Building a Global City Region
Speech to the Heseltine Institute – July 4th 2018

People here will appreciate that it’s only a little over a year since I was elected as the first Metro Mayor for the Liverpool City Region.

And although it’s easy to forget, given how much has happened in the intervening period, it’s only four years since we formed a Combined Authority.

And three years since we signed our historic devolution agreement in 2015.

So, it’s probably an appropriate juncture for us to reflect on how the experiment in devolving powers from the centre is progressing locally and nationally.

Because if we are to understand where we are heading as a city region in the future, it’s important to remember why we began this journey in the first place.

It wasn’t just to get some cash.

Although given the huge cuts that our local authorities have had to bear since 2010, who could have blamed our council leaders if it had been.

No, it was because they recognised three things.

Firstly, that we live in the most centralised political system in the Western World.
Secondly, we have the most geographically unbalanced economy in Europe.

And thirdly, that these two things are inter-linked.

Taking control and making more decisions here, rather than in Whitehall, is the first step in bringing about economic rebalancing.

Now, having got some power through devolution, we are beginning to show what we can do with it.

The skills agenda is a massive priority area for us locally.

So we have invested £30m in 40 skills projects.

Giving students access to more courses and new state of the art facilities including:

- The Port Academy at Hugh Baird,
- The Digital Centre at City of Liverpool College
- The IDEA Centre at Riverside College.

All delivered by devolution.

Our Households into Work programme a four and half million-pound project is already up and running and providing 800 households with the support they need to find a job.

Delivered by devolution.

There’s £460m worth of brand new state-of-the-art rolling stock for the Merseyrail network, owned by us, the public.
Delivered by devolution

We’ve just concluded the 2018 International Business Festival bringing thousands of visitors, from hundreds of countries to the City Region to discuss trade and investment opportunities.

Delivered by devolution

There’s £5m for Liverpool’s 2018 cultural events programme; the tall ships, giants in Liverpool and Wirral, public art and events rightly putting culture at the heart of the Northern Powerhouse.

Delivered by devolution

And a brand-new station at Maghull North, the first to be opened on the Merseyrail network for 20 years.

Allowing for the development of 2,000 new homes.

All delivered by devolution

So, what can we say three years on from signing our Devolution deal?

I suppose:

Lots done, but much more to do.

We’ve only just started to scratch the surface of the opportunities that devolution presents.

Over the coming months, we will be making further investments to;
• Strengthen our economy
• Create jobs
• Foster innovation
• Renew infrastructure in every part of our city region.

For instance:
• £12m for Paddington Village and the Knowledge Quarter.
• £20m for the new Cruise Liner terminal.
• £10m for the Shakespere North Playhouse and rail station.
• And up to £28m for Parkside Interchange to name just a few.

By 2020, the investments we will have made from the first round of our devolution funding will have led to the creation of:

• 2,000 apprenticeships,
• 5,000 jobs
• 15,000 new homes.

For a politician, projects like these are great.

Something we can point to at election time and answer the question:

“What is it that you’ve done”?

But they will also make a real difference to people’s lives.
Like to the life of the person you should hopefully be able to see on the screen behind me.

This is Louis, who recently started an apprenticeship at Alstom’s train maintenance depot in Widnes.

He is working in an industry he wants to be in.

Getting trained at work in partnership with a local college.

And he can see a clear path to the career he wants.

Louis has the opportunity to do this because we invested £3.4 million in Alstom’s new train maintenance depot which is supporting more than 200 new apprenticeship places.

This is just one of so many examples of the real impact that devolution is having for real people on the ground.

You can see more examples of ‘real lives changed’ in the pull-up banners dotted around the room today.

Because we recognise that we need to better connect with the people who matter.

The public.

And explain that we are delivering real benefits, to real people, like Louis every day.

Along with the “what have you done?” question people often ask:

“Why do we need another mayor?”

And I often say it’s a bit like having two cathedrals.
Different in styles, but complementary to each other.
And just like our cathedrals, Joe and I both need more repair and maintenance these days.
Joe has always been a big supporter of devolution.
And having the office of a Metro Mayor gives us an added advantage over other areas.
Since I was elected last year we’ve secured more than half a billion pounds in additional funding from government, including:

- £134m in Transforming Cities Funding which we will use to modernise and improve our transport network.
- £8m in extra funding to tackle homelessness and rough sleeping.
- And a share of £300m for passive provision to connect Liverpool to the HS2 network, which will also link in to Crossrail for the North.

