

REPORT TO:	Employment, Learning, Skills and Community Policy and Performance Board
DATE:	10 th February 2020
REPORTING OFFICER:	Strategic Director Enterprise, Community and Resources
PORTFOLIO:	Economic Development
SUBJECT:	Liverpool City Region Local Industrial Update
WARD(S)	Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to provide an update in respect of the emerging Local Industrial Strategy (LIS) for the Liverpool City Region and to highlight its emerging importance in being used to determine how future resources from government might be allocated.

2.0 RECOMMENDATION: That:

- i) **Members note the emerging document and consider its implications for Halton;**
- ii) **In light of the potential role of the LIS in developing investment priorities, the report is submitted to the Executive Board for consideration.**

3.0 SUPPORTING INFORMATION

3.1 Members have received updates on the publication of the Government's Industrial Strategy White Paper. These updates have included an assessment of the impact on the Liverpool City Region (LCR) and Halton.

In summary, a White Paper, titled '*Building a Britain fit for the future*' was published on 27 November 2017 and examined the UK's strengths and weaknesses, and considered the role of Government in boosting the UK economy, improving productivity, embracing technology and using public procurement initiatives and the regulatory environment to support business. In some ways, it was regarded as the Government's approach to growing the UK's economy once it withdraws from the European Union.

3.2 Following on from this, devolved areas such as the Liverpool City Region were invited to develop a Local Industrial Strategy (LIS). The Liverpool City Region via the Combined Authority invested significant resources into developing a LIS, and in the autumn 2019 produced a considerable amount of baseline data and information concerning the relative performance of the Liverpool City Region. However, before the General Election, it became unclear as to whether the concept of a Local Industrial Strategy would find favour in any new Government.

- 3.3 In recent weeks, it has emerged that Local Industrial strategies are considered by Government to be important documents. It is likely that they will be used in the assessment Government will use to allocate future funding to areas.
- 3.4 A working draft of the LCR LIS was produced before Christmas. The framework to which the Combined Authority is set by Government and it is quite rigid. The document is currently being updated and further comments and input from partners including Local Authorities is being sought.

The vision for the LCR as outlined in the document is

In order to realise our full potential, Liverpool City Region will pioneer a new economy. One that supports the health and wellbeing of our people, protects our natural environment, and enables everyone to play their part.

By 2040, we aim to:

- Have cemented our position as a growing, dynamic, and innovative economy at the heart of the Northern Powerhouse, closing the productivity gap with the rest of the UK;
- Be home to the most inclusive economy in the UK , addressing systemic deprivation once and for all, and unlocking the full potential of all people and places in Liverpool City Region;
- Be a carbon neutral economy, utilising the unique geography and innovation assets of Liverpool City Region to transform how people live, work, and travel; and to maximise the sustainability of our industrial base;
- Have developed a thriving network of innovation assets that are supported by industry and academia, contributing to overcoming the key economic, social and environmental challenges of the 21st Century;
- Have a robust, high value business base that offers quality and skilled employment opportunities to people, invests in the long term prosperity of the City Region, and captures its potential to once again become a centre of global trade and commerce;
- Have capitalised on the vibrancy of communities, living environment and wealth of place-based assets – from maritime landscapes to local high streets – to ensure that the whole of Liverpool City Region is a leading place to live, work, study, and visit;
- Have ensured - through different ways of working and investing - that everyone has access to the skills, training, and opportunities that will help them, and the City Region, to flourish.

It is possible that some elements of the document will change but the diagram below highlights the structure of the LIS and illustrates how the different component parts fit together.

To be fit for the 21st century, we must build a truly inclusive economy. One that all residents benefit from.

We can achieve this by taking advantage of the opportunities presented by our assets and core competencies....

Industrial digitisation for sustainability

Building a sustainable industrial future

Open health innovation

Transforming healthcare through collaboration, innovation and digitisation

The value of culture

Unlocking the transformational potential of culture for prosperous, liveable places

Social innovation

New practices to solve society's deepest challenges

...These opportunities will help us to address our Grand Challenges

A carbon neutral, sustainable City Region (*Clean growth*)

Harnessing our natural and industrial assets to become a national leader in clean growth, with a net zero carbon City Region by 2040

At the forefront of 'tech for good' (*AI and Data*)

Leading specialisms and digitisation to develop local, innovative solutions to global challenges

The most inclusive economy in the UK (*LCR's distinctive Grand Challenge*)

Viewing our economy through a new lens, where policies and interventions that have a central focus on how all people and places can benefit from, and contribute to, our economy

To do so we must strengthen our foundations.

