

Liverpool City Region Plan for Prosperity: Overview and Key Messages



**LIVERPOOL
CITY REGION**
COMBINED AUTHORITY

METROMAYOR
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Background to the Plan for Prosperity

What it is, what we mean by prosperity, and the wider context

What is the Plan for Prosperity?

- The Plan for Prosperity is an integrated economic and place based strategy that sets out our long-term vision – up to 2035 - for transforming together to deliver a **Fairer, Stronger, Cleaner** Liverpool City Region.
- It sets out our key priorities as to how we will build on our key strengths, address our challenges, and how we intend to position ourselves nationally and globally. In particular, the Plan:
 - **Brings together our different portfolio areas across strategy, policy, and investment in one place.** Informing strategy preparation, investment decisions and project pipeline development, ensuring the City Region continues to invest resources intelligently and impactfully.
 - **Sets out a proposition to how we want to work collaboratively with Government -** through optimising the opportunities afforded by devolution and wider public service reform. This is critical in order to truly shift the dial in building our strengths and addressing the long term social, economic, and environmental challenges facing the City Region.

What do we mean by prosperity?

- Prosperity means different things to different people and organisations.
- We are very clear about what it means to us as it flows straight from our vision for a Fairer, Stronger, Cleaner Liverpool City Region.
- Prosperity in Liverpool City Region is wider than traditional measures of economic growth – it is a blend of improving personal health, wellbeing, wealth and opportunity; creating thriving neighbourhoods and places; successful and productive businesses that create good quality employment; and a healthy and protected natural environment.
- The way to achieve shared prosperity is through a holistic and long-term approach to developing the economy, improving place and promoting individual potential

What is the context for the production of the Plan for Prosperity?

- There has been a change in the Government's approach to economic policymaking.
- Industrial Strategy was the primary focus for national policy, but this has been super-ceded with a shift to a Plan for Growth, together with the overarching focus on levelling-up promoted by the Levelling Up White Paper.
- The Plan for Prosperity responds to this change in policy emphasis. Whilst it remains true to the tenets of our draft Local Industrial Strategy, it reflects the changed socio-economic and policy landscape that has followed the pandemic.

Outline of the Plan for Prosperity



The LCR Economy

Summarising the numbers and key strengths and challenges

Liverpool City Region's Economy In Numbers

LCR is a
£33bn
economy

LCR's productivity is
92%
the national rate

There are
741,000
jobs in LCR

1 in 3

of LCR's neighbourhoods are in the
10% most deprived nationally

78%

of employees work in the private
sector (compared to 84% nationally)

What are the strengths and challenges of the City Region's economy?

- Prior to the pandemic, the City Region had been making important strides: more skilled residents, better connected communities, and strength and diversity in the business base, with particular strengths in manufacturing and health.
- This is complemented by a wealth of research and innovation assets, and a strong base for net zero transition through our natural and technological capabilities
- But there are longstanding changes that remain. Too many communities have remained excluded from economic opportunity for too long, with concentrations of significant deprivation. A combination of health-related economic inactivity and not enough high quality jobs, means productivity has remained too low and too many people and places have fallen behind.
- One in four people of working age have limiting health conditions, and life expectancy is 2.5 years lower than the England average – Covid-19 has further exacerbated the challenges.
- The Plan for Prosperity sets out a plan to deliver the transformational change that addresses the challenges, creating an effective economy that works for all people and places and further improves our national and global prominence.

The Liverpool City Region Proposition: A Place of Pioneers

Key strengths and opportunities which build on our distinctiveness

The Liverpool City Region proposition: 'A Place of Pioneers'

- The Plan for Prosperity focuses on our distinctive proposition as a 'Place of Pioneers', across a number of transformational opportunities building on our key assets and competencies.
- The following opportunities are focused around a deep and holistic innovation offer. This is innovation with purpose that is directed toward solving economy and society's biggest challenges.
- This distinctive character flows throughout the Plan, enabling us to make a major contribution to the UK's ambitions to level up, strengthen its global position, and achieve net zero carbon.

