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PARTNERSHIP



MERSEYSIDE ECONOMIC REVIEW 2007

SUMMARY REPORT



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This is the fourth year that English Partnerships has sponsored the Merseyside Economic Review. As the national regeneration agency, we are committed to supporting high quality, sustainable growth in England. We are helping to create communities where people can afford to live and want to live. We add value to urban renaissance by bringing experience, expertise and skills, particularly in masterplanning, land remediation and regeneration.

Regeneration on this scale requires a partnership approach and we work with organisations including Liverpool City Council, Northwest Regional Development Agency, Liverpool Vision and Liverpool Land Development Company as well as private sector developers and investors.

We are progressing on three major projects in Liverpool that will have significant economic and social impact on Merseyside;

Kings Waterfront - including the state-of-the-art Arena and Convention Centre Liverpool.

Lime Street Gateway - featuring new public space and a new mixed-use landmark building.

The Edge Lane Project - the provision of new and refurbished employment space, a range of new homes and new jobs, and environmental improvements such as widening the road to remove bottlenecks and make it safer.

We are also investing heavily in housing market renewal across Liverpool, Sefton and Wirral, bringing former coalfield land forward for development in St.Helens and Knowsley and regenerating the failing Castlefields housing estate in Runcorn, Halton. We are tackling brownfield land issues across Merseyside and with partners are looking at physical, social and economic restructuring in the North Liverpool/South Sefton area.

English Partnerships and the Housing Corporation are working with the Department for Communities and Local Government to establish the proposed new national housing and regeneration agency, Communities England.



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Jaguar's Halewood plant manufactures the luxury Jaguar X-TYPE and employs approximately 2,200 people. In 2000, a significant investment transformed the Halewood plant from a mass-production operation assembling the Ford Escort to a world class manufacturing facility capable of producing the award winning Jaguar X-TYPE. This was complemented by a culture change strategy and a million hour training programme, which ensured Halewood's people and processes were ready to build a luxury vehicle. In 2005 the plant was awarded the J.D. Power European Gold Award for Plant Quality in recognition of X-TYPE's exceptional manufacturing quality.

Jaguar is delighted to be sponsoring the 2007 Merseyside Economic Review and is keen to use its position as a key employer on Merseyside to help support and promote the region's economy. Close links with organisations such as The Mersey Partnership, the Northwest Regional Development

Agency and the Liverpool Land Development Company are important, as are pro-active relationships with Liverpool City and Knowsley Metropolitan Borough Councils. Such partnerships have led to Jaguar's involvement in region-wide projects such as the developments of the Boulevard Industry Park and the Mersey Gateway campaign.

Jaguar are heavily involved in the Merseyside skills agenda and are keen to help develop and grow the region's skills base by working closely with organisations such as the Northwest Automotive Academy and Partnership for Learning. The award winning Jaguar Education Business Centre aims to raise aspirations and achievements and works closely with Primary, Secondary and further education organisations throughout Merseyside by providing valuable opportunities for Work Based Learning. The centre is supported by several organisations including Liverpool and Knowsley LEAs.



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Introduction



The Mersey Partnership is proud to be publishing this fifth edition of the Merseyside Economic Review. There are striking physical changes taking place around us, and behind this tangible evidence of growth and investment lies a growing economy now worth £17bn. Merseyside is keeping pace with the UK economy and we can be optimistic about strong positive trends evidenced for several years now. We are delighted to feature in this Review six of the many entrepreneurs who are contributing so greatly to the economic vibrancy of our sub-region. May there be many more in future! A major priority for economic development must be in enabling new businesses to start, to grow, and to survive; alongside establishing Liverpool and Merseyside as a prime inward investment location this focus will create the conditions for our future prosperity.

A handwritten signature in blue ink, reading 'Dave Moorcroft'.

Dave Moorcroft, Acting Chief Executive, The Mersey Partnership

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Executive Summary

The Merseyside Economic Review 2007 is the annual healthcheck of the Merseyside economy. It tells all of us how our economy is doing, and points out the forces which are driving forward our growth, or which remain as challenges. The Review relies on official national data, allowing us to benchmark Merseyside against the UK, the Northwest, and other similar metropolitan city regions.

The Merseyside Economic Review of 2007 is able to reveal some notable successes against major economic indicators. Merseyside is performing well and in 2004 (latest data) produced a £17bn economy: keeping pace with the UK, regional and city comparators on most measures, and in some cases doing rather better, closing the gap. Keeping pace is a success in itself in this era of intense country and city competition, and we record in the Merseyside Economic Review this year the spatial areas, the sectors and the businesses that are driving our momentum. We are seeing significant investments by the private sector into infrastructure, office space, and knowledge economy.

Our economic wealth grew again, by 5.6%, and the important measure of wealth per head (Gross Value Added per capita) grew by 5.5%, the same as the UK and slightly higher than the Northwest. Our wealth-per-head figure remains at 73% of the UK average, consolidating gains of recent years, and the prognosis for later years of 2005 and 2006 is positive. Liverpool was a strong driver of this success, with a GVA per head growth rate of 5.7% in 2004, and GVA per head in Liverpool now stands at 91% of the UK average, and 104% of the Northwest. In new work for this year's MER we look at how changes on Merseyside since 1995 relate to results across the country.

Merseyside has gone from having three areas in the ten lowest ranked for GVA to just one, and Liverpool has jumped from 67th position to 42nd.

Business growth is the primary driving force of the Merseyside economy, and our figures this year (which relate to 2005), show good growth in the number of businesses, although we have virtually the same business density level as before. Merseyside is host to 26,655 businesses registered for VAT, this is 2.3% higher than the business base recorded for 2005 and an increase of 600 net new businesses. This is the highest rate of growth of our comparator metropolitan areas, and higher than the England rate of increase of 1.4%. The number of VAT registered businesses has grown on Merseyside, with nearly 3000 extra businesses in the last six years.

This year we look at Merseyside's entrepreneurial activity in a specially commissioned analysis of the Global Entrepreneurship Monitor, which indicates very strong entrepreneurialism amongst our young people in particular. Merseyside has some way to go, however, before levels of entrepreneurialism here rival the UK's overall rate, and our public policy agenda this year focuses markedly on enterprise. We are delighted to be featuring several successful entrepreneurs in images and quotations in this summary.

Population change is a key indicator of economic vitality and we can report that the population of Merseyside continues to increase, led by a working age population increase of nearly 4,900 people into Liverpool (data relates to 2005). The working age population of Wirral also increased by 600. The population of Merseyside is now 1,485,900.



Skills are a crucial driver for our necessary productivity and employment improvements. Schools attainment is becoming very strong and graduate retention also rose. Further work on the proportion of the adult population who have at least entry-level skills, plus enabling our residents to acquire the qualifications necessary to participate in the growing higher-skilled, high-productivity business sectors, remain major policy imperatives. Strong work is being done – for example, the percentage of those aged 16-18 classified as not being in employment, education, or training is now 10.3%, below the national average of 11% – but we must accelerate on these measures if we are to further develop the high growth, knowledge economy that drives economic success.

Thus, our Merseyside Economic Review 2007 presents tangible and objective measures of the increasing wealth and change that we can visually see in the regeneration of the Liverpool City Region. However, we must not be complacent. Our targets for Merseyside actually require an acceleration: to outperform the average so well that we begin to catch up and reverse the decades of decline we experienced. Keeping pace will only maintain our differentials, whereas our ambitions for the

Liverpool City Region centre around performing an economic renaissance, of taking our rightful place again amongst the leading European city regions. The programmes of investment currently in place and planned for the future are driven by this ambition. Throughout this summary we flag up the key policy agenda that is driven by the economic evidence base.