People with the opportunity to turn passion into prosperity (people)

Joined up solutions that maximise potential of people across the City Region and deliver the skills our employers need to drive up productivity

Thriving and distinctive places (place)

Where people want to live, work and visit, utilising asset centred approaches to address challenges and grasp opportunities

A dynamic business base that creates opportunity (business environment)

Boosting capacity of our business base to grow, connect, create good quality jobs and raise global trade potential

Collaboration that transforms research into reality (ideas)

Bring together our innovative communities and assets, forging the collaboration that drives transformative change to our economy and society

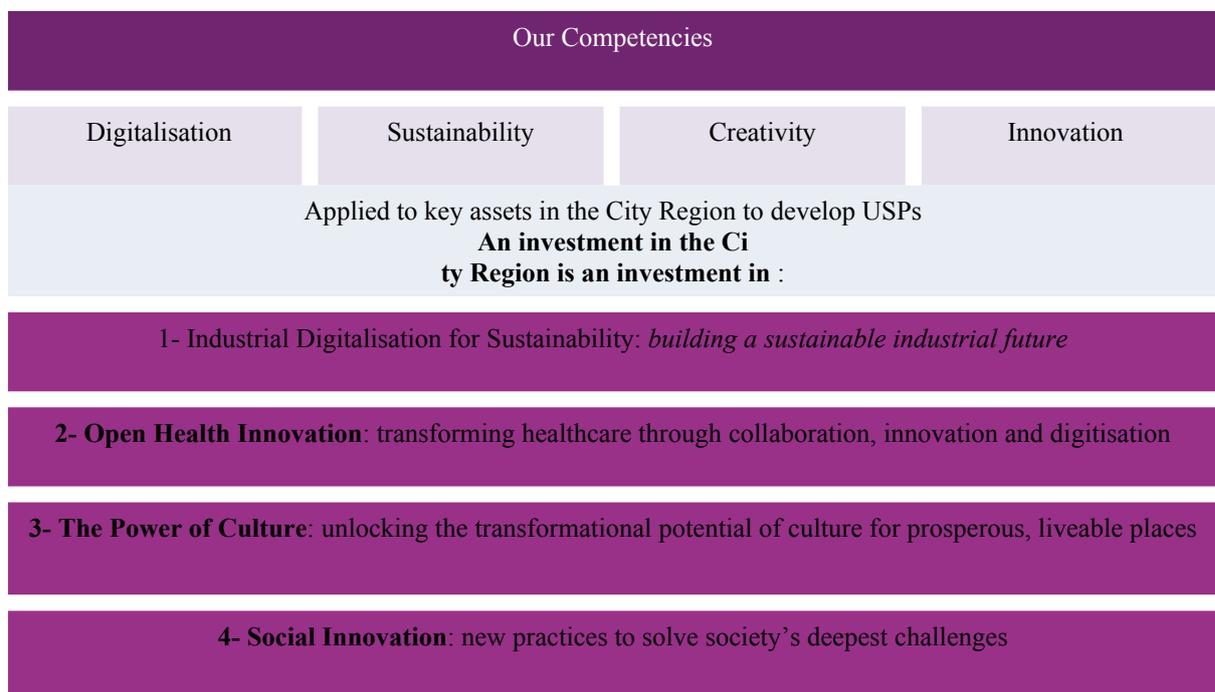
Connecting all our communities to opportunity (infrastructure)

Integrated infrastructure as an economic and social enabler where the benefits of growth can be felt in every community

4.0 POLICY IMPLICATIONS

- 4.1 At the time of writing, it is anticipated that the document will be submitted to Government in time for the Budget in March. This may be considered to be a tight timeframe, but irrespective of this, it is likely that the LCR will use it as an economic plan, to identify strategic priorities, opportunities and challenges and will be used to determine where investment is best targeted.
- 4.2 The LIS includes a 'Key Opportunities for the Liverpool City Region' chapter.

This focuses on what distinguishes the area and the themes and initiatives that are likely to give the LCR a competitive advantage.



In addition, the document highlights how the Liverpool City Region proposes to respond to National 'Grand Challenges' to productivity and refers to an inclusive economy; a carbon neutral sustainable city region and a 'tech for good' strand which refers to data and artificial intelligence

Members will be reassured by the fact that the borough hosts a number of key strategic assets that can deliver on addressing these Grand Challenges. Our strategic assets will be instrumental in driving the Liverpool City Region economy. Therefore, Halton officers at a senior level will be working closely with colleagues at the Combined Authority over the next few weeks to ensure that Halton's key economic priorities and programmes are embedded within these chapters.

5.0 OTHER/FINANCIAL IMPLICATIONS

- 5.1 There are no financial implications identified in this report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Section 5 of The Local Industrial Strategy focuses on addressing the foundations of productivity (People, Business, Ideas, Infrastructure) and the themes within this chapter will be relevant to all of the Council's corporate priorities.

The opportunity to turn passion into prosperity (People)

A dynamic business base creating opportunity (Business Environment)

Collaboration that transforms research into reality (Ideas)

Connecting all our communities to opportunity (Infrastructure)

7.0 RISK ANALYSIS

7.1 There are no risks outlined in this report.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The LIS sets out the Liverpool City Region's Local Grand Challenge as: "The home of the most Inclusive Economy in the UK"

The document refers to "the need to build a truly inclusive economy in the Liverpool City Region setting the blueprint for how to unlock a region's economic potential through disrupting inequality, deprivation, and disadvantage".

It further states that, "a truly inclusive economy is one that creates purposeful economic success measured not just by GDP but by the health, wealth and wellbeing of all citizens. It is an economy with opportunities for all people and places to prosper, and an economy that is strengthened by this inclusivity".

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1 None under the meaning of the Act.