

# Liverpool City Region Growth Deal

Our Investment Pipeline for the LGF

& Deal with Government

## The Liverpool City Region Growth Plan – Summary

The Liverpool City Region Growth Plan and Strategic Economic Plan (SEP) provides the strategic framework for interventions to drive new job creation and growth in the City Region. The Growth Plan and SEP articulate the ambitions of the City Region in terms of stimulating job creation as well as providing the rationale for intervention with a particular emphasis placed on enabling private sector investment and growth.

The Liverpool City Region economy is more resilient compared to the past and is well positioned to capitalise on the strengthening UK economy. We are the second best performing sub-national economy amongst our peers based on economic growth between 2011 and 2012 and the best performing over the five years up to 2012. We have also witnessed a net increase of 31,000 private sector jobs in the City Region since the lowest point in the recession cycle.

The Liverpool City Region has a unique mix of assets and market facing opportunities which, if fully exploited, will create jobs, improve productivity and stimulate economic growth. As importantly and from a national perspective it is an under-utilised asset base that has the potential to drive a rebalancing of the economy throughout the Atlantic Gateway corridor and the wider North of England.

Our Growth Plan and SEP will complement our European Structural and Investment Fund (EUSIF) strategy and will work as a catalyst to better enable and support all businesses that want to grow. Our projects will be targeted, and we will prioritise delivery based on maximum impact and value for money as well as by ensuring that our proposals are deliverable.

As a City Region there is a joint commitment amongst partners to align resources in an effective and efficient way and our Combined Authority proposals have now been laid before Parliament. We are also working to establish a single appraisal and approval process for all schemes seeking funding. This process builds on the Assurance Framework required by Department for Transport (DfT) for devolution of Major Scheme Funding and commitments made by the City Region in our City Region Deal 2012 to establish a City Region Investment Framework.

### Our Strategic Approach

Liverpool City Region's Growth Plan takes a twin-track approach. First, where the City Region has genuine comparative strengths and competitive advantages investment will be prioritised and targeted to drive economic growth. Second, and across all aspects of the economy and in all sectors, we will ensure that we create an environment that supports growth and that will see all people and places benefit in a sustainable way. Our Plan is based on a thorough understanding of the current sector composition of the City Region economy and which sectors have the potential to provide the greatest impact in achieving economic growth and job creation. Alongside this, the City Region has recognised that we have some unique assets which provide us, and Government, with areas of genuine strength and unique market facing or asset based opportunity. These are:

- To build on international connectivity and brand-recognition. Our investment will be targeted at establishing a **globally connected City Region**, driving the attainment of the SuperPORT concept and enhancing our internationally recognised visitor economy assets. The Liverpool

City Region will exploit these opportunities to establish itself as a centre for trade and export led growth, as well as a leading location for inward investment.

- To maximise the economic growth opportunity from being a **centre for energy led and low carbon growth**. With the River Mersey and the £18bn investment taking place in off-shore wind energy in the Irish Sea there are few, if any, places in the UK with the Liverpool City Region's energy potential. Our aim is to capitalise on this unique, natural, asset base.
- To build on its status as a **hub for innovation, science and creativity**. The City Region will aim to exploit our science and innovation strengths including the nationally important Daresbury Science & Innovation Campus (SIC), and our major companies and internationally known universities, in addition to the latent talent of people in sectors such as advanced manufacturing and digital technology.

In all of these areas our particular strength is magnified by the combination of our assets with those of adjacent LEPs. Through the Atlantic Gateway initiative, and other areas of joint work with other LEPs, we are seeking to maximise what can be achieved from our Growth Deal approach.

With this Framework in place the City Region has sought to identify what is necessary to drive job creation and enable sustained economic growth. Based on evidence and our market facing opportunity and asset base we have identified five transformational strategic projects:

- **Liverpool City Centre** as a global brand, visitor and business destination, a centre for commercial and business growth and a location for a growing cluster of knowledge assets.
- **The Liverpool City Region Freight and Logistics Hub** that builds on our natural assets and the changing nature of the international and national logistics industry to identify a set of key projects (both in transport and key sites) that directly create new jobs throughout the City Region.
- **LCR<sup>2</sup>Energy** which will facilitate the transition of the City Region's energy supply need to a more low carbon supply by capitalising on off-shore wind energy and marine energy generation with associated supply-chain business growth benefit.
- **Access to the Port of Liverpool** is a medium-term project which is absolutely necessary if the economic opportunity of the City Region is to be obtained. The City Region, with Government, is working to identify the appropriate solution to increase capacity to and from the Port and wish to see the project included within national infrastructure planning.
- **A City Region Capital Investment Fund** to include local funds from Growing Places Fund and European Programme, alongside Government monies, to co-invest in key capital schemes that will deliver new jobs. This includes aspects of the above strategic transformational projects and also our three **Enterprise Zones** (Daresbury SIC, Mersey Waters and the Liverpool City Zone) as well as to attract inward investment in response to end-user demand.

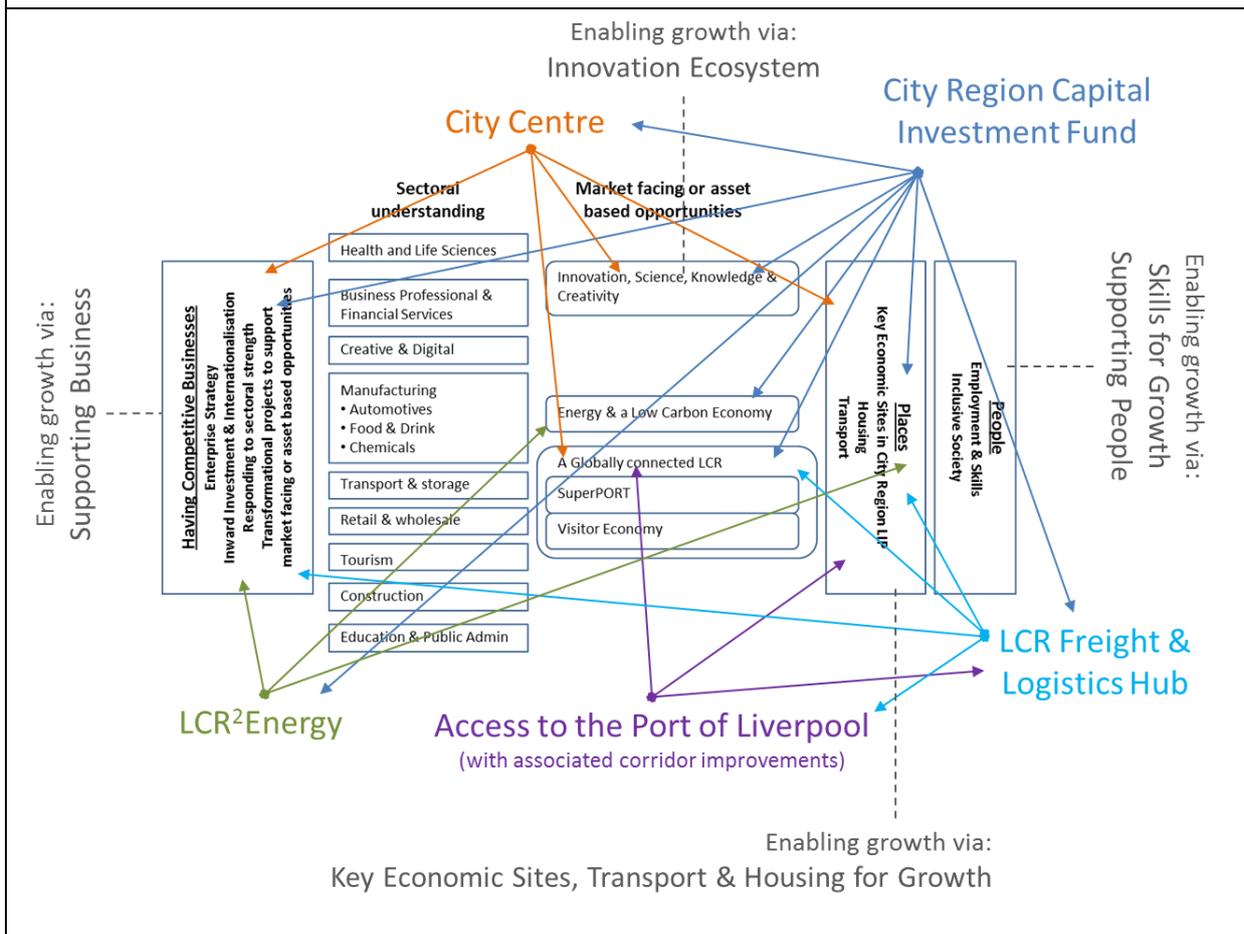
These will be the primary projects, on an appropriately sequenced and costed basis, for which the City Region will seek investment from the Local Growth Fund. They will contribute directly to delivering our long-term Growth Plan.

Alongside these we will ensure that we will enable the sustainability of job growth through enabling activities that:

- **support business**, including a more effective and targeted approach to business support via a shared City Region Business Support Strategy, collaboration in attracting inward investment and ensuring a more entrepreneurial culture evolves;
- ensure we support people via appropriate **skills for growth**, which includes building on our City Region Deal with Government and the City Region’s national reputation as a leader for developing more demand responsive mechanisms of skills delivery;
- provide the right physical **place and environment** in which growth can occur, which in addition to the appropriate sites for business will also include the right transport and housing offer as well as the right environment in which growth can occur; and
- develop an appropriate **innovation eco-system**, building on the great work done at Daresbury SIC, and by our major businesses and Universities and to extend ‘innovation’ throughout our economy.

The Framework of our Growth Plan, how our strategic transformative projects map against that framework, and how the enabling areas map against each is shown in Figure 1 below. In one diagram, this is our strategy for growth and job creation in the City Region.

**Figure 1: The Liverpool City Region ‘whole-systems’ approach to delivering economic growth – our five strategic projects and enabling requirements**



# **Our five Strategic & Transformational Projects**

A: Liverpool City Centre

B: Liverpool City Region Freight & Logistics Hub

C: Access to the Port of Liverpool

D: LCR<sup>2</sup>Energy

E: Liverpool City Region Capital Fund

## Transformational Project A:

### Liverpool City Centre

#### The sub-regional importance of Liverpool City Centre

Over the last decade investment within Liverpool city centre has been a key driver in the revitalisation of the City Region. Around 100,000 people work within the city centre – 44% of all employees within Liverpool and 17% of employees across the wider City Region.

The potential of the City Centre was recognised as part of Liverpool's City Deal and was granted Enterprise Zone status as well as being a Mayoral priority. The City Centre has substantial potential to grow even more rapidly by realising the significant opportunities offered by, for example, the Knowledge Quarter, further development of its commercial offer and by removing the barriers that are preventing businesses from investing.

The City Centre's assets include the high-quality retail, business, residential, tourism and leisure offer, the Universities and the iconic Liverpool Waterfront, along with access to a skilled labour pool, all of which have contributed to its strong international profile. These assets have supported the development of a concentration of financial and professional, creative and digital and other knowledge sector businesses at the heart of the Liverpool City Region. The business services sector in the City Centre is built on its history and wealth of experience of global trade with particular expertise in insurance, wealth management and law. The digital sector has a particular strength in gaming and tele-health and the demand for space for new and growing companies in these areas of expertise is increasingly focusing on the Creative Quarter of the City Centre where demand for space is outstripping supply. The Knowledge Quarter has the potential to cluster research activities, in particular in healthcare and the biosciences. Further growth in these areas of the economy is confidently expected but is predicated on continued public and private sector investment in the city centre's infrastructure.

Through investment to enhance the urban environment, alongside a programme of events and marketing, Liverpool City Centre has developed into one of the most visited destinations within the UK. Over the last decade, more than 3,000 hotel rooms have been developed within the City Centre supporting very significant growth in the number of UK residents and overseas visitors attracted to the City Region. Over a six year period the number of holiday trips by UK residents to Liverpool City Centre has increased by 118%, with the City Centre accounting for over 71% of visitor trips to Merseyside and 76% of visitor spend. The number of overseas visitors has also increased substantially, with Liverpool accounting for 88% of visitors to the City Region. Hotel investment has continued throughout the economic downturn and the ongoing expansion of the accommodation sector – alongside a high profile programme of events including the International Festival for Business – has the potential to drive further growth in the visitor economy over the coming years.

Improvements in the economy, the environment and the leisure and retail offer have also supported significant growth in demand for housing within the City Centre. Between 2001 and 2011 the number of people living in the City Centre doubled to 30,200, while the number of dwellings increased by 125%. Demand for residential opportunities within the City Centre is now re-emerging

and will play a critical role in meeting growth targets within the urban core of more than 26,000 net homes over the period 2013-2028.

Reflecting the City Centre's fundamental importance to the City Region economy, the commercial district, Waterfront, Historic Downtown, and city fringe areas of the City Centre have been designated as an Enterprise Zone as part of Liverpool's City Deal, while Liverpool Waters comprises a key opportunity within the Mersey Waters Enterprise Zone. Alongside this, and in recognition of the sub-regionally unique collection of assets, the Knowledge Quarter has been designated as a Mayoral Development Zone

### Ambition for the City Centre

Working with partners and the private sector, Liverpool City Council developed, in 2012, a Strategic Investment Framework (SIF) for the City Centre which sets out a 15 year vision for continued transformation and growth which is expected to **create and safeguard over 13,400 permanent net jobs and £934m of net additional GVA** per annum.

The City Council is now working alongside private sector investment development and business partners to deliver the SIF and will support the delivery of these priorities (alongside exploring new opportunities, such as those emerging via HS2) through targeting investment to build upon and link established economic and sector strengths with emerging opportunities. As well as focusing on the recognised strengths within aspects of the business services, digital and life science sector emphasis is being placed on capturing potential and growth related to the expansion of the port and the renewable energy sector supporting investment and job creation in the city fringe area north of the City Centre and within the City Enterprise Zone.

The approach to investment builds on Liverpool's City Deal agreement to establish a Local Finance for Growth scheme which uses a long term sustainable investment model for the City including the ring-fencing and reinvestment of business rate income (including uplift) alongside other funding in a single investment fund. It is an invest to earn approach which recognises the need to tie investments with the ability to deliver a 'return ' for the City which moves away from grant funding and utilises a more innovative approach to supporting development, based on a range of tools including grant but also loans, equity, and the more innovative use of public sector assets. The potential to retain business rates within the City EZ will support investment decisions where it can yield a longer term return for the City.

The City Centre will also play a critical role in delivering ambitions for the visitor economy across the City Region. Alongside commitment to the sustained improvement of the visitor offer, ongoing investment in the accommodation, leisure and retail sectors within the City Centre will play a critical role in supporting **growth of 64% in levels of visitor spend and 34% in the number of jobs to 2020** supported by the visitor economy at the sub-regional level.

The City Centre will support ambitious aspirations to deliver a net increase in the number of dwellings of 50,000 across Liverpool over the period to 2028. The delivery of **8,000 new dwellings within the City Centre** will support a growing labour market and will contribute to sustaining economic growth, alongside supporting a vibrant and cosmopolitan urban environment.

Reflecting the economic importance of the City Centre, the vision and wider ambition to grow the City Centre is the principal priority for the wider City Region. The delivery plans for the SIF and the City Enterprise Zone set out a programme of interventions to deliver key ambitions for the City Centre. Identified interventions will:

- create the conditions to support the continued growth of the City Centre as a visitor and business destination, and as a place to live;
- support continued growth in levels of productivity through support for knowledge based activities;
- enhance gateways to the City Centre and linkages with national and international markets;
- showcase the best of the Liverpool City Region.

To achieve our ambitious plans our offers and asks of Government are:

| Offer  | Ask of Government   |
|--|---|
| <b>Create the conditions to support the continued growth of the City Region as a visitor and business destination, and as a place to live:</b>   |   |
| <ul style="list-style-type: none"> <li>• Building on the proposals in Liverpool’s City Deal agreed in February 2012 for a Local Finance for Growth scheme, a single investment fund approach will be used to align funding alongside potential yields from business rate uplift. It will operate an ‘invest to earn’ approach, supporting targeted investment across the City with particular focus on the Enterprise Zone and Knowledge Quarter Mayoral Development Zone. This will ensure a return on investments, matching private sector funding and ensuring the resilience of the City’s economy.</li> <li>• To identify a prioritised and sequenced set of capital projects within the City Centre to deliver jobs and homes building on the outcome of the City Centre Movement Strategy and SIF Funding strategy</li> <li>• Work with partners including HCA and the private sector to secure a pipeline of new grade A floorspace within the Commercial District and Princes Dock as well as city fringe to accommodate new and growing businesses. This will be part of a coherent approach to the development of the commercial offer across the two Enterprise Zone areas.</li> <li>• Work with HCA, Canal and River Trust and other public and private sector partners to grow the Waterfront’s contribution to the City’s economy through development of the</li> </ul> | <ul style="list-style-type: none"> <li>• LGF funding will be required for major transport scheme improvements deliverable from 2017/18 that will significantly enhance the connectivity and attractiveness of the City Centre as a place to visit, do business, and live. The transport schemes for which funding is sought are: <ul style="list-style-type: none"> <li>○ The City Centre Connectivity Programme (£33m)</li> <li>○ City Centre Strand Corridor Improvements (£5.35m)</li> <li>○ North Liverpool Key Corridors (£13.25m)</li> </ul> </li> </ul> <p>These schemes have been appropriately sequenced to reflect their deliverability considerations.</p> <ul style="list-style-type: none"> <li>• More immediate investment could be made in North Liverpool Key Corridors Programme beginning in 2016/17 which would support growth in the City Centre and also, aid development of the City Region Freight and Logistics Hub.</li> <li>• Building on the agreement in Liverpool’s City Deal in February 2012 which agreed to establish a locally determined stewardship model, a portfolio approach to managing public assets with a ringfenced approach to reinvestment be put in place with HCA as part of the Mayoral Development Corporation governance structure.</li> <li>• For HCA to work with the City Region and Liverpool City Council to identify potential</li> </ul> |

| Offer  | Ask of Government  |
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| <p>Kings Dock area and associated waterspaces.</p> <ul style="list-style-type: none"> <li>● Utilise the assets of Liverpool City Council and its planning powers to promote the City Centre’s distinctive neighbourhoods as places to invest, live and visit, developing distinctiveness and promoting appropriate development particularly within the Creative (RopeWalks and Baltic Triangle) and Hope Street areas.</li> <li>● Support the conversion of buildings within the Historic Downtown area combined with selective demolition and creation of open space to facilitate investment in the regeneration of the area as a mixed use urban neighbourhood.</li> <li>● Work with partners including HCA and private sector investors developers and businesses to develop a pipeline of floor space in the city fringe area targeted at growing and inward investing businesses seeking proximity to the port and the City Centre</li> <li>● Put in place a resource to support fast track planning for key economic and housing regeneration schemes within the City Centre.</li> <li>● Commit to ongoing investment to maintain World Heritage Status and extend opportunities to experience and interpret the heritage within the City Centre for visitors and residents alike.</li> <li>● Continue, as a City and City Region, to invest in our Visitor Economy using a ‘whole-system’ approach including: <ul style="list-style-type: none"> <li>○ Ongoing delivery of the City Region Destination Management Plan in Partnership with Visit England.</li> <li>○ Using world class events to attract visitors and promote Liverpool and the City Region on a worldwide stage.</li> <li>○ Supporting the City’s cultural organisations and infrastructure to improve, enhance and extend the cultural offer for visitors and to attract investors.</li> <li>○ Focussed transport investment to</li> </ul> </li> </ul> | <p>matched funding contributions under existing and future programmes, particularly through potential future rounds of <i>Local Infrastructure Fund</i> and <i>Build to Rent</i>.</p> <ul style="list-style-type: none"> <li>● Protect the budget of key cultural institutions and commit DCMS and Visit England to work with National Museums Liverpool to identify and realise opportunities to raise funds.</li> <li>● Enterprise Zones -extend key incentives – particularly rates relief – to support the development of Liverpool’s commercial offer. This will involve establishing a level playing field for rate relief across the Princes Dock element of Mersey waters and the Commercial District area of the City EZ removing the potential for confusion and displacement.</li> <li>● For Government to accept the recommendation in the <i>draft</i> Paul Spooner Report on EZs that recognises the need for pump-priming funds to accelerate development. While there is latent demand within the City Centre, the delivery of new premises is not currently commercially viable reflecting a range of market failures relating to the re-use of inefficient historic stock, site specific issues and information issues. There is a need to address these constraints to ensure that identified investment opportunities can be captured to drive economic growth.</li> </ul> |