As the sub-regional partnership for Merseyside, The Mersey Partnership and our colleagues throughout Halton, Knowsley, Liverpool, Sefton, St.Helens and Wirral are working across a multitude of economic development programmes and investments. We have produced in the past year the strategic vision document The Liverpool City Region Development Programme, and the operational programme The Merseyside Action Plan. This year will be an important year as we continue our work to maximise investment flows, working with the private sector and the Northwest Regional Development Agency, and as we plan and prepare for the new funded European Programme for 2007-2013.

Merseyside Economic Headlines				
	Absolute Change		Vis-à-vis National Figures	
	Improvement	Deterioration	Improved	Deteriorated
GVA per Capita	▲		◀▶	
Employment	▲		▲	
Unemployment		▼		▼
Activity Rates	▲		▲	
Business Base	▲		▲	
Population	▲			▼
School Results	▲		▲	



1. Economic Growth



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“Last year Eventa expanded into larger premises and took advantage of Financial Assistance to Business administered by Business Liverpool, because of the new jobs we created. We were also awarded a business loan from Train 2000. The help from both organisations was essential to the development of the company.” Vici Ladeji, Eventa Management

Eventa Management was founded in Liverpool in 2003 and has won two national awards. One of their key projects is to organise the presence of the UK Film Council at the Cannes Film Festival; and also work with clients including the BBC and Arts Council England.



1.1 Economic Growth

Economic Growth is measured as Gross Value Added (GVA), capturing how much the economy has produced in the year. The data is prepared by the Office of National Statistics and relates to 2004. Total GVA for Merseyside is £17billion – an increase of 5.6% on 2003 (£16.1bn). The UK grew 5.9% and the Northwest grew 5.7%, so Merseyside was slightly behind both of these benchmarks, and this is a reversal of recent years. For each of the previous three years (2000-01 to 2002-03) Merseyside had outpaced UK growth rates thus closing the gap on the national average, but the figure for 2003-04 has slightly undershot this target.

There is some better news when we look at GVA per head of population. Merseyside's GVA per head has grown from £11,798 to £12,448, a rise of 5.5% which is the same as the UK's rise and marginally higher than the Northwest at 5.4%. The Merseyside GVA per head remains at 73% of the UK average, and is now 83% of the Northwest average. Steady growth in GVA per head is allowing Merseyside to keep its position.

Within Merseyside, Liverpool recorded the highest rate of growth in GVA per head in 2004 at 5.7%, a particularly strong result as we know that population figures also rose in that year.

This is followed by Sefton at 5.6% and East Merseyside (Knowsley and St.Helens combined) at 5.5%. Wirral showed a much lower rate of growth at 4.7%, and Halton is included with Warrington in ONS figures, Halton + Warrington together growing at 5.5%. When considering the Wirral figures we bear in mind that GVA figures are workplace based rather than residence based i.e. because Wirral has significant out-commuting the economic wealth generated by those residents who work in other boroughs is captured there, rather than in their home location.

Liverpool currently represents 125% of the Merseyside average GVA per head and 103.6% of the Northwest average. Both East Merseyside and Sefton represent at least 90% of the Merseyside average and 75% of the Northwest average, with Liverpool and East Merseyside having the greatest growth over time. In new work for this year's MER we look at how changes on Merseyside since 1995 relate to results across the country. Whilst Wirral is still poorly ranked at 101st in the 103 areas used for calculating GVA in England and Wales, Merseyside has gone from having three areas in the bottom ten to just one, and Liverpool has jumped from 67th position to 42nd.

fig.1.1 Merseyside GVA per Head					
	Ranking 1995	Ranking 2004	Growth 2003-2004	Value 2004	Indexed to UK
Liverpool	67th	42nd	5.7%	£15,530	91
East Merseyside (Knowsley & St.Helens)	99th	86th	5.5%	£11,676	68
Sefton	97th	93rd	5.6%	£11,321	66
Wirral	102nd	101st	4.7%	£9,891	58
Halton & Warrington	20th	19th	7.6%	£19,766	115
Merseyside	Not applicable		5.5%	£12,448	73
Liverpool City Region	Not applicable		5.3%	£14,785	N/A
Northwest	Not applicable		5.4%	£14,994	88

Source: NUTS3 GVA, ONS.





1.1 Economic Growth

Each year in the Merseyside Economic Review we measure Merseyside against regular city region comparators London, Newcastle (Tyne and Wear), Greater Manchester, Greater Glasgow, Sheffield (South Yorkshire), Leeds (West Yorkshire) and Birmingham

(West Midlands). This year our total GVA grew 6th in this list, only outstripping West Yorkshire and West Midlands, although the fact that we have dropped down the rankings largely relates to the other city regions growing exceptionally fast.

1.2 GVA Growth by Sector

Merseyside creates economic wealth across all industry sectors, with the biggest contributors being Real Estate and Business Services, Manufacturing, and Wholesale/Retail Trade. Manufacturing generated a small increase in the amount of GVA it contributed, although proportionately its share decreased.

Highest growth in Merseyside's GVA in 2004 came from the Finance sector (10.2%), while the second highest growth came from Construction (7.7%). Taking the longer-term view, Tourism has grown 144% since 1995, Finance has grown 100%, and Business has grown 94%.

1.3 Productivity: GVA per Employee

A key measure of how our economy is improving is productivity, or GVA per employee. As in MER 2006, analysis suggests that a constraint on our growth is our current level of productivity, with Merseyside being below UK rates in all sectors. Estimated productivity for Merseyside is £31,554 per employee, compared to an estimate nationally of £39,286. The value varies considerably within each sector, of course, with high

productivity sectors being Construction, Finance and Real Estate and Business. But in Merseyside these three sectors are operating between 15% and 25% below national figures. Overall, if Merseyside was able to raise productivity up to national rates then the overall value of economic wealth would be over £18bn, more than £1bn greater than the current size of our economy.

fig.1.2 Major Sector GVA and GVA Growth, 2004			
Major Sector	Percentage of Merseyside's GVA	Growth in Merseyside	Growth since 1995
Real Estate and Business Services	20.0%	6.0%	94%
Manufacturing	14.1%	2.8%	-1%
Wholesale and Retail	13.2%	7.6%	65%
Finance	8.1%	10.2%	100%
Construction	5.6%	7.7%	82%

Source: ONS 2006





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Policy Agenda

Our predominant aim must be to accelerate the rate of growth of our economic wealth (GVA), with an ambition over the next 15 to 20 years to equal or exceed the UK average. Our vision is to have a globally competitive, sustainable and inclusive economy which has closed the productivity gap with the best regions in the UK.

Our policy agenda is driven by these ambitions. We must drive essential productivity and competitiveness improvements; develop a higher value skilled workforce; extend a much greater business

birth rate in high growth and high productivity industries; and continue to build our success around inward investment and cluster development programmes.

In 2007 a major policy area is the planning and introduction of new arrangements for the new European Programme (2007-2013). We will be managing the transition from EU Objective One status and developing a new programme with a significant expenditure in the early years.

2. Business



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“With the assistance from St.Helens Chamber, the prospect of being able to set up an art shop to sell my own work in conjunction with other local artists has been a dream business turned into reality. I’ve attended various business workshops from Marketing to Tax and Accounting, just some of the help and resource provided to me by St.Helens Chamber and the LEGI programme.” Joanne Hill, Gallery Owner

Joanne Hill runs Inspired, an arts supplies shop which doubles as a gallery for local artists. The shop recently became the 250th new business to open since April 2006 with help from St.Helens Chamber.



2.1 VAT-registered Business Growth

Merseyside is host to 26,655 businesses registered for VAT, this is 2.3% higher than the business base recorded for 2005 and an increase of 600 net new businesses. This is the highest rate of growth of our comparator metropolitan areas, and higher than the England rate of 1.4% increase. The number of VAT registered businesses has grown on Merseyside for the past nine years.

