CHAPTER 6
CONCLUSIONS AND RECOMMENDATIONS
6.1 The election of a city regional mayor and the creation of the combined authority in 2017 represents a hugely significant moment. Not since the abolition of Merseyside County Council in 1986 has there been a formal tier of governance for the wider functional geography that we now know as the Liverpool City Region.

6.2 This report, timed to coincide with the birth of this new spatial scale of political office, attempts to provide fresh insights into a selection of questions that might help advance debate on the future direction of the city regional economy and inform the development of policy. It was not our intention in this report to provide a complete catalogue of every aspect of the city regional economy but rather to identify a small number of issues that can be understood as of pressing concern. In taking this approach we hope to support the policy community in the development of new city-regional scale economic growth strategies and their articulation in documents such as the Liverpool City Region Sustainable Urban Development Strategy (LEP, 2016).

6.3 In aggregate this report paints a portrait of the Liverpool City Region in which there are many significant opportunities for growth. There is evidence of a nascent agglomeration around advanced manufacturing and global distribution; our estuarine location provides several options with respect to energy generation and we have many of the assets that should make us well-placed to develop a graduate workforce even if there is more to do in achieving this.

6.4 Whist it is true that the city region continues to be adversely affected by long standing deprivation and, in some areas, high street decline, this report provides new insights into the character, incidence, longevity and geography of these issues across the city region. These new ways of looking at these issues is intended to support a renewed conviction to confront the brakes on the city region’s economic and social potential in a spatially-targeted way.

6.5 Our findings point to five priority areas where we believe immediate reflection is required in any future strategy to develop the economy of the Liverpool City Region:

**Industrial Strategy**

6.6 Central government has signalled a clear intention to bolster industrial manufacturing in the UK. Evidence of this can be seen in the Green Paper, Building our industrial Strategy (HM Government, 2017), and initiatives such as the Industrial Challenge Research Fund which is worth in excess of £1 billion over the period 2017-2021. Evidence from Chapter One shows that the Liverpool City Region is extremely well-placed to respond to this agenda through strong concentrations of economic activity in advanced manufacturing. Developing this specialism, encouraging its growth as well as a more even distribution and diversification across the city region will require support. A Liverpool City Region Industrial Strategy could outline our local response to this important national initiative.

In thinking about such a strategy policy makers may wish to consider looking further. On many measures of economic activity the outer boundary of the Liverpool City Region is blurred. The reason for this is that today, as in the nineteenth century when it experienced its most sustained period of growth, the Liverpool City Region enjoys a symbiotic relationship with its nearest neighbour, the Greater Manchester City Region. In many important respects, such as travel-to-work patterns as well as the movement of goods and services, there are very strong connections between the two city regions of Liverpool and Greater Manchester. For our city region to realise its full potential it will be critical that we work constructively with the Greater Manchester City Region over the coming decades and explore shared opportunities for growth. The creation of mayoralties in both city regions in 2017 signals a new moment for strategic thinking on points of tangency that could be complemented by further research on the economic geography of the North West’s urban corridor between Liverpool and Manchester. This could signal a new progressive phase in the relationship between the two city regions.
Deprivation

For some neighbourhoods in the Liverpool City Region deprivation is a long-standing issue. The degree to which the duration over which deprivation is manifest creates entrenchment was a key finding from Chapter Two. However, we were also able to show that the character of deprivation is multi-faceted - put simply, the character of poverty experienced in one part of the city region is often qualitatively different to that experienced in another. With new, sophisticated ways of illustrating the incidence, character and endurance of deprivation we are able to provide policy makers with better neighbourhood profiling. This in turn should support the development of a new breed of spatially-targeted policies designed to more effectively address the limiting of human potential that poverty represents.

Further engagement between the universities and the policy community could support a renewed commitment to, first, understand in a fine-grained way and, second, address in a concerted fashion, deprivation in the Liverpool City Region.

Graduate Mobility

The development of the Liverpool City Region’s economy in the twenty first Century will require a highly skilled workforce. Cities already compete on this issue in what is often described as the global competition to attract talent. For most of our competitors this begins with a strategy to attract and retain graduates. Some of the indicators outlined in this report couple with exciting new developments such as the Knowledge Quarter point to the Liverpool City Region being an open and attractive destination for graduates. However, there is still potential for us to do more to attract and retain graduates in the city region. It is on the basis of this evidence that we would urge policy makers to consider the development of a City Regional Strategy on Graduate Attraction and Retention. This could be developed in collaboration between all relevant stakeholders and should comprise a clear set of goals on how we can improve our performance in this important area.

Retail

Few other variables illustrate the breadth of experience in the Liverpool City Region quite so effectively as indicators on retail. In some areas there is a buoyant retail economy which serves both a city-regional market and a visitor economy in which ‘destination retail’ is a significant attractor. Such facilities perform above the national average and bear favourable comparison with almost any other retail centre in the UK. At the other end of the spectrum our city region is also home to some town and district centres which have seen something close to retail collapse. Rateable values have fallen and vacancy rates are at an all time high. The vitality of town centres is not just an important economic indicator; it has social and environmental implications too. Town centre decline and dereliction can have profound effects on the ‘sense of place’ and area reputation. If the trends identified in this report continue some of our town and district centres are at risk of experiencing the kind of systemic decline that, as we know from deprivation, if it is not halted promptly, can become entrenched – an established and expected fact of life. For this reason we urge policy makers to consider the development of a strategy aimed at exploring all options for town centre regeneration across the Liverpool City Region. Whilst it might be the case that some systemic change is inevitable we should think carefully about what we can expect from our town and district centres in the future and develop new ways in which they might continue to provide a focal point for residents.

The potential of the river and its management

The river Mersey is a huge asset for the city region. Research presented in this report highlights the range of potential ways in which our most significant natural asset could make a significant contribution to energy provision for the city region. However, because the Mersey is a public good that is environmentally sensitive we need to ally our expertise in the environmental science of what is possible and viable in terms of energy generation with an inclusive decision-making process. Unlike many other cities in the UK and around the world which enjoy a similar estuarial position we do not have a governance structure to manage our most significant, shared environmental resource. To develop a coherent, joined-up policy on how we might best collectively manage the Mersey and harness its full potential there may be a case for the creation of a River Mersey Management Initiative which could comprise a governance arrangement, such as a River Mersey Commission, that engages all stakeholders in the preparation of a River Mersey Management Plan.