilever and the University of Liverpool (UoL), by 2020 the Materials Innovation Factory aims to be the world leader in Computer Aided Materials Science and will include collaboration space for SMEs to jointly develop new products.

Inovyn – the 400 acre Runcorn site is the second largest producer of PVC in the world and supports 133,000 jobs directly or indirectly making it a strategic site of national importance.

University of Liverpool Chemistry Department – 2nd in the UK for world leading research in chemistry (REF 2014) and 1st in the UK for outputs ranked as either world leading or internationally excellent.

Nationally significant pharmaceutical manufacturing base including Astra Zeneca, Sequiris, Eli Lilly, Bristol Myers Squibb and Mast Laboratories.

Recognised centre of excellence in the production of vaccines and specialist paediatric vaccines.

TRENDS

Highly competitive and growing £80billion global Homecare/Personal Care market.

The new Materials Innovation Factory and Advanced Manufacturing Centre presents unique large scale collaborative commercialisation and supply chain development opportunities.

OPPORTUNITIES

Support development of Materials Innovation Factory and high throughput formulations expertise. Market capability of Inovyn and associated supply chain opportunities.

Establish the UK's FMCG equivalent of "Silicon Valley" based on Unilever's presence and investment in R&D and manufacturing in the Liverpool City Region (LCR)and across the North of England, open innovation approach, UoL's Chemistry research excellence, and the attractiveness of end-to-end new molecule to commercialisation capabilities.

Transform the North West Chemical Industry - the UK's largest chemical cluster, and a £10billion sector - by producing high value materials, harnessing the LCR and surrounding area's world class assets in materials chemistry, modelling, and simulation.

Build on the established specialisms in vaccines research, development and manufacture to make the LCR the recognised UK centre of excellence in vaccines manufacturing and the UK centre of pandemic vaccine production.

Continue to support Life Sciences UTC to ensure skills for future expansion and growth.

Building on established strengths and current industrial base encourage investment in fill and finish facilities for vaccine production.

AUTOMOTIVE AND RAIL

ASSETS

Home to Jaguar Land Rover manufacturing the Evoque, Discovery and Discovery Sport. £500m of investment since 2010. Fully let supplier park including globally significant tier 1s like Johnson Controls, Magna and IAC.

Sigmatex Lightweighting Centre of Excellence: located within Sigmatex's global R&D facility and home to the Lightweighting Excellence Programme (LX).

Full manufacture of BAC Mono – high spec, road legal single seater incorporating Formula 1 technology.

LCR adjacent to other significant automotive Original Equipment Manufacturers (OEM) – General Motors, Toyota, Bentley and Leyland Trucks. LCR is part of the UK "automotive corridor" and has proximity to the Port of Liverpool for improved import/export capability.

TRENDS

Harness the potential of the Sigmatex Lightweighting Centre of Excellence in the mass production of light weighting technologies for road vehicles to make the LCR a recognised hub for carbon fibre/composites.

Align knowledge assets like the Hartree, Virtual Engineering Centre and Sensor City with the UK automotive innovation agenda being developed by the Automotive Council with particular focus on autonomous vehicles and connected cars.

Significant emerging rail cluster including Alstom, Faiveley Transport, RS Clare, Unipart Rail and Wentworth House Rail Systems. Plans for a Northern Rail Academy in Widnes.

Increased UK Rail demand: New tube for London 2,500 cars over 10 years. Jubilee and Northern Lines upgrade of rolling stock, Docklands Light Railway (DLR), High Speed Rail 2 (HS2) 160 trains.

OPPORTUNITIES

Utilise the expertise and capability in the LCR (and wider North West) automotive supply chain and skills base attract further investment in Tier 1 and Tier 2 capability.

Develop expertise in autonomous vehicles, connected cars and light weighting leading to more targeted knowledge intensive inward investment proposition working with the Automotive Council and Automotive Investment Organisation.

Ensure sufficient land for supply chain repatriation into the UK. Utilise knowledge assets in virtual engineering, big data analytics and Industry 4.0 to develop knowledge intensive proposition for automotive.

Ensure OEMs and supply chain have sufficient skills provision to support expansion and growth.

Incubating a rail OEM into the City Region which has a 3:1 multiplier in the supply chain is a significant opportunity for growth.

Establishment of Northern Rail Academy within Alstom development providing independent multi user facility for industry.

RESEARCH AND DEVELOPMENT

ASSETS

Hartree Centre - the UKs largest super computer given over entirely to industrial research.

Sensor City - one of only four University Enterprise Zones (UEZ's) in England.

Science and Technology Facilities Council (STFC) Sci-Tech Daresbury - 1200 people on site including 500 scientists. Home to a new £5m rapid prototyping facility for use by manufacturing companies.

Virtual Engineering Centre (VEC) to integrate the 'best in class' virtual engineering techniques to product design and development.

Engineering Technology Research Institute provides expertise in measurement, sensing, materials processing, Advanced Manufacturing and Biomedical.

Manufacturing Technology Centre (MTC@LJMU) a formal node of the national MTC Catapult.

TRENDS

Shortened time to market (reduce innovation cycle/more complex products).

Increased flexibility "individual mass production"/volatile markets/ high productivity.

Only 30% of UK industry has the capability to engage in Industry 4.0.

Need to ensure LCR broadband provision is competitive to support growth.

OPPORTUNITIES

Support the development of scale up technologies (LJMU and Daresbury), position Sensor City as a national Catapult Centre for sensors and develop an Industry 4.0 Research and Development centre.

Work with Government (BIS, UKTI, Innovate UK) to canvass support for LCR 4.0 as the UK test bed for Industry 4.0 technologies and build UK capability.

Develop an LCR cloud based platform for Industry 4.0 to accelerate take up of technologies in local businesses and facilitate secure and affordable data sharing across entire supply chains.

Work with OEMs to facilitate Industry 4.0 Grand Challenges hosted in the Liverpool City Region and involving LCR SMEs to grow and evidence Industry 4.0 capability.

Build on Sensor City and expertise within the Hartree Centre, Virtual Engineering Centre and our two Universities establish a unique Industry 4.0 sensor-systems business eco-system.

Work with schools, colleges and UTCs to develop Industry 4.0 capability in skills provision.

Digital and Creative

STRATEGIC VISION:

To be a world leader in the application of high performance and cognitive computing and sensor technology to revolutionise productivity across all sectors and be the best place in the UK to start, grow and scale up a digital or creative business.

Employs 13,600 people; valued at £985 million GVA in 2015.

Second fastest growing technology start-up cluster in the country.

Projected to contribute £2.4 billion GVA by 2040.

High growth rate of 10.1%, between 2010 and 2015.

HIGH PERFORMANCE COMPUTING AND BIG DATA

ASSETS

STFC Hartree Centre: UK's most powerful industrial R&D Supercomputer.

IBM £200m Watson Cognitive Computing platform.

LJMU 8th for the impact of its Big Data publications; 17% in global top 10%.

Intel Parallel Computing Centre UK's first Power Design and Acceleration Centre involving STFC, IBM, NVidia, Mellanox.

TRENDS

Big Data Analytics, High Performance Computing and Cognitive Computing will revolutionise the way businesses operate.

The development and application of sensors will create opportunities for increased digitisation of business process especially in manufacturing when aligned to big data analytics.