Many sectors show a high level of both VAT registrations and de-registrations, the most successful sectors in terms of net new registrations were Real Estate and Business Services (760), Construction (445) and Hotels and Restaurants (335).

Manufacturing net stock levels fell by 20 businesses, and Wholesale & Retail net stock rose by only 50 businesses – these sectors are not driving dynamic growth in our economy.

We often reflect VAT-registered business start-up rates as a percentage of the existing stock of business. In the last year (2005-06) VAT registrations were 10.7% of stock in Merseyside and 10.2% of stock in Liverpool City Region, well ahead of the Northwest and UK rates, and of our comparator cities only outstripped by Manchester at 10.9% and Glasgow at 10.8%. Highest start-up rates within Merseyside were in Liverpool (11.9%) and Knowsley (11.5%).

2.2 Small Businesses

With the VAT threshold at £61,000 there are a significant number of businesses which fall beneath this level of turnover. Betamodel data is used to calculate this and indicates that there were 44,708 businesses in total in Merseyside (April 2006), with a growth rate of 8% in the year 04-05 and 2% in the year 05-06. It is probable that some of these businesses

will grow successfully to cross the VAT threshold and contribute to stronger economic growth for our sub-region. Sectors that are showing significant levels of growth in small businesses with 1-5 employees are Construction, Services (social and personal), and Real Estate and Business Services.

2.3 Business Density

One of Merseyside's main policy priorities is to increase the level of business density – the number of firms per 1000 population. Business density has traditionally been low, and remains so at 22.2 firms per 1000 for 2005, a small rise on the 21.8 per 1000 for the previous year and low relative to the Northwest at 32.1 and the UK at 38.1. (The Liverpool City Region figure, including Chester and West Lancs, is higher at 26.2%.) In order for Merseyside to reach the Northwest average

we would need a net increase of some 11,144 VAT-registered businesses, but Merseyside is growing business density at a faster rate than the Northwest. A vital driver of improved productivity growth, Real Estate and Business Services, has a density figure of just 6 firms per 1000 population here, whilst the UK average is 11.4 – we will need to double the number of firms in this sector to reach UK levels.





2.4 Business Survival

National data on business survival rates is from 2003 and indicate a survival rate of 92.8% on Merseyside for businesses still trading one year after registering for VAT. This exceeds both the national rate (92%) and the regional rate (92.4%). Betamodel data looks at all businesses including those under the VAT

threshold and calculates a survival rate beyond the first year of 86%, comparable to the Northwest rate of 87%; this drops to 59% after five years of trading, again comparable to the Northwest rate of 60%.

2.5 Entrepreneurship

The Merseyside Economic Review this year contains a specially commissioned article from Global Entrepreneurship Monitor UK which analyses total early stage entrepreneurial activity for Merseyside. In 2006 total early stage entrepreneurial activity (TEA) in Merseyside was 4.6%. This compares to a UK average of 5.8%, although comparator cities are similar to Merseyside. Female entrepreneurship is slightly higher than the UK average of 3.6% at 3.9% suggesting this is a driver of economic growth and a platform for additional policy interventions. Most early stage entrepreneurial activity is service sector driven, with some 55% of all activity in consumer services, including tourism and leisure sectors, and 25% of activity in business services.

Entrepreneurial activity amongst 18-24 year olds is twice the average level for the UK at 8.6% (compared to 3.8%). In the 35-44 year old age group, however, TEA is nearly three times lower than for the UK as a whole at 2.6% compared to 7.3%. Entrepreneurial activity is thus distributed across age groups in a completely different way to the UK as a whole with a heavy concentration amongst younger people. Importantly for the policy agenda, the age group 35-44 are most likely in the UK to be starting high growth businesses with robust survival rates. These figures for Merseyside suggest that there is scope for

building programmes around the displayed entrepreneurialism of younger people alongside targeted measures for the 35-44 year old age group to support potential high growth businesses.

Social entrepreneurial activity is higher in Merseyside (3.7%) than for the UK (3.3%) or for the comparator districts, except Manchester where social entrepreneurial activity was 8.5%. This plus the detail of the attitudinal profile suggests that a socially oriented, though commercial, business model, may be suitable as a means of engaging more people in entrepreneurship in Merseyside. UK social entrepreneurship monitors indicate that social enterprises tend to create more jobs and have higher turnovers than their mainstream counterparts.

Attitudes in the Merseyside area are generally more negative than is average for the UK as a whole and only 17.4% of respondents knew an entrepreneur compared to 27.2% in the UK as a whole. To address this, networking and mentoring are important, as is encouraging women returners to think seriously about entrepreneurship as a means of engaging in the labour market. However, these measures must be supported by supply side measures such as access to finance and business incubation in order to ensure that there is the structure to support growing businesses.



2.6 Inward Investment

Merseyside's comparative performance in attracting foreign inward investment is good, capturing 32% of total jobs created in the Northwest through foreign investment. Our aspirations are higher, however, and in 2007/08 through the new single inward investment agency we will take forward target sectors

where the Liverpool City Region has a compelling business proposition, including: Life Sciences; Health and Research; Financial and Professional Services; Port, Airport and Maritime; Digital and Creative Media; Environment and Energy; Leisure and Retail; Advanced Manufacturing.

fig.2.1 Inward Investment Results 2005/06		
Region	Projects 2005/06	New Jobs 2005/06
Cheshire	23	302
Cumbria	9	626
Greater Manchester	40	773
Merseyside	18	1097
Lancashire	20	577
Northwest Total	112	3385
UK Total	1220	33,000

Source: NWDA 2006

2.7 Priority Sectors

Priority sectors for Merseyside represent nearly 40% of total employment and almost 19,000 businesses. In terms of the number of businesses, Construction is the largest sector with over 4600 firms, followed by Tourism at over 3000, although this reflects the nature of those industries. Life Sciences is the largest employment sector accounting for over 40,000 jobs, followed by Tourism at 37,000 jobs, Construction at 33,000 jobs, Automotive (core sector plus associated industries) at 30,000 jobs; Maritime (core sector plus associated industries), and Food and Drink both accounting for 28,000 jobs; and

Creative Industries plus ICT totaling 25,000 jobs. Due to issues with defining the sector in the official statistics, Environmental Technology while a priority sector is not yet effectively recorded.

Those sectors which have shown the highest growth in the numbers employed, between 2004 and 2005, were Construction, the Creative Industries, and ICT, with Maritime, Tourism, Life Sciences and Food & Drink between the 1% and 5% growth mark. Automotive-related jobs showed a decrease in this year.





2.8 Image Tracking

The Mersey Partnership runs an annual Image Tracking Survey which evaluates how Merseyside is perceived amongst a senior corporate and investment broker audience. In 2006 we have recorded the strongest performance amongst our competitors and our best ever score for the Investment Likelihood measure. Our Corporate audience placed Liverpool at the top of the list, achieving the highest score of the seven cities with 39% saying they would consider it for relocation ahead of last year's score of 28%.

Overall therefore, Liverpool has put in a strong performance and moved up two places to rank third – on a par with Glasgow and

behind Manchester and Newcastle, who are in the same positions as last year.

The evidence from our qualitative research suggests that the unquantifiable essence of a city, or its lifestyle offering, is crucial to the final investment decision, yet Liverpool's score remains close to the bottom at 6th place when measured against our competitors "as a place to live and work". Therefore it is crucial that we continue to work on improving the image of the Liverpool City Region.

2.9 Business Environment

The commercial infrastructure of Merseyside has continued to develop rapidly over the past 12 months, with Liverpool City Centre in particular experiencing significant expansion. Vacancy rates across Merseyside are now predominately at England and Northwest average values, with Liverpool showing a significant drop in vacancies in the past six years. Office rental values have jumped markedly, and supply will expand over 2007 as new developments come to the market. Major new developments are driving resurgence and increased confidence, delivered by our Urban Regeneration Companies - Liverpool Vision, Liverpool Land Development Company, Local Authorities and private developers throughout our urban centres and gateways of Merseyside.