Let’s be clear this funding has only been offered because we have a devolution agreement.
But it’s not just extra funding we get.
It’s also greater influence.
Two weeks ago, I hosted a summit of England’s seven Metro Mayors and the Mayor of London.
Together we accounted for 42 per cent of the country’s growth.
That makes us a group, that’s hard to ignore.

It’s why when last year I called on the government to show its commitment to the Northern Powerhouse by connecting the Liverpool City Region to HS2, they did.

And passive provision is now included in the Government’s hybrid bill.

Having a Metro Mayor with a mandate to deliver also means having someone who can drive through big projects.

Since I was elected, I have prioritised two major investment schemes.

I know some of you will have heard me talk about them before, but they could be transformational.

The first is utilising our most famous natural asset, the River Mersey, to create clean, green and predictable tidal energy.

And the second is to provide every home, business, school and hospital with ultra-fast internet access by connecting the GTT Hibernia Link in Southport to the Hartree super computer in Daresbury via a digital loop.

Renewable energy meets ultra-fast digital connectivity.

Together they can create the foundations of our future economic prosperity.

And are the key to making our city region the digital gateway to the fourth industrial revolution.

Both of these exciting projects are progressing well.
And the Combined Authority will be receiving outline proposals for both later this month.

Of course, I understand people’s frustration that some of these things won’t happen overnight.

In fact, some may not even be finished for the best part of a decade.

But just because something doesn’t have instantaneous results, doesn’t mean it isn’t worth doing.

Take where we are today.

When these docks were opened in 1846, they were the first of their kind anywhere in the world.

But by the 1970s, they had closed and fallen into disrepair.

It was because of vision and long-term strategic planning that the Merseyside Development Corporation was able to begin the lengthy journey of regenerating the docks.

Their rejuvenation mirrored the vicissitudes of our city during those decades.

And they represent a contemporary reminder of Liverpool’s renaissance.

And we can take a similar approach because devolution is both about delivery today, but also about a vision of tomorrow.

Our current deal is worth £900m over 30 years.
Which gives us the opportunity to take that longer, more strategic view.

With the simple aim of becoming a truly global city region once again.

Because global city regions are built on the things that attract people to come and want to live there.

With:

- Well-paid jobs and strong businesses
- Affordable, high quality housing
- Leading Schools, Colleges and Universities
- Effective transport, that gets people from a-to-b quickly.
- And of course fantastic culture, sport and nightlife.

Whist we still have many challenges, we are also very lucky in our area.

And we are building on strong foundations.

Ours is the fastest growing economy outside of London

Our workforce is one of the most productive of anywhere in the country

And we are ranked as one of the UKs top four investment destinations.

But we need to go further.

And, crucially, we must ensure that everyone benefits from the prosperity that our economy produces.
There can be no dispute that Liverpool City Centre is the economic engine room of the entire city region.

A city with a truly global brand and a rich culture and history.

So, we will continue to support its development with strategic investments like those we are making:

- To support the knowledge quarter
- And the new cruise liner facility.

But just as we must help our city to succeed.

We must also ensure that every part of our region thrives as well.

When I stood for election, I promised that there would be No Borough Left Behind.

I meant it then.

And I mean it today.

Across our city region, so many of our towns - whether it’s Birkenhead or Southport, St Helens or Runcorn, Kirkby or Bootle - have untapped potential.

But as the Heseltine Institute’s own Agenda for the Liverpool City Region report identified, with the rise of online shopping and changing consumer habits, our high streets need to change in order to survive.

So today, I am delighted to announce the formation of a new City Region Town Centre Commission.
The Commission will work with our local authorities to produce long-term investment plans for how each area’s town centre can thrive over the next 20 years.

I can also announce that I am pre-allocating £5m of funding, up to a million pounds for each borough with a town centre, to the first round of a Metro Mayor’s Town Centre Fund.

The fund will be for investment in areas that work with the commission to develop masterplans for their areas.