OPPORTUNITIES

Establish the City Region as the leading British city for Sensor Technology.

Lead the UK and Europe in application of the 4th Industrial revolution through LCR 4.0.

Deployment of IBM Watson to realise the Alder Hey Living Hospital concept.

© Ant Clausen

DIGITAL BUSINESS AND INFRASTRUCTURE

ASSETS

Largest health tech. deployment for a single economy in Europe (EU Commission).

Unilever global ICT Centre in Wirral, Shop Direct: UK's 2nd largest online retailer and O2's national digital test bed in St.Helens.

1 of only 3 UK tech. clusters with major Internet of Things (IoT) expertise.

Hibernia high-capacity transatlantic cable system.

AIMES N3 secure data storage.

TRENDS

UK digital sector growing 32% faster than globally.

Digital infrastructure sub optimal in terms of both broadband speed and quality compared with other major city regions.

National and international productivity, performance and competitiveness gap will increase without investment in infrastructure.

Increased need and demand for digital literacy and specialist skills provision.

Lack of dedicated digital sector support.

OPPORTUNITIES

As an enabler and accelerant, the sector can enable the delivery of Innovation Plan ambitions in other sectors.

Digital and Creative sector development.

UK Institute of Technology Initiative.

SME Digital Accelerator and commercialisation vehicle, linked to the Hartree Centre.

Liverpool Internet Exchange pilot.

Ultrafast Broadband provision across the City Region.

Potential for Digital Catapult Centre and Digital UTC.

CREATIVE CLUSTER

ASSETS

Baltic Quarter – unique cluster of creative and digital businesses.

FACT: UK-leading film, video and new media arts organisation and destination for filming.

UNESCO City of Music designation.

Lime Pictures and a wealth of leading edge SMEs.

TRENDS

Intrinsically fragmented nature of much of the sector, particularly in terms of predominance of micro-businesses.

Lack of dedicated financial instruments given greater risk and differing culture and growth trajectory.

OPPORTUNITIES

Development of the Edge Lane Sound Stage and Digital Campus.

Baltic Triangle expansion.

APPLIED RESEARCH AND DEVELOPMENT

ASSETS

Intel Parallel Computing Centre.

1st UK Power Design and Acceleration Centre.

University of Liverpool Virtual Engineering Centre.

UoL 1st in UK for “world leading/internationally excellent” Computer Science.

Microsoft UK “Showcase College” – 1st UK Deployment Next Generation Classroom (City of Liverpool College).

TRENDS

Rapid technological change makes it inherently difficult to identify and maximise opportunities.

Distinctive/niche areas of potential competitive advantage include: Sensor Technologies and the Internet of Things; E-health; Gaming; Film and TV: heritage and reality drama; Music Technology.

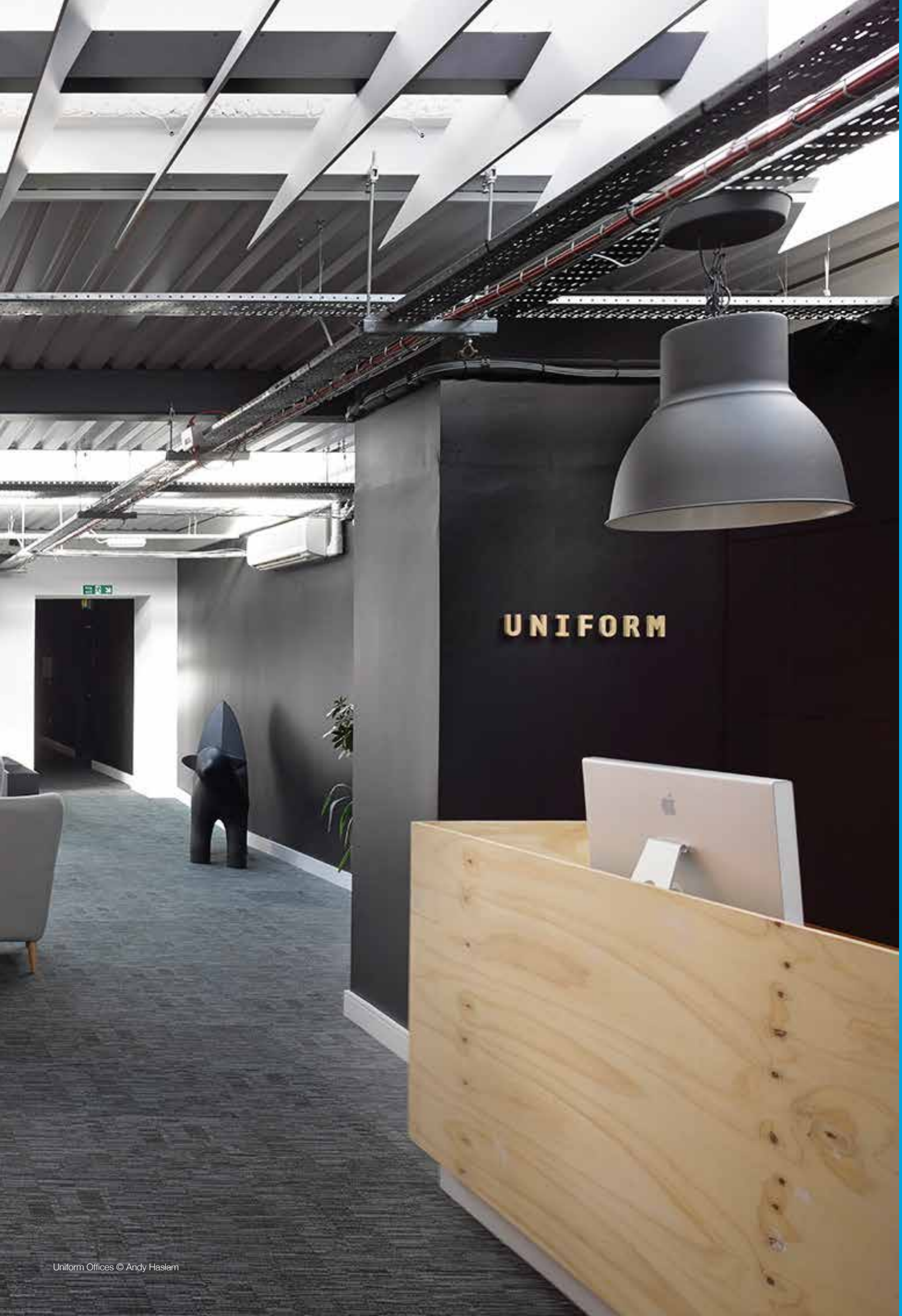
OPPORTUNITIES

Digital and Creative Sector Fore-sighting Study.

Further development of Sensor City UEZ - one of the world’s 1st sensor tech. incubators.

Expansion of the Materials Innovation Factory - global leader in computer-aided materials science and discovery.

LCR 4.0 – industrial Internet of Things for advanced manufacturing LCR Urban Living and Growth Simulation “Virtual Liverpool”.



Uniform Offices © Andy Haslam

Financial and Professional Services

STRATEGIC VISION:

To be a *European Centre of Excellence* for Financial and Professional services with international strengths in private clients, maritime and business services attracting new investment whilst actively supporting the development and growth needs and opportunities of local business.

Employs 45,000 people – 6.7% of the total the City Region workforce compared to 8.4% nationally.