| Offer  | Ask of Government  |
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| <p>support visitor economy needs particularly via sustainable transport investments.</p> <ul style="list-style-type: none"> <li>○ Focused investment in the public realm to enhance and improve the city centre experience for pedestrians and cyclists and to create spaces and places capable of accommodating events and festivals particularly in the St Georges Quarter and between the waterfront and city centre.</li> </ul>  |  |
| <b>Support continued growth in levels of productivity through support for knowledge based activities:</b>  |  |
| <ul style="list-style-type: none"> <li>● The City Region, led by the City Council, will work with our Higher Education Institutions and Knowledge Sector Partners to establish a vehicle to coordinate, promote and lead the development of the Knowledge Quarter.</li> <li>● To continue working with knowledge sector partners including private sector investors and developers to promote the delivery of specialist facilities – including incubation and grow-on space – to support business growth in research and innovation intensive activities.</li> <li>● Recognising the importance of ‘Gateways’ into the City, Liverpool City Council will commit to use of its assets and powers to enhance key gateways and routes to the Knowledge Quarter.</li> <li>● The City Council will also work to create a new urban village within the Islington Regeneration Area, creating a high quality, vibrant residential environment which meets the needs of students and key workers and enhances the connectivity between communities in North Liverpool and the core of the Knowledge Quarter.</li> <li>● Implement the Super Connected Cities Voucher programme to roll out ultrafast broadband to the City Centre.</li> </ul> | <ul style="list-style-type: none"> <li>● Commit HEFCE and the TSB to working closely with the City Region so that our Universities can enhance opportunities for business collaboration and knowledge transfer.</li> <li>● For BIS to fund the City Region’s proposals for a University Enterprise Zone focused on Sensor City which will enable companies to share the expert knowledge at the universities.</li> <li>● Commit UKTI to working with the City Region so that our Universities better contribute to the attraction of investment to the UK. This should build upon the successful collaboration between the University of Liverpool and Unilever for a Materials Innovation Factory, to promote investment opportunities to high profile businesses.</li> </ul> |
| <b>Enhance gateways to the City Centre and linkages with national and international markets</b>  |  |
| <ul style="list-style-type: none"> <li>● We will continue to master-plan City Centre development and necessary transport requirements to improve Gateways into the City Centre and support jobs and growth.</li> </ul>   | <ul style="list-style-type: none"> <li>● Our LGF asks for: <ul style="list-style-type: none"> <li>○ The City Centre Connectivity Programme (£33m)</li> <li>○ City Centre Strand Corridor</li> </ul> </li> </ul>  |

| Offer   | Ask of Government  |
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| <p>This will apply to multiple modes. We are undertaking a City Centre Movement Strategy to feed into this work as well as prioritising potential schemes based on deliverability and impact.</p> <ul style="list-style-type: none"> <li>We will work with partners to secure the refurbishment of Central Station and Moorfields station and the immediate surroundings of the stations as sustainable access points to the Commercial District. We will ensure this is part of an approach to improving City Region connectivity, connecting key employment locations with the wider City Region and aligned to wider investment plans including improvements to access at other stations, upgrading Merseyrail rolling stock and considering a new station at St James to service the southern sector of the City Centre and Waterfront.</li> <li>HS2 – we commit to continue to work with government to maximise the economic opportunity from HS2 as a means of multiplying the economic impact of our own investment. This includes ensuring the City Centre is developed in such a way that HS2 might ‘plug in’ in the future, via a direct High Speed connection, to ensure additional economic benefits accrue.</li> <li><b>SUPERPORT</b> – Working with partners to provide targeted support to key linked sectors - including maritime, energy, environmental activities and advanced engineering – within the City Centre.</li> </ul> | <p>Improvements (£5.35m)</p> <ul style="list-style-type: none"> <li>North Liverpool Key Corridors (£13.25m)</li> </ul> <p>are all designed to support key corridor gateways into (and within) the City Centre helping to stimulate economic job creation and growth.</p> <ul style="list-style-type: none"> <li>HS2 – for Liverpool to be fully connected to the HS2 network by 2027. We would like the recommendations of the High Speed 2 Growth Task-force on development of dedicated delivery organisations for High Speed station locations to equally apply to Liverpool. The City Region will be an end point for High Speed trains under current proposals and our ambition remains to have a high speed route all the way to the City Centre. Therefore, we welcome the recommendations of the Task-force and wish them to apply to Liverpool and not just station locations directly on the High Speed 2 route.</li> <li>HS2- Lime Street Station - we would like a commitment to invest further LGF funds in the redevelopment of Lime Street Station to support its role as a City Region hub for both HS2 and improved west to east and intercity rail links. We have provisionally indicated a £10m investment requirement for 2019/20 but wish to co-design options with HS2 Ltd, Network Rail and DfT.</li> <li>International Gateway - Support to enhance linkages between Liverpool John Lennon Airport and the City Centre, including assistance from Government to investigate options for a direct rail link to the Airport</li> </ul> |
| <b>Showcase the best of the Liverpool City Region</b>   |  |
| <ul style="list-style-type: none"> <li>The City Region commits to delivering the International Festival for Business in 2014 and follow up events in 2015 and to work to maximise the ‘legacy’ benefits that will be created.</li> <li>Continuation of a Place Marketing approach for the City Region to attract visitors and investors to the City and City Region in a co-ordinated and resource efficient way.</li> </ul>  | <ul style="list-style-type: none"> <li>For Government to recognise the capacity and capability of Liverpool City Region, and the assets concentrated in the City Centre in particular, as a location for holding national and international events and to work with the City Region to identify and bring further events (e.g. potential inter-Governmental conferences) to the City Region. This would build on the Capital of Culture and IFB success.</li> </ul>  |

| Offer | Ask of Government   |
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|       | <ul style="list-style-type: none"> <li>• For Government to commit agencies involved in the delivery of the IFB with the City Region to continue to work with local partners to develop and support the delivery of an IFB legacy programme to embed and build upon the successes of the IFB.</li> <li>• A commitment from the Regeneration Investment Organisation ('RIO' within UKTI) to promote the City Centre investment opportunity with other City Region opportunities including our Enterprise Zones to potential overseas investors via a jointly developed 'Liverpool City Region brochure' of investment opportunities.</li> <li>• Continued recognition by Visit England of Liverpool as a key tourist destination in England and a commitment from Visit England to co-invest with the City Region.</li> </ul> |

## Transformational Project B:

### Liverpool City Region Freight and Logistics Hub

The global logistics industry and in response, that of the UK, is currently being transformed. The widening of the Panama Canal and the £340m private sector investment in the Liverpool2 project opens up huge economic opportunities for the City Region, the Atlantic Gateway, the North of England and the UK as a whole.

With globalisation continuing, partners in the City Region including the private sector, have recognised this opportunity and have developed the concept of the SUPERPORT – the inter-connections between the port, airport, road, rail and logistics assets that in combination represent a nationally strategic and important freight and logistics hub in close proximity to the second largest population centre in the UK as well as the manufacturing heartland with considerable export potential.

In response to globalisation, the changing nature of the logistics industry in the UK, and the opportunity it provides to create jobs and growth we have developed the “Liverpool City Region Freight and Logistics Hub” project. This programme of projects builds on the £340m private sector investment in Liverpool2 and £600 million Mersey Gateway both of which are critical elements of the City region’s long-term SUPERPORT approach:

- The Liverpool2 project is a £340m investment creating a deep water berth configured to simultaneously handle two “New Panamax” 13,500 TEU vessels matching the capacity of the widened Panama Canal which is due to open at the end of next year. The facility has been designed to be future proof with the potential to handle the very largest “Triple E” class vessels of 18,500+ TEUs with further investment. This Liverpool2 Project is already under construction and is an immediate opportunity to be captured; the result will be that Port of Liverpool will be able to handle 95% of the global container fleet.
- The Mersey Gateway is a six lane crossing which is in the Top 100 Global Infrastructure projects as compiled by KPMG; and seeks to bring forward and connect key logistics and freight sites throughout the City Region (with close linkages to adjacent areas especially within Cheshire and Warrington) to create jobs and stimulate economic growth.

Both these projects complement the wider Atlantic Gateway initiative and the aspirations of the Cheshire and Warrington LEP and Greater Manchester LEP for job creation resulting from expanding freight capacity while the Liverpool City Region LEP is already working closely with partners in West Lancashire so that they too can capture the job potential. The ‘Freight and Logistics Hub’ therefore extends beyond our City Region boundary precisely because the changing market demand creates the size and scale of opportunity that can impact and transform the North of England economy as a whole. The recognition of this wider impact is evidenced by our existing cross LEP collaboration and a recent logistics study commissioned by New Economy in Manchester to identify opportunities from the investment in the Port of Liverpool. Investing, nationally, in such a project reduces national business costs, reduces national CO<sup>2</sup> emissions and critically, can reduce congestion on the already over-congested transport network of the South East. **Our freight and logistics hub proposal should be recognised as a national growth and job creation opportunity.**

To maximise economic benefit the City Region recognises the need for a National Freight Strategy to ensure a joined up approach to investment and which would recognise the importance of freight and the positive role that Liverpool City Region and the wider North can play in this national freight context. We are already working closely with DfT, Network Rail and the Highways Agency on capturing the potential and our unique model as a LEP allows us to bring the private sector to the table. Our proposals have been tested with over 70 national freight and logistics businesses and over 30 letters of support for this project have been provided by some of the industry’s biggest players.

In addition, Liverpool City Region is characterised as having considerable strengths in export oriented industries such as advanced manufacturing and it is home to businesses that export throughout the world such as Jaguar Land Rover and Unilever. Agglomeration and supply-chain developments in these areas offer a significant business growth opportunity which the City Region aims to exploit. Being a Freight and Logistics Hub, and by offering an improved, lower cost and higher quality offer, we can improve our market proposition to attract inward investment. This ‘spill-over’ benefit will help close the 18,500 deficit in businesses from which we suffer.

To deliver the Freight and Logistics Hub our offers and asks of Government are:

| Offer   | Ask  |
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| <p>We will deliver:</p> <ul style="list-style-type: none"> <li>• Continued engagement, via the <b>SUPERPORT</b> Committee with national and international private sector partners to understand the changing nature of the UK and global logistics industry and to understand what responses may be necessary to capture jobs and economic growth in the UK whilst reducing carbon emissions and improving the quality of health and the environment, in order to strengthen its attractiveness to investors and ensure that it remains an asset to its adjoining community. We will garner their support to deliver this project as shown by the letters of support provided by the industry.</li> <li>• Increased public sector co-ordination and prioritisation in transport (via the Combined Authority) to focus our limited discretionary resource on key economic projects, aided by shared delivery and pooling of local funding across the City Region. This builds on our commitments in the City Region Deal and existing work via the Transport Advisory Group (TAG) to integrate work between all LAs, the LEP, the <b>SUPERPORT</b> Committee and also national transport bodies such as DfT, Highways Agency and Network Rail so that</li> </ul> | <p>From the Local Growth Fund:</p> <ul style="list-style-type: none"> <li>• Co-investment with the City Region in a series of key projects to create the additional jobs from the Liverpool City Region Freight and Logistics Hub. This includes: <ul style="list-style-type: none"> <li>○ A scheduled Programme of key site investments in sites capable of housing logistics facilities to capture jobs and growth including sites such as: <ul style="list-style-type: none"> <li>• Halton Field (Halton)</li> <li>• Stobart Park (Halton)</li> <li>• Stonebridge (Liverpool)</li> <li>• Haydock Estate (St Helens)</li> <li>• Widnes Waterfront ( Halton)</li> <li>• Atlantic Park (Sefton)</li> <li>• Parkside (St Helens)</li> </ul> </li> </ul> </li> </ul> <p>In addition, the following sites would also complement the Freight and Logistics Hub</p> <ul style="list-style-type: none"> <li>• The Enterprise Zone at Wirral Waters</li> </ul> <p>The jobs potential of key sites within the City Region are included in Map B with this submission and will be enabled by the £15m investment ask into a City Region Capital Investment Fund.</p> <ul style="list-style-type: none"> <li>• Co-investment with the City Region in a scheduled programme of key Transport</li> </ul> |

| Offer   | Ask   |
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| <p>transport investment maximises job growth. The Combined Authority's multimodal remit will secure integration and efficiency across the City Region, especially in respect of the safe, efficient and sustainable management of the Strategic Freight Network.</p> <ul style="list-style-type: none"> <li>• The City Region will continue to convene and support a multimodal Port Access Steering Group in support of the identification of the best measures to support sustainable access to the Port of Liverpool, consisting of representatives from all key public, private and Government sectors.</li> <li>• The Combined Authority model will also secure synergy between investment in transport, economic development and skills, to ensure that activities supporting the Freight and Logistics Hub are integrated in terms of ensuring that key sites are made fully accessible through a range of 'smarter' measures and that training and development programmes are aligned. To ensure that the economic opportunity is grasped the co-ordination of activity will include a lead Local Authority Chief Executive being appointed by the Combined Authority to work with the LEP Executive to make sure that the economic opportunity is grasped.</li> <li>• The City Region will commit to continue building on work undertaken under the Local Transport Body (LTB) to develop schemes using DfT required processes to a stage of being investment ready. This will include the adoption of a revised Assurance Framework, tailored for the needs of the new Combined Authority. To enable investment in schemes in 2015/16 our priority focus will be on developing the full business cases for the following projects already prioritised through the Major Scheme prioritisation process: <ul style="list-style-type: none"> <li>○ (Elements of) Access and Connectivity Improvements to Knowsley Industrial Park (KIP)</li> <li>○ A5300 Knowsley Expressway</li> <li>○ Newton-le-Willows Interchange Improvements</li> </ul> </li> </ul> <p>These schemes were ranked 1, 3 and 4 in the Major Scheme prioritisation process. In</p> | <p>Major Scheme or other transport investments to connect key job creation sites to the wider network. In 2015/16 we would be seeking investment in:</p> <ul style="list-style-type: none"> <li>○ (Elements of) Access and Connectivity Improvements to Knowsley Industrial Park (KIP) – £5.6m from the LGF</li> <li>○ A5300 Knowsley Expressway - £3.97m from LGF</li> <li>○ Newton-le-Willows Interchange Improvements - £14.4m from LGF</li> <li>○ Halton Curve – £10.4m although cost-benefits come from alignment with other Network Rail activity including additional contributions that are being secured via the Cheshire and Warrington LEP.</li> </ul> <p><b>A total of £34.37m for schemes developed to outline business case is being sought from the Major Transport element of the LGF for 2015/16.</b></p> <ul style="list-style-type: none"> <li>• We would also seek co-investment in the following in subsequent years: <ul style="list-style-type: none"> <li>○ M58 Junction Improvements</li> <li>○ A570 Linkway</li> <li>○ Wirral Dock Bridges</li> <li>○ Silver Jubilee Bridge</li> <li>○ Windle Island</li> </ul> </li> </ul> <p><b>A further £9.65m is sought for schemes beginning in 2016/17 and a further £8.88m for 2017/18.</b></p> <p>The proximity of these transport investments to key sites is shown in Map B provided.</p> <p><b><u>In total, these schemes would support job creating sites capable of supporting around 22,500 net new jobs.</u></b></p> <p>We would also seek Government to commit, via its delivery bodies and Agencies including Network Rail and Highways Agency to make strategic investments on:</p> <ul style="list-style-type: none"> <li>• The M53 Motorway that connects the key employment site of the Wirral Waters EZ with the wider Wirral area but also to North Wales and Chester/Cheshire. The Highways Agency recognise the economic importance of the motorway and we would urge them to identify key improvements (such as managed</li> </ul> |

| Offer  | Ask   |
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| <p>addition, we will also focus on developing the business case for the Halton Curve project which has the potential to achieve economic benefits for the adjacent Cheshire &amp; Warrington LEP area and also North Wales and would ask that this be invested in 2015/16. Network Rail has recently identified that the scheme can be delivered at a lower cost than previously anticipated and work with authorities in Wales, Network Rail, Cheshire and Warrington LEP and City Region partners has identified the scheme as one that can come forward on a quicker timeframe than previously thought while still making a very considerable impact to the Freight &amp; Logistics Hub overall. Detailed feasibility studies are being funded by the LCR partners and by other partner authorities (including the Welsh Government) in recognition of its cross-border importance, and a funding contribution towards infrastructure costs is being secured within the adjoining Cheshire and Warrington SEP.</p> <p><b>In total, the sites enabled by the City Region Freight and Logistics Hub could see around 22,500 net new jobs created in the City Region.</b></p> <ul style="list-style-type: none"> <li>• Co-ordinate cross LEP (Cheshire West and Warrington and local authorities including West Lancashire and Manchester) working to exploit assets of the Atlantic Gateway and wider North so that multimodal infrastructure investments can stimulate sustainable economic growth throughout the North. This includes: <ul style="list-style-type: none"> <li>○ Working with partners in Government and adjacent LEPs to identify infrastructure investment requirements such as improvements to the M53, M56 and M6 (working with the Highways Agency) as well as the national rail network (working with Network Rail) to ensure economic opportunities are grasped.</li> <li>○ Undertaking, with Network Rail, a City Region Rail Strategy linking to work already underway nationally so as to ensure that freight capacity on the rail network is increased.</li> <li>○ Positive engagement with Government</li> </ul> </li> </ul> | <p>motorway measures) to improve the key route.</p> <ul style="list-style-type: none"> <li>• The M6 Motorway which acts as a key arterial route through the North West and importantly, passes adjacent to the key Freight and Logistics Hub site at Parkside. Accessibility to the M6 but also smooth running of the M6 outside of the Liverpool City Region is economically essential to capturing the benefits of the Freight and Logistics Hub.</li> <li>• M56 Junction Improvements at Junction 11A. The Highways Agency has committed to undertake junction improvements using Pinch-Point funds beginning in May 2014 and ongoing improvements to the M56 corridor to aid growth in the City Region, Cheshire and Warrington, North Wales and Greater Manchester while providing connectivity to the wider road network.</li> <li>• The Northern Hub project and associated electrification of rail routes across the North to increase connectivity and passenger experience.</li> <li>• Support investment in the Bidston-Wrexham line through a greatly enhanced level of service initially, and an enhanced franchise specification at the next review stage, based on work being undertaken by the City Region working with partners in North Wales and Cheshire &amp; Warrington.</li> </ul> <p>Engagement required with Government:</p> <ul style="list-style-type: none"> <li>• That Government, across all Departments, collectively recognises the changing nature of the international and national logistics industry in response to market change, so that Government acknowledges the value of North to South freight movements and not just South to North freight activity (e.g. in the Strategic Case for HS2 Government implied that HS2 would increase capacity for South to North freight movement completely missing the fact that freight will increasingly need to move North to South and that capacity constraints currently threaten job creation opportunity).</li> <li>• A commitment by Government to develop an</li> </ul> |

| Offer   | Ask  |
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| <p>and High Speed 2 Ltd welcoming the potential of High Speed 2 for our economy but a commitment to work with Government to ensure the maximum economic benefits are obtained and that released capacity on classic lines is maximised for freight and for enhanced passenger services.</p> <ul style="list-style-type: none"> <li>• A commitment to work with Government to support them in better understanding the changing nature of the logistics and freight industry and, if our offer is accepted, to support the development of a national logistics and freight 'Industrial Strategy'.</li> <li>• In addition to transport investments required we will ensure the City Region capitalises on the £340 million private sector investment in Liverpool2 to exploit its market facing opportunities and to maximise the economic benefits of globalisation and increased trade by applying a 'whole-systems approach' to include: <ul style="list-style-type: none"> <li>○ Investment of local discretionary economic development resource (via the City Region Capital Investment Fund and including such resources as ERDF and GPF) in key sites for logistics use in response to end-user demand and known market growth. The City Region has undertaken a market demand study for logistics space within the City Region (and immediate hinterland) as well as a site deliverability study. This has identified a series of key sites with the potential to form part of the Freight and Logistics Hub.</li> <li>○ Delivery of a more demand responsive skills system, tailored to the needs of industry, via the on-going delivery of the SUPERPORT Skills for Growth Agreement, employer led pre-employment programmes and new UTC opening September 2014.</li> <li>○ By ensuring that our approach to business support in the City Region has an international focus. Our commitment is to better co-ordinate our 'international strategy' and our business support and international approach will recognise the</li> </ul> </li> </ul> | <p>'Industrial Strategy' for freight and logistics as an enabling industry for growth in other Industrial Strategy areas and a commitment to work with the Liverpool City Region and the SUPERPORT Committee in developing that Strategy.</p> <ul style="list-style-type: none"> <li>• Ongoing joint working with the City Region by DfT, Network Rail and also High Speed 2 Ltd on how HS2 can better increase freight capacity (within and outside the City Region boundary) to help deliver growth in the City Region (and wider North). This includes: <ul style="list-style-type: none"> <li>○ Recognition from DfT of the importance of incremental improvements and for DfT agencies to work with the City Region, specifically Network Rail.</li> <li>○ Commitment by DfT and Network Rail to integrate City Region freight and growth needs within wider Northern and national infrastructure investment planning.</li> </ul> </li> <li>• A commitment to incremental improvements to the City Region network in the short to medium term ahead of HS2 being implemented. This is important to reduce any negative impact on freight capacity from HS2 but also to further City Region economic objectives, to ensure that the HS2 scheme brings additional freight capacity to and from the Port of Liverpool.</li> <li>• Our ask of Government with regard to Rail Devolution in the North is that Government should continue to work with Rail North to help obtain the ambition of rail devolution in the North.</li> </ul> |

| Offer  | Ask |
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| <p>potential to capitalise on the changing nature of the freight and logistics industry so that industries such as advanced manufacturing are encouraged to (re)locate in the UK and grow as a result of the cost-benefits from being both port and population centric. Our aim would be to establish the Liverpool City Region as a premier location from which businesses can trade and export overseas.</p> <ul style="list-style-type: none"> <li>• By ensuring that measures to improve access to the local workforce are delivered as part of the <b>SUPERPORT</b> strategy through the use of existing revenue streams, e.g. on supported bus services, smartcard technology and local concessions. We would also commit to ensure that our LSTF bids to Government are prioritised and targeted so that they sustainably increase opportunities for people to access the employment potential of the Freight and Logistics Hub.</li> <li>• Ultimately, we aim to potentially remove 150m HGV miles per annum from the national road network, particularly from the over-congested network of South East England, by capitalising on the market change already occurring in the freight and logistics industry. This will support the Government's carbon reduction targets and support local air quality management objectives that could otherwise be subject to stringent EU financial penalties.</li> <li>• We offer to work with our Rail North Partners to collectively engage with Government to secure Rail North devolution and commit to work with our Rail North partners to ensure that freight need is fully considered in proposals for rail devolution.</li> </ul> |     |

## Strategic Project C:

### LCR<sup>2</sup>Energy

Liverpool City Region's coastal location and low carbon and energy business capabilities mean it is in a strong position to capture and realise the job growth potential from a low carbon economy. The City Region has specific strengths in renewable marine energy including wind, tidal and wave, building retrofitting, waste and water management and hydrogen energy systems.