The Liverpool City Region proposition: 'A Place of Pioneers'

1. **Maximising our contribution to UK plc through our world leading innovation assets and global capabilities**
 - Our 'smart specialisms' include high performance computing and AI; Infection; and Materials Chemistry. In addition to this are major strengths and opportunities relating to net zero and maritime – e.g. Mersey Tidal, hydrogen, offshore wind, a global centre for R&D in glass decarbonisation, and sustainable packaging.
 - This provides the foundations for us to lead the way in the competitive advantages identified within our Local Industrial Strategy – such as developing the technologies that support our net zero 2040 or sooner target, industrial digitalisation, and health innovation.
 - Our innovation assets and capabilities, combined with £3bn of planned projects, fuels an ambition to secure R&D investment equivalent to 5% of the economy each year by 2030, nearly double the UK target. This could have transformational effects for our economy and will support levelling up.
 - In net terms, reaching the 5% target could create an additional £19.7bn in cumulative GVA, 44,000 new jobs, and a 10% uplift in productivity.

The Liverpool City Region proposition: 'A Place of Pioneers'

2. Optimising our strengths as a 'Global Cultural Capital'

- We are internationally renowned for our cultural vibrancy, creativity, and visitor economy offer.
- Therefore we are committed to creating a City Region where culture creates prosperity for all – investment in our cultural infrastructure pays economic and social dividends and creates new opportunities for people and places.
- We will continue to build on our wealth of distinctive assets including our high density of museums, theatres, galleries, and heritage buildings; unique musical heritage; leading role in the UK's film and TV industry; world-renowned sporting venues; and national and international prominence as a cultural destination.
- Continuing to innovate in enhancing our cultural offer will remain a key priority.

The Liverpool City Region proposition: 'A Place of Pioneers'

3. A leader in social innovation

- We have a longstanding reputation for social innovation, and our social economy will continue to play a critical role in building community capacity, managing assets, and delivering services.
- The City Region is continuously looking to provide support for social innovators to grow, scale and replicate – Kindred, for example, is a dedicated vehicle providing access to finance and specialist support for socially trading organisations.
- We also continue to be at the cutting edge of innovative and integrated approaches to supporting people and places – through Housing First, Ways to Work, and Households into Work for example.
- We will continue to empower, mobilise, and pilot new approaches which can be mainstreamed and scaled up. And we will work with Government to explore how we can continuously innovate in driving public service reform through social innovation.

Our key strategic priorities

Our pioneering spirit and relentless focus on innovation across all areas of economy and society, together with a granular understanding of our strengths and challenges, informs our main strategic priorities where we know we need to do things differently so that LCR establishes a nationally leading position in the following areas.

Our key strategic priorities...and how we will deliver

1. **An inclusive City Region where levelling up means no one and no place is left behind**
 - Equality and diversity at the heart of everything we do.
 - Community Wealth Building becomes a key principle for economic development policy and practice.
 - Support sustained improvements in health and wellbeing through all policies.
 - Providing high quality business and enterprise support that enables sustainable, good employment, with a focus on clear, accessible, integrated approaches.
 - Develop the City Region as a centre for 'Good Business'.
 - Inclusivity principle running throughout the big issues such as net zero transition and digital transformation – we have to take our communities with us on these journeys.

Our Key Strategic Priorities...and how we will deliver

2. Pioneers of the Green Industrial Revolution

- Develop the City Region's distinctive renewable energy proposition to become a nationally leading cluster with the potential to become the UK's Renewable Energy Coast.
- Maximise the high quality and sustainable employment opportunities created by LCR being at the forefront of the Green Industrial Revolution.
- Embrace the opportunities relating to the transition to electric vehicles, building on the City Region's highly significant and important automotive base
- Create a leading clean, green, and affordable transport network across the City Region, with a focus on active travel.
- Decarbonise the heating of our homes and radically improve their energy efficiency so they are fit for the future.
- Embed the principles of a circular economy to get the most use and value out of material resources.

Our Key Strategic Priorities...and how we will deliver

3. A global, confident, and outward looking City Region

- Extend, engage, and develop the international networks of a truly global City Region, including nurturing deeper economic, civic, and cultural ties with other places
- Utilise a distinctive investment proposition that effectively positions and markets LCR on the global stage: global innovation excellence, key sector value propositions, renewable energy strengths and opportunities, and building on our Global Cultural Capital offer.
- Capitalise on LCR as the pre-eminent western global gateway to the UK economy.
- Accelerate trade opportunities through building a highly focused and integrated approach to exporting.
- Continually enhance enabling infrastructure so that we are able to deliver our global ambitions.
- All of the above will be supported by our Freeport which is of national importance, in particular for further optimisation of UK trade and investment with North American markets and its potential to drive innovation.