Industrial land values now match some comparator cities including Newcastle and Glasgow, although still significantly below Sheffield, Manchester, Birmingham and Leeds. While industrial capital values have shown an increase for each unit type over 2005, values still remain competitive vis-à-vis other metropolitan areas, with other cities between 120% and 170% of Liverpool's values.

The value of prime retail rentals has also increased markedly and is now the second highest amongst our comparator cities. Recent developments including the opening of the Met Quarter shopping centre have significantly strengthened the demand and value of retail. Grosvenor's Paradise Project is creating Liverpool One, a major mixed-use £920m development covering 42 acres of Liverpool City Centre, with more than 30 individually designed buildings, providing over 1.6million square feet of shopping. Property analysts Gerald Eve have stated that when the project is completed in 2008 it will put Liverpool among the top four UK regional shopping destinations, alongside Glasgow, Manchester and Birmingham.

In 2006 Business Liverpool, Liverpool City Council and Liverpool Vision commissioned a major survey of city centre businesses to understand business satisfaction through the development of a business friendliness index. The overall score was calculated as 6.8 out of 10, indicating that while there are some clear areas for improvement, businesses generally rate the city centre environment as a good place to do business.



Grosvenor's Liverpool One Development (opening 2008)



Policy Agenda

Analysis in the Merseyside Economic Review 2007 highlights again the need to accelerate the business birth rate, particularly of firms operating in high growth markets and with high productivity rates. We must create the market conditions that enable firms to grow, both in turnover and in number of employees. We will be developing ways of understanding our relative take-up here of new technologies, our innovation

levels, and our knowledge transfer schemes linking our excellent research assets with our businesses in Merseyside and the wider City Region. There are important sectors and clusters to be supported, and strategic imperatives to support entrepreneurship and to attract greater inward investment. The right premises and locations for business are now coming on-stream and transforming our city and urban centres.

3. Skills and Education



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“Our relationship with Business Liverpool, MSIF and RBS meant that Mercury ITC were able to expand, take on new staff and move to new premises. The combined expert advice and support from the group meant that Mercury could grow and continue to bring business into Merseyside.” Jane Black, Mercury ITC

Mercury ITC is an ITC Consultancy with specialist data recovery facilities. In addition to offering sales of all IT equipment they provide remote support for their customers.



3.1 Skills

60.8% of the working-age population of Merseyside are qualified to at least NVQ level 2 (equivalent to five GCSEs). This is a rise on the 2004/05 figure of 59.5%, but Merseyside is still adrift of the England rate, the Northwest, and comparator metropolitan areas. Within Merseyside over the last two years, Knowsley and Liverpool have shown a 6-point and 3-point increase respectively in the proportion of the working age population qualified to at least the equivalent of NVQ level 2.

In Liverpool, 20% of the population now have at least a Level 4+ qualification, equivalent to a degree: two years ago this figure was 17% and this may be related to greater retention of students in the city. Looking at skills by age-band, those aged 20-24 in Merseyside were just as likely to be qualified to level 2 or above as those nationally.

Our priority sectors are contributing to driving up the acquisition of appropriate skills for growing industries. All priority sectors have completed Sector Skills Agreements which will take forward workforce training. Of particular note is a recent initiative by Mersey Maritime, working with the Laird Foundation to develop a Maritime Centre of Excellence, a world-class maritime business and skills centre. The Automotive sector has continued its active involvement with the Automotive Sector Skills Production Alliance

and the Northwest Automotive Centre of Vocational Excellence, extending advanced manufacturing skills throughout the supply chain. The ICT sector is supported by the UK's only digital content business school, the International Centre for Digital Content at Liverpool John Moores University; while the Tourism sector runs a number of skills improvement programmes for tourism industry employees.



fig.3.1	Skills & Qualifications								
	Merseyside	Northwest	England	London	West Yorkshire	Tyne & Wear	Greater Manchester	West Midlands	South Yorkshire
% Qualified to at least Level 2	60.8	64.9	66.5	66.8	65.1	64.9	64.1	63.3	61.9
% Qualified to at least level 3	39.0	43.1	44.9	48.3	43.2	40.4	42.3	40.8	39.0
% Qualified to level 4+	21.2	24.2	26.2	33.3	23.1	21.0	23.2	23.0	20.0

Source: DfES, 2006





3.2 Education

Across Merseyside GCSE results are good again, with an excellent rise of 3 percentage points between 2005 and 2006 building on the improving performance over the last few years. 56% of Merseyside's young people achieved 5 or more GCSEs at grade C or above, whilst the UK average is 58%. Sefton jumped four percentage points to 61% to surpass the UK rate, and there were good rises as well in Halton, Knowsley and Liverpool.

Children aged 11 (Key Stage Two) are again performing at the level of England's average results and in many cases better than in other metropolitan areas. Both Sefton and St.Helens recorded more than 9 out of 10 pupils on average achieving level 4+ at Key Stage Two.

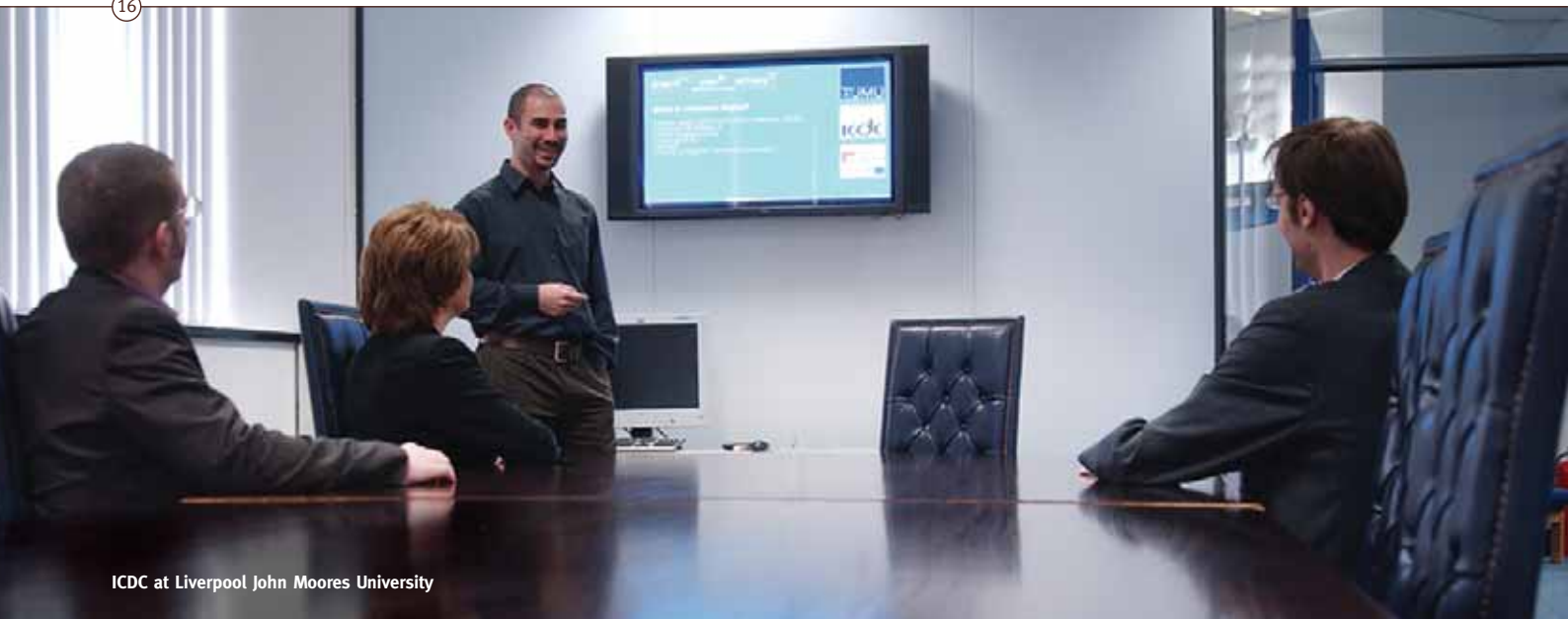
fig.3.2	Percentage of pupils gaining 5 or more GCSEs at grades above C			
	2002	2005	2006	05-06 Change
Merseyside	45.0	52.8	55.7	2.9
England	51.6	56.3	58.1	1.8
Halton	42.7	49.1	52.2	3.1
Knowsley	30.1	44.4	47.9	3.5
Liverpool	39.2	49.0	53.5	4.5
St.Helens	45.5	55.6	56.4	0.8
Sefton	52.6	57.0	61.0	4.0
Wirral	53.1	56.6	57.2	0.6