Over £18bn is being invested, by the private sector, off the coast of the Liverpool City Region in some of the world's largest offshore wind projects and given our status as a Centre for Offshore Renewable Engineering (CORE) the City Region is in a unique position to exploit, on and offshore, west coast low carbon and renewable growth opportunities. Grasping this opportunity was a key element of the City Region Deal asks and we are happy to report the strong progress made since submission.

In addition to the off-shore wind energy opportunity, City Region partners have committed to deliver the Sustainable Energy Action Plan (SEAP). The SEAP is a single co-ordinated programme ensuring the City Region is at the forefront of the development and widespread implementation of area-based sustainable energy systems. A review currently being undertaken by PWC to assess the pipeline and potential for investment has shown the City Region's real strength in this area and that we are ahead of other areas in identifying projects to fund. Investing in SEAP projects will maximise economic job creation in a sustainable and socially responsible way.

Investment in public transport (via funding sources such as LSFT) has increased the use of sustainable transport modes across the City Region and reduced overall carbon impact. Developments to impact the resilience and efficiency of the transport system will directly support economic growth, through the ability to move people, goods and services quickly and efficiently locally, nationally and internationally. The LCR is leading work on new vehicle energy systems such as electric and hydrogen systems both in delivering supply infrastructure and powertrains such as battery and fuel cell technologies.

The LCR<sup>2</sup>Energy Project is therefore a programme of projects and initiatives that is aimed at converting the City Regions electricity, heat and power requirement to 100% low carbon and renewable sources in the most cost effective, efficient means within 20 years or less. In doing that, we'd aim to be achieving first-mover advantage to capture economic growth and job creation in our City Region.

| Offer   | Ask   |
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| <b>Building on our delivery of the 2012 City Region Deal</b>  |   |
| <p>Our offers build on the considerable progress made in our offers to Government as part of the City Region Deal in 2012. We aim to build on the following positive work including:</p> <ul style="list-style-type: none"><li>• We committed to <i>'Accelerate delivery of committed actions that fall to Local Planning</i></li></ul> | <ul style="list-style-type: none"><li>• We asked Government to <i>'Commit national regulatory agencies to accelerating the implementation of existing actions'</i> which required Agencies such as Defra, the Maritime Management Organisation, Natural England and the Environment Agency to act in a co-ordinated way to reduce delays in</li></ul> |

| Offer  | Ask   |
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| <p><i>Authorities and commit to removing barriers to the development process by taking forward actions that included baseline information development, appointment of an Environmental Account Manager to work with National regulatory agencies'. This commitment has been met and we continue to use this streamlined process as a means of encouraging investment alongside the River Mersey reducing the regulatory burden on the private sector.</i></p> <ul style="list-style-type: none"> <li>• Further, the City Region committed to <i>"Use Enhanced Capital Allowance to secure prime investment into the offshore wind sector within the City Region"</i>. The Wirral Waters Enterprise Zone and sites adjacent to Cammell Laird (Wirral) have been proactively promoted to attract potential low carbon investment and Wirral Council is investing in the attraction of such businesses via a Round 3 Regional Growth Fund programme.</li> <li>• We committed to <i>'Work with DECC and the Green Deal team to develop and deliver plans for "Go Early" Green Deal roll out, demonstrating what role councils across the City Region can play, LEAF communities, Social Housing Providers, the Private Rental Sector and other key players, and to drive public engagement activities, such as show homes'</i> and we consequently secured c. £100k from Green Deal and the projects were delivered ahead of time and to budget.</li> <li>• The City Region also committed to <i>'Commission a Task Force to examine how the Mersey can become the cleanest and most ecologically diverse river in an urban setting by 2045'</i> and this Commission is in place reporting to the LEP Board in summer 2014.</li> </ul> | <p>planning applications (to 13 weeks maximum) to reduce the burden on private investors and ensure that schemes happen quicker to create jobs.</p> <ul style="list-style-type: none"> <li>• We requested that Government <i>'Confirm designation of the LCR as a Centre of Offshore Renewable Engineering'</i> which was done by Government in recognition of our West Coast location and the £18bn investment underway in the off-shore wind engineering sector.</li> <li>• We would still wish Government to consider whether <i>'HM Treasury could extend the current capital allowance status on Wirral Waters EZ once current allocations/levels of investment have been reached or a business case has been made'</i> and for <i>'Government to work with LCR to permit goods to be imported, free of the payment of customs duties where allowed for in EU legislation'</i> as both these asks would support the development of the off-shore wind engineering sector creating a more attractive location to invest and create jobs.</li> </ul> |
| <b>Further offers and asks to support the LCR2Energy Project</b>   |   |
| <ul style="list-style-type: none"> <li>• The City Region will continue to operate a best practice approach to bringing the public and private sector together to focus on economic growth behind the common objective of the LCR<sup>2</sup>Energy Project. The Partnership includes the Low Carbon Committee of the LEP which brings key private sector stakeholders together with senior level public sector officers, as well as</li> </ul>   | <ul style="list-style-type: none"> <li>• We wish Government to recognise that our success in bidding for Green Deal and HNDU projects is a consequence of both the quality and importance of the City Region as a low carbon/energy centre and also due to the exceptional expertise and private sector engagement (via the LEP Low Carbon Committee) that is being done within the City Region. This best practice approach</li> </ul>   |

| Offer   | Ask  |
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| <p>key bodies such as Merseytravel and also includes the SEAP Programme Group and Viridis which aims to reduce energy consumption and efficiency by Liverpool City Region residents with a consequential impact on fuel poverty.</p> <ul style="list-style-type: none"> <li>• Building on our initial success in creating a SEAP project pipeline the City Region will build on this to now commit to developing sustainable energy projects to an investment standard recognised by Government and the investment community. A recent example of this approach has seen the City Region producing combined bids to the Government 'Heat Network Delivery Unit (HNDU)'. The City Region has managed to secure funding from the first two rounds of HNDU support for four large area-based district heat networks spread across four of our local authority areas. We commit to work with the HNDU to develop and deliver such projects for economic benefit. Project areas including Combined Heat and Power (CHP) District Heating Schemes into existing and new mixed use developments.</li> <li>• The Liverpool City Region LEP is working closely with our utility network providers, energy providers and Local Authorities to undertake a combined utilities materplanning exercise. The objective of the masterplanning is to better align network operators investment decisions and timetables with the economic needs of the City Region. The masterplanning work will result in a single, unified approach to prioritising utility network investment that aligns with economic development priorities to deliver more cost effective networks in a timely fashion.</li> <li>• The City Region has made energy and low carbon <i>growth</i> and <i>job creation</i> an integral part of the City Region's European Strategy for 2014 – 2020. This was undertaken to enable the City Region to better align our future investment of the ERDF with other resources and to deliver City Region priorities in an efficient and aligned way.</li> <li>• We will develop a Skills for Growth</li> </ul> | <p>should be recognised by Government when developing new initiatives and should look to engage early with the Liverpool City Region LEP to help their design. We would wish to see the capability of the City Region recognised in the allocation of project funds to initiatives such as those via HNDU.</p> <ul style="list-style-type: none"> <li>• We want to engage Government on the benefits of our utilities masterplanning work so that Government recognises this work as best practice. We wish to be allowed to submit a form of joint investment plan for the development of our utilities networks directly aligned to our Growth Plan. This submission would be from the energy providers with the support of other City Region partners to OFGEM and would cover the next pricing control period (2015-2023). We would ask that DECC work with the City Region on understanding the benefits of the work undertaken for potential roll-out for other areas.</li> <li>• Given our commitment to make growth and jobs from the energy/low carbon economy an integral part of our European Strategy we require Government to ensure that European Technical Assistance resource is devolved to LEP areas as has been committed to repeatedly by Government.</li> </ul> |

| Offer  | Ask   |
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| <p>Agreement for the Low Carbon and Energy sector to identifying the skills needs of the industry and to ensure alignment of provision. This will be published in summer 2014.</p>   |   |
| <b>Developing a low carbon fund opportunity</b>  |   |
| <ul style="list-style-type: none"> <li>• The City Region also committed in our City Region Deal to “develop a green investments pipeline that meets the requirements of the Green Investment Bank” and also to “use innovative local financial models to enable packages of investment to come forward e.g. Chrysalis (JESSICA).” The Sustainable Energy Action Plan programme provides a starting point for this pipeline development and the City Region has undertaken or is committed to: <ul style="list-style-type: none"> <li>○ Ongoing work via the SEAP Steering group to identify new projects for potential investment. Over 200 schemes are known and are being monitored.</li> <li>○ The LEP has committed £250k of Growing Places Fund monies to invest in project and scheme development – significantly reducing the overall cost to the public sector as a whole by directly employing the technical expertise required.</li> <li>○ The LEP has made a potential committed of c. £7m of capital funds from our 2014-2020 European allocation to a potential low carbon JESSICA subject to an ex-ante review of fund demand and structure. This review is underway and being done by PWC and is due for completion in April 2014.</li> </ul> </li> <li>• Establishing a City Region Fund requires: <ul style="list-style-type: none"> <li>○ Pipeline identification (done via SEAP and ongoing).</li> <li>○ Scheme commercial and viability testing and appraisal (undertaken now via the SEAP Programme Manager – a City Region invested since completion of the City Region Deal).</li> <li>○ A fund made up of finance/capital and fund management structure which is currently being investigated as part of the ex-ante study for investment from the 2014-2020 Programme.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• We wish to work with DECC to obtain support to enable “pump-priming” (grant or loan) for capital investment and scaled demonstration of the energy and low carbon benefits of projects within the City Region. This will build on our already strong working relationship with DECC and also BIS. There needs to be greater recognition in Government for the need to pump-prime investment and recognition of the longer-term timeframe over which pay-back on investment occurs.</li> <li>• We would seek to re-engage UK Green Investment and the Green Investment Bank to act as a “critical friend” to provide advice on pipeline development and fundability of potential project opportunities and seek to develop funding solutions, which can attract private capital’. This was an ask in our City Region Deal where we feel a re-engagement is necessary and should build on our own work in potentially allocating £7m of capital funds from ERDF and revenue funds from GPF so that an investable pipeline can be developed.</li> <li>• The LEP wishes to investigate with BIS and the Skills Funding Agency whether there is scope of including Skills Capital Funds to establish a ‘Skills Capital Energy Efficiency Fund’ within or aligned to the development of a potential low carbon/energy fund within the City Region. This element of a fund would invest in sustainable energy generation and demand reduction initiatives with FE Colleges and potentially other skills providers aligned with the objectives of the City Region's Sustainable Energy Action Plan and the potential JESSICA Low Carbon Fund. The City Region would want to work with BIS and the SFA to establish whether such a fund could be established and developed on a ‘pay-back’ model whereby monies are invested and revolved over the medium to long-term for</li> </ul> |

| Offer   | Ask  |
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| <p>Therefore, in addition to building on the considerable progress against our 2012 City Region Deal the City Region commits now to:</p> <ul style="list-style-type: none"> <li>• Continue to prioritise our pursuit of low carbon, renewable and energy growth opportunities using a potential JESSICA fund as a means of capturing further investment in such schemes working with the Green Investment Bank and European Investment Bank as well as institutional investors.</li> <li>• We will also work with the European Investment Bank to identify the potential for the City Region undertaking an ELENA project. We will begin these discussions immediately.</li> <li>• We commit to work with local colleges and potentially other skills providers to identify the scope for investments via a ‘Skills Capital Energy Efficiency Fund’ and to ensure an appropriate prioritisation of schemes for investment is undertaken. We would align this fund with closely with the development of SEAP projects to ensure efficiencies and scale benefits are obtained.</li> <li>• In 2010 the City Region and partners completed a set of detailed feasibility studies into the potential for the River Mersey to generate tidal energy. The studies refined technical options to abstract up to 700MW of electricity from the Mersey using a barrage across the River from a point just south of Liverpool City Centre. The project was considered primarily from an energy generation perspective.</li> </ul> | <p>re-investment.</p> <ul style="list-style-type: none"> <li>• The LEP would like to work with a multi-disciplinary team from Government to review the cost/benefit analysis of a tidal energy scheme for the River Mersey. Aspects to be considered include energy generation cost and income in the context of EMR, the potential to use a Mersey barrage as a new transport asset and to put financial value to the potential to use a barrage as a flood protection measure for the North West.</li> </ul> |

## Strategic Project D:

### Multimodal Port Access – Access to the Port of Liverpool

This programme of projects aims to address a City Region wide need to improve access by a range of modes to and from the Port of Liverpool site in Sefton, to ensure associated economic growth and job creation are maximised. This will further enable the SUPERPORT Freight and Logistics Hub but is a longer term programme due to its scale and the need to identify the preferred and optimal multimodal solution.

The positive impact of improved multimodal port access will offer additional economic benefit beyond the City Region across the wider North. The recognition of this wider impact is evidenced by a recent logistics study commissioned by New Economy in Manchester to identify opportunities from the investment in the Port of Liverpool.

This project builds specifically on our City Region Deal offers and asks and does not require specific LGF investment at this stage but should be recognised as a national infrastructure priority in the future.

| Offer   | Ask  |
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| <ul style="list-style-type: none"> <li>• Our City Region Deal offer included a commitment <i>“To establish appropriate governance arrangements and facilitate a steering group to support the “Ask” around improved access to the Port of Liverpool. This would include key representatives from the City Region, from Government departments and its agencies, and would include a link to the established freight quality partnership”</i>. This commitment has been met. We commit now to the continued operation of the Port Access Steering Group including representation from key private sector stakeholders (including the Port Operator), senior Local Authority representation, DfT, Network Rail, and Highways Agency to identify the most appropriate access solution and to drive forward future implementation and delivery of that solution. This group steers the current port-portfolio of work underway to identify the most appropriate multimodal solution to Port Access (see below).</li> <li>• Investment by City Region partners in a programme of work to identify the appropriate solution to Port Access alongside Government. This includes investment by Local Authorities and Merseytravel, the Port Operator, the LEP and other partners. Work</li> </ul> | <p>Our specific asks in relation to achieving improved Access to the Port of Liverpool are:</p> <ul style="list-style-type: none"> <li>• The long-term Port Access solution costs will be considerable and are likely to sit outside the LGF funding period. The scheme (or schemes) however needs Government commitment to develop the most appropriate solution as well as a long-term commitment to invest in those solutions as a national infrastructure asset.</li> <li>• Our City Region Deal ask was <i>“For Government to work with the City Region on specifying the details, timing and funding to take forward the next steps recommendations identified in the Access to the Port of Liverpool Study.”</i> and we want a continued commitment from Government to the positive joint working that has developed between the City Region and DfT, Network Rail and the Highways Agency.</li> <li>• From the LGF however we would seek support for the North Liverpool Key Corridors Programme beginning in 2016/17 which would support growth in the City Centre and also, aid development of the City Region Freight and Logistics Hub and which directly supports growth opportunities adjacent to the Port hinterland in the District</li> </ul> |

| Offer  | Ask   |
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| <p>includes:</p> <ul style="list-style-type: none"> <li>○ Work with Network Rail to identify strategic rail infrastructure requirements, including the most appropriate connection to the West Coast Mainline for works to be included in the next 'Control Period' for investment (2019 – 2024).</li> <li>○ Working with the Highways Agency on the assessment of options for possible long term highways solutions which will lead to the identification of a preferred option and the development of a detailed business case and costs estimate. Costs of developing a business case will be substantial and will be within the LGF funding period. If a preferred option can be identified, and given proper process requirements (including planning) a highways solution would be unlikely to be underway until about 2020 at the earliest.</li> <li>○ LEP Commissioned Study into demand for Port and Logistics Sites (completed)</li> <li>○ Port Operator studies into requirements within the Port Estate</li> <li>○ Identification, with partners from Cheshire and Warrington LEP area, of options to use the Manchester Ship Canal for distribution of traffic to other logistics locations (e.g. Port Salford in Greater Manchester).</li> </ul> <ul style="list-style-type: none"> <li>● Ensure a robust prioritisation of transport schemes under City Region governance regimes to provide the optimal multimodal solution to appropriate port access.</li> <li>● LCR to support port accessibility schemes via Growth Plan funding as well as mainstream funds, this will ensure that the strategic freight network is prioritised and well-maintained.</li> <li>● Work to address the potential social and environmental implications of Port growth and mitigate any negative impact of the transport corridor change on local communities. Develop investment and local improvement proposals as part of a mitigation programme.</li> </ul> | <p>of Sefton:</p> <ul style="list-style-type: none"> <li>○ North Liverpool Key Corridors (£13.25m)</li> </ul> <p>The North Liverpool Corridors Scheme was ranked Priority 2 by the LTB in 2013 and full business case development has been committed to.</p> <ul style="list-style-type: none"> <li>● Support Network Rail in identifying the strategic rail infrastructure improvements that will be necessary to accommodate future rail freight demand and facilitate the inclusion of these improvements in the next 'Control Period' delivery programme.</li> <li>● Ahead of determining any preferred option for improving highway access to the Port of Liverpool we would like DfT and Highways Agency to work with the City Region on intermediate investments that improve access and flow along key corridors building on the £6m pinch-point commitment (due to begin in June 2014). This may include traffic signal upgrades and improved driver information systems on the A5036 and at the M57/M58 interchange.</li> <li>● We would also seek Government support for investment that will address the local social and environmental implications of Port growth.</li> </ul> <p>Alongside the specific Port Access Ask we would like Government to:</p> <ul style="list-style-type: none"> <li>● Ensure national co-investment in the transport network of the City Region, both road and rail, to ensure it is capable of enabling the expansion of the Port and associated economic growth – particularly given the potential of the Liverpool City Region Freight and Logistics Hub.</li> <li>● Ensure that all of Government recognise the potential of the City Region as a freight and logistics location, the value of that industry to the wider economy of the UK, and that Access to the Port of Liverpool is recognised in subsequent national infrastructure planning as a key potential project.</li> <li>● Support the rebalancing of the UK economy via recognition that the Liverpool City Region, Atlantic Gateway area, and the wider</li> </ul> |

| Offer   | Ask   |
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| <ul style="list-style-type: none"> <li>• Work with Government to maximise the economic opportunity from HS2 connectivity from a freight perspective.</li> <li>• Continue to work collaboratively with adjoining LEPs in Manchester, Cheshire and Lancashire to help roll out the benefits of an expanded Port with good multimodal Port access and the wider site improvements and infrastructure support.</li> </ul> | <p>North, has the economic potential to deliver new jobs and growth and to invest in the economy appropriately. That investment will have the benefits of decongestion of the national transport network (especially the South East), noise reduction, improved air quality and carbon reduction.</p> |

## Strategic Project E:

### Liverpool City Region Capital Investment Fund

This project will act as an enabler to deliver various other job creating elements of our Growth Plan, it will act as an intermediary mechanism between the Local Growth Fund nationally and investments at the local level. ‘Flexibility’ of products is critical to enabling growth particularly when there is a need to be responsive to end-user market opportunity. As a City Region we are seeking to co-invest with Government to the Fund using discretionary resources available at the City Region scale. Building on our commitments made within the City Region Deal.