Sector output is projected to double by 2040.

Third largest wealth management industry in the UK.

Recognised as a UK Financial Centre of Excellence.

FINANCIAL AND PROFESSIONAL SERVICES

ASSETS

Third largest wealth management industry in the UK.

Recognised as a Financial Centre of Excellence by UK Government.

National expertise and capacity in private client, maritime and business services.

Cluster of Tier One Companies.

Higher education research strengths in the sector.

Access to a large graduate labour pool.

Active Professional Services sector organisation.

Strong connections with the City of London.

Competitive cost base compared to other UK Financial and Professional centres – particularly London.

Strong base of competitive and high growth business services companies.

TRENDS

Shortage of large volume of Grade A City Centre offices for large expansions and inward investment creating a vibrant environment for the sector and attracting greater critical mass.

Dominance of London and the competitiveness and active positioning of other UK city regions for investment in this sector.

Regional size and strength of sector in Manchester attracting businesses and talent.

The sector has an increasingly key role to play and common interest in helping business to grow – supporting SMEs and creating frameworks for cooperation and collaboration in finance, advice etc. Sector can work with developers, public sector, land owners, economic development and investment agency to develop solutions and deliver a joined up approach to development of new facilities.

Insufficient graduate jobs available in certain parts of the sector to meet the supply of graduates.

Need to maintain the quality of talent pipeline to sustain the growth of the sector and ensure young people have enough information on the opportunities in the sector locally.

Need for greater clarity on the skills and work readiness needs of professional business.

Outsourcing and on-shoring trends for business services.

OPPORTUNITIES

Establish an outward facing professional services community with a clear view of capabilities, potential and unique selling propositions.

Substantial, sustained, coherent promotion of the expertise, capacity and attractiveness for investment in the City Region, particularly around private client wealth, maritime and business services.

Liverpool to become a competitive and attractive natural alternative and complement to London operations of Financial and Professional Services businesses.

Secure a pipeline of new Grade A offices in the city centre and beyond including Enterprise Zones to provide choice and opportunity for investing occupiers and a greater critical mass of professional services operations.

Develop effective “Town and Gown” relationship between Colleges, Universities and businesses to create opportunities to develop and retain talent in the City Region.

Establish a programme of work with schools and Colleges to better link them and students with the professional services sector.

Management skills development and training with support from City Region’s Universities and Colleges.

Financial and Professional Services sector to increase its engagement with SMEs to support firms to innovate, export and respond to new challenges – stimulating and accelerating business formation, survival and growth rates.

Establish the City Region as the leading UK centre for business services, through outsourcing, in-sourcing and near-shoring of business functions delivering high levels of talent and quality of accommodation in a highly competitive cost environment.

Support the development of skills to support growth in the business services sector.

Enable the sector to effectively implement digitisation to ensure it remains competitive nationally and internationally.

Health and Life Sciences

STRATEGIC VISION:

To be home to world leading centres of excellence for precision medicine, infectious disease, children's health, healthy and independent living and eHealth, attracting research funding, talent, investment and business to commercialise this excellence.

£4.1bn per annum contributed to the economy from the healthcare cluster which provides jobs for 20% of the City Region workforce.

Approximately 150 companies in the Life Sciences/Biopharmaceutical cluster, providing 6,000-10,000 jobs and contributing over £400 million to the City Region economy.

PRECISION MEDICINE AND CHILDREN'S HEALTH

ASSETS

World-leading facilities at the University of Liverpool (UoL) to tailor treatment to individuals.

Liverpool Bio-Innovation Hub (LBIH) – new incubator to support SMEs working in precision medicine.

NHS (Liverpool Health Partners, North West Coast (NWC) Genomic Medicine Centre, Regional Genetics Service).

Sci-Tech Daresbury – Science and Technology Facilities Council (STFC) Hartree Centre, University Enterprise Zone – Sensor City, diverse industry partners.

Redeveloped Alder Hey Hospital and Innovation Hub, including the NIHR National Research Lead, Research and Education Centre.

Diverse industry partners.

TRENDS

Increasing global demand for healthcare products – 4.3% global spend increase per annum to 2019.

OPPORTUNITIES

Establishment of National Institute for Health Research (NIHR) Biomedical Research Centre – coordinated resources for precision medicine activities including LBIH incubator (UoL).

Support the commercialisation of new diagnostics/precision medicine technologies by local companies.

Further development of Alder Hey Hospital – research, innovation and education space.

Support further site development – Royal Liverpool, Edge Lane and Clatterbridge.

INFECTIOUS DISEASES

ASSETS

Liverpool School of Tropical Medicine and University of Liverpool – significant infectious diseases research expertise and facilities.

NHS Royal Liverpool and Broadgreen University Hospitals NHS Trust – new SME Accelerator incubator focusing on infectious diseases.

Life science companies focusing on infectious diseases.

TRENDS

Commercialisation of technical/ academic expertise.

OPPORTUNITIES

Establishment of Centre of Excellence for Infectious Disease Research – to consolidate infectious disease activities and antimicrobial research.

Development of Accelerator incubator (LSTM/Royal Liverpool NHS).

Develop new infectious diseases facilities contiguous with Accelerator building.

HEALTHY AND INDEPENDENT LIVING, AND EHEALTH

ASSETS

Clinical Commissioning Groups (CCGs), Local Authorities, Universities and other organisations including housing trusts undertaking initiatives to support healthy and independent living underpinned by digital/sensor technology.

Potential of University Enterprise Zone – Sensor City.

eHealth cluster – technology and care organisations/SMEs that can develop and implement new technologies for independent living.

Big data linkages – a number of significant digital health programmes.

TRENDS

Potential to link health to energy (fuel poverty) through initiatives including innovative digital schemes.

Increasing demands on health and care services due to an ageing population driving innovation.

OPPORTUNITIES

Develop a Digital Catapult.

Implement/align Big Data predictive analytic programme across Liverpool City Region health, care and related data.

Accelerate the evaluation of technologies via regional test beds.

Scope the healthy and independent living subsector more accurately to define areas of activity across “community and self-care”, and eHealth activities.

LCR NHS private patient initiative - explore unified promotion/ coordination of NHS private health care provision across region.

Develop a LCR Living Lab (networked with international activities) to support the development of healthcare innovations.

BUSINESS BASE

ASSETS

Speke bio-corridor.

Significant cluster of biopharmaceutical companies.

Baltic Quarter.

Incubators.

Science Parks.

TRENDS

Potential to increase high value R&D and manufacturing activities in the City Region.

Northern Powerhouse – collaborative working across the North of England through Northern Health Science Alliance (NHSA) and Academic Health Science Networks (AHSN).

OPPORTUNITIES

Accelerate SME growth through innovation with Universities and NHS assets.

Promote sector "ecosystems" and focused business development to increase collaborative R&D, fill incubators and increase investment.

Development of small scale manufacturing unit (food to pharma for rare genetic conditions).

Skills – work with employment to address demands of changing skills mix, improve careers advice, mentorship system and the communication of opportunities.

Minimise Health and Life Sciences job/skills shortages through skills development and innovation.

Implement LCR 4.0 for biopharmaceuticals, diagnostics and pharmacists.

Establish a Health and Life Sciences Investment Fund (inc eHealth).

Promote LCR as exciting location to start health and life science businesses.