Source: DfES

3.3 16 and 17-year olds

In England, 84% of 16 year olds are in some form of education or training; in Merseyside this is slightly lower at 81%; Halton, Knowsley, Liverpool and Wirral are all above the England average. For 17 year olds, the national figure for participation in education or training is 74%, Merseyside equals this figure now, with Wirral and Sefton above at 77% and 78% respectively.

Data from the Greater Merseyside Connexions Partnership for the 16-18 year old age group shows that 10.3% were classified as not being in employment, education or training (NEET). This is more favourable than the 11% national average, but still represents a sizeable target.



3.3 16 and 17-year olds

fig.3.3	Not in Employment, Education or Training (NEET)							
	Merseyside	England	Halton	Knowsley	Liverpool	Sefton	St.Helens	Wirral
	10.3%	11.0%	10.5%	11.6%	12.5%	8.3%	10.5%	8.8%

Source: Greater Merseyside Connexions Partnership / DfES

3.4 Further and Higher Education

During 2004/05 there were nearly 52,000 students studying at the three Liverpool universities, with a further 14,600 at Edge Hill University (Ormskirk) and 12,500 at the University of Chester. Over the last ten years both nationally and on Merseyside student numbers have gone up by a third. Figures from University of Liverpool suggest that the retention rate in Merseyside of graduates is approximately 43%, similar to the previous year's analysis although collection of data on this subject is not fully complete.

Merseyside has 10 Further Education colleges – seven general Further Education colleges and three 6th form colleges. The colleges provide training and services to a wide range of sectors and reflect the diversity of their communities. Colleges contribute to the learning of 14-16 year olds, offer an extensive range of programmes for 16-19 year olds, apprenticeships as well as adult learning from basic skills to HE. In 2005/06 some 90,646 learners undertook programmes of study at Merseyside colleges with success rates paralleling the national average.

fig.3.4	Further Education Colleges Success Rates	
	Greater Merseyside	National Average
2004/05	73%	74%
2003/04	72%	72%
2002/03	68%	68%

Source: Merseyside Colleges Association

Policy Agenda

Our economy needs to bring into economic participation greater numbers of our residents, and improvements are vital in the proportions of the population with both basic entry level skills and the higher level qualifications required by high growth high productivity firms. Attracting inward migration of skilled working age people and increasing graduate retention levels must operate alongside an increased strategic emphasis on developing the skills of our existing workforce.

4. Employment, Economic Activity and Unemployment



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“We have had lots of support from Business Link and the GME Objective 1 programme, and their help has been invaluable. They put us in touch with Digital Inc who helps support new digital companies and also helped us with European Funding when we wanted to expand. Visual Position is now going from strength to strength and is planning to employ eighteen new staff over the next two years.” David Warner, Visual Position Ltd

David Warner is one of the Managing Directors of Visual Position Ltd, a specialist online marketing company with an annual turnover of £500,000 in just two years.



4.1 Employment

The percentage of the Merseyside working age population in employment continues to increase, marginally, to 68.2% in 2005. This is an actual increase of around 200 people: a rise over the 68.1% rate in 2004, and a good two year jump from 2003 when the rate was 67.3%. The UK rate fell slightly by -0.2% to 74.3%, and the Northwest was at 72.6%, so Merseyside again narrowed the gap on these headline rates. In some cases other comparator metropolitan areas showed greater acceleration: Tyne and Wear grew by 7.7% in 2005, although Greater Manchester fell by -2.0%.

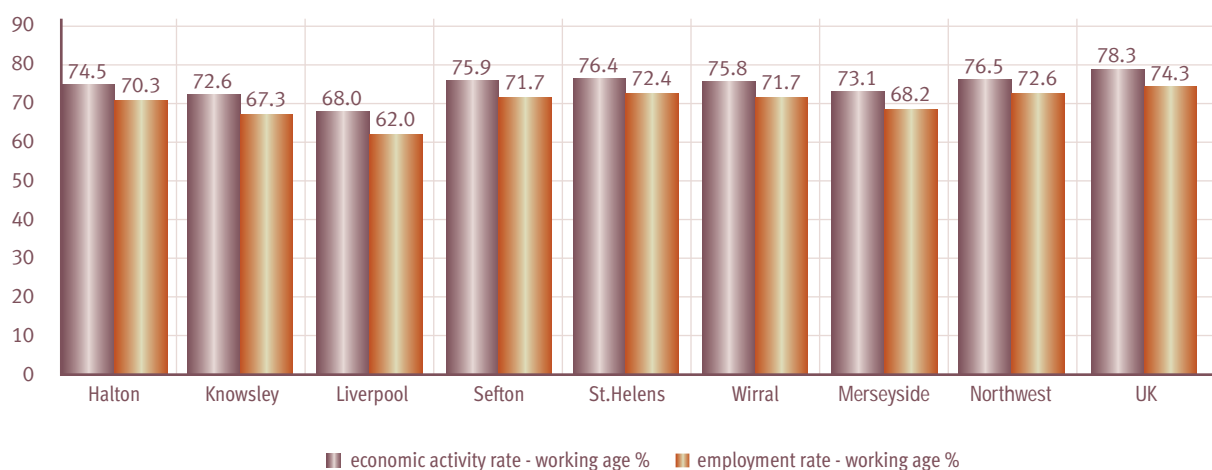
Within Merseyside, four of the six local authorities increased their employment rate, with a fall only in Wirral (-0.1%) and Sefton (-1.9%). On a sector basis, employment in certain

industries increased greatly in this year: Construction by 9.2%, and Financial Services by 9.1%. Compared to the Northwest, Merseyside gained dramatically in Construction (Northwest fell over 4%) and Banking (Northwest grew 1%). Hotels and Restaurants employment grew by 2.8% in Merseyside, whilst Northwest didn't change its employment in this sector and the UK grew by 0.2%. Manufacturing reduced employment by -6.7%.

Analysis this year looks at the employment rate of ethnic groups in Merseyside, and at a rate of 63.6% this bears comparison with the White British employment rate here (68.5%) and is better than the UK (58.6%), the Northwest (54.7%) and all other comparator cities including London at 57%.

fig.4.1

Employment and Economic Activity Rates, 2006



Source: APS, ONS





4.2 Self-Employment

Self-employment in Merseyside is now at 6.5% of the working age population, and in the Liverpool City Region it is 7.1% – a good rise for both geographies over last year, and for Merseyside an increase of 0.5% which is one of the highest increases against our comparator metropolitan areas. The national average rate is 8.0% and the only conurbation to out-do this is Greater London. Within Merseyside, Wirral, Sefton and St.Helens have the highest

rates of self-employment, each at 7.5%, and Liverpool which was traditionally a low area has increased between 2004 and 2005 from 4.0% to 5.3%, an excellent increase and the greatest of all cities surveyed. See section 2.5 for an analysis of levels of entrepreneurialism in Merseyside.