Immediately committable City Region Funds that would be included or fully aligned within the City Region Capital Fund are:

- Revolving loan resources of Growing Places Fund (£18m) already allocated in the City Region but repayable to the LEP over time for re-deployment
- The existing JESSICA fund (£38m) in the City Region also providing revolving loan resource
- Further ERDF commitment from the 2014–2020 Programme period to a JESSICA type fund (provisionally allocated £24m) of again, revolving resource, which could be aligned with up to a further £16m of grant funding

The City Region would therefore be committing up to £100m of resource for investment via the City Region Capital Fund over a 6 year period. However, the immediate economic opportunity would need to be grasped and a £15m Local Growth Fund co-investment (from RGF) in 2015/16 would kick-start the investment process by stimulating market values.

This would in-turn be co-invested in line with our ‘asks’ in this document for Major Scheme Transport Investments to enable these sites to come forward. This ‘whole systems’ approach to co-investment of resources to enable growth is the founding principle of our Growth Deal with Government.

| <b>Offer</b>  | <b>Ask</b>  |
|---|---|
| <p><u>Development of a Liverpool City Region Capital Investment Fund:</u></p> <ul style="list-style-type: none"> <li>• In our City Region Deal we committed to <i>‘Produce a City Region Investment Framework, including detailed criteria, with strategic decision making through the LEP’</i>. The conceptual framework was approved by the LEP Board in late 2012 and co-investment of resource in 2013 has increased the number of projects delivered. Building on this work the City Region and LEP commits to create a City Region Capital Investment Fund capable of deploying resources against priorities in a more co-ordinated and efficient way. We commit to:</li> </ul> | <p><u>Our asks of Government would be:</u></p> <ul style="list-style-type: none"> <li>• The City Region, along with other Core City areas in England wish to see a greater devolution of funding across all government departments to the local level to allow local allocation of resources to meet market opportunities and needs. We would like Government to consider deployment of funds such as Local Infrastructure Fund directly into a City Region Capital Investment Fund so that those resources can be better aligned to local opportunities.</li> <li>• Government to reconsider its approach to RGF Round 5 when implementing RGF Round 6 to allow local areas and bodies, such as</li> </ul> |

| Offer  | Ask   |
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| <ul style="list-style-type: none"> <li>• Undertake a detailed market demand study and ex-ante evaluation for the addition of 2014-2020 European Funds within a fund structure. This will identify the demand and appropriate mix of funds (loan/grant) and mechanisms to maximise economic impact [study commissioned and underway reporting March 2014].</li> <li>• Undertake a study into the deliverability of all priority City Region sites identifying the barriers to development and supporting a future prioritisation of resource [this study has been completed] and a commitment to update this ‘pipeline’ on a 6 monthly basis to continue a focussing of resource. This study has included: <ul style="list-style-type: none"> <li>○ City Centre Sites linked to Strategic Project A</li> <li>○ Freight and Logistics sites linked to the LCR Freight and Logistics Hub project</li> <li>○ Enterprise Zone sites</li> <li>○ Sites for Science and Innovation Parks</li> <li>○ Key business growth locations for other key sectors such as advanced manufacturing/business parks</li> </ul> </li> <li>• <b>Creation of a City Region Capital Investment Fund, building on the commitments of the 2012 City Region Deal to include local resources, that will target investments in key City Region sites where economic jobs and growth are deliverable. The fund will focus on those key site areas listed above and will include:</b> <ul style="list-style-type: none"> <li>○ The ongoing recycling of the £18m allocation to the LCR from Growing Places Fund (GPF)</li> <li>○ A commitment of c.£24m of capital funds ERDF from the 2014-2020 European Programme and potentially, a further £16m for revenue/capital depending on market demand.</li> <li>○ Aligned investment with the existing £38m Chrysalis Fund in the LCR</li> <li>○ At a project level, Local Authority contributions to individual schemes.</li> <li>○ Re-investment of any Enterprise Zone receipts at the City Region level.</li> <li>○ We would ‘kick-start’ the fund with an ask of Government from the Local</li> </ul> </li> </ul> | <p>LEPs or Combined Authorities to bid into the RGF to create more flexible local programmes. The Liverpool City Region LEP bid in Round 4 to create a £10m Fund to support new property investment projects in need of grant assistance but were not permitted to bid in Round 5. Government is committed to a Round 6 RGF and we believe LEPs, especially when led by the private sector, should be allowed to bid.</p> <ul style="list-style-type: none"> <li>• For Government to consider the ‘Assessment of Deliverability of Key Sites in the Liverpool City Region’ report commissioned by the LEP and to work with the City Region to understand its implications and potential actions to bring forward site deliverability. The Report clearly articulates that the City Region will need to prioritise resource allocations based on developer interest and that ‘gap funding’ remains a key requirements for new schemes to get underway. We would like Government to therefore: <ul style="list-style-type: none"> <li>○ Recognise that Central Government funding ‘products’ (e.g. Local Infrastructure Funds) need to be responsive to market and local demand – not all property markets function as London’s and that, along with other Cities and City Regions, we believe their remains a need for gap funding mechanisms to kick-start job creating property schemes. The intention would be to stimulate market demand to reduce viability gaps on schemes in the long-term</li> <li>○ We would therefore ask Government to work with local areas, including the Liverpool City Region, to better recognise the value of gap funding for stimulating economic growth and to increase resources deployable by this route</li> <li>○ To recognise the purpose of the work undertaken in the City Region which is to allow a sequencing of schemes based on market need and undertaken by an independent assessment of scheme potential.</li> </ul> </li> </ul> |

| Offer  | Ask  |
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| <p>Growth Fund in 2015/16 of £15m for co-investment (as gap funding) against loan resources.</p> <ul style="list-style-type: none"> <li>• Mediate capital investment in key sites from different sources to maximise the economic outputs and value for money to the public purse. Reduce the 'burden' of applying to such funds particularly for private sector businesses and developers.</li> <li>• Establish a joint investment mechanism to cross reference key economic sites and transport schemes to ensure maximum economic growth and that City Region transport investment enables jobs growth to occur.</li> <li>• Development of an appraisal tool that prioritises job creation, GVA, and leverage and that demonstrates value for money and return on investment as a tool to aid investment decision making. This will be based on principles within the DfT required Assurance Framework for Major Schemes and applied to all discretionary City Region funds for economic development and transport allocation based on a proportionality principle.</li> <li>• Investigate as a City Region and under the structures of a Combined Authority, models to be more creative in accessing and recycling capital resources including prudential borrowing and potentially tax incremental financing (TIF)</li> <li>• We also committed to '<i>Deliver and implement if successful a City Region RGF Programme Bid</i>' which is now in delivery but can only support capital plant and equipment (not property). The LEP submitted an initial Round 3 Bid for £10m and a subsequent Round 4 Bid for £5m to also extend the Programme to cover Liverpool. The LEP submitted a bid under Round 4 for an additional £10m to support property projects but this was unsuccessful.</li> <li>• The City Region also committed to '<i>Manage and deliver a dedicated ERDF and ESF Operational Programme for the City Region, and is willing to become Managing Authority</i></li> </ul> | <ul style="list-style-type: none"> <li>• <b>From the Local Growth Fund (based on the £100m RGF allocation to the LGF) we would like Government to commit an immediate £15m of funds, to be allocated on a market responsive but prioritised basis, to the Liverpool City Region Investment Fund in 2015/16.</b> This would be co-invested alongside European Funding and Growing Places Fund loan resources to 'kick-start' the City Region Capital Fund and deliver immediate jobs and growth in the City Region. The funding would be invested in key sites enabled by Major Transport Investment as part of a 'whole systems approach' to delivering jobs. The key sites that have the potential to house market induced development in 2015/16 might include: <ul style="list-style-type: none"> <li>○ Liverpool City Centre sites such as: <ul style="list-style-type: none"> <li>• Pall Mall (potential to house 11,000 net new jobs)</li> <li>• Kings Dock (potential to house 600 net new jobs)</li> </ul> </li> <li>○ The Liverpool City Region Freight and Logistics Hub key sites: <ul style="list-style-type: none"> <li>• Stonebridge (potential to house 600 net new jobs)</li> <li>• Halton Field (potential to house 600 net new jobs)</li> <li>• Stobart Park (potential to house 1,500 net new jobs)</li> <li>• Widnes Waterfront (potential to house 100 net new jobs)</li> <li>• Atlantic Park (potential to house 460 net new jobs)</li> <li>• Parkside (potential to house 1,800 net new jobs)</li> </ul> </li> <li>○ Enterprise Zones <ul style="list-style-type: none"> <li>• Elements of Wirral Waters (sites on West and East Float with potential to create 10,000 net new jobs in long-term)</li> <li>• Elements of Liverpool Waters (southern sites around Princes Dock with potential to house 3,500 net new jobs)</li> <li>• Liverpool City EZ (collectively, aim is to house 15,400 new jobs by 2038)</li> </ul> </li> </ul> </li> </ul> |

| Offer   | Ask   |
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| <p><i>to achieve this</i>'. The City Region is committed to working with CLG and to consider being an Intermediate Body (IB) via the Combined Authority. This will require detailed work with CLG over upcoming months and the LEP is committed to working constructively with CLG.</p> | <ul style="list-style-type: none"> <li>• Daresbury (see science sites below) <ul style="list-style-type: none"> <li>○ Key Science Sites <ul style="list-style-type: none"> <li>• Elements of the Knowledge Quarter including Apex (possible 100 net new high value jobs) and possible Bio-Innovation facility (400+ new high value jobs)</li> <li>• Daresbury SIC (400+ net new high value jobs in new building development)</li> </ul> </li> </ul> </li> <li>• The £15m from RGF to kick-start the fund and co-invested with £96m of local resource for investment over the 2015 – 2021 period would support the other key projects in our Growth Plan including the City Centre (16,000+ jobs potential), the Freight and Logistics Hub (22,500 job potential) and our Enterprise Zones (which are already included in the City Centre / Freight and Logistics Hub with the exception of Daresbury where are further 1,200 jobs can be enabled).</li> </ul> |

# **Our four areas of Enabling Activity**

Enabling Activity Area 1:  
Enabling Competitive Business

Enabling Activity Area 2:  
Creating a Competitive Place and Environment

Enabling Activity Area 3:  
Delivering Skills for Growth

Enabling Activity Area 4:  
Developing an Innovation Eco-system

## Enabling Activity Area 1:

### Enabling Competitive Business

A healthy business base with strong business growth is crucial to increasing the economic performance and competitiveness of Liverpool City Region. The City Region faces structural issues that if not addressed will limit economic growth potential; business density in the City Region is too low and business formation has consistently under-performed the national average.

In recent years the City Region has developed a locally-driven business support model. Local Authorities, Chambers of Commerce, other delivery bodies and wider partners are functioning in an increasingly co-ordinated way to help business develop in the local area. The City Region is also working to ensure that local delivery works in conjunction with nationally procured business support programmes being delivered from outside the City Region. The City Region has established a Business Growth Hub Board, Chaired by the Deputy Chair of the LEP and local entrepreneur Asif Hamid, to steer a new strategy, the aim of which is to increase the business base by 20,000 businesses over the next twenty years.

This is a programme of projects aimed at producing a step change in the scale of enterprise and business activity in Liverpool City Region, to expand the business base and accelerate economic growth; achieving the ambition of 20,000 new businesses by 2034.

The key activities that will sit within the strategy are:

- Winning new business
- Encouraging business start-up & entrepreneurial culture
- Business support & investment readiness
- Skills development in conjunction with the Employment and Skills Board

| Offer  | Ask   |
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| <b>Development of a Liverpool City Region Business Growth Strategy</b>   |   |
| <ul style="list-style-type: none"> <li>• The City Region is committed to the development of a shared enterprise strategy &amp; shared enterprise programme for the whole of the City Region. The strategy framework has already been endorsed by the LEP Board and the protocols of the Combined Authority establishes the leading role to be played by the LEP, representing the private sector, in identifying business support needs and ensuring appropriate support is commissioned. The LEP will lead the development of the strategy and commissioning approach and a lead Chief Executive of a Local Authority will review public business support delivery on behalf of the Combined Authority working</li> </ul> | <ul style="list-style-type: none"> <li>• We wish Government to commit to closer working with the City Region in the commissioning and aligning of nationally procured or delivered business support products especially those of UKTI, MAS and Growth Accelerator. Our approach will also seek to maximise the alignment with nationally procured programmes.</li> <li>• We would like Government to ensure that nationally funded programmes are willing to provide data and other information that will enable closer alignment of products and also, for those schemes to commit to providing the information necessary to be part of the LEP ‘advice-finder’ website. We would welcome regular programme updates to our Growth</li> </ul> |

| Offer   | Ask   |
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| <p>collaboratively with all key partners.</p> <ul style="list-style-type: none"> <li>• The LEP has established that there are over 70 business support providers and over 300 business support products available to City Region businesses that are in some way or form funded by the public sector. The LEP working again with partners aims to simplify this landscape. This should result in a simplified business support environment ensuring local delivery works in conjunction with nationally procured programmes to maximise maximum take-up.</li> <li>• Via our strategy and improved coordination and simplification we will: <ul style="list-style-type: none"> <li>○ Promote an entrepreneurial culture to stimulate business start-ups aiming to start 5,000 new business by 2020 with a particular focus on under-represented groups including 2,000 additional women running businesses.</li> <li>○ Exploit business growth potential, stimulating diversification into new markets and products and supporting export potential. We are aiming to see 1,000 more businesses exporting by 2020, 500 more SMEs investing in R&amp;D by 2030.</li> <li>○ Ensure the embedding of supply-chain development across City Region sectors with 500 more SMEs involved in local supply chains by 2020.</li> <li>○ Appropriately aligned workforce development with businesses recognising the value of investing in skills developed in conjunction with the Employment &amp; Skills Board.</li> </ul> </li> <li>• Because business growth is extremely important to the City Region a provisional allocation of £32.8m of ERDF and £8m of ESF resources have been allocated to Business Growth for the 2014 – 2020 period. We are offering to co-invest these funds, where they can achieve increased cost-benefit results, alongside Government programme funds. Our current offer to an ‘opt-in’ position as included in our European Strategy submission is: <ul style="list-style-type: none"> <li>○ UKTI where the LEP is already developing joint working relationship in the 2013-</li> </ul> </li> </ul> | <p>Hub Board (recognising the good existing relationships and information exchange practices in place). Such commitments are felt necessary as part of any opt-in by the City Region to national product delivery but should also apply for all national procured products with footfall in the City Region area.</p> <ul style="list-style-type: none"> <li>• Given our commitment to aligning locally funded products with national products and commissioning of business support activity (whether funded by ERDF or other local sources) in a coordinated way we require Government to ensure that European Technical Assistance resource is devolved to LEP areas as has been committed to repeatedly by Government to enable such local alignment of activity to occur.</li> </ul> |

| Offer   | Ask  |
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| <p>2015 period. The City region is considering a £2m commitment of locally allocated European resource over the Programme period</p> <ul style="list-style-type: none"> <li>○ Manufacturing Advisory Service – subject to Government clarification on continuation of MAS nationally the City Region is considering a £300k contribution of locally available European resource for 2015 -2017</li> <li>○ Growth Accelerator – subject to certain flexibilities in delivery the City Region is considering a £150k contribution of locally available European resource for 2015 - 2017</li> </ul> <ul style="list-style-type: none"> <li>● We will also ensure the commissioning of any European funded business support within the City Region is closely aligned with all other activity being delivered to make accessing business support resources simpler.</li> </ul>   |  |
| <b>Development of a Federal Growth Hub</b>  |  |
| <ul style="list-style-type: none"> <li>● To support the co-ordination of business support activities within the City Region the LEP has developed an ‘advice-finder’ website to allow businesses to more readily access both commercial and publicly funded support. We believe the model is unique and can significantly strengthen access to business support advice from the commercial as well as public sector maximising business growth potential. This forms an essential part of our Federal Growth Hub model which has already been discussed with BIS. The City Region commits to working, in a collaborative way to further developing the approach.</li> <li>● The City region, via our existing Growth Hub Board reporting to the LEP, will put in place a clear mechanism by which business can determine the appropriate business support provision necessary and also monitoring the impact of that provision on the economy.</li> </ul> | <ul style="list-style-type: none"> <li>● To support out Growth Hub proposals the City region is seeking financial support from BIS in-line with that provided to other City Deal and Wave 2 City Deal areas and as encouraged by Lord Heseltine. The LEP has already been in discussions with BIS on how the current locally proposed model operates and could be integrated with nationally funded Growth Hubs. A preliminary estimate of the costs of £1.5m over a three year period has been developed and is included as part of Growth Plan ask of Government.</li> <li>● We would welcome regular programme updates to our Growth Hub Board from national product providers to allow alignment of support packages but also to ensure that delivery is such that it is meeting genuine local business need (recognising the good existing relationships and information exchange practices in place).</li> </ul> |
| <b>Developing a whole systems approach to growing our business base</b>   |  |
| <ul style="list-style-type: none"> <li>● Through investment from the City Region Investment Fund and other sources of investment we will ensure that the City Region has an appropriate provision of business premises to support business</li> </ul>   | <ul style="list-style-type: none"> <li>● Government to provide the necessary resource to ‘kick-start’ our City Region Investment Fund</li> </ul>   |

| Offer  | Ask |
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| <p>growth, particularly for key sectors, as well as prioritised development of employment sites. Public investment will be prioritised on established market demand and job creating impact.</p> <ul style="list-style-type: none"> <li>• We will ensure that City Region transport infrastructure supports the efficient movement and access of people and goods across the City Region. City Region partners will work to ensure the benefits of HS2 are maximised for the local area.</li> <li>• To support innovation in our economy we will establish an Innovation Plan for the City Region that will deliver an innovation ecosystem with a dynamic, self-sustaining innovation culture.</li> </ul> |     |

## Enabling Activity Area 2:

### Creating a Competitive Place & Environment

The City Region has taken a market facing approach to regenerating the economy of our ‘place’. A recently commissioned ‘Local Investment Plan’ for the City Region has identified and prioritised key sites for investment between 2014 and 2017. This work will support the City Region in quickening the speed at which growth can be achieved.

The Investment Plan will continue much of the best practice that can already be found in the City Region. This includes ensuring that our Enterprise Zone sites are enabled to create jobs and that the science and innovation facility at Daresbury is able to grow further. City Region partners will build on joint investment of resources to target private sector investment and jobs growth.

The City Region will also continue to make investments in its transport network to improve connectivity both within and across the region, improving the passenger experience, and enabling goods and freight to move around the region and connect to external markets.