Low Carbon Energy

STRATEGIC VISION:

To be the largest marine energy hub in Europe, generating local, competitive and resilient energy to support the growth of our economy.

Employs 34,800 in 1,400 companies contributing £1.9 billion GVA to the City Region economy.

£4.3 billion of private sector investment in the City Region over last five years.

Liverpool City Region is world leading in offshore wind, hydrogen and biomass technologies and largest marine energy hub in Western Europe.

MARINE ENERGY HUB

ASSETS

Liverpool Bay has the second largest concentration of offshore wind turbines in the world.

Liverpool City Region's coastal location – The River Mersey has the capacity to produce large amounts of tidal energy.

Centre for Offshore Renewable Engineering (CORE) – strong asset base and future capacity for innovation in the City Region.

TRENDS

DONG Energy is committed to invest a further £3.3bn in the Irish Sea before 2020.

Burbo Bank is the first deployment in the world of next generation turbines. New technology, operating and logistics systems are being developed here that are exportable around the world.

OPPORTUNITIES

Establish the largest Marine Energy Hub in Western Europe.

Establish marine energy research and supply chain infrastructure including the development of marine energy load out and assembly areas including the Mersey Waters Enterprise Zone (Wirral Waters).

Detailed feasibility, options and financial analysis of a Mersey tidal power scheme to capture tidal energy and its subsequent implementation.

LOW CARBON ENERGY BUSINESS

ASSETS

Strong supply chain from existing sectors enabling transition of existing products and services to serve the emerging markets.

Significant Low Carbon and Energy business capabilities.

Multi-nationals such as ABB, DONG Energy, Iberdrola and Clarke Energy located in the City Region.

TRENDS

Transition to a new technology landscape creates opportunities for tech start-ups and disruptive technologies.

Step change in turbine technology requires new manufacturing, assembly, delivery, deployment and maintenance systems and equipment.

OPPORTUNITIES

Skills – work with employers to address demands of changing skills mix, improve careers advice, mentorship system and the communication of opportunities.

LOW CARBON ENERGY INFRASTRUCTURE

ASSETS

The Port of Liverpool is already one of the largest entry points in the UK for biomass.

Liverpool City Region has had the UK's largest social housing retrofit programme for energy efficiency.

Liverpool City Region is one of Europe's leading locations for waste to energy transformation products.

TRENDS

Significant private sector investment in facilities to receive, treat and convert various waste streams into energy products.

The largest volume of chlor-alkali hydrogen in Europe produced in the City Region which can be used as vehicle fuel or as a natural gas replacement.

OPPORTUNITIES

Establish a Public Utility Company to stimulate and facilitate investment in whole-area energy systems including district heat networks, solar farms and conversion of the gas grid from methane to hydrogen.

Targeted funding for fuel-poor homes to lift standards and help eradicate fuel poverty.

Investment in key infrastructure: Mersey tidal energy, hydrogen gas grid and near zero energy standard buildings.

Develop Integrated infrastructure team.

RESEARCH AND INNOVATION

ASSETS

Number of research and innovation centre/facilities across the City Region focusing on Low Carbon and Energy.

Internationally recognised centres of research including the Stephenson Institute for Renewable Energy focused on solar and energy storage and the National Oceanography Centre focused on climate change impacts and marine energy.
The Office for Nuclear Regulation focused on civil nuclear safety and regulation.

TRENDS

Opportunity to ensure early adoption of new technologies and methodologies.

Requirement to significantly reduce and, by 2050, remove completely carbon emissions from power production.

OPPORTUNITIES

Develop smart technologies in generation, transmission and consumption systems.

Establish indigenous energy production.

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Maritime and Logistics

STRATEGIC VISION:

To be the Global Logistics Hub for Northern UK and Ireland, and a globally significant Maritime Knowledge Hub, with a thriving cluster of industries and services involved in international trade.

Contributes £0.7billion GVA to the City Region.

Employs over 19,400 people.

Sector GVA is projected to increase by 50% by 2040.

GLOBAL CONNECTIVITY

ASSETS

Largest Atlantic-facing Port on the UK's West Coast handling 40+million tonnes of cargo per annum including petro chemicals, agribulks, metals, edible oils, roll on roll off and container trade serving global markets with direct and transhipment services.

Liverpool2 – new post panamax deep water container terminal configured to handle 95% of the world's container fleet, providing the North's global container gateway built upon its traditional strength in UK/North American container trade.

TRENDS

Transformational investment in Port infrastructure at Liverpool2 will create the opportunity to handle the world's largest container vessels in order to meet the demand of industry in the North to have containers delivered closer to the market and rebalance container logistics in the UK.

Widening the Panama Canal opening up trade routes to larger vessels.

New lucrative markets emerging in developing economies.

Global gateway for the Northern Powerhouse and Irish Sea Market Cruise Liner expansion raises global profile of Liverpool as a Port City.

OPPORTUNITIES

Expansion of the port including in-river infrastructure and land availability, enhanced facilities and improved infrastructure to increase capacity aligned to ports Master Plan to drive critical mass and create a substantial global logistics hub.

Develop new and existing transatlantic, Middle East and Far East markets and exploit Liverpool's position as a feeder port for the Irish Sea and Northern Europe.

Expansion of Liverpool John Lennon Airport with a greater range of destinations improving the global connectivity of the City Region, and enhanced surface access through improved road and rail connections as referred to in the airport Masterplan.

Development of facilities at LJLA to enable growth in non-passenger related activities such as cargo, aircraft maintenance, and logistics infrastructure.

Development of Liverpool's Cruise Liner Terminal to create a world class facility for a world class destination.

LOGISTICS SITES AND INFRASTRUCTURE

ASSETS

Key multimodal and other logistics sites effectively linked to transport infrastructure with expansion and development opportunities.

Excellent logistics infrastructure including Liverpool John Lennon Airport, Manchester Ship Canal, Manchester Airport, Mersey Gateway Bridge, motorway and rail networks.

Proximity to extended conurbation with logistics facilities and additional connectivity eg, Manchester Airport.

Central UK location with large business, warehouse and population catchment.

TRENDS

Opportunity to deliver more efficient logistics for Northern businesses enabling them to grow, improve productivity and close the UK productivity gap.

Need for improved road and rail infrastructure, connectivity and capacity to key assets including port, airport and multimodal sites to enable their growth.

400-500ha of high quality sites with large footprints required over next 25 years to meet projected demand.

Ability to move inputs for biomass/ waste to energy facilities.

Offshore Renewable Energy investment, and developments in Irish Sea and Mersey.

OPPORTUNITIES

Development of a large portfolio (estimated at 400-500ha over 25 years) of logistics sites, multimodal facilities and buildings to fulfil demand generated from increased port based freight, retail and manufacturing logistics close to ports, airports and near major road and rail infrastructure.

Delivery of all capacity and capability improvements under development including HS2, Northern Powerhouse Rail, transpennine electrification and Road Investment Strategy schemes, and implementation of the TfN and LCR Freight Study recommendations to provide capacity on the regional transport network to support expansion of the freight and logistics sector.

© Liverpool John Lennon Airport

SUPPLY CHAIN

ASSETS

Sizeable array of national brand retailers that have major distribution centres in the City Region.

Large manufacturing and supply chain base with significant global logistics requirements.