4.3 Economic Activity

Economic activity rates are key indicators of the vibrancy or otherwise of an economy, and Merseyside has persistently experienced a challenge in bringing levels of economic activity up to national figures. Economic activity is defined as those working, either as an employee, as self-employed, or in the voluntary sector, plus those unemployed but seeking work and available to work (even if they are not registered for benefits), and students

who also have paid employment. Merseyside continues to close the gap in economic activity: participation rises in 2005 to 73.1%, compared to a Northwest figure of 76.5% and a UK figure of 78.3%. The UK figure has been static for several years now while Merseyside has risen each and every year – it was 72% in 2003 so reveals a two year increase of 1.1%.

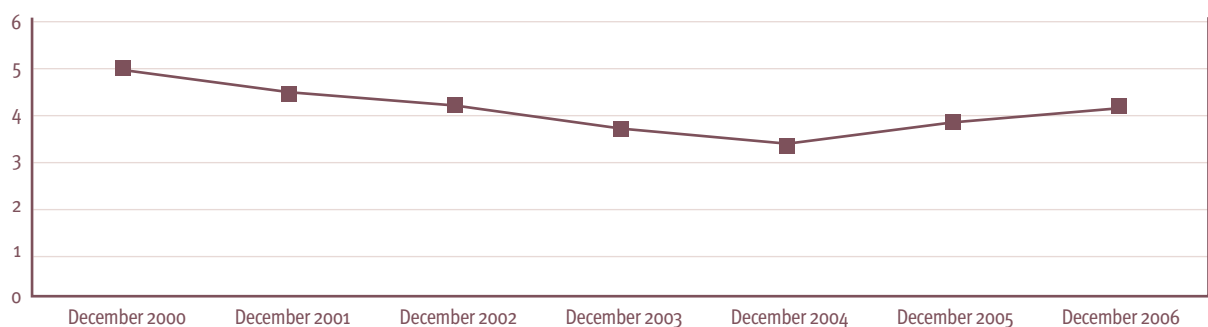
4.4 Unemployment

As reported last year, Merseyside no longer has the highest rate of unemployment claimants amongst our comparator city regions, although our rate has risen slightly this year. At 4.1% average in the year to December 2006, this is a 0.3% rise on

the previous year but remains nearly 1 percentage point lower than in 2000. The UK rate is 2.5% and the Northwest is 2.7%. Merseyside's rate equates to 37,000 people.

fig.4.2

Merseyside Claimant Rate 2000-2006



Source: Office of National Statistics



4.4 Unemployment

fig.4.1	Unemployment Rates 2006			
	December 2006		Change Since Last Year	
	number	rate	number	rate
Merseyside	37,701	4.1	3,058	0.3
Halton	2,506	3.3	115	0.1
Knowsley	3,989	4.4	185	0.2
Liverpool	16,053	5.5	1,044	0.4
Sefton	4,983	3.0	444	0.2
St.Helens	3,117	2.9	187	0.2
Wirral	7,053	3.8	1,083	0.6

Source: Office of National Statistics

4.5 Earnings

The growth rate of gross weekly earnings has increased for the majority of areas in Merseyside with the exception of Sefton. Liverpool has experienced the highest change rate over the past 12 months (6.9%), with Knowsley and Halton following closely with an increase of 5.6% and 4.1% respectively. Wirral continues to have the highest median level of gross weekly earnings at £362, a 2.5% increase since 2005, and Sefton has the lowest figure at £316, representing no significant change over 2005.

Policy Agenda

We need to support the creation of higher skilled jobs for both men and women, and continue efforts to counteract deep concentrations of worklessness in particular spatial areas and amongst particular demographics, connecting areas of need to areas of opportunity and raising the overall economic activity rate to above the UK average.

5. Population and Society



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“Through using Merseyside organisations such as Business Link, GIEU, Liverpool Chamber of Commerce, MSIF and Business Bridge, over the past 19 months we have increased turnover by 200% and were able to employ an additional eight highly skilled people from within Merseyside.” Dave Thomas, DNA Diagnostics Ltd.

DNA Diagnostics is one of the UK's leading providers of private DNA test services to the legal profession, county councils and private individuals.



5.1 Population

Population change is a key indicator of economic vitality and we can report that the population of Merseyside continues to increase, led by a working age population increase of nearly 4,900 people into Liverpool (data relates to 2005). The working age population of Wirral also increased by 600. The population of Merseyside is now 1,485,900. Compared to other cities, Liverpool's change of 0.7% was middle of the range, with Newcastle growing by 2.5% and Glasgow growing by 0.3%

This pattern of working age population increases has persisted for several years now, and this is the second year in which declines in the under-15 age group has been offset by

expansion of adult figures, leading to an overall population increase of 0.1%. This trend is largely due to significant growth within the 20-24 age-band, exceeding that for the Northwest, both an expansion in student numbers and a limiting of the outflow of young people Merseyside formerly experienced. At the same time, the largest drop in population comes from 30-39 year olds, down 11% against a Northwest drop of 9% – suggesting that at certain career or life points people are moving away from Merseyside.

5.2 Benefit Dependency

There has been a continued decrease in the number of Incapacity Benefit claimants (down 0.5%) and Income Support claimants (down 0.3%), with both changes exceeding that for the UK.

Men are on benefits to a rather greater extent in Merseyside than women are: 23.7% of Merseyside men and 21.4% of

Merseyside women claim benefit. This compares to England figures of 13.3% for men (a difference of 10.4 percentage points) and 12.9% for women (a difference of 8.6 percentage points).

fig.5.1	Benefit Dependency								
	Job Seekers Allowance			Incapacity Benefit/SDA			Income Support		
	2005	2006	Change	2005	2006	Change	2005	2006	Change
Merseyside	3.7	4.3	0.6	11.4	10.8	-0.6	10.7	10.4	-0.3
Northwest	2.5	2.9	0.3	10.7	10.3	-0.4	7.7	7.5	-0.2
GB	2.4	2.6	0.2	7.9	7.7	-0.3	6.2	6.0	-0.2





5.3 Disposable Income

New figures on gross disposable income per head have been released by the Office of National Statistics, as part of their GVA data relating to 2004. The average gross disposable income for the UK in 2004 is £12,840 per head, compared to £11,753 for the Northwest. The Merseyside level increased from £10,961 per

head in 2003 to £11,387 in 2004, a rise of just over 1% and closing on the Northwest average. Comparison within Merseyside shows that Wirral has the highest gross disposable income per head at £12,876, higher than the UK average.

5.4 Crime

The level of recorded crime in Merseyside is mid-range compared to other metropolitan areas. In 2006, Merseyside had 128 recorded crimes per 1000 population, compared to 129 for Greater Manchester, 134 for London, and an England and Wales average of 103.

Figures released from the Merseyside Policy Authority give a slight increase (2%) in the number of crimes in 2005/06 over the previous year, although there has been significant reductions in car theft (down 23%), arson (down 13%) and sexual crime (down 5%).

5.5 Housing

Average house prices in Merseyside have increased 6.7% from £132,000 at the end of 2005 to £141,000 in September 2006. However, average house prices in the Northwest increased 8.8% and in England and Wales they increased by 10.5% over this period. Within these averages are areas of stronger growth, with

terraced properties seeing a growth rate on average of 9.9%, and flats growing 7.7%. Average prices for semi-detached properties and for flats have now overtaken the Northwest figure for these properties.