This is a programme of projects aimed at enabling businesses to grow through the provision of key sites and infrastructure including the establishment of an innovation environment based on best practise both nationally and internationally.

| Offer   | Ask   |
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| <ul style="list-style-type: none"> <li>• Physical investment needs to consider the Liverpool City Region as one urban conurbation and as such the need to prioritise is now paramount. The Liverpool City Region has implemented a common approach to consider each physical project in order to assess those with the greatest economic impacts. The implementation of a common and robust assurance framework across a broad range of projects will ensure that the City Region achieves the best value and productivity from investment.</li> <li>• The common assessment framework will not only apply to Government funding but will cross other funding streams ensuring that all available monies will be targeted and focussed on achieving the greatest economic outcomes. Aligning European funding (ERDF), Government Infrastructure funding (Growing Places funding, Regional Growth funding) and the City Region’s Chrysalis funding will ensure that corridors of economic activity will be achieved across the City Region.</li> <li>• Enterprise Zone and other key economic sites</li> </ul> | <ul style="list-style-type: none"> <li>• A commitment to discuss with HMT/DfT an appropriate capital/revenue split. Revenue funding would ensure the delivery of smarter measures such as travel planning, work-wise, personalised journey planning and targeted concessions – that link people to economic growth sites across the City Region.</li> <li>• Consideration of additional Housing Enterprise Zones that cover a number of sites within the Liverpool City Region’s identified economic corridors.</li> <li>• Greenbelt release in the City Region whilst creating an improved offer will also compete with the urban brownfield sites, Government should consider how to incentivise development in the densely populated urban areas. Recognising that patterns of economic development do not coincide with those of the South East.</li> <li>• Support transport investment that deliver connectivity to economic growth areas examples being:               <ul style="list-style-type: none"> <li>○ Newton-le-Willows rail interchange to link to Parkside;</li> </ul> </li> </ul> |

| Offer  | Ask   |
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| <p>including Parkside, Knowsley Industrial Park and Atlantic Park, the airport and the strong transport connectivity of the City Region will deliver economic corridors which will be vitally important to the success of the City Region to ensure that we create jobs and further growth.</p> <ul style="list-style-type: none"> <li>• Map B shows the jobs potential of each key site and their proximity to the prioritised transport investments.</li> <li>• We will ensure that these key employment sites complement each other rather than compete; therefore they will be tailored to service growing markets, particularly in response to sectoral growth opportunities.</li> <li>• Economic sites alone will not be able to deliver economic growth in the City Region as there is a need to capture the economic benefits so that the true value is felt locally. This will be achieved by delivering a housing offer to meet the changing City Region needs, with particular focus on bringing forward sites for housing growth and aspirational housing including ambitious greenbelt release.</li> <li>• Map D shows the proximity of employment sites to housing sites and their proximity to the prioritised transport investments. Map D also shows the rail network of the City Region which enables access to work while Map C shows the proximity of transport sites to our proposed major transport scheme investments. <b>As a City Region, we are moving towards a 'whole-system' approach to growth, housing and transport access.</b></li> <li>• The key to success is connecting the right housing offer to the improved economic environment this will be achieved by providing and promoting an affordable, low emissions transport system that maximises strategic opportunities for those both within and close to the City Region.</li> <li>• Complimentary town and district centres will be regenerated throughout the City Region to compliment the growth in the City Centre offer; recognising the changing retail markets as well as recognising the strength in one focal point and international brand.</li> </ul> | <ul style="list-style-type: none"> <li>○ Access and connectivity improvements to Knowsley Industrial Park;</li> <li>○ Improvements to the A5300 to maximise the benefits of the New Mersey Crossing and Liverpool Airport connectivity.</li> <li>• Align Highways Agency and National Rail investment to connect areas of economic importance: <ul style="list-style-type: none"> <li>○ M58 Access improvements to support <b>SUPERPORT</b> initiatives;</li> <li>○ M53 improvements to support the Wirral Waters Enterprise Zone;</li> <li>○ M56 Junction 11a improvements to support the development of Daresbury Enterprise Zone;</li> <li>○ Implementation of the Halton Curve improvements ahead of schedule.</li> </ul> </li> <li>• Target Affordable Housing Programme to tackle quality issues at a local level. Target Help to Buy at areas where they are proven to benefit the economically aspiring.</li> <li>• Allow the Local Infrastructure Fund to be considered across a portfolio of sites recognising that housing growth in the North differs from the large scale sites in the South.</li> <li>• Continue the long-term commitment to rolling stock replacement in the City Region, building on the growth in train passengers and the connectivity between people and place.</li> <li>• Support developments that deliver high quality public realm, thereby improving the quality of place, through continued commitment to CIL and developer contributions.</li> <li>• Continued support for Low Carbon investment including the housing retrofit programme that has the added benefit of tackling fuel poverty.</li> </ul> |

| Offer  | Ask  |
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| <ul style="list-style-type: none"> <li>• The Liverpool City Region will establish an innovation environment based on best practise nationally and internationally. Investment in enabling science and technologies in key City Region sites.</li> <li>• Our strong links to the Health Service will continue to ensure that we are able to build a critical mass of research excellence and support commercialisation in the health and well-being platform.</li> <li>• Develop further capabilities for sustainable growth solutions using research and development across sectors.</li> <li>• Build a national reputation for Smart Products and Processes, increasing access for business to City Region capabilities.</li> <li>• Expansion of the City Region Creative Content sector, supporting access to new national and international markets.</li> </ul>   |  |
| <b>City Region Deal Offer</b>  | <b>City Region Deal Ask</b>  |
| <ul style="list-style-type: none"> <li>• Our offers and asks build on many of those made as part of our 2012 City Region Deal submission. Many remain relevant especially those with regards transport :</li> <li>• <i>“Recognising the importance of rail to the economic competitiveness of the City Region, the City Region is committed to on-going improvements and investment to the network through the refurbishment of Liverpool Central Station, access and infrastructure improvements to other stations and upgrading the Merseyrail rolling stock.”</i></li> <li>• We also committed to <i>“Review transport governance to establish a single strategic transport body for the City Region by 31/12/12 and to produce a coherent transport strategy to support the wider economic development and growth of the City Region. This will include support from Government to achieve the above and establish and support a multi-agency Transport Group to include DfT, Network Rail and the Highways Agency.”</i> This has been successfully implemented, indeed, the shift to</li> </ul> | <ul style="list-style-type: none"> <li>• Our asks at the time of the City Region Deal included:</li> <li>• <i>For Government to:</i> <ol style="list-style-type: none"> <li>a) <i>Continue to work to ensure completion of the announced Northern Rail Hub and Transpennine electrification as soon as possible and within budget.</i></li> <li>b) <i>Subject to the outcome of the consultation, work constructively towards reaching a form of rail devolution for the North of England.</i></li> <li>c) <i>Work with promoters in helping them to achieve key rail connectivity priorities such as delivering the Halton Curve and improvements to the Bootle Branch line.</i></li> </ol> </li> </ul> <p>The Northern Hub project is underway and we are making a series of further asks around devolution of northern rail. These asks are contained in a dedicated offer and asks section at the rear end of this submission. We are also now specifically including a £10.4m investment ask from the LGF for investment in Halton Curve – this ask is also being made by the Cheshire and Warrington LEP due to the cross border</p> |

| Offer   | Ask   |
|---|---|
| <p>a Combined Authority goes beyond the review providing an even more simplified and high level Governance structure than was preferred by DfT.</p> <ul style="list-style-type: none"> <li>• <i>“Establish a City Region Transport Investment Programme over the next 10yrs combining:               <ul style="list-style-type: none"> <li>○ £300m of committed investment up to 2017 for schemes such as:                   <ul style="list-style-type: none"> <li>a) <i>The Mersey Gateway;</i></li> <li>b) <i>Silver Jubilee Bridge;</i></li> <li>c) <i>Thornton to Switch Island Link Road;</i></li> <li>d) <i>Improvements to Liverpool Central Station;</i></li> <li>e) <i>Merseyside and Halton LTP priorities.</i></li> </ul> </li> <li>○ £400m Strategic Investment Fund with a 2020 horizon, made up of:                   <ul style="list-style-type: none"> <li>a) <i>European Funding;</i></li> <li>b) <i>Current Government transport allocations;</i></li> <li>c) <i>Private sector contributions;</i></li> <li>d) <i>Devolved major schemes funds.”</i></li> </ul> </li> </ul> </i></li> </ul> <p>The Local Growth Fund process has provided the City Region the opportunity to bid for a number of these schemes to be taken forward. A number have already been approved including the Mersey Gateway bridge.</p> <ul style="list-style-type: none"> <li>• <i>Continue to work in partnership with local bus operators, through the Merseyside Bus Board, to roll-out bus Statutory Quality Partnerships, to improve the bus offer and to invest collectively in the fleet and in the infrastructure.</i></li> </ul> | <p>significance of the project.</p> <ul style="list-style-type: none"> <li>• <i>“Work with the City Region to ensure that the High Speed 2 rail project improves the City Region’s connectivity, through a direct rail link to Liverpool, or enhanced “classic compatible” running into Liverpool via a high quality connection from the high speed line.”</i> We continue to make asks in the space of High Speed Rail building on the productive work done with Government to date. A dedicated set of offers and asks with regard High Speed Rail is included in this submission.</li> <li>• <i>“For the City Region to enter into a dialogue with Government to develop new and innovative approaches to funding to support local transport interventions:               <ul style="list-style-type: none"> <li>a) <i>A commitment to discuss with HMT/DfT an appropriate capital/revenue split for Integrated Transport Block funding in the next spending review period;</i></li> <li>b) <i>The devolution of Transport Major Scheme funding to the City Region;</i></li> <li>c) <i>Support from Government for the City Regions Local Sustainable Transport Fund bids and from the Highways Agency Pinch Point programme, especially where this would support access to the City Regions Enterprise Zones.”</i></li> </ul> </i></li> <li>• <i>“To progress the Liverpool City Region bus agenda through a dedicated working relationship with DfT, focussing on the rapid progression of policy measures including devolution, outlined in “Green Light for Buses”.</i></li> </ul> |

## Enabling Activity Area 3:

### Enabling Skills for Growth

Liverpool City Region has been transformed over the last 20 years; however the potential for additional economic activity and improved competitiveness exists through realising the full potential of our people which in turn, would assist the City Region to tackle long-standing weaknesses in our labour market and more recent challenges resulting from the recession.

Through the Liverpool City Region Deal for Jobs and Skills a clear direction of travel has been established. Our desire to create the most demand-led employment and skills delivery system in the country has started to become realised in practise. The labour market within the City Region has changed significantly in recent years, with an increasing reliance on part-time work: this is likely to accentuate in future years as welfare reforms continue to be implemented.

Through our Labour Market Information Service we have produced the most detailed articulation of demand through the publication of business-led Skills for Growth Agreements. These deals between employers and employment and skills providers have led to new curriculum developments and courses better aligned to drive economic growth. They have further been translated into thought provoking career and learning choice materials called jobs for Tomorrow – videos and curriculum tools to inform and inspire young people and adults to pursue opportunities in new and growing sectors.

We have also established our position at the forefront of shaping and developing cutting-edge approaches to tackling the City Region's jobs and skills challenges at all levels head on. Our place-based Employer Ownership funded Skills for Growth Bank model is delivering Apprenticeships and workplace skills innovations that are designed and co-funded by businesses. We have successfully modelled a payment by results skills pilot proposal with the Skills Funding Agency and are in the process of implementing a Mobile App-driven approach to testing Personalised Budgets with young unemployed people in response to Cabinet Office's invitation to deliver the Youth Contract Underspend.

These initiatives provide a solid collaborative platform to go further and faster as a result of this Growth Plan and co-design with Government an employment and skills system to deliver our goal of Competitive People.

To deliver this goal in a well functioning labour market, action will be focused on the key challenges outlined in the Liverpool City Region Skills for Growth Annual Report 2013. A programme of projects has been developed aimed at realising the full potential of our people and tackling long-established labour market weaknesses and to drive additional economic activity and improve competitiveness in terms of supporting people into work and enabling them to progress. This will necessitate a shift in provision and uptake if residents are to take full advantage of the area's growth opportunities.

This shift will be facilitated through an approach to the utilisation of Skills Capital Funding which will balance the need to maintain and enhance current facilities with the need to develop additional

facilities to respond to the needs identified by employers. It is envisaged that this will have four components:

- A condition element, whereby skills providers can access funding for major pieces of maintenance work on their facilities: this will be weighted by the nature of the facilities and whether they are linked to employer demand.
- An equipment element: whilst completing the Advanced Manufacturing Skills for Growth Agreement, employers within the City Region clearly and consistently identified that the equipment being used by skills providers was not up to date. This funding would allow improvements to equipment to be secured to allow this to happen.
- An improvement element, whereby skills providers would be able to access funding to enhance, improve or extend their facilities in a way that met clearly identified local employer demand or improved efficiencies of operation of providers.
- A low carbon improvement element, which would be a revolving loan fund used to make low carbon improvements to estates, with the projected savings being returned to the fund for reinvestment. Linked to wider City Region work on low carbon, this fund would enable providers to improve their efficiencies and have facilities that could be used to support learning.

This comprehensive approach to Skills Capital issues would mean that the City Region would have the facilities in place to deliver the most responsive skills system in the country.

Since the formation of the Local Enterprise Partnership we have travelled a great distance in terms of our overall governance and accountability arrangements. Our Employment and Skills Board has undertaken a significant role in challenging the employment and skills delivery system and supporting the implementation of a skills offer better aligned to our economic growth priorities. We are now going further by formalising arrangements into a new legal structure through the creation of a Combined Authority. In addition to providing more collaboration and accountable body structures, this will significantly strengthen the local democratic accountability of employment and skills activity.

Our Growth Plan will help in the structural transformation of the City Region’s economy. In order to maximise both the opportunity and effectively share the benefits of this growth across our diverse community we need to build on and from our City Region Deal for Jobs and Skills. To accomplish this we make the following offers and asks to support the overall delivery of this Growth Plan.

| Offer   | Ask   |
|---|---|
| <b>Governance</b>   |   |
| <ul style="list-style-type: none"> <li>• Through the Employment and Skills Board provide clear leadership to the employment and skills system within the Liverpool City Region, as a formal part of the Combined Authority arrangements.</li> <li>• Ensure the employment and skills system supports and reinforces the economic</li> </ul> | <ul style="list-style-type: none"> <li>• As part of our Combined Authority arrangements, formalise reporting and accountability arrangements for the Skills Funding Agency and Jobcentre Plus nominated senior officials.</li> <li>• In addition, all providers of employment and skills services will be invited to submit an</li> </ul> |

| Offer  | Ask   |
|--|---|
| <p>development, housing and transport activities being delivered within the City Region.</p> <ul style="list-style-type: none"> <li>• Produce annual Skills for Growth reports to set out the key issues being faced by residents and businesses within the Liverpool City Region.</li> <li>• Report annually on the utilisation of the Social Value Act in public procurement to create employment and skills opportunities.</li> </ul>   | <p>annual impact report outlining their contribution to delivering the City Region’s priorities. Government support is requested to agree that this should be a requirement for the top 20 providers funded through BIS resources and all DWP Prime Contractors.</p> <ul style="list-style-type: none"> <li>• Government and the Liverpool City Region work together to create a Skills and Labour Market Agreement, as proposed in the Core Cities Prospectus for Growth publication in November 2013. This will ensure local, national and EU funding streams are used to create a less fragmented employment support programme on the ground, help all investments to go further and give all commissioners a common understanding of what is needed and what is working.</li> </ul> |
| <b>Welfare and Employment</b>  |   |
| <ul style="list-style-type: none"> <li>• Commitment to tackle unemployment, particularly youth unemployment, and promote resilience. The Liverpool City Region remains on target for its ambitious plan to halve long-term youth unemployment within three years set out in the City Region Deal.</li> <li>• Commitment to work with local authorities, health providers and welfare to work contractors to ensure that the correct support is in place for residents with work-limiting health conditions.</li> <li>• Further alignment or integration of family-facing support to lift families and children out of poverty in line with national and City Region policy, by developing pathways to education, training and sustainable employment.</li> <li>• Commitment to work with BIS to develop proposals around introducing Payment by Results in elements of Skills Funding used to prepare people for employment – building on the work and investments made by the Liverpool City Region for the delivery of our City Region Deal.</li> <li>• Pilot a new approach to Personalised Budgets via the already devolved Youth Contract funding.</li> </ul> | <ul style="list-style-type: none"> <li>• DWP commit to work with the City Region to co-design a new approach to welfare to work services, which may be around removing the barriers associated with those who are furthest away from the labour market.</li> <li>• DWP work with the City Region to co-design successor programme(s) to the Work Programme, including an exploration of possible co-commissioning.</li> </ul>   |
| <b>Apprenticeships and Work-based Training</b>   |   |

| Offer   | Ask   |
|---|---|
| <ul style="list-style-type: none"> <li>• Continued delivery of the Employer Ownership Pilot ‘Skills for Growth Bank’ to empower employers to co-invest their cash in the skills they need for growth.</li> <li>• Utilise the Skills for Growth Bank to provide early adoption of the reforms to both Apprenticeship Standards and Apprenticeship Funding reforms.</li> <li>• Continue to develop support to Apprenticeships through co-investing in the Liverpool City Region Apprenticeships Hub activity and the future EU Programme.</li> <li>• Deliver celebration events for Apprenticeships promotion, including the Graduation ceremony and the Annual Apprenticeship Awards.</li> </ul> | <ul style="list-style-type: none"> <li>• Agree to continue the existing place-based ‘Skills for Growth Bank’ Employer Ownership contract for an additional year (with no additional resources needs beyond those initially agreed).</li> <li>• This would enable a test of new Apprenticeship Standards alongside the continued testing of employer cash co-investment in skills – something the Skills for Growth Bank as established is already uniquely placed to do.</li> <li>• Provide four-year funding (c.£0.100m per year) to support the successful Apprenticeship Hub which is providing increased leadership and visibility for Apprenticeships.</li> <li>• Devolve, or as a minimum bring together into a single team, existing National resources in the Liverpool City Region alongside Skills for Growth Bank structures to provide a joined up approach to business engagement in future Apprenticeship delivery.</li> </ul>                                    |
| Skills  |   |
| <ul style="list-style-type: none"> <li>• Ensure that workforce development and skills attainment in the City Region is geared towards creating a high-skill equilibrium to get a better balance between supply and demand of higher level skills.</li> <li>• Provision of key, high quality labour market information to help employment and skills providers to reshape their services.</li> <li>• Encourage businesses to work with providers in designing curriculum that will effectively meet their needs.</li> <li>• Deliver Skills for Growth Agreements focusing activity in sectors where the City Region has a competitive advantage.</li> </ul>                                      | <ul style="list-style-type: none"> <li>• Invest £0.250m over three years to build on the highly successful Labour Market Information Service work (delivered through the City Region Deal) to create and manage business-led Industrial Learning Partnerships for key Growth Sectors and providing a business-led scrutiny and support mechanism for provision. These would be powerful bodies with a direct impact on provider funding allocations.</li> <li>• Devolve 5% of the Adult Skills Budget to provide an initial reward-grant payment structure for those providers delivering the courses, content and outcomes the City Region’s economy needs.</li> <li>• We would then welcome discussions with BIS to co-design a process that would make the reward process self-financing by proportionate influence over increasing (or reducing) allocations amongst providers that do (or do not) meet the needs of our key sectors and residents. The proposed</li> </ul> |

| <b>Offer</b> | <b>Ask</b>   |
|--------------|--|
|              | Industrial Learning Partnerships could provide a means of delivering this process. |

## Enabling Activity Area 4: Developing an Innovation Eco-system

Delivering growth through world class Innovation Liverpool City Region forms an important component of the UK and Europe's Higher Education and scientific research base. It is home to several internationally leading centres of excellence – in particular - the **Liverpool Knowledge Quarter** centred on the university and health cluster in Liverpool City Centre, and **Sci-Tech Daresbury** with its international science infrastructure and expertise.

The **Liverpool Knowledge Quarter** plays a vital role in both the national and international innovation ecosystem. The Quarter, which forms one of the Mayoral Development Zones, to the east of Liverpool City Centre contains a concentration of integrated research, teaching, cultural, technology transfer and commercialisation assets, which dovetail with a broader suite of assets across the North of England, elsewhere in the UK and overseas.

Liverpool Knowledge Quarter is home to the main campuses for four universities (the University of Liverpool, Liverpool John Moore's University, Liverpool School of Tropical Medicine and Liverpool Hope University). The University of Liverpool, Liverpool John Moores University, the Royal Liverpool University Hospital and the Liverpool School of Tropical Medicine together generate some £1 billion of GVA, and the universities in the Knowledge Quarter produce around 14,000 graduates every year. The main research strengths of these institutions cover the following:

- Complementary health and bioscience related disciplines in Medicine, Veterinary Science and Tropical Medicine;
- Advanced materials and materials chemistry;
- Astrophysics;
- Engineering;
- Advanced computing;
- Accelerator science and digital technology;
- Sports science;
- Energy research;
- Aerospace;
- The built environment.

The Witty Review<sup>1</sup> identified the University of Liverpool as being one of the top 20 most prominent organisations for research publications in Advanced Materials and Nano-Technology, Aerospace, Agri-Science, Construction, Genetics and Synthetic Biology, Regenerative Medicine, Life Sciences more broadly, Oil and Gas, and Robotics. Liverpool John Moores University was identified as being in the top 20 for Big Data.

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<sup>1</sup> Witty, A. (2013) *Encouraging a British Invention Revolution: Sir Andrew Witty's Review of Universities and Growth*  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/249720/bis-13-1241-encouraging-a-british-invention-revolution-andrew-witty-review-RI.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249720/bis-13-1241-encouraging-a-british-invention-revolution-andrew-witty-review-RI.pdf)

**Sci-Tech Daresbury** is recognised nationally and internationally as a location for 'Big Science', where companies can access world-class scientific equipment and expertise. Over recent years, Sci-Tech Daresbury has developed into an important innovation focus for the North of England, and has attracted a rapidly growing community of innovative firms. It has achieved prominence as one of the UK's two National Science and Innovation Campuses, which combined with its status as an Enterprise Zone, provides a unique combination of scientific capabilities and business benefits. Its fundamental strength, and the key differentiator from other business and innovations locations elsewhere, is that it is based on the successful co-location and interaction of business development and national scale innovation and science infrastructure (specialist equipment and the operating expertise).