Availability of a large existing skilled workforce with a competitive cost base.

TRENDS

High costs and carbon footprint of road based freight transport compared to sea/rail creates opportunity for carbon rebalancing through greater use of Port/Multimodal sites.

Retailers and manufacturers are increasingly seeking port and population centric locations for greater logistics efficiency, reducing freight costs and duplication in the handling of goods and reducing the time goods take to reach the customer.

OPPORTUNITIES

Ensure the City Region meets the skills requirements of the Freight and Logistics sector over the next 25 years by integrating employers into the process and particularly more encouragement/ collaboration between employers and education providers to address emerging trends.

Develop sustainable supply chains involved in manufacture and freight to develop synergies and critical mass, stimulating exports and port centric manufacturing.

MARITIME KNOWLEDGE HUB AND CLUSTER

ASSETS

Leading Maritime and Oceanography institutions and knowledge base.

The largest cluster of marine and maritime businesses outside London with effective cluster organisation and professional services sector built on existing and historic maritime strengths.

More shipping lines with offices in Liverpool than anywhere in UK outside London.

Superport: an integrated cluster of logistics assets and expertise.

TRENDS

Growing sector nationally and internationally.

Shipbuilding, ship repair and associated engineering market opportunities.

Cammell Laird is resurgent shipbuilder eg The Sir David Attenbrough Artic and Ocean Survey Ship with the largest marine fabrication and engineering facility and dry dock on UK's West Coast.

OPPORTUNITIES

Leverage the potential of the Maritime Knowledge Hub, building on the university/industry partnership including establishment of the Maritime and Manufacturing Technology Catapult within it, ultimately moving to the Wirral Waters Enterprise Zone.

Build upon the global profile of the City Region's Maritime and Logistics value proposition and generate leads, enquiries and inward investment.

Further development of the Superport partnership structure and approach.

Expansion of marine engineering and shipbuilding capacity to meet increased demand.

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Visitor Economy

STRATEGIC VISION:

To continue to establish the Liverpool City Region as an internationally renowned thriving and vibrant destination for business and leisure visitors, with global connectivity, enhancing the attractiveness of the area as a place to study, live, work and invest.

The sector employs 62,700 and contributes £1.3 billion in GVA to the economy.

The sector contributes 5% of the City Region's economic output equivalent to the national average.

Liverpool City Region attracts over 59 million visitors per annum.

10,000 jobs created in the sector in the last 10 years.

VISITOR ECONOMY

ASSETS

Global profile anchored by international brands such as the Beatles and Liverpool FC.

Enhanced tourism offer the City Region including Wirral Waters, the rejuvenation of Southport, Prescot and St Helens.

Enhanced accommodation, leisure and retail offer including £1bn investment in Liverpool ONE.

Iconic Waterfront, seaside resorts, countryside, world-class heritage and vibrant cultural offer.

Arena and Convention Centre plus the new Exhibition Centre and mid-range conference facilities.

City Region connectivity assets and ports of entry – Liverpool John Lennon Airport, Rail and Ferry services.

Cruise Liner facilities.

TRENDS

Substantial Growth in sector over last 10 years.

New LCR Visitor Economy Investment Strategy responding to reductions in available public funding for the sector and the associated reductions in economic output.

Increasingly competitive Visitor Economy marketplace compounded by seasonality issues and the need to increase mid week occupancy.

Global profile of increasing importance in attracting investment and visitors.

Growing cruise liner market.

Better visitor dispersal initiatives required maximising yield, length of stay and visitor spread across the LCR.

Need to improve the sector's productivity, increase efficiency and competitiveness.

Employment and skills shortages including pay, retention and perceptual challenges.

OPPORTUNITIES

Development of key assets, amenities and attractors including Cruise Liner Terminal, Mersey Waters, World Golf Resort, 5* Hotels and further waterfront/coastal resort development.

Implement LCR Visitor Economy Investment Strategy to create sustainable funding solutions for destination marketing, events, product development and destination management. Also to align priority projects with grant and commercial funding opportunities.

Develop the distinctive features of the Liverpool City Region as the basis for delivering competitive advantage when compared to other rival destinations.

Continue to capitalise and build on Liverpool's positioning as an international destination for culture and heritage following 2008.

Develop greater insight into the characteristics and behaviours of emerging markets especially overseas holiday tourists; domestic holiday tourists and business tourists.

Development of midweek/business visitor market through conference market development activity aimed at making the City Region significantly more competitive in attracting national/ international corporate and associations conference markets International Festival for Business events in 2018 and 2020.

Recognise the importance of the City Region's primary assets and brands to create themes and experiences that will secure a greater share of international/domestic leisure and business tourism markets.

Skills – work with employers and skills providers to address demands of changing skills mix, sector profile, quality of welcome, improve careers advice, mentorship system and the communication of opportunities.

Support businesses in the Visitor Economy, identify the next generation of growth businesses for the sector and provide them with bespoke support.

Focused transport investment to support route development and better rail and air connectivity with other core cities and key overseas markets.

Enhancing transport connectivity through integrated and accessible ticketing.

4 People

Improving our skills and talent

Improving and increasing the right skills, to the right level, in the right way and developing the existing talent in the City Region will be pivotal for sustainable growth. Ignoring the necessary interventions in the skills agenda will place all plans for growth in this Strategy at high risk of failure.

Over 17,700 apprenticeship starts in 2014/15, equating to more starts per resident in the City Region than nationally.

Over 80,000 undergraduate and postgraduate learners enrolled in City Region Higher Education institutions.

The key to improvements in skills design, management and delivery will be the production and adoption of a coherent and business-led skills strategy for the City Region.

The skills strategy will be bold and will reference international exemplars and innovation to ensure that not only will the right talent be developed in the City Region, but that we will also attract talent from across the world. The skills strategy will ensure that the City Region is able to deliver outstanding skills to both underpin growth in the priority sectors and to fulfill replacement demand.

© Jaguar Land Rover

In terms of current context, there is a specific issue with the reduction of 16 and 17-year-olds in the coming years: projections suggest that there will be an 11% reduction between 2015 and 2020 and this will have an impact on businesses and learning provision.

Attainment gap between LCR and nationally for GCSEs and A-levels has **narrowed** over recent years.

The City Region has a longstanding and extensive skills gap which widens at higher level skills. The gap is exacerbated with age, with older people much less likely to have qualifications than young people. Recent estimates suggest that by closing the NVQ Level 3 skills gap alone, the City Region could increase its annual GVA by up to £6.4 billion.

There is an attainment gap between the City Region and nationally for performance at GCSE and A-level, although this is narrowing. Young people are more likely to go to college at age 16 than nationally and less likely to go to University at age 18. There have been a number of changes to enrolment patterns in recent years, with engineering, retail, science and health and care seeing significant increases. These correlate well with the City Region's growth sectors.

Apprentices are valued by employers in the City Region and they continue to invest in their development.

The number of apprenticeship starts are in line with national trends, with more apprenticeship starts per resident than nationally. The proportion of advanced or higher level apprenticeships has also been increasing, although this is still lower than would be expected. There are also a large number of businesses involved in offering apprenticeships.

Employment rates in the City Region have been generally positive in recent years with the current rate standing at 65.1%. However, there remains a gap with national employment rates of some 7% and there is a need to address specific issues. In particular, health-related unemployment currently accounts for 70% of all benefit claims and an increasing proportion of unemployed residents (almost three-quarters) have been out of work for more than a year.