5.6 NewHeartlands

The NewHeartlands Housing Market Renewal area (HMR) contains approximately 130,000 properties and 252,000 residents in the inner core of Liverpool, South Sefton, and East Wirral. NewHeartlands is largely about improving areas through refurbishment, neighbourhood management interventions and small scale demolitions to improve the quality of life of existing residents and encourage more people to move into the areas. The NewHeartlands area has significant possibilities for its successful renewal based on its adjacency to Liverpool City

Centre, which has recently seen unprecedented levels of economic growth. From 2004 to 2006 NewHeartlands has succeeded in clearing 1377 properties and building 1431 new homes. Over 7800 homes have been improved. All areas are supported through Neighbourhood Management schemes and lead developers and housing associations have been appointed for the key zones. The initiative is now on target to deliver £97.7m of HMR investment which will leverage in a further £230m of public and private sector investment.



5.7 Pathways Impact

Five local authorities on Merseyside (Liverpool, St.Helens, Wirral, Sefton and Knowsley) have been running the European Union funded Pathways Programme since 1998. Pathways wards are those suffering very severe economic disadvantage and poverty. Government Office Northwest has published an interim Pathways Impact Monitoring Report (July 2006) and is undertaking further study to determine the impact of this programme. As an approximate measure of poverty, an analysis of the numbers and proportions of residents receiving council tax benefit, housing benefit and income support has been undertaken, along with analysis of household income. There are mixed results without any clear picture emerging of greater improvement in Pathways areas.

All local authorities except Wirral have had declining numbers of Council Tax Benefit claimants between 1998 and 2005, and Pathways areas have decreased proportionately more than non-Pathways areas. The strongest performance was in Knowsley where there are 10% fewer council tax benefit claimants in Pathways areas now, and 6% fewer in non-Pathways areas.

Knowsley, Liverpool and St.Helens have seen falls in the claimant rate for housing benefit, while Sefton and Wirral have had rises. In all local authorities, non-Pathways areas have performed better than Pathways areas.

Income Support claimant rates in Pathways areas remain between two and three times those in non-Pathways areas in all districts. Between 1998 and 2004, Knowsley, St.Helens and Wirral experienced increases in their Pathways Income Support claimant rates, while the rates fell in their non-Pathways areas. In Liverpool's Pathways areas the rate fell, but it fell more in Liverpool's non-Pathways wards. Sefton was the only district where Income Support claimants fell, and fell in Pathways by proportionately more than non-Pathways areas. The extent of this disadvantage can be seen in some figures from Wirral, which experienced the largest widening of the percentage point gap between rates in Pathways and non-Pathways areas. Now 43% of Pathways households contain an Income Support claimant as opposed to 16% of households in non-Pathways areas.

Policy Agenda

We must redouble efforts to address deep and often intergenerational areas of worklessness and invalidity in Merseyside, delivering decreases in claimant numbers and benefit dependency. We will be linking more closely with programmes to deliver health improvements as this is an important driver of both social regeneration and business productivity increases. We will also be building for the future in a quality housing offer, schools rebuilding programmes, and delivering excellent environmental, cultural and Waterfront assets. Externally and internally we need to continue our work on improving the image of what it is like to live in Merseyside.

6. Transport, the Environment and Infrastructure



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'Merseyside's Womens business growth programme has helped HCL to innovate, drive up productivity and profitability – our business is going from strength to strength. Merseyside is a place to do business' Karen Caffrey, HCL Homecarers Liverpool Ltd

Karen Caffrey is the Managing Director of Homecarers Liverpool Ltd, a major domiciliary care provider in the city. In the last five years turnover has steadily grown to £2.4m in 2006.



6.1 Travel to work / Rail and Road Transport

In comparable volumes to other metropolitan areas, it is estimated that 75% of all journeys to work made by Merseyside residents were made by car; Merseyside has the highest proportion of journeys made by rail, reflecting our extensive Merseyrail network. Merseyside is notably lower in the proportion of journeys made by walking or cycling, an area where the new Local Transport Plan (covering the period 2006-2011) is particularly seeking increases. The average time taken to travel to work in Merseyside is 23 minutes, less than the Northwest (24 minutes) and England (26 minutes); average vehicle speeds in Merseyside being 21.2 mph, faster than Manchester, Leeds/Bradford, and Sheffield.

Rail use on Merseyside's Wirral and Northern lines has recorded steady growth, with passenger numbers rising 12.2% between 2000 and 2005, while City line grew by 24%. Merseyrail

consistently outperforms every other network in mainland UK. There are significant expansion plans for the rail network in the new Local Transport Plan including increased network coverage and electrification, new stations particularly in Liverpool city centre, and freight capacity improvements. In 2006 Liverpool South Parkway opened to provide an integrated public transport interchange for South Liverpool and Liverpool John Lennon Airport, and is serving over 4000 passengers a day, greater than the forecast of 2000.

In March 2006 the Government approved £209m funding for the construction of the Mersey Gateway. The delivery of the project is being led by Halton Borough Council with the support of partners from the public, private, and voluntary sectors, and the aim is to open the new crossing by 2014.

6.2 Port

The Port of Liverpool carried over 33 million tonnes of total freight in 2005, the 7th port in size in the UK, while the Mersey Ports together processed over 41m tonnes making it the fourth largest port operation in the UK. The Port of Liverpool shows a growth rate of 11% from 2002 and 5% over the last year, which represents very strong growth – only the port of Southampton has shown greater growth at a 17% increase from 2002. Liverpool has a developing strength in container traffic, having grown this market by 24% from 2005, against the overall increase in UK traffic by 6%. Two of the world's largest shipping lines have developed Liverpool as a key hub port for their deep sea global

feeder operations. Recent work in the Local Transport Plan will bring forward new rail links and rail freight capacity for the Port.

The Mersey Ports are a dynamic and growing sector of the region's economy and the current climate for growth is set to continue. In the last two years there has been in excess of £65million worth of private sector investment in the Mersey Ports region. A strong Ports Growth Strategy envisages major further investment in expanding the Mersey Ports operation, driving forward the maritime commercial sector, and redeveloping many of the physical areas surrounding the Ports.





6.3 Air Travel

Liverpool John Lennon Airport has continued to experience growth in both routes and passenger numbers, with passenger throughput for 2006 standing just below 5 million, representing a further 13% growth on 2005. In 2007 Flyglobespan will launch a regular flight to New York, Liverpool's first transatlantic service. Liverpool JLA has the largest rate of growth of UK regional airports.

The continued renaissance of Merseyside and the wider city Region has a key asset in Liverpool John Lennon Airport, enabling regeneration by attracting inward investment and supporting the growth and access to markets of existing companies. The Airport Master Plan for growth and expansion to 2030 is now in the public domain and will contribute greatly to the achievement of our economic growth ambitions.

6.4 Environmental Indicators

The Northwest Climate Change Action Plan was launched on the 9th November 2006. TMP, as the Sub-Regional Partner is coordinating Merseyside party's activity on the Northwest Climate Change Action Plan, and taking forward activities to maximise economic opportunities resulting from the environment.

Merseyside's green belt is larger than most metropolitan areas, at 32,000 hectares, but has decreased slightly by 1% since 1997 reflecting the pressure that local authorities are under to source

suitable land for development. However, Merseyside has seen a much higher rate of re-use of land than the national average, with 83% of land being developed previously being categorized as brownfield land, compared to 59% nationally. Areas within Merseyside have significant volumes of brownfield land available for development.

fig.6.1	Hectares of brownfield land available for development					
	Halton	Knowsley	Liverpool	Sefton	St.Helens	Wirral
	167 ha	206 ha	662 ha	367 ha	320 ha	301 ha

Source: Previously developed land that may be available for development, Department for Communities and Local Government



6.4 Environmental Indicators

The Mersey Forest aims to increase tree cover throughout the city region. The annual target for 2004/5 was for 565 hectares to be transformed – although only 480 hectares was achieved, partly due to the withdrawal of the Woodland Grant Scheme.