Key elements of the Sci-Tech Daresbury offer include:

- Scientific computing
- Accelerator science
- Nuclear Physics

Underpinning these important scientific capabilities, STFC's Technology Department supports a wide range of advanced engineering, technology, instrumentation, facilities and skills. There are more than 900 scientific and technical staff based at Daresbury and there are well-developed links to a wider regional network of over 4,000 collaborators. The campus was awarded Enterprise Zone Status in 2012 and the UK Government has recently invested £70 million in the Hartree Centre and accelerator infrastructures, and the EPSRC has committed major investment to SuperSTEM III.

This is enhanced by prominent firms in key growth sectors in the city region, with many innovating and undertaking R&D locally, often collaborating with local universities and organisations further afield, including:

- **Digital and Creative:** Lime Pictures, Conker Media, New Mind, Lucid Games, Milky Tea, River Motion Group and Uniform, with a well-established sector network.
- **Life Sciences and Healthcare:** Novartis, MedImmune, Eli Lilly, Actavis, Redx Pharma and Baxter Healthcare, again with a well-established sector network.
- **High value manufacturing:** Jaguar Land Rover, BAC Mono, Getrag, UTC, Johnson Controls, ABB, Unilever, Nanoco, MAST Group, Ineos ChlorVinyls Ltd, Sovex, Joloda International and Brainboxes.
- **Low carbon, logistics, marine and maritime, food, drink and agriculture:** Stobart Group, Maersk Line, Cammell Laird, Bibby Distribution, Acal Energy, Princes Group, John West, Renshaw Napier, Nichols, United Biscuits (Jacobs), Typhoo Tea and Halewood International.

Further developing our innovation ecosystem is a key priority for the Liverpool City Region. The exploitation of science, technology and innovation assets to develop and commercialise new ways of meeting global challenges is critical to the City Region's competitiveness and prosperity. City Region businesses need open access to scientific discovery and technology development in order to develop the new products, processes and services.

The Liverpool City Region ecosystem will further connect the science community with the economy and ensure the effective delivery of real business growth, innovation, the creation of high value employment and thriving science based businesses.

The Liverpool City Region Innovation Plan, developed along Smart Specialisation guidelines, outlines a programme of projects targeting investment at key science sites and facilities to drive job creation and stimulate economic growth. This work aligns closely with the Government's response to Sir Andrew Witty's Review of Universities and Growth. The Innovation Plan will be driven and overseen by the Innovation Board, chaired by Sir Howard Newby (Vice Chancellor of University of Liverpool and LEP Board member) which builds on a long track record of close partner working in the form of the previous Knowledge Economy Board, the Sci-Tech Daresbury Enterprise Zone and the Knowledge Quarter Boards.

The Innovation Plan outlines the next stage in developing our Innovation ecosystem to ensure the infrastructures, skills, finance and connections necessary for innovation, both hard and soft, are in place and working optimally. This will be an engine to drive growth and jobs.

The Innovation Plan also provides focus and alignment on those areas of our technological/sectoral specialisation where we have something distinct and exceptional to offer. Liverpool City Region activity will focus on five areas of Innovation Capability where, by heritage, scope, scale, and/or excellence, our offer stands out (either currently or has clear potential to do so in the future) relative to what other places in the UK and internationally are doing.

Through the development of the Plan, five specific areas of innovation excellence have been defined – four that target particular technologies/sectors and one that underpins the wider innovation ecosystem. These are as follows:

- **Enabling Science and General Purpose Technologies.** We will develop further research and innovation excellence at Sci-Tech Daresbury and the Liverpool Knowledge Quarter, with strengthened links to industry, boosting our long-term competitiveness, securing significant GVA growth and developing practical solutions to some of the Grand Challenges that we collectively face.
- **Health and Well-being Innovator** – majoring on distinct capabilities across the Life Sciences and Healthcare, building a vibrant and competitive cluster of firms, delivering academic and clinical research excellence, and helping to improve health outcomes amongst the local population.
- **Smarter Products, Processes, Systems and Services (making it)**, using our leading expertise in advanced materials and high value manufacturing to build and sustain international competitiveness, attract high quality investment and secure significant growth.
- **Solutions for sustainable growth**, capitalising on our mix of urban, seaboard, river and semi-rural environments, as well as leveraging related R&D and industrial strengths, focusing on key themes of energy, food, clean water, smart urban management and public services, the marine environment and **SUPERPORT**.
- **Creative and digital content** for cross Innovation Capability purposes as well as building a critical mass of leading creative and digital technology firms. Additionally, this will form a fundamental

element of a successful and dynamic City Region environment, improving our quality of life offer and helping us to attract and retain talent.

This activity will be underpinned by Liverpool City Region Accelerator projects and activities that will embed our ecosystem and drive our Innovation Capabilities. Accelerator projects include:

- **Materials Innovation Factory** - co-founded by the University of Liverpool and Unilever, is a new facility which will provide a suite of open access, state-of-the-art equipment and internationally-leading academic expertise. At the heart of the Materials Innovation Factory is a set of shared laboratory facilities that houses >£10 million worth of measurement and testing instrumentation, ranging from standard testing and measurement equipment, high-throughput techniques, high-end analytical techniques such as nuclear magnetic resonance (NMR), mass spec and electron microscopy.
- **Sensor City (to be updated to align with UEZ bid)**
- **Sci-Tech Daresbury Campus** continues to grow. Regional Growth Fund and Growing Places Fund (£7.36m and £1.8m) is being used to next phase of development. Key elements of the next phase include:
  - Project Tech Space – the construction of grow-on high quality office and specialised lab space;
  - Power – increasing the power supply to facilitate the Science and Technology Facilities Council future programmes;
  - Site Connectivity Works – site preparation, landscaping, improvements to the highway and a linear park to create a high quality campus environment ;
  - Transport Improvements – to provide enhanced public transport provision.

Further investment priorities include:

- Upgrade and enhance the Hartree Centre with additional computer systems in diverse architectures, especially low-power systems, to ensure that our computing capabilities remain at the cutting edge internationally and continue to be the best available within the UK.
- To build on the successful delivery in 2013 of the VELA electron-beam test facility by constructing a world class Free Electron Laser test accelerator, CLARA,. This will be an internationally unique facility and would place Sci-Tech Daresbury as an international source of expertise in this area of cutting edge science and ensure the UK has the capability to deliver a next generation light source facility able to support time-resolved x-ray diffraction studies.
- **Biocampus.** – The location of the Liverpool BioCampus in the centre of the City’s Knowledge Quarter encompasses the University of Liverpool, the Royal Liverpool & Broadgreen University Hospitals NHS Trust, the Liverpool School of Tropical Medicine, 2Bio and the Liverpool Science Park.

The BioCampus provides for a concentration and co-location of research, industry and healthcare provision collaborating in health related research and clinical trials, enabling Liverpool to become a centre of global excellence in biomedical sciences.

A new 640 bed Royal Liverpool University Hospital is already under way and will share the BioCampus site with University of Liverpool and the Liverpool School of Tropical Medicine new life

science research laboratories. In addition The Clatterbridge Cancer Centre will be expanding its services and building a new cancer centre on the BioCampus.

Developing a new Clatterbridge Cancer Cancer on the campus will bring huge benefits for patients and will allow access to a broader portfolio of clinical trials. Planning permission has been granted for further health related developments on the site, taking the form of new City blocks surrounded by landscaped green spaces.

We would like to work closely with Government and key agencies such as the Technology Strategy Board and **Higher Education Funding Council for England to deliver the Liverpool City Region Innovation Plan. Key asks and offers in relation delivery of the Innovation Plan are:**

| Offer   | Ask  |
|---|--|
| <b>Sensor City</b>  |  |
| <ul style="list-style-type: none"> <li>• Establish, develop and sustain a best practice business incubator focused on creating and nurturing viable hi-tech sensor-system businesses to accelerate into grow-on space.</li> <li>• Assist graduate entrepreneurs in forming hi-tech businesses, using coaching, mentoring and networks to sustain them.</li> <li>• Build and integrate an established academic base, existing businesses and new partners to take the sensor sector to critical mass and scale.</li> <li>• Establish a viable cluster of sensor-system businesses, customers and supply chain companies in the Liverpool City Region.</li> <li>• Build an eco-system where co-located business and University partners can work in synergy to foster economic growth through sustainable job creation and business impact.</li> <li>• To use Sensor City as a coherent offering to drive urban growth in a core City Region.</li> <li>• Foster urban regeneration through business start-ups and growth in the heart of the City’s Knowledge Quarter.</li> </ul> | <ul style="list-style-type: none"> <li>• Endorsement of Sensor City as University Enterprise Zone.</li> <li>• Alignment of delivery with national Agencies.</li> <li>• Work with local partners to explore possibility of Sensor as an Arrow Project.</li> </ul> |
| <b>Liverpool City Region as national Pilot for joint delivery (Recommendation 3 of Govt’s response to Witty)</b>  |  |
| <ul style="list-style-type: none"> <li>• Alignment of ESIF with HEFCE, TSB, HEI, UKTI, British Business Bank funds.</li> <li>• Delivery of Liverpool City Region Innovation Plan.</li> <li>• Robust governance in place: Innovation</li> </ul>  | <ul style="list-style-type: none"> <li>• Government to facilitate Liverpool City Region as a Pilot LEP area to roll out the approach outlines in Recommendation 3 of Government response to the Witty review.</li> </ul>   |

| <b>Offer</b>  | <b>Ask</b> |
|---|------------|
| Board, Knowledge Quarter Board and SciTech Daresbury Enterprise Zone Board. |            |

# Key Strategic Linkages

Welfare Reform

High Speed Rail

Enterprise Zones

Atlantic Gateway

Our Visitor Economy

Housing

Working with Network Rail

Working with the Highways Agency

Rail Devolution in the North

## Strategic Linkage: Welfare Reform Agenda

The Government spends £2.66bn on welfare expenditure (2012/13: not including Pensions) across the City Region. Current policies will reduce this by £162m annually: equivalent to a 1% reduction in the City Region’s economy.

Much of the current welfare bill contributes towards low incomes of those in work as well as those currently unemployed. Reducing the amount of benefits City Region residents receive has not had a significant impact on welfare reliance either nationally or locally. The number of residents on such benefits remains high.

The scale of the challenge both in terms of human and economic cost has the potential to restrict economic growth. Long term unemployment can signal problems with employer demand, but is also an indicator of people becoming detached from the labour market. The direct and indirect costs of detachment can rapidly escalate, and have consequences across a broad spectrum of public services, as well as reducing the productivity of labour markets and of course impacting on the individual and families. Because of our high concentrations of deprivation alongside economic opportunity, the City Region is one of the places where public sector reform can deliver greatest rewards.

Current national policies are failing to tackle the multiple causes of welfare dependency; responding instead to the symptoms of worklessness through disconnected programmes and policies, adding avoidable additional cost to the public purse. Across the City Region, we are committed to bringing down the welfare bill, supporting the long-term unemployed and reducing ‘churn’ with the only viable long-term solution – increasing the number of residents in work. As a City Region we recognise that no comprehensive welfare reform programme impacting the supply-side of our labour market can be successful without concerted and corresponding action to grow the demand-side. We need a co-ordinated relationship with Government, agencies and contractors to respond to the challenge.

| Offer  | Ask   |
|--|---|
| <b>Welfare and Employment (complementing the Employment and Skills offer and asks)</b>   |   |
| <ul style="list-style-type: none"> <li>• Building on Liverpool’s City Deal to develop a pilot scheme using a total household approach to welfare and local work services. Targeted in a small geographical area it will be aligned to national policy in relation to benefit delivery and work incentives. We will work with government to develop the business case and define the test case geographical areas.</li> <li>• Commitment to tackle unemployment, particularly youth unemployment. The Liverpool City Region remains on target for its ambitious plan to halve long-term youth unemployment within three years set out in</li> </ul> | <ul style="list-style-type: none"> <li>• DWP commit to working with the City Region to co-design and co-deliver a new approach to welfare to work services, to reduce the number of repeat benefit claimants and support those who are furthest away from the labour market into work.</li> <li>• DWP work with the City Region to co-design the successor programme(s) to the Work Programme, including an exploration of possible co-commissioning.</li> <li>• DWP and CLG to work with City Region Local authorities to design a sub-regional flexible approach to access Payment by Results funds designated for the workless element of the</li> </ul> |

| Offer   | Ask   |
|---|---|
| <p>the City Region Deal.</p> <ul style="list-style-type: none"> <li>• Commitment to work with local authorities, health providers and welfare to work contractors to ensure that the correct support is in place for residents with work-limiting health conditions.</li> <li>• Further alignment or integration of family-facing support to benefit whole households, by developing pathways to education, training and sustainable employment.</li> <li>• Commitment to work with BIS to develop proposals around introducing Payment by Results in elements of Skills Funding used to prepare people for employment – building on the work and investments made by the Liverpool City Region for the delivery of our City Region Deal.</li> <li>• Pilot a new approach to Personalised Budgets via the already devolved Youth Contract funding.</li> </ul> | <p>national troubled families programme.</p> <ul style="list-style-type: none"> <li>• DWP/Jobcentre Plus to commit to work with City Region Local Authorities to integrate, support and prioritise local initiatives aimed at improving claimant off-flows into sustainable employment and reducing the 'low pay-no pay' cycle.</li> <li>• DWP, SFA, NAS and other local Central Government providers to commit to aligning financial, staffing and delivery resources alongside Local Authorities to provide a more streamlined, simplified and joined-up approach to local employment support, benefitting both businesses and jobseekers.</li> <li>• DWP commit to identify levers in the current Work Programme and other national employment schemes for local accountability through Local Authority and City Region structures.</li> <li>• Recognition of City Region Local Authorities as the most appropriate lead body for reducing unemployment in their locality, allowing for greater influence locally over prioritisation of employment schemes, use of public funding and the alignment of related Local Authority and other services across Government Agencies and wider providers.</li> <li>• DWP, SFA, BIS and other Government Agencies to commit to work alongside City Region Local Authorities to develop more locally responsive pre-employment programmes, with an emphasis on progression into employment or further training.</li> <li>• DWP to commit to providing City Region Local Authorities with real-time claimant information.</li> </ul> |

## Strategic Linkage: High Speed Rail

The City Region has committed to work with Government to ensure that the High Speed 2 (HS2) rail project improves the City Region’s connectivity and supports the drivers of economic growth, particularly rail freight connectivity, detailed in the City Region Growth Plan. The City Region has submitted proposals for a Deal with the HS2 Growth Task Force. The Deal is complementary to the Liverpool City Region Deal agreed with Government in summer 2012 and also contributes to the Growth Plan.

Growth in demand for rail services means that, despite the recent upgrade of the West Coast Main Line, sections of the line will reach maximum capacity by mid-2020, with passenger demand growing by as much as 61% by 2025. Clearly continued growth in the City Region will be partly dependent on good access to key markets across the UK, particularly to London and other cities, and in Europe. A comprehensive, national high speed rail network is critical to delivering this; a high speed network which effectively supports the economy; which is well integrated into the wider transport network and which meets the needs of businesses, passengers and freight users.

The Liverpool City Region is a keen and active supporter of high speed rail; we acknowledge the potential benefits the network can bring to the City Region and recognise the importance of partnership working in ensuring the plans are realised.

| <b>Offer</b>   | <b>Ask</b>   |
|--|--|
| <ul style="list-style-type: none"> <li>• We will work constructively with the Task Force, HS2 Ltd, Network Rail and the Department for Transport to develop, strengthen and disseminate a strong evidence base for high speed rail in the Liverpool City Region, demonstrating the potential benefits to the economy in terms of jobs created, new businesses attracted, and the wider economic benefits which the network stands to create in terms of expanding the region’s economic base and attracting high value, high-GVA employment. This study will report in April 2014. We will actively participate in, and share as appropriate the outcomes of a joint LCR/Network Rail Study on capacity and infrastructure, as well as an economic benefits study, Port Access Study and Long Term Rail Strategy.</li> <li>• There are also two freight studies of note, the first; the Northern Ports Study being led by Network Rail is due for completion in December 2014. The Merseyside Freight Study, which is a multimodal study of freight provision and is being led by Sefton Council on behalf of the Liverpool City Region. Both</li> </ul> | <ul style="list-style-type: none"> <li>• To work with the LCR to increase Government recognition and understanding of the importance of the Port as a national economic asset that requires investment and strong rail connectivity. It is an asset that is able to support freight transportation and economic growth across Northern England, and one which, if planned properly, HS2 can have a demonstrable positive effect upon.</li> <li>• To impress upon Government the importance of the LCR’s freight sector and its importance as a key distributor of freight across the UK enabling economic growth throughout the North; challenging the Government’s apparent assumption that freight always moves south to north. For Government to work with the LCR to develop a strong business case to make use of released capacity on the West Coast Main Line for freight movements.</li> <li>• To ensure that the development of High Speed connections recognise the important role of Liverpool as an economic centre and that Agencies commit to working closely with the City and City Region to ensure that High Speed 2 connectivity supports the further</li> </ul> |

| Offer   | Ask   |
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| <p>will examine the impact of freight paths of the proposed high speed rail service.</p> <ul style="list-style-type: none"> <li>• The Liverpool City Region will fundamentally review its City Centre and wider City Region strategies, including its Local Transport Plan (LTP), and work closely with Government and the private sector to ensure it is best placed to derive maximum value from the development of a high speed rail network serving the LCR. We will ensure our Economic Strategy and Growth Plan place HS2 at their core and that every opportunity is taken to ensure the high speed network acts as a further catalyst to attract new businesses and further economic development to the City Region. We will also work to guarantee that our local investment funds are aligned to ensure maximum return on investment from high speed rail, which will include significant investment within the Merseyrail network rolling stock in particular. <ul style="list-style-type: none"> <li>○ The Liverpool City Region will develop a Long Term Rail Strategy, to comprehensively review previously proposed schemes and rail industry studies affecting the Liverpool City Region in light of economic growth projections. The HS2 Ltd proposals are a key input into the Strategy, and a part of the output, in addition to proposals on rolling stock, infrastructure priorities and service improvements, will be proposals to ensure provision of enhanced high speed rail services to Liverpool are maximised and future proofed. This work is due to be completed in April 2014. This work will also examine rolling stock renewal and replacements, which will support wider HS2 connectivity across the region.</li> <li>○ In addition, the Merseyrail 5 Year Growth Plan will inform the Long Term Rail Strategy and identify short term interventions to support patronage increases on the Merseyrail concession, again, in order to ensure that local connectivity is fully able to support growth and demands associated with HS2 services into Liverpool.</li> </ul> </li> </ul> | <p>regeneration and rejuvenation of Liverpool City Centre.</p> <ul style="list-style-type: none"> <li>• To acknowledge that future growth in the LCR will lead to an increase in demand for rail services, which may over time strengthen the case for a dedicated high speed line linking Liverpool to the rest of the high speed network and for enhancements to classic lines, both in terms of capacity and line speeds.</li> <li>• We welcome HS2 Ltd’s plans for creating engineering jobs for students through initiatives in schools, further and higher education and a programme of apprenticeships and internships. We want the Growth Task Force to ensure these opportunities are fairly distributed across the UK and would welcome early discussions with HS2 Ltd on how their plans can be properly integrated into the City Region’s skills and training programmes. Through the SEP funding process, £10 million is sought to develop detailed feasibility work in relation to Liverpool Lime Street station. This is to ensure that its redevelopment aligns fully with the regeneration of the adjoining area, and to ensure that it is “future-proofed” and capable of accommodating longer trains, including full-length HS2 services.</li> <li>• To support the skills offer in relation to HS2 the LCR requests that Government is supportive of the HS2 College being located within the boundaries of the City Region.</li> </ul> |

| Offer  | Ask |
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| <ul style="list-style-type: none"> <li>• A Lime Street Station Study has been commissioned, in conjunction with Merseytravel, Network Rail and Liverpool City Council, to examine the infrastructure and signalling improvements necessary to support the introduction of electric services to Manchester, Preston and Leeds. It will also examine those interventions necessary to allow 11-car Pendolino, and full-length (400m) high speed trains to call at Lime Street. It will also ensure that the masterplan for the City Centre gives full consideration to future HS2 services. This piece of work is expected to be completed around Autumn 2014.</li> <li>• We will ensure our skills packages and funding streams are prioritised in such a way to ensure that the City Region workforce is in the best position possible to take full advantage of the employment opportunities afforded by the creation, operation and maintenance of HS2. We will work closely with schools, colleges and training providers in both the public and private sector to ensure that the next generation of young people have the skills necessary to meet the requirements of this and other, future large scale infrastructure projects.</li> </ul> |     |
| <p><b>ADDITIONAL MATERIAL PROVIDED SUPPORTING THE CITY REGION POSITION</b></p> <ul style="list-style-type: none"> <li>• The Liverpool City Region LEP Presentation to the High Speed 2 Growth Task Force</li> <li>• The Liverpool City Region consultation response to High Speed 2</li> <li>• The HS2 Paper being presented to the first meeting of the Liverpool City Region Combined Authority</li> <li>• The City Region offers/asks of the High Speed 2 Task-force</li> <li>• The City Region position with regards the 19 recommendations of the Growth Task-force</li> </ul>  |     |

## Strategic Linkage: Enterprise Zones

The Liverpool City Region is unique in that our LEP area includes three Enterprise Zones:

- Mersey Waters
- Liverpool City Enterprise Zone
- Sci-Tech Daresbury

Having three Enterprise Zones provides an indication of our economic potential, capability and strength across a range of sectors and across a range of sites. Although each Enterprise Zone is different, they each contribute in a considerable way to delivering the economic ambition of the City Region as a whole. The City Region is committed to working in partnership to secure co-investment from both the public and private sector to help quicken the re-balancing of not just the City Region but also the national economy.