In addition, there are concerns about the quality of the jobs on offer, with an increasing proportion of vacancies being for part-time and flexible roles, as elsewhere.

Graduate retention in LCR
4th highest
of core cities.

City Region universities have a strong global presence with an increasing range of specialisms in growth sector-related fields.

In the 2014/15 academic year, there were more than 80,000 undergraduate and postgraduate learners enrolled across these institutions.

They continue to attract significant numbers of students from across the globe. In terms of graduate retention, the City Region performs relatively well with the fourth highest of core cities, and almost half of all students graduating from its universities choosing to live and work here.

Despite these successes, there is still a need to create more graduate level jobs to absorb more of those educated locally as well as to attract graduates from elsewhere: the issue is not about encouraging graduates to stay in the area but having enough graduate level jobs for them to fill.

Vocational skills provision is increasing in the City Region, there is a need for improved labour market responsiveness.

Businesses continue to report a number of areas of mismatch between future demand for skills and their current supply, and articulate their challenges in securing appropriately work ready employees.

This latter challenge in relation to work readiness is focused on generic skills, including team working, literacy and numeracy, attitude, motivation and communication.

Spatially concentrated deprivation makes it difficult for some residents to engage with education and training at appropriate levels and quality.

These challenges, alongside some of the City Region's current skills strengths, will be reviewed with resultant recommendations for measurable action set out in the proposed skills strategy.

Achieving our ambition

The employer-led skills strategy will be developed and adopted by Summer 2017 and be the subject of a process of constant monitoring and improvement thereafter.

OUR AMBITIONS FOR SKILLS

- **Skills Commission to be established by the Combined Authority** to work with business to establish skills needs, provision and opportunities; providing a robust evidence base for increasing devolution of responsibility and budget for skills from Government to the City Region.
- **Definition of clear skills 'pathway partnerships'** which will link businesses and their needs with skills provision from Key Stage 1 to board level, for each of our priority sectors and others as appropriate.
- New ways to bring **public and private sector skills investment together** to improve outcomes and increase return on investment.
- New ways to **improve diversity** and **linked productivity** across the skills and learning agendas.
- New ways to **support employment and business growth** in our priority sectors through **innovative scholarship models** and recruitment processes, including through education and pre-employment.
- The development of **common skills frameworks for** our priority sectors to enable workforce flex and improve overall sustainable employment.

The Combined Authority negotiated a landmark devolution agreement with Government in 2015 around skills, which is seeing the Combined Authority chair the Area Review of Further Education. This shows the ability of the City Region to work with Government, colleges and businesses to ensure that businesses and learners can access the locally relevant skills provision they need.

The devolution of the Adult Education Budget to the Combined Authority from 2018/19 will provide the basis to commission the desired outcomes, informed by business and learner need.

In parallel with the development of the skills strategy, there will be a review of the entire landscape of skills investments to optimise the amount of funding available to support skills development in the City Region.

This broad ranging review will also be informed by the Skills for Growth work and the current skills Area Review and existing and potential proposals for devolution of skills funding to the City Region.

A key plank in this will be improving the quality and relevance of careers education in schools, colleges and universities in order to raise aspirations and hope in young people, providing them with the intrinsic motivation required to realise their potential.

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6

Place

Improving our physical and digital connectivity

Enhancing and making the most of our physical, cultural and digital assets is essential if we are to enable business growth and attract the brightest and best people to Liverpool City Region.

Physical and digital connectivity are essential for economic growth in our increasingly globalised, inter-connected and digital world. The Northern Powerhouse agenda and the recent establishment of Transport for the North (TfN) open up opportunities to rebalance the UK economy, strengthen the northern economies, and enhance our competitiveness through more integrated transport, green energy and digital infrastructures. In order to ensure economic growth and in light of the challenges set by climate change and disruptive technologies we need to harness emerging trends in innovative digital, transport and low carbon technologies.

1.GLOBAL CONNECTIVITY:

Only through greater global connections with other cities will Liverpool City Region capitalise on the full opportunities presented by its growth sectors.

We also need to make our internal transport networks more sustainable, accessible and affordable, if we are to address inequality and make the transition to a Low Carbon Economy.

2.GREEN ENERGY:

By embedding low carbon technologies into our Growth Strategy we are better able to protect and improve our built and natural environments - important in attracting new residents, visitors and investors - and, crucially, to future proof the City Region from the impending impacts of climate.

3.DIGITAL TECHNOLOGY:

By embedding digital technologies into our built environment and transport system we will cultivate the digital skills and businesses required to lead the way into the next, fourth industrial revolution – known as Industry 4.0. This makes Digital, like Low Carbon Energy, an increasingly cross-cutting driver underpinning the entire economy.

Mersey Gateway

New six lane toll crossing over the River Mersey opening Autumn 2017.

© Halton Borough Council

Transport connectivity

The City Region already benefits from excellent transport infrastructure, with a wealth of assets such as the Port of Liverpool, Liverpool John Lennon Airport, Merseyrail, a modernised bus fleet, the West Coast rail mainline, and Manchester-Liverpool Ship canal. The City Region's excellent connectivity is reflected in being part of the EU Core Transport Network.

Our Superport vision builds upon and integrates the strengths of the ports, airports and domestic transport infrastructures. The construction of the £300 million Liverpool2 new deep water container terminal will position Liverpool as the only west coast British port able to handle the next generation of super-container ships for navigating the recently widened Panama Canal. By expanding dramatically the size of vessel able to trade through Liverpool, from 5% to 95% of global ships, Liverpool2 is expected to double and then treble Port of Liverpool capacity in the post-Panamax shipping era.

At present, 90% of Britain's imports enter through Southeast ports despite over 60% of consumers living north of Birmingham. There is great scope to capture this market share through the natural competitive advantages of geography combined with key infrastructural investments. The Superport vision has huge national significance in moving logistics towards its natural centre of gravity, in the north, thereby reducing freight miles nationally, helping decongest the south-east, and rebalance the UK economy.

For the full economic potential of Superport to be unlocked, we need to improve connectivity to the Liverpool2 terminal. Currently, road access is insufficient to carry expected capacity, and key road infrastructure improvements are required. To help alleviate road congestion, we need to move more freight onto rail.

Linking Liverpool to existing plans for HS2 at the Golborne Link will simultaneously free up existing lines for rail freight from Liverpool2, decongest local roads, greatly reduce journey times to London and Manchester, and act as the symbolic beginning of east-west Northern Powerhouse Rail, creating the transport infrastructure for the realisation of an integrated northern economy.

Alongside Liverpool2 and Northern Powerhouse Rail is the Mersey Gateway Bridge project, providing a new six-lane toll crossing between Widnes and Runcorn, on track to open in Autumn 2017. This Strategy aims to exploit the potential of these new infrastructure investments across the City Region – by linking them into wider economic development visions for the Atlantic Gateway and the Northern Powerhouse. This means streamlining transport investment to work in sync with Transport for the North's plans for integrated multi-modal transport and smart ticketing across all northern city-region systems.

Transport supports economic growth in many different ways – connectivity for investment and business needs, but also access to work, education and training for people employed by those businesses. Accessible and affordable transport is good for social inclusion, health and wellbeing – all of which support sustainable economic growth, by improving the 'competitive context' of doing business.