Improving our performance across the pillars of the economy

To fully realise our opportunities and deliver on our strategic priorities, we need to set out what we need to do to help to further strengthen our performance against the following core pillars of our economy.

Improving our performance across the pillars of our economy

1. Maximising the impacts of innovation for people, places and businesses

- Integrated approaches to helping higher growth businesses innovate/commercialise, and strengthen the framework of our innovation finance and support ecosystem.
- Promote an ‘innovation first’ culture, through encouraging rapid innovation adoption and diffusion so that all our firms, regardless of their focus, mission or industry, have innovation deeply embedded at the heart of their business.
- Deliver on our innovation project pipeline that reflects our distinctive strengths and leverages the value of our innovation assets, networks, and international reputation.
- Generate opportunities for our innovation ecosystem to deliver locally relevant impact, reflecting our commitment to deliver an inclusive economy.
- Create the right economic infrastructure – commercial, research and laboratory space - to drive innovation-led growth.

Improving our performance across the pillars of our economy

2. Turning people's potential into prosperity

- Improve health equity through systemic collaboration and change, preventative and person centred approaches.
- Determine how we can intervene early to improve education and learning outcomes, and ultimately the life chances of young people.
- Improve the employability of residents to give them the best chance of accessing, sustaining, and progressing in employment – partly through building on, and scaling up local good practice.
- Further increase technical education opportunities for young people and adults, building on our established record of delivery (e.g. our Be More Apprenticeship Portal and Adult Education Budget)
- Develop a balanced skills system that helps employers effectively articulate their current and future skills needs, and equally which is viable for further and higher education providers to deliver
- Improve skills mobility and opportunities for career progression and lifelong learning – business investment and upskilling is key to this.
- Progress future focussed skills development, including targeted programmes that provide the skills needed to transform our economy.

Improving our performance across the pillars of our economy

3. Thriving, sustainable and resilient places

- Ensure everyone has access to environmentally sustainable, quality, affordable homes within thriving and well-designed neighbourhoods.
- Adopt a long-term approach to place-making and regeneration, supported by participatory models of community engagement.
- Revitalise town centres and community hubs so that they are renewed focal points for social infrastructure, communities, entrepreneurs, and businesses.
- Ensure that the City Centre remains the key hub for our knowledge economy, continuing to provide the key interface for exchange of ideas, collaborative relationships, and driving innovation. It's role as an anchor for the visitor economy to continue to be supported and promoted.
- Harness our unique global cultural capital to support economic development, improve the quality of place, be a source of wellbeing.

Improving our performance across the pillars of our economy

4. Integrated infrastructure for a connected City Region

- Future ready our infrastructure with a strategic, overarching approach across transport, energy, digital, and grey infrastructure.
- Prioritise approaches to enhancing our green and blue infrastructure.
- Deliver on a connected City Region with ultrafast gigabit capability through LCR Connect.
- Strengthen and improve public transport services and networks that support modal shift and serve our inclusive economy ambitions – as part of a fully integrated London style system.
- Build on the ‘State of Freight’ programme to support the clean growth of freight and logistics (supported by regulatory flexibilities of the Freeport).
- Ensure businesses have the right physical infrastructure to grow with the right mix of sites, buildings, and facilities that are attractive to the market and facilitate investment.
- Deliver the energy infrastructure to power the ambitions of a net-zero City Region – long-term planning to meet our long-term needs.

Delivering the Plan for Prosperity's priorities

There are a number of guiding principles that will guide everything we do:

- Working with Government to explore and utilise the full potential that devolution can offer.
- Collaboration by default, both locally, with our neighbours, places across the UK and internationally.
- Community empowerment, extending opportunities to devolution to all communities.
- Agility and dynamism, allowing us to take risks and continue to pioneer new approaches.
- Pragmatism, to maximise the return on investment for public money.
- Accountability, driven by a culture of strong governance and continuous improvement.

We will work collectively as one City Region to deliver shared prosperity. By harnessing the power of devolution and empowering our communities, our vision will be achieved together.