### Mersey Waters

Wirral Waters is one of the largest regeneration projects in the UK, and forms part of the Mersey Waters Enterprise Zone. A programme of complementary and mutually enhancing initiatives deliver on Growth Plan themes and will see the creation of new employment, residential, office amenity and educational space in an area of need. Early phase projects have been developed that will enable the site to exploit market facing opportunities particularly in the advanced manufacturing and digital and creative sectors. The projects have been designed to help attract and grow businesses and inward investors to locate in the City Region as well as diversify the employment base.

### Liverpool City Enterprise Zone

Liverpool City Region is a distinctive brand with a vibrant culture, heritage and leisure offer. The City Region visitor economy has performed strongly over recent years, supported by continued investment in our assets. Elements of the strategic projects in the Growth Plan will assist this key pillar of the City Region economy.

The Kings Dock project will be a major City Region asset, a critical addition to the City Region's brand recognition and the continued growth of the visitor economy. The City Enterprise Zone has been identified as one of the main opportunities to attract further investment into the City Region, addressing the connections between the site and the wider Waterfront and City Centre visitor offer will help to maximise the economic impact of future on-site leisure developments.

### Sci-Tech Daresbury

Connecting the science community with the economy to ensure the effective delivery of real business growth, the creation of high value employment and thriving science based business is a key area of enabling activity in the growth plan.

Sci-Tech Daresbury has been identified as a priority for strategic investment in Liverpool City Region; it is one of two national science and innovation campuses which combined with its status as an Enterprise Zone provides a unique combination of scientific capabilities and business benefits. The expansion of Sci-Tech Daresbury is seen as integral to the advancement of the City Region as an

innovation science and creativity hub. Further investment will address recognised market demand in the City Region from growing lab based businesses, building on Sci-Tech Daresbury’s established track record of strong performance for SME growth, investment and survival rates.

| Offer   | Ask   |
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| <b>Across all Enterprise Zones</b>  |   |
| <ul style="list-style-type: none"> <li>• The City Region will ensure that our Enterprise Zones are integral to our Strategic Economic Plan and Growth approach.</li> <li>• Mediate capital investment in key sites (including Enterprise Zones) from different sources.</li> <li>• Ensure Enterprise Zones and key sites are enabled to create jobs and further growth. <ul style="list-style-type: none"> <li>○ Liverpool City Enterprise Zone as a key component in delivering the City Centre ambitions.</li> <li>○ Mersey Waters Enterprise Zones harnessing the employment and economic growth potential.</li> <li>○ Daresbury Enterprise Zone exploiting the nationally recognised Science and Innovation Campus.</li> </ul> </li> <li>• By developing a City Region Capital Investment Fund we will ensure that Enterprise Zone projects are seen as a priority when capable of creating jobs and additional growth in the City Region.</li> </ul> | <ul style="list-style-type: none"> <li>• For Government to consider extending the incentives for businesses to move to Enterprise Zones by: <ul style="list-style-type: none"> <li>○ Considering further extensions to business rate relief for businesses entering Enterprise Zones.</li> <li>○ Extending the period of time over which rates can be retained by the LEP area.</li> </ul> </li> <li>• For Government to consider the implications of the <i>draft</i> Paul Spooner report into Enterprise Zones and specifically, the requirement for some EZs to have ‘pump-prime’ funding to enable the business rate retention model to be fully implemented.</li> </ul>  |
| <b>Liverpool City Enterprise Zone</b>   |   |
| <ul style="list-style-type: none"> <li>• Building on the proposals in Liverpool’s City Deal agreed in February 2012 for a Local Finance for Growth scheme, a single investment fund approach will be used to align funding alongside potential yields from business rate uplift. It will operate an ‘invest to earn’ approach, supporting targeted investment across the City with particular focus on the Enterprise Zone and Knowledge Quarter Mayoral Development Zone. This will ensure a return on investments, matching private sector funding and the resilience of the City’s economy.</li> <li>• The City Region will also deliver the City Centre (Strategic Project A) as a key project enabling growth for City Region benefit. The commitments made as regards the City Centre in the earlier section are equally</li> </ul>   | <ul style="list-style-type: none"> <li>• Enterprise Zones -extend key incentives – particularly rates relief – to support the development of Liverpool’s commercial offer. This will involve establishing a level playing field for rate relief across the Princes Dock element of Mersey Waters and the Commercial District area of the City EZ removing the potential for confusion and displacement.</li> <li>• For Government to accept the recommendation in the <i>draft</i> Paul Spooner Report on EZs that recognises the need for pump-priming funds to accelerate development. While there is latent demand within the City Centre, the delivery of new premises is not currently commercially viable reflecting a range of market failures relating to the re-use of inefficient historic stock, site specific issues and information issues. There</li> </ul> |

| Offer  | Ask  |
|--|--|
| applicable here.   | is a need to address these constraints to ensure that identified investment opportunities can be captured to drive economic growth.  |
| <b>Mersey Waters Enterprise Zone</b>   |  |
| <ul style="list-style-type: none"> <li>• Wirral Council, working with local partners including the land owner and LEP, will develop specific promotional material to promote the supplier park opportunities of Wirral Waters and will undertake a dedicated programme of promotional activities to attract end-users.</li> <li>• Complementing this promotional activity, the City Region will work with Government to ensure that the site of the supplier park is appropriately developed on a hastened basis, potentially by taking a shared-risk approach with Government</li> <li>• The Mersey Waters Enterprise Zones represent the largest regeneration and development projects in the UK by geographic area. The City Region commits to investing in these areas to create jobs and growth supporting them to be ground-breaking long-term developments.</li> <li>• Through our Capital Investment Fund the City Region will invest, on a prioritised basis based on jobs created and other economic impacts. To do this, the City Region will bring forward a pipeline of schemes capable of investment and will work with Government to develop a pilot project to take forward schemes utilising the full benefits of Enterprise Zone rate retention. We will work with DTZ, as Governments contracted supplier, to develop a first stage model of Enterprise Zone receipts.</li> </ul> | <ul style="list-style-type: none"> <li>• The City Region would like UKTI to commit to a specific MOU with City Region partners including the LEP and Wirral Council with regard the promotion of the supplier park offer on the Wirral Waters site.</li> <li>• For Government to approve the current Coastal Communities and also HCA funded project applications to enable developments. The City Region recognises the requirement for due process but wishes Government processes to better recognise the strategic significance of EZs</li> <li>• We would like to build on recent positive discussions with CLG as regards a ‘pump-prime investment’ within the supplier park site and to consider a shared risk approach that would hasten the development and job creation potential</li> <li>• Building on this, for Government to work with the Liverpool City Region to develop a pilot approach to Enterprise Zone development, building on the report conclusions of Paul Spooner, that integrates EZs within long-term growth plans and which helps Government better design the appropriate intervention framework to allow all EZs to reach their full potential. Uniquely, the City Region includes Enterprise Zones in each of the ‘unlock’, ‘consolidate’ and ‘boost’ categories and represents an opportunity for Government to pilot appropriate solutions and we would like to work with a cross-Government team to identify how best to enable further growth in each category type. The approach would include: <ul style="list-style-type: none"> <li>○ Design of an appropriate mechanism by which additional public investment might accelerate growth and that extends the reach of existing growth funds (Paul Spooner report recommendation 5).</li> <li>○ Design of this on a ‘equity return’ basis by which pump-prime investment kick</li> </ul> </li> </ul> |

| Offer   | Ask   |
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|   | <p>starts market occupation and business rate retention (on sites requiring 'unlocking') while multiplying the impact of business rate retention in other EZs.</p> <ul style="list-style-type: none"> <li>○ Design of this for 2014/15 to complement the City Region Strategic Project E Growth Deal ask of developing a City Region Investment Fund with co-investment of £96m between 2015/16 and 2020/21.</li> </ul>   |
| <b>Sci-Tech Daresbury</b>   |   |
| <p>We will continue to develop a capital sites for science including:</p> <ul style="list-style-type: none"> <li>● <b>Sci-Tech Daresbury</b> which is already recognised nationally and internationally as a location for 'Big Science', where companies can access world-class scientific equipment and expertise. Over recent years, Sci-Tech Daresbury has developed into an important innovation focus for the North of England, and has attracted a rapidly growing community of innovative firms. It has achieved prominence as one of the UK's two National Science and Innovation Campuses, which combined with its status as an Enterprise Zone, provides a unique combination of scientific capabilities and business benefits. <ul style="list-style-type: none"> <li>○ We will aim to build on Sci-Tech Daresbury's fundamental strength, and the key differentiator from other business and innovation locations elsewhere, which is that it is based on the successful co-location and interaction of business development and national scale innovation and science infrastructure (specialist equipment and the operating expertise). Key elements of the Sci-Tech Daresbury offer include scientific computing, accelerator science and nuclear physics.</li> <li>○ Underpinning these important scientific capabilities, STFC's Technology Department supports a wide range of advanced engineering, technology, instrumentation, facilities and skills. There are more than 900 scientific and technical staff based at Daresbury and</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>● Working in Partnership with STFC and others at Sci-Tech Daresbury and to maintain scientific excellence we require Government support to invest in the site. This builds on our City Region Deal 2012 asks which was for Government <i>"To work with the City Region and STFC on investment in priority science areas at Daresbury over the next 2-4 years to build on previous investments in scientific and engineering infrastructure and to maintain leading edge R&amp;D capability in this national science and innovation campus (e.g. ICE-CSE phase 2 and CLARA)."</i> We want Government to re-commit its support and specifically to: <ul style="list-style-type: none"> <li>○ Maintain and promote Sci-Tech Daresbury as a world leading centre for High performance computing through further upgrades to <b>the Hartree Centre</b>, providing key scientific computing facilities with a special focus on additional computer systems in diverse architectures.</li> <li>○ Designate Sci-Tech Daresbury as a world leading centre for 'Big Science' and 'Mid Range Science' facilities.</li> <li>○ Support the construction of <b>CLARA</b> (Compact Linear Accelerator for Research and Applications), a unique free electron laser facility that will equip the UK with next-generation light source capability enabling unique studies of microscopic motions in matter of all kinds.</li> <li>○ Support the establishing of Sci-Tech Daresbury as the location of choice for universities (individually or in consortia) when siting capital-intensive equipment</li> </ul> </li> </ul> |

| Offer   | Ask   |
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| <p>there are well-developed links to a wider regional network of over 4,000 collaborators. The campus was awarded Enterprise Zone Status in 2012 and the UK Government has recently invested £70 million in the Hartree Centre and accelerator infrastructures, and the EPSRC has committed major investment to SuperSTEM III.</p> <ul style="list-style-type: none"> <li>• Our offer to Government is as was in our City Region Deal, we will continue the delivery of the Sci-Tech Daresbury Masterplan via the Joint Venture with the Science Technology Facilities Council and Langtree Group.</li> </ul> | <p>and facilities usually of limited availability to UK researchers and innovative companies.</p> <ul style="list-style-type: none"> <li>• Building on the status of Sci-Tech Daresbury as an Enterprise Zone we would seek an extension to incentives for businesses to relocate into EZs especially building on the draft recommendations of <i>draft</i> Paul Spooner and report to Government.</li> </ul> |

## Strategic Linkage: Atlantic Gateway

The Atlantic Gateway extends from the Mersey Estuary at its Western End, through to Greater Manchester at its Eastern edge. It incorporates the most important set of infrastructure and economic assets outside of London and covers the Liverpool City Region, Cheshire and Warrington and Greater Manchester LEP areas. As was outlined by Lord Heseltine and Sir Terry Leahy in their report on Liverpool's economic future, it is an asset base of national importance with them stating that:

*'If anywhere in the UK can develop the critical mass and momentum to become an alternative growth pole to London, it is Atlantic Gateway'*

The Atlantic Gateway therefore represents a nationally significant opportunity for the UK to attract investment, accelerate growth and rebalance the economy. It is a proposition to achieve a new level of growth in the North West of England not previously achieved outside of London.

By 2030, there is the potential for some 250,000 new jobs to be created in the Atlantic Gateway area, with around 140,000 of these jobs associated with Atlantic Gateway priority projects, involving £14 billion of new investment.

Atlantic Gateway is not a deliverer of these schemes but is an advocate of what the private sector believes needs to be done to maximise jobs and growth across the Atlantic Gateway area. The vision of the private sector led Partnership Board is to maximise investment into the North West and support the delivery of major projects by Local Enterprise Partnerships (LEPs) and other partners.

The Atlantic Gateway area spans the three Local Enterprise Partnership (LEP) areas of Greater Manchester, Cheshire & Warrington and Liverpool City Region and the four Enterprise Zones contained within them. All Atlantic Gateway projects have a sphere of influence that is beyond any single LEP boundary in terms of jobs and growth and collectively they have national and international significance. The three LEP areas covered by the Atlantic Gateway have committed to work collaboratively in the following four areas:

- **Connectivity and Infrastructure**, particularly so that the entire Gateway can benefit from the expansion of Liverpool2 and the delivery of the Mersey Gateway crossing; our Liverpool City Region Freight and Logistics Hub Project requires the inter-connectivity of infrastructure and we support investment in transport and infrastructure in adjacent LEP areas as well as in our own.
- **Sustainability and Environment**, with a recognition that quality of life is important to attracting investment and that, along our waterways (including the Mersey and Manchester Ship Canal) and in our parklands we have exceptional assets that have improved over recent years but require future investment to be improved again.
- **Future Skills**, acknowledges that there are many common skills needs within the Gateway and that, to enable growth, meeting these needs will be essential. Working with the three LEPs, the Atlantic Gateway Board wishes to drive up skills provision to meet skills demand.
- **Sectoral Growth, including Knowledge and Science** – the science base of the Liverpool City Region, when combined with that of Manchester and the opportunities at Alderley Park in Cheshire has a scale of capability and competence to match that of the wider South East. It

includes global businesses such as Unilever, Universities in Liverpool and Manchester, and the national science asset at Daresbury (whose Board includes representatives from all three LEPs). There are also sector growth opportunities in logistics and advanced manufacturing and chemicals (with such businesses as General Motors, Ineos and Jaguar Land Rover) as well as low carbon/energy technologies.

| Offer   | Ask   |
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| <ul style="list-style-type: none"> <li>• Via the Atlantic Gateway Board, the Liverpool City Region LEP will work to ensure co-ordinated cross LEP working to exploit assets of the Atlantic Gateway that maximises the economic benefits and job creation that can be achieved. The Liverpool City Region LEP will commit to use multi-modal infrastructure to stimulate sustainable economic growth. We commit to joint working on: <ul style="list-style-type: none"> <li>○ Common infrastructure and connectivity;</li> <li>○ On sustainability and environment;</li> <li>○ Common skills issues and meeting business demand for skills;</li> <li>○ Shared sectoral strengths.</li> </ul> </li> <li>• Via the Atlantic Gateway Board but also through joint LEP working and recognition of Daresbury SIC as a national science asset, we commit to work collaboratively on promoting our shared science and innovation assets as tools for growth.</li> <li>• As a LEP we will: <ul style="list-style-type: none"> <li>○ Via our Growth Plan we will stress the importance of cross-LEP infrastructure particularly with regard to our Freight and Logistics Hub project and also through our promotion of the Access to the Port of Liverpool Project.</li> <li>○ Through our Local Growth Fund ask we will invest in infrastructure to support improved connectivity of benefit to all the Atlantic Gateway (e.g. Halton Curve).</li> <li>○ Continue, via our Employment and Skills Board, to support joint skills working in the Atlantic Gateway.</li> <li>○ Ensure that our 2014-2020 European Programme includes strands capable of supporting schemes and initiatives that support Atlantic Gateway priorities (e.g. an 'Innovation' strand).</li> <li>○ Support investments in Daresbury SIC both as a science asset but also as an</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• For Government to recognise the value and opportunity of the Atlantic Gateway and to continue to provide Senior Civil Servant representation to the Board to raise the profile of the opportunity within Government.</li> <li>• To recognise our Liverpool City Region asks in relation to our 'Freight &amp; Logistics Hub' project and in terms of our 'Access to the Port of Liverpool' project as critical elements that support the Atlantic Gateway. Both of these strategic projects and their component parts directly support shared connectivity and infrastructure within the Gateway and we are seeking Government investment as such from the Local Growth Fund.</li> <li>• As well as the Major Transport Schemes for which the Liverpool City Region is seeking Local Growth Fund investment, we also wish to work closely with Government bodies such as the Highways Agency to encourage investment in shared priorities such as: <ul style="list-style-type: none"> <li>○ Improvements to the M53 linking Wirral to Chester/Cheshire/North Wales;</li> <li>○ Improvements to the M6 through Cheshire and Staffordshire to improve Gateway connectivity to the national network;</li> <li>○ Investment in the Northern Hub rail linking Liverpool to Manchester and on to other northern City Regions.</li> </ul> </li> <li>• We are also asking Government to support the rebalancing of the UK economy by better recognising the economic value and benefits: <ul style="list-style-type: none"> <li>○ Freight and logistics as a nationally important sector and the Atlantic Gateway area as having a concentration of such industries requiring Government investment in infrastructure.</li> <li>○ The collective strength of the Liverpool City Region, Cheshire and Warrington, and Greater Manchester science base as</li> </ul> </li> </ul> |

| <b>Offer</b>  | <b>Ask</b>  |
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| Enterprise Zone and will encourage further investment by multiple elements of Government. | worthy of a greater share of national science investment from bodies such as TSB etc. |

## Strategic Linkage: Visitor Economy

The City Region attracts 56 million visitors a year and is ranked 5<sup>th</sup> of all UK Cities and towns in terms of international visitors. While the recession has impacted on many places – the City Region has bucked the national trend witnessing more people coming to our City Region. As a City Region we have continued to invest in our assets, in Liverpool but also in locations such as Southport and the Wirral, to deliver the highest quality experience for visitors.

The City Region benefits from a strong collection of tourism and cultural assets including our City Centre theatres and museums, England's Golf Coast, Southport and attractions such as Knowsley Safari Park. The City Region also benefits from the 'Liverpool' brand and a vibrant cultural heritage which encourages many people to come to the City Region as a destination. Alongside this, we have an excellent hotel offer that can service more visitors especially mid-week when tourism numbers are often less. With a £1bn investment in Liverpool ONE, and increasing investment in conference facilities such as the Arena and Convention Centre (ACC) the City and City Region is likely to see further increases in visitor numbers especially with the opportunity to capitalise on the International Festival for Business in 2014 and the growing cruise market. Few other places in the UK can match what Liverpool, and the City Region, has to offer.