28% of the UK's volume of large warehousing located within a 70 mile radius, greater than any other City Region in the UK.

© Merseytravel

The economic impact of the Liverpool link to HS2 is estimated to be as high as

£12.1 billion

uplift in GVA over a 60 year period for the Liverpool City Region economy alone.

This Strategy supports extending and improving cycling and walking networks to support healthy lifestyles, the transition to a low carbon economy, and environmental enhancements.

The Merseyrail network is one of the most extensive in the UK and use of rail in LCR is considerably greater than in other comparable metropolitan areas. Plans to replace the Merseyrail fleet and extend its coverage opens up wider connectivity options beyond the City Region and builds capacity for growth.

The Merseyrail network and service, alongside our bus services provide sustainable travel to work, education and services. The development of a renewed Bus Strategy, and a step change in the way in which we approach the delivery of buses in Liverpool City Region, promised by devolution and the forthcoming Buses Bill, will enable us to accelerate the pace of improvements to the bus offer, unlock investment and grow patronage.

This Strategy builds upon the objectives set out in A Transport Plan for Growth, and synthesises them into our three strategic pillars:

Productivity
– supporting economic growth in the City Region, through increasing employment, levels of productivity and investment through the better movement of goods and people.

People
– supporting access to opportunity by connecting those who wish to access employment, training, education and further learning opportunities; and supporting accessibility to fresh food, leisure and healthcare.

Place
– supporting place quality by drawing our energy from a range of low carbon energy sources, with vehicles powered by alternatives to fossil fuels, and with increased active travel opportunities.

Green energy

Transport is only one of three fundamental infrastructures for growth. The second is energy. To maximize opportunities and mitigate impacts from the low carbon transition we need to ensure we have local, competitive and resilient energy supplies. By being resilient and more self-sufficient in energy needs, we will dramatically improve our competitiveness.

Liverpool Bay has the **second largest** concentration of offshore wind turbines in the world.

The Port of Liverpool is one of the largest entry points in the UK for biomass.

The River Mersey has the capacity to produce large amounts of tidal energy.

Liverpool City Region already has a rich asset base of green energy production, storage and distribution, particularly in offshore wind power, biomass fuels and hydrogen gas, and is well placed to exploit its natural resources and harness its talent pool to make the transition as painless and as profitable as possible.

We aim to link these resources up with the City Region's transport system and energy consumers to promote environmental sustainability, fuel resilience and self-sufficiency. By fully integrating energy and transport systems into a holistic strategy we will be better able to tackle the challenges of improving air quality, supporting health and well-being, and the transition to a low carbon economy.

To make the most of the huge opportunities presented by green energy resources and specialisms in the City Region, we need to embed low carbon technologies into our transport and housing, and fully integrate energy and transport strategies.

We have already made great strides in this direction, with the UK's largest housing retrofit programme to reduce fuel poverty for housing association residents, and one of the most advanced utilities master-planning systems in the country.

We are now working on master-planning potential systems and investment locations to create area-based systems of Combined Heat and Power District Heat Networks (CHPDHN).

One of the more substantive interventions for energy infrastructure development is our ambition to construct a tidal power scheme in the Mersey to harness one of the highest tidal ranges in Europe. This could provide countless opportunities for environmental and lifestyle improvements as well as a boost to the visitor economy. It will cement Liverpool City Region's position as a world leader in innovative low carbon energy and sustainable urbanism.

© Gareth Jones

Digital connectivity

High speed, reliable digital connectivity is now a necessity for businesses and residents alike.

Relatively recent trends in the way that businesses operate – online trading, increased data usage, internet telephony, video conferencing and the rise of cloud computing – mean that fast internet connections have become essential for businesses. Slow or unreliable connections can have serious impacts on productivity.

Liverpool City Region still faces a number of challenges in digital connectivity. According to recent research by OfCOM, Liverpool City Region is middle ranking against other city regions in terms of broadband availability, speeds and take-up, as well as WiFi provision and mobile internet coverage.

There is a particular lack of standard superfast broadband in Liverpool city centre and a number of business parks. Even standard superfast broadband is not enough to future proof our businesses if we are to compete globally in the future. This Strategy aims to support the provision of ultrafast infrastructure in these locations.

In terms of digital inclusion, according to the latest data from ONS, 16.7% of the Liverpool City Region population over the age of 16 rarely use/or have never used the internet. This is higher than the North West, Core Cities and UK rates of 15.5%, 14.8% and 13.5% respectively. Initiatives such as 'Race Online' and the 'Go ON It's Liverpool' campaign, with similar schemes replicated across the City Region, have greatly improved digital inclusion from a relatively low base, but we are still behind the rest of our competitor city regions.

The benefits associated with getting online could help tackle concentrations of deprivation and social exclusion, major barriers to growth, by enabling people to stay in touch; save time and money; explore interests and learn more; and access local services, information and crucially for growth employment opportunities.

Without equality of access there is scope for individuals to become digitally marginalised and miss out on the benefits offered through digitally-driven economic growth.

Digital technology is also essential for improving our transport systems in underpinning smart ticketing and real-time passenger information.

The potential for digital connectivity to provide part of a sustainable solution within a low carbon economy is also significant.

The **£3.4 million** LCR Broadband Connection Vouchers scheme has funded **1,200 broadband connections for local SMEs.**

OUR AMBITION FOR PHYSICAL AND DIGITAL CONNECTIVITY

TRANSPORT INFRASTRUCTURE:

Make Liverpool City Region the **Global Port and Logistics Hub for the Northern UK and Ireland.**

Link HS2 to Liverpool to create the start of east-west Northern Powerhouse Rail, as part of a smart integrated pan-Northern network.

Develop an **integrated multi-modal transport system** for the City Region which will deliver economic growth whilst reducing carbon.

Build on new legislation like the Buses Bill to pursue partnership working to deliver an efficient, accessible, affordable and green bus network.

GREEN ENERGY:

Ambition to become the **largest marine energy hub in Western Europe** and a world-leading centre for research, education and training in low carbon technologies.

Develop a Hydrogen Gas Grid to provide cheap, low carbon heating for the City Region.

Construct a **tidal power scheme** across the Mersey, to provide green energy generation and a **pedestrian transport link**.

Explore options for a **city-regional** municipal energy company to manage **energy distribution**.

DIGITAL CONNECTIVITY

Provide comprehensive coverage across the City Region of **ultra-fast broadband infrastructure**.

Ensure that digital connectivity forms part of any future strategic planning frameworks to **ensure digital connectivity is built in to new build developments**, both residential and commercial.

Embed enhanced digital connectivity in our public transport network by facilitating **smart ticketing systems** and providing improved real-time information for passengers, as part of the wider Transport for the North strategy for pan-Northern smart ticketing.

Explore the development and use of freely available **public WiFi** networks, in relation to how these might contribute to maintaining and enhancing a vibrant visitor economy.

Place making in our City Region

Our unique history, our cultural and environmental assets and architectural distinctiveness have already made Liverpool City Region a globally renowned destination. Our ambition is to protect and enhance that distinctive quality of place, to improve quality of life for our residents and attract and retain those investors, skilled workers and visitors who will contribute to future economic growth.