This is a clear signal that I will ensure that the benefits of devolution really are passed onto every part of our city region.

I am also proud to say that this approach will be reflected right across the board through our new investment strategy, more of which you will hear about later today.

Of course, any decisions we take will rightly have to pass ‘value for money’ tests.

And comply with our rigorous assurance framework.

But we must also ensure that future projects honour our commitment to inclusive growth.

And there are good reasons for this.

The hard truth is that for too many people despite the progress we’ve made locally, our economy still doesn’t deliver.
For the 330,000 people in the city region trapped in in-work poverty, 24% of workers paid less than the Real Living Wage and one in four children grow-up in poverty.

That this is the case in the World’s fifth largest economy is preposterous.

So, rather than using the money we receive through devolution to continue this inequality, we have an obligation to do things here differently.

We will focus on encouraging the growth of sustainable, locally rooted businesses.

With a strong attachment to our city region and a commitment to creating well paid local jobs.

We will also capitalise on the great work being done by our voluntary and community sector.

By boosting local supply chains and aligning our skills strategy with our investment strategy.

In this way, we can create a virtuous cycle between growth and inclusion.

Because who shares in the prosperity we create is just as important as generating it in the first place.

That’s why our new approach to investment and inclusive growth will also be reflected as we develop plans for a Local Industrial Strategy.
It’s to the government’s credit that they recognise that alongside national ambitions, a local approach is needed if we are to unlock latent economic potential and increase productivity.

And here in the city region, we are ready to take on that challenge.

First we have to equip our young people for the future world of work and raise aspirations for everyone.

65% of kids in school today will work in jobs that haven’t yet been created.

These jobs of tomorrow will be about VR, AI, Robotics, Cobotics, Cognitive Computing and Augmented Reality.

I wonder, who will UKIP blame in the future?

Their Party Political Broadcasts of a dystopian world will be interesting.

I can’t wait to see an octogenarian Nigel Farage bemoaning: “All these robots, coming over here, taking all our jobs.”

So, with Brexit looming and government signalling that they will use industrial strategies as a key mechanism for future funding, I am determined that our Local Industrial Strategy will be ambitious, long term and grounded in evidence.

And work has already begun.
We are currently refreshing our intelligence base and prioritising key growth sectors and assets to provide the foundations of our strategy.

From the moment I was elected, I’ve said that I want to change our relationship with government.

I have always stood up for the best interests of our city region.

If that means challenging ministers when I think they’ve got things wrong, or they’ve done things to damage people here, then of course I have spoken out.

I’ve done it on:

- The Northern Rail crisis
- Universal Credit debacle
- And disproportionate cuts to Local Authority Funding - to name but a few.

But, equally, where there are things that we do agree on.

And where we can work together to deliver benefits for our people here, then I will do so without hesitation.

We have already seen the fruits of this approach in the extra funding we have received.

And I will be pressing ministers in the coming months for further funding.
The government need to help us to boost the number of apprenticeships and job opportunities, develop our digital connectivity and give us more powers over our skills system.

Although it’s early days, I’m hopeful we will have more good news to report on after the autumn budget.

We are engaging with government agencies at a strategic level.

And I’m delighted that Tom Walker from Homes England is here today.

As a Combined Authority we have begun to work closely with Tom and his team on securing funding to remediate brownfield sites not currently viable for commercial development.

Our brownfield first approach could rapidly increase the number of quality affordable homes being built across the City Region.

And, hopefully Tom, we will have some exciting announcements to share very soon.

I’ve always argued that devolution is a journey, not in itself a destination.

Just look how Devo in Scotland and Wales has evolved.

So, my message today is simple:

- Devolution here is starting to deliver.
• Negotiations will continue to secure more funding and further powers.
• Our new investment strategy will focus our funding on growth which produces more than just profit alone
• And our local industrial strategy will provide the route map to making us a global city region in a post-Brexit Britain.

Our destiny really is in our own hands.

We have the assets and talent to build our own Northern Powerhouse right here in the North West.

That is:

Ambitious.

Fair.

Green.

Connected.

Together.

They were the 5 pillars of my manifesto.

Warren Bennis said that

“Leadership is the ability to transform vision into reality”.

This is our moment.

And I’m determined that we will seize it with both hands.