Key to continuing this success is expansion of the visitor market through improvements in City Region connectivity; working closely with LJA and Manchester Airports, improving rail services and the local transport network to better align transport services/products with the needs of the visitor economy.

| <b>Offer</b>  | <b>Ask</b>   |
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| <p>In relation to our Visitor Economy our offer to Government is:</p> <ul style="list-style-type: none"> <li>• The City Region attracts 56 million visitors a year and is ranked 5<sup>th</sup> of all UK cities and towns in terms of international visitors. Going forward the LEP and partners will continue to prioritise the Visitor Economy sector within the City Region as a sector with considerable growth potential.</li> <li>• We will continue to support the sector, and private sector engagement through the Visitor Economy Board, to ensure that the sectors needs are appropriately considered within the City Region.</li> <li>• Ongoing delivery of the City Region Destination Management Plan and working with Visit England to help deliver England's Strategic Action Plan for the Visitor Economy.</li> <li>• We will continue to ensure that skills delivery meets employer need by</li> </ul> | <p>In relation to our Visitor Economy our ask of Government is:</p> <ul style="list-style-type: none"> <li>• Continued recognition by Visit England of Liverpool as a key tourist destination in England and a commitment from Visit England to co-invest with the City Region and LEP (as City Region DMO) on any potential joint activity with LEP areas.</li> <li>• Support from DCMS for the concept of dual key funding with Visit England for primary destinations such as Liverpool recognising that DMO's are experiencing unprecedented financial pressures and for the first time in over 40 years are not receiving direct Central Government support.</li> <li>• Support from relevant Government Ministers to help Liverpool bid to host major international conference and sporting events that will bring additional visitor income into the UK</li> <li>• We seek Governments continued support for</li> </ul> |

| Offer   | Ask  |
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| <p>implementing our Skills for Growth Agreement for the Visitor Economy.</p> <ul style="list-style-type: none"> <li>• We will focus on our 7 priorities of: <ul style="list-style-type: none"> <li>○ continuing to build the Liverpool brand;</li> <li>○ attracting more conference and exhibition visits;</li> <li>○ attracting more international leisure visits building on unique assets such as our World Heritage Site, The Beatles and Liverpool Football Club;</li> <li>○ attracting more mature domestic markets to experience our cultural and heritage offer 7 days a week;</li> <li>○ becoming an exemplary digitally connected destination;</li> <li>○ becoming the first World Host City Region;</li> <li>○ working collaboratively to ensure the benefits of tourism extend across the City Region.</li> </ul> </li> <li>• We will continue to promote tourism as a first choice career and develop employment through the attraction of new leisure investment. We will work collaboratively to ensure that the job opportunities created in the sector are targeted at those currently excluded from the labour market.</li> </ul> | <p>Regional Airport Growth in accordance with the draft regional airport plan produced by Visit England, recognising the importance of Liverpool John Lennon Airport in particular to unlocking new market opportunities for the Visitor Economy sector. Further consideration by Treasury of a 2 year APD holiday for new routes.</p> <ul style="list-style-type: none"> <li>• Make progress on the red tape challenge - the Visitor Economy sector has identified 63 potential reforms that would assist growth and reduce bureaucracy within the sector of which only one has so far been implemented in part. We would seek Government to refocus on this as an economic growth opportunity.</li> <li>• We welcome the Government backing for the Britain's GREAT campaign, a coordinated multi agency campaign to promote Britain overseas. We would strongly welcome the approach being extended to develop a similar joined up approach to promotion domestically, with all Government funded agencies responsible for visitor assets from the Arts Council, English Heritage, UK Sport etc working collaboratively with Visit England, pooling resources to develop new audiences and participation from visitors for mutual benefit. Liverpool City Region would be happy to pilot such an approach.</li> <li>• We would encourage Government to support Tourism Minister Helen Grant MP in developing an Industry Council for the Visitor Economy thus ensuring a cross Whitehall coherent approach to Visitor Economy Growth and Development and removing barriers to attracting new visitor markets to the UK. The City Region would happily provide representation on such a Council.</li> <li>• Support from the Government to tackle EU legislation that impacts adversely on destination collaborative working in particular on the EU package travel directive which makes it difficult for attractions and hotels to package their offer together at one price.</li> <li>• To consider backing Liverpool City Region as</li> </ul> |

| Offer  | Ask   |
|--|---|
|  | <p>a pilot for innovative approaches to employment of young people - an average business in tourism has 39% of its staff under 30 compared to 19% of all businesses – we would like to work with Government to investigate the potential for a financial incentive for the DMO for every young person brought into employment and off benefits.</p> <ul style="list-style-type: none"> <li>• To ensure HS2 brings benefits to Liverpool City Region as well as the wider North West.</li> <li>• To support any City Region effort to improve connectivity between Manchester Airport and Liverpool and LJLA.</li> </ul> |
| <b>Our ask of the Local Growth Fund that support the visitor economy includes</b>  |   |
| <p>Our offer in relation to our Local Growth Fund:</p> <ul style="list-style-type: none"> <li>• Identify a prioritised and sequenced set of transport capital projects within the City Centre to deliver jobs accessible to residents from throughout the City Region.</li> <li>• Develop a programme of transport improvements for the City Centre recognising it as a centre for employment (including employment in the Visitor Economy) following the undertaking of a Liverpool City Centre Movement Strategy (already underway and funded by local partners). Those transport investments will be developed in line with DfT standards for scheme development and those scheme development costs will be met by the City Region in a prioritised and co-ordinated way.</li> <li>• Ensure that visitor friendly ticketing and information provision maximises visitor use of public transport thus contributing to our environmental sustainability.</li> </ul> | <p>Our asks of the Local Growth Fund:</p> <ul style="list-style-type: none"> <li>• For Government to recognise our City Centre as an important part of our Visitor Economy offer and to invest from the Local growth Fund (LGF) in the Major Transport Scheme projects that support the City Centre strategic project. The projects include the City Centre Connectivity Project and Strand Corridor project.</li> <li>• Additionally, we would like Government to invest Local Sustainable Transport Monies in schemes to support employment in our growth sectors including the visitor economy.</li> </ul>           |

## Strategic Linkage: Housing

Liverpool has commissioned an Independent Spatial Investment Plan which has guided development of the Growth Plan/SEP in terms of land development sites and housing sites. Growth Plan/SEP projects have been critically referenced against these prioritised sites for business and housing development.

The Plan provides a market summary that assesses the prospect for commercial investment against site availability and predicts the short, medium and long term spatial priority for economic success. This coupled with the City Regions Transport Plan clearly maps how each transport investment supports key economic sites and housing growth sites.

The City Region is a classic structure, it is clearly a City Centre surrounded by wider suburban areas and outlying towns. The current transport network ensures that jobs generated in the centre can benefit the entire wider catchment.

The Liverpool City Region also has a close proximity to other major economic centres, the extensive motorway network of the M62, M56, M53 and M58 allow commutable access to a broad range of economic activity, in Manchester, Chester, North Wales, Warrington and Lancashire. Whilst this access and commutable area gives rise to a number of advantages, there is also a downside to being part of a wider agglomeration. Whilst employment opportunities are greatly improved the rail and motorway network allows higher paid workers to commute in from highly attractive residential areas outside of the City Region.

The City Region needs to recognise the quality issues within its existing housing stock, and also that there are gaps in the housing market which unless addressed represent a risk that despite the opportunity of economic growth there could be limited benefits, unless growth can be captured as local spend and investment.

The Strategic Local Investment Plan clearly demonstrates how these issues can be tackled in order to compliment investment into economic activity. One however cannot overlook the economic benefits of a buoyant and prosperous housing market; therefore delivering high unit numbers to meet both national and local need are vitally important.

| <b>Offer</b>   | <b>Ask</b>  |
|--|---|
| <ul style="list-style-type: none"> <li>• The Liverpool City Region is committed to providing a diverse and quality housing offer that support economic growth in the area.</li> <li>• Liverpool City will look to address the combination of a high affordability gap coupled with current low standards and insecure tenancies in the private rented sector. The development of a quality private rented sector prime for institutional investment would ensure market forces tackle quality issues and deliver housing diversification.</li> </ul> | <ul style="list-style-type: none"> <li>• Our ask of Government is to allow the Local Infrastructure Fund to be considered across a portfolio of sites, recognising that housing growth in the North of the country differs from the large scale sites in the South. We would further ask, that whilst falling outside the strict geographical boundaries, housing sites that complement Enterprise Zones should be considered for this fund.</li> <li>• We would ask for Consideration of additional Housing Enterprise Zones that cover a number of sites within the Liverpool City</li> </ul> |

| Offer  | Ask   |
|--|---|
| <ul style="list-style-type: none"> <li>• Liverpool City Region is committed to housing renewal and continued investment within the “Restore” Programme which will complement economic activity in the North Corridor, developing new suburban housing schemes on brownfield land and addressing quality issues making the area a credible step on the housing ladder.</li> <li>• We will improve housing offer at key transport interchanges so as to complement and support the delivery of economic growth in the suburban fringes, supporting investment into Enterprise Zones.</li> <li>• We will utilise our strong Merseyrail network to promote housing sites within close proximity to rail stations, thus promoting credible low carbon transport options and alleviating congestion on the strategic highway network.</li> <li>• We will continue public land release to encourage house building on brownfield sites, which is proving a popular incentive in the City Region.</li> <li>• Liverpool City Region has an active and mature market of social housing providers. We will continue to mobilise this broad range of providers to tackle issues wider than those purely housing related. This broad partnership has begun to tackle issues of self reliance and employability within the City Region’s population. The aim is to improve skills, tackle social isolation and maximise local procurement and volunteering opportunities. This work is a continuum to encourage self reliance and a move from worklessness into employment.</li> </ul> | <p>Regions identified economic corridors.</p> <ul style="list-style-type: none"> <li>• For Government to support Greenbelt release in the City Region, the Southern Economic corridor offers expanding opportunities to build on a strong housing market but recognising that whilst creating an improved offer it will also compete with the urban brownfield sites, Government should consider how to incentivise development in the densely populated urban areas. Recognising that patterns of economic development do not coincide with those of the South East.</li> <li>• For Government to target Help to Buy at areas where they are proven to benefit the economically aspiring, support the development of a wider range of housing tenure choices that give the employment market the flexibility it needs to respond to changes.</li> <li>• We would ask for the Affordable Housing Programme to be targeted at tackling quality issues at a local neighbourhood level.</li> <li>• For Government to support the City Region to develop new models of housing tenure that bridge the gap between the current social and homeowner models.</li> <li>• For Government to support developments that deliver high quality public realm thereby improving the quality of place. Through continued commitment to CIL and developer contributions.</li> <li>• We would ask for continued support for Low Carbon investment including the housing retrofit programme that has the added benefit of tackling fuel poverty and housing quality.</li> <li>• For Government to allowing flexibility between transport revenue and capital in order to provide and encourage credible sustainable transport options that build on the existing and developing transport infrastructure between residential and employment sites.</li> </ul> |

## Strategic Linkage: Highways Agency

Transport connectivity is particularly important to the Liverpool City Region at this time. We are therefore seeking to build on existing joint working with the Highways Agency and have included a dedicated set of offers and asks:

| Offer   | Ask  |
|---|--|
| <ul style="list-style-type: none"> <li>• Through the establishment of a Combined Authority, a single, strong and accountable governance structure will be created to maximise joint working and liaison with Highways Agency officials in respect of the City Region’s transport and economic growth aspirations. This includes direct representation by the Highways Agency on the CA’s Transport Advisory Group, which will also oversee the development of a new, integrated Local Transport Plan for the Liverpool City Region. This will include the ability to prioritise and align local resources to support and accelerate Highways Agency investment.</li> <li>• To work jointly with the Highways Agency on building the evidence base, using shared tools (e.g. the LCR Strategic Transport Model or econometric toolkit) or shared frameworks and contractor routes to maximise efficiency and consistency of approach.</li> <li>• By working collaboratively with the Highways Agency and key development partners, traffic growth will be managed in order to relieve pressures, costs and adverse impacts on the local trunk road network.</li> </ul> | <ul style="list-style-type: none"> <li>• For the Highways Agency to continue to work closely with the City Region in the testing and prioritisation of the most appropriate solutions to the growth of the Port of Liverpool, and to bring forward appropriate schemes through the necessary funding processes.</li> </ul> <p>We would also seek Government to commit, via the Highways Agency, to make strategic investments on:</p> <ul style="list-style-type: none"> <li>• The M53 Motorway that connects the key employment site of the Wirral Waters EZ with the wider Wirral area but also to North Wales and Chester/Cheshire. The Highways Agency recognise the economic importance of the motorway and we would urge them to identify key improvements (such as managed motorway measures) to improve this key route.</li> <li>• The M6 Motorway which acts as a key arterial route through the North West and importantly, passes adjacent to the key Freight and Logistics Hub site at Parkside. Accessibility to the M6 outside of the Liverpool City Region is economically essential to capturing the benefits of the Freight and Logistics Hub.</li> <li>• M56 Junction Improvements at Junction 11A. The Highways Agency has committed to undertake junction improvements using Pinch-Point funds beginning in May 2014 and ongoing improvements to the M56 corridor which will aid growth in the City Region, Cheshire and Warrington, North Wales and Greater Manchester while providing connectivity to the wider road network.</li> </ul> |

## Strategic Linkage: Network Rail

Transport connectivity is particularly important to the Liverpool City Region at this time. We are therefore seeking to build on existing joint working with the Network Rail and have included a dedicated set of offers and asks:

| Offer   | Ask  |
|---|--|
| <ul style="list-style-type: none"> <li>• Through the establishment of a Combined Authority, a single, strong and accountable governance structure will be created to maximise joint working and liaison with Network Rail in respect of the City Region’s transport and economic growth aspirations. This includes direct representation by Network Rail on the CA’s Transport Advisory Group, which will also oversee the development of a new, integrated Local Transport Plan for the Liverpool City Region.</li> <li>• This will include the ability to prioritise and align local resources to support and accelerate Network Rail investment.</li> <li>• Building the evidence to justify and support growth and investment within the Liverpool City Region.</li> <li>• Undertaking, with Network Rail, a long term City Region Rail Strategy linking to work already underway nationally so as to ensure that freight capacity on the rail network is increased.</li> <li>• To co-ordinate rail industry activities across the LCR, so as to align policies and investment programmes (including infrastructure and rolling stock) and to ensure that programmes are complementary. This will also ensure that efficiencies are maximised.</li> </ul> | <ul style="list-style-type: none"> <li>• To impress upon Government the importance of the LCR’s freight sector and its importance as a key distributor of freight across the UK enabling economic growth throughout the North; challenging the Government’s apparent assumption that freight always moves south to north. Work with the LCR to develop a strong business case to make use of released capacity on the West Coast Main Line for freight movements.</li> <li>• To acknowledge that future growth in the LCR will lead to an increase in demand for rail services, which may over time strengthen the case for a dedicated high speed line linking Liverpool to the rest of the high speed network and for enhancements to classic lines, both in terms of capacity and line speeds.</li> <li>• Ongoing joint working with the City Region by DfT, Network Rail and also High Speed 2 Ltd on how HS2 can better increase freight capacity (within and outside the City Region boundary) to help deliver growth in the City Region (and wider North). This includes: <ul style="list-style-type: none"> <li>○ Recognition from DfT of the importance of incremental improvements and for DfT agencies to work with the City Region, specifically Network Rail.</li> <li>○ Commitment by DfT and Network Rail to integrate City Region freight and growth needs within wider Northern and national infrastructure investment planning.</li> <li>○ As part of the City Region’s investment programme of Major Transport Schemes. To connect key job creation sites to the wider network, £10.4 million is sought from the SEP funding process in respect of the Halton Curve, in addition to contributions that are being secured via the Cheshire and Warrington LEP.</li> </ul> </li> <li>• Support investment in the Bidston-Wrexham</li> </ul> |

| <b>Offer</b> | <b>Ask</b>  |
|--------------|---|
|              | line through a greatly enhanced level of service initially, and an enhanced franchise specification at the next review stage, based on work being undertaken by the City Region working with partners in North Wales and Cheshire and Warrington. |

## Strategic Linkage: Rail Devolution in the North

Because of the importance of freight but also because we have one of the highest patronages of our commuter network of any City Region outside of London, the City Region sees our rail network as critically important. The connectivity of our network with that of other Northern sub-regions and, in particular City Regions such as Manchester, Leeds and Sheffield is important. Growth in the use of rail in the North, especially into major centres, has outpaced that in the South East and other parts of the country, despite the impact of the recession; and, since 2004/05, Northern Rail revenue has grown by 41%.

We have identified strategic rail priorities for the City Region:

- Provision of sufficient capacity (including through rolling stock and infrastructure plans) to ensure all passengers can be carried, so long as there is an economic case for doing so; this includes our support of the Northern Hub project;
- Investment in our network and rolling stock to drive up patronage;
- Further electrification of the local and inter-regional rail network in order to reduce rail industry costs and yield passenger benefits;
- Preparation for the arrival of High Speed trains;
- Creation of a significant national Small Projects Fund to facilitate the development and delivery of value for money improvements to stations and the infrastructure; and
- Development of a strategy appropriately recognising rail freight needs and ensuring our network enables jobs growth from our logistics opportunity.

To capitalise on our priorities and achieve rail devolution in the North our offers and asks of Government are:

| <b>Offer</b>   | <b>Ask</b>   |
|--|--|
| <p>We offer to work with our Rail North Partners to collectively engage with Government to:</p> <ul style="list-style-type: none"> <li>• Establish new Northern and Transpennine franchises that are built on the premise of strong growth with commercial models that enable this growth to be realised and met through effective planning for train capacity and network performance</li> <li>• Establish a clearer relationship between rail service provision and other local transport services in the interests of presenting an integrated offer to the travelling public.</li> <li>• Align local and national spending programmes to establish clear priorities for station and train quality.</li> <li>• Utilise the new capacity that will be delivered through the Northern Hub investment programme to support projected growth in rail commuter and freight demand, and establish a clear and consistent view on the further opportunities</li> </ul> | <p>Our ask of Government is to:</p> <ul style="list-style-type: none"> <li>• Continue to work with Rail North to help obtain the ambition of rail devolution in the North. The Secretary of State for Transport has reiterated his support for the principle of rail devolution in the North. The DfT retains a role within the initial devolved partnership structure, which is based on Rail North proposals which include the Long Term Rail Strategy for the North of England, the devolution proposition and business case submitted to the Secretary of State as well as the structure for decision-making in the North.</li> </ul> <p>The shared objectives that underpin the partnership include:</p> <ul style="list-style-type: none"> <li>○ Growing the railway to maximise the benefits of infrastructure investment and linking this to railway efficiencies;</li> <li>○ Having a platform for determining</li> </ul> |

| Offer   | Ask  |
|---|--|
| <p>offered by HS2 in terms of new connectivity needs and priorities for the use of released network capacity.</p> <p>Following agreement between the Secretary of State for Transport and a delegation of Rail North Leaders in November 2013 on the establishment of a Rail North/DfT partnership, DfT officials and representatives of the Local Authorities and PTEs in the north of England have agreed arrangements for an initial partnership structure for the refranchised Northern and Transpennine Express services that could support the devolution of rail services in the North. The Rail North prospectus, proposition and business case set out the key franchise objectives as:</p> <ul style="list-style-type: none"> <li>○ A baseline set of services broadly equivalent to today’s level of service, and which can form a commitment between Government and Northern authorities;</li> <li>○ Service development in line with the economic and connectivity objectives of the Northern Hub programme, electrification and other initiatives;</li> <li>○ Additional capacity to support growth;</li> <li>○ Multimodal smart ticketing;</li> <li>○ Increasing the quality of the passenger offer through replacement of life expired trains with modern equivalents and refurbishment of older carriages; and</li> <li>○ Station improvements focussing on passenger security, retail/information and car/cycle parking.</li> </ul> | <p>investment priorities within the Partnership;</p> <ul style="list-style-type: none"> <li>○ Risk and reward sharing between members of the Partnership, including the potential for revenue or profit-sharing mechanisms that could allow reinvestment into rail services ; and</li> <li>○ A partnership structure that allows the balance of risk to change over time.</li> </ul> <p>The development of a DfT / Rail North partnership will split into two distinct phases:</p> <ol style="list-style-type: none"> <li>1. Partnership working between DfT and Rail North (working on behalf of the north of England authorities) which is the basis for regulating the relationship in the lead-up to the award of the 2016 franchises; and</li> <li>2. A formal integrated partnership structure with substantial decision making authority created between Rail North and DfT which could take on substantive franchise management responsibilities at the point at which the new franchise contracts come into force.</li> </ol> <p>As indicated by the Secretary of State, the nature of the partnership relationship will reflect a distinction between:</p> <ul style="list-style-type: none"> <li>○ The franchise design and procurement processes, in which Rail North and DfT are working jointly and collaboratively, but with the Secretary of State responsible for final decisions and letting the contracts; and</li> <li>○ The development and implementation of a formal integrated partnership structure to manage the new franchises, on which decisions will be made jointly.</li> </ul> <p>Through this Growth Deal, Liverpool City Region and our Rail North partners are seeking to ensure ongoing Government support for the partnership, its principles and its objectives. By enshrining the Rail North partnership in a series of Northern Growth Deals, we can ensure that it remains as a pan-regional priority for Government and local partners across all Northern LEP growth strategies and establish a clear mechanism to ensure that decisions on</p> |

| <b>Offer</b> | <b>Ask</b>   |
|--------------|--|
|              | franchise implementation are taken on a clear understanding of their impact on shared growth objectives. |