Built up around a port city with a rich, cosmopolitan maritime history, bringing together diverse cultures, communities and assets. Liverpool City Region is a unique place.

In 2014 and 2016 we hosted the **International Festival for Business** – the biggest business event in the world.

The City Region has an incredible array of cultural, scientific and natural assets, including internationally-excellent universities and research institutions, cultural and sporting institutions and heritage and visitor attractions. Liverpool has more museums, theaters and galleries, and more listed heritage buildings of architectural quality than anywhere in the UK outside London.

The City Region has a rich and growing cultural scene spanning right across the arts and a vibrant entertainment and nighttime economy.

We have hosted the International Festival for Business in 2014 and 2016 and written into the recent Devolution Agreement is a commitment to secure IFB for Liverpool City Region in 2018 and 2020.

The River Mersey has undergone the **largest clean-up of any river in Europe** over the last 30 years.

We are defined by the River Mersey. A tidal power scheme is just one of many environmental improvements and infrastructural investments we seek to make along the Mersey – to harness its green energy potential, its economic capital and its ecological vitality to create a distinctive quality of place. This Strategy aims to protect and enhance our environmental as well as economic assets.

We aim to capitalise on our unique geography by developing the Mersey Waters Enterprise Zones - including Liverpool and Wirral Waters. There is great potential to align the Enterprise Zone with the City Region's key growth sectors, including Maritime and Logistics and Low Carbon Energy and their supply-chain investment opportunities.

Mersey Waters is a key component of the Atlantic Gateway vision, which aims to maximise the economic potential of the "Mersey Corridor" by bringing forward a range of transformational investment opportunities.

Major investments have already come through the pipeline at Wirral Waters - such as the Maritime Knowledge Hub and a proposal for a Health Campus focused on health education and dementia care. This Strategy aims to support the fuller development of the Mersey Waters Enterprise Zone were challenges of developing ex-industrial land with high remediation costs remain.

Improving quality of place is important in attracting people to live, work and invest in the City Region.

We have architecturally distinctive housing stock yet relatively low house prices, with amongst the **lowest affordability ratio of all UK cities.**

We have great architectural assets, but also an enduring oversupply of poor quality terraced housing and much higher levels of vacancy and housing association management than the national or regional average.

We aim to upgrade our housing offer and regenerate the most deprived areas to provide an appropriate mix of housing to attract and support a skilled labour market. Our housing must be built or retrofitted to meet the significant challenges of fuel poverty and the low carbon transition.

This Strategy aims to build on the City Region's Social Value Charter. It matters how new wealth generated by growth is channelled into SMEs rooted in the local economy - which make up 99.6% of all businesses in the City Region.

Through "whole place" policies, which harness the latent potential of procurement and supply chains, we will work with our anchor institutions - our universities, hospitals, public bodies and large companies - to embed spend in place and encourage further economic growth among local start-ups and SMEs.

OUR AMBITION FOR PLACE MAKING

Our ambition is to enhance Liverpool City Region's distinctive quality of place as a means to attract and retain those investors, entrepreneurs, skilled workers and visitors who will contribute to future economic growth and improve quality of life for all residents.

We will target investment at major employment sites, spaces and places of potential economic opportunity, the regeneration of town centres and disadvantaged communities and environmental improvements.

Opportunities:

- Identify and **maximise new spaces** and places of potential economic opportunity.
- **Capitalise on existing spaces** of economic opportunity, particularly strategic sites and Enterprise Zones.
- Make the **International Festival for Business** a permanent fixture in the City Region's calendar.
- **Upgrade and rebalance** our **housing offer**.
- **Regenerate deprived communities** and promote Health and Wellbeing across the City Region.
- **Adopt a 'whole place' approach** to capture the full benefits of growth through local supply chains and public procurement for maximum social impact.
- **Improve environmental, air and water quality** across the City Region and meet the cleanest river standard by 2030 and commit to a discharge free Mersey by 2040.

Achieving our Ambition for Place

As part of the Devolution Agreement, from May 2017, the Mayoral Combined Authority will exercise powers over a devolved and consolidated local transport budget, including all relevant devolved highways funding.

Greater partnership working under the new Buses Bill will be unlocked with the elected Liverpool City Region Mayor, giving us responsibility for the specification of the bus network and delivery of bus services. The new Mayor will also exercise strategic planning powers to help accelerate economic growth and new housing development throughout the City Region.

The Liverpool City Region Combined Authority and Local Enterprise Partnership will soon have enhanced powers to direct investments through our Single Investment Fund (SIF).

Our ambitions for place-making and physical and digital connectivity will be delivered through the SIF as well as other tools such as land use planning powers and enhanced transport responsibilities to deliver a more joined up approach to development and inward investment.

This Strategy aims to coordinate future strategies relating to housing, planning, transport and public service reform.

7 Summary

This is our bold and ambitious Growth Strategy which aligns our City Region ambitions and creates a single vision and framework to realise our aspirations over the next 25 years.

Our Vision

Liverpool City Region will build on our core strengths and capacity for innovation to create a truly global and competitive City Region at the heart of the Northern Powerhouse.

Our Mission

- To start, attract and develop more businesses.
- To nurture and grow our talent base.
- To enhance and protect our distinctive quality of place.
- To create more sustainable employment and high value jobs.

Our Guiding Principles

- Meaningful Collaboration
- Local knows best
- Form follows function
- Added Value
- Measurable Delivery

Our Pillars

Productivity

Focusing on our sector strengths and related assets to ensure they are maximised to their full potential.

Starting and growing more successful businesses by promoting innovation and entrepreneurial activity.

People

Improve and increase skills, developing existing talent and attracting new talent for sustainable growth.

Place

Improve our transport, energy and digital infrastructures, and protect and enhance our cultural and environmental assets. This will improve quality of life for residents and attract and retain investors, skilled workers and visitors who will contribute to growth.

Outcomes

- Create an additional 100,000 jobs by 2040.
- Increase GVA by over £20bn to £50bn by 2040.
- 20,000 businesses over the next 25 years.
- Average productivity per worker to increase by 56% by 2040 to over £76,000.
- Increase diversity of business ownership.
- Double the number of women owning and running businesses.
- Increase in the number of exporting business and the value of exports.
- Increase in the commercialisation of research and development.
- Resident employment rate of 16-plus population increased to 58% by 2025.
- Population increase by 83,000 to 1.6m by 2040.
- Increase the number of people coming to live in the City Region by 50,000 by 2040.
- Increased demand for public services such as health, education and public transport.
- Increase the demand for housing across the Liverpool City Region and rising house prices in response to that demand.

Delivery

Implementation of this Strategy is our next focus so that we can achieve our ambitions at pace and with scale. Key to implementation is the attraction and focused allocation of investment, with partners across the City Region.

We will use our existing resources:

£264m
Growth Deal funding from Government

£188m
European sources

£900m
Single Investment Fund (SIF) £30m per year for 30 years

The City Region will use this strategy to identify priorities for SIF and to secure further funding for growth.

What next?

Now we have our bold strategy, we will follow with our tangible and measureable Implementation Plan. We will turn our vision into reality by developing targeted programmes of work, with clear lines of deliverability and accountability. We have the assets, the heritage and the talent to deliver our vision to create a truly global and competitive City Region. This Strategy is the first step towards making it happen.

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