The North Merseyside Biodiversity Action Plan reports on the issues facing the natural environment, implementing national biodiversity targets and prioritising work for conservation in North Merseyside (Liverpool, Knowsley, St.Helens and Sefton). The action plan reports that significant progress has occurred since 2001, but there is still work to be done in order to meet many of the biodiversity targets. 66% of the targets associated with the Habitat Action Plans and 56% of the targets associated with the Species Action Plans have been met or significantly progressed.

Work conducted during 2006 by AEA Energy & Environment provided DEFRA with local and regional estimates of CO2 emissions. According to these figures, Merseyside produced 10,846 kilo tonnes of carbon emissions. Merseyside has a low carbon footprint relative to the UK average, possibly related to the lower total economic wealth and activity in the economy. There is potential for Merseyside to maintain this relatively low carbon footprint by ensuring developments are environmentally sustainable as our economic growth increases.

A key element within the climate change debate is on the use of energy; both in terms of consumption levels and where the energy has been generated or created from. On Merseyside energy consumption is significantly different from the national average in that domestic consumption is of a lower proportion (22% compared to a national figure of 29%) and transport of a considerably higher level: 37% compared to 33%. This is particularly the case in Liverpool, St.Helens and Wirral, although Halton and Knowsley remain closer to the national average. Even though Merseyside has a lower than average proportion of its emissions from sources other than domestic emissions, this is still an area where change can be achieved. From 2001 the Merseyside authorities have seen a considerable improvement in dwelling energy efficiency, of approximately eight points in Halton, Liverpool and Sefton and of some 12 points – a 24% increase – in Wirral.

While Merseysiders generated just over half a tonne of waste per person per year, comparable to other metropolitan areas, the bulk of this waste goes to landfill. At 78.5% this is considerably more than the national average of 62%. The West Midlands uses landfill for just 31% of waste. Recycling levels are low (Fig. 6.2) with only Halton at 23% nearing the UK national average, but does reflect considerable progress in the past few years – for example in 1997/98 the St.Helens figure was just 1%.

fig.6.2	Domestic Recycling Rates					
UK	Halton	Knowsley	Liverpool	Sefton	St.Helens	Wirral
26.7%	23%	13%	9.9%	19.2%	19.5%	11.8%

Source: Municipal Waste Management Statistics, DEFRA, 2006



Hoylake (Royal Liverpool Golf Course, home of The Open 2006)



6.5 Mersey Waterfront

Our waterfront and coastal assets are the Liverpool City Region's unique selling point. They distinguish and elevate us from major competitor cities such as Manchester, Leeds and Newcastle and give our city region a unique sense of place that cannot be replicated anywhere else in the world.

The Mersey Waterfront Regional Park was borne out of the 2002 Action Plan for the City Region, in which it was one of two 'big ideas' to facilitate a step change in the sub-region's economic, social and environmental fortunes. The first phase (the Commencement Programme) ran from 2003-2007 and was funded by the Northwest Regional Development Agency to £8.9m attracting an additional £24.3m from other public sources and a further £2.3m from private sector investment. The Mersey Waterfront is in the final year of its Commencement Programme and has delivered over 40 diverse projects designed to rejuvenate and regenerate the 135kms of its coastline. Key projects in 2006-07 included:

- Cruise liner landing stage being constructed at Princes Dock
- Another Place by Antony Gormley on Crosby beach

- Support for Mersey River Festival
- Hoylake and West Kirby environmental improvements
- Wigg Island Visitor Centre

The programme is about to move into its Succession Phase, which will potentially manage £30m of NWDA and ERDF investment, leveraging in a further £40-50m from the private sector. In the Succession Phase (2007-10), Mersey Waterfront aims to work with partners to deliver a range of high profile, strategically significant projects which will contribute to the ongoing renaissance of the City Region's coast. These include Brand New Brighton, a £45m phased mixed development scheme delivering a range of leisure, residential and recreational facilities to the New Brighton seafront; and Sefton WATER Centre, which will be one of the UK's premier fully accessible, high quality destinations for water sports and recreational facilities for all, located on Sefton's coast.

fig.6.3 Mersey Waterfront Outputs and Headline Projects		
Measure	Outputs – Commencement Programme (2003-07)	Total to March 07
Hectares of derelict, neglected/underused land reclaimed	42.5ha	25.99ha
Length of new or improved trail (km)	10.2km	18.97km
Increased visitor numbers	83,810	741,364
Increased visitor spend at MW attractions and events (£m)	£1,951	£12,098
Enhanced or improved habitats (ha)	25.5ha	39.4ha
Gross added value (£m)	£4,420,000	£3,923,198
Square meters of floor space created	0m ²	106.24m ²
Media appearances	10.2	72





Wirral Waters (artist impression)

Policy Agenda

Merseyside requires continued major public and private sector investment into developing a 21st century environment and connectivity system. 2006 saw the approval of the Mersey Gateway and a range of building and infrastructure developments coming onstream. Our major connectivity assets the Ports of Liverpool and Liverpool John Lennon Airport have strategic plans and ownership in place which set out the agenda for expansion and economic growth for the medium term. Major investor Peel Holdings have recently made public exciting plans for docks redevelopment in both Wirral Waters and Central Docks. We need to support these major ambitions, deliver on the enabling infrastructure including rail improvements, and alongside this contribute effectively to our responsibilities under the Climate Change Action Plan.

Major Investments and Events 2007

2008 Liverpool European Capital of Culture, and 2007 Liverpool's 800th Birthday

Grosvenor Liverpool One Flagship Development

Kings Dock Arena, Conference Centre and Waterfront Development

Liverpool Science Park Development

Centre for Tropical and Infectious Diseases Expansion

Mersey Waterfront Regional Park Succession Programme

NewHeartlands Housing Market Renewal Continues

St.Helens Big Art Project

Southport Classic Resort Floral Hall Investment

Building Schools for the Future Programme

Royal Liverpool and Aintree Hospital Trusts Re-Development

Liverpool Commercial District Development Continues

Cruise Liner Facility Construction Continues

City Employment Strategy Adopted

Merseyside Action Plan 2008-2011 Adopted

Merseyside Entrepreneurship Commission Programme Development

Widnes Waterfront and Parkside Masterplanning Work

Wirral Waters

North Liverpool/South Sefton Local Enterprise Growth Initiative

NorthShore

3MG Freight Distribution Park

Maritime Institute

Anfield Stadium and Stanley Park Redevelopment

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Caronia on Liverpool Waterfront

With thanks to

English Partnerships, Jaguar, The Mersey Partnership Research Department, Train 2000, Business Link Greater Merseyside, Merseyside Social Inclusion Observatory, North West Regional Development Agency Research Team, Merseyside Policy Unit, Liverpool City Council, Sefton MBC, Knowsley MBC, Halton UA, Wirral MBC, St.Helens MBC, Government Office North West, Liverpool Chamber of Commerce, University of Liverpool, Liverpool John Moores University, Merseytravel, Business Liverpool, Mott MacDonald MIS, Merseyside Colleges Association, National Museums Liverpool, Merseyside Expanding Horizons, Social Enterprise Network, Merseyside Disability Federation, Grosvenor, NewHeartlands, GLEU, Learning and Skills Council, Greater Merseyside Connexions Partnership, Liverpool John Lennon Airport, Envirolink Northwest, BT, Betamodel, Global Entrepreneurship Monitor, MerseyBio.

The Mersey Partnership would like to thank the six entrepreneurs from Eventa Management, Inspired, Mercury IT, Visual Position, DNA Diagnostics and HCL Homecarers for their kind contributions to the Merseyside Economic Review 2007. We would also like to thank the new Malmaison, Liverpool for the use of the hotel as a photographic location. Photography by Deana Clarke.

Finally, The Mersey Partnership would like to thank the Bank of Scotland for its valuable support with the distribution of the report.





Disclaimer:

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