

Drivers Jonas Deloitte.

Liverpool City Centre
Strategic Investment
Framework
Baseline Report

March 2012

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1 Baseline Report Introduction

Content and Purpose

- 1.1 The baseline review element of the Liverpool City Centre Strategic Investment Framework (SIF) process is contained within a series of baseline papers. The papers have been prepared to provide an overview of the current issues insofar as they will impact on the SIF.
- 1.2 The baseline papers are organised into a number of discrete sections as follows:
 - **Literature Review** – which captures the various relevant reports that have been prepared in relation to the City Centre over the last few years;
 - **Benchmarking Study** – an overview on a thematic basis of current trends and activities and how they might influence the development of the SIF;
 - **Spatial Analysis** – a description in plan and narrative of the current City Centre landscape from a physical perspective including a photographic record of the existing form of the City Centre;
 - **Infrastructure Assessment** – identifying the key component parts of the City Centre's existing infrastructure, and an analysis of the Infrastructure Delivery plan which supports Liverpool City Council's Core Strategy, a document which sits within the Local Development Framework;
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Key Findings from the Baseline Papers

- 1.3 The baseline papers begin to identify some of the critical issues and opportunities for the City Centre which will be brought forward into the preparation of the SIF.

Literature Review

- 1.4 The Literature Review encompasses a wide body of work examining spatial, economic and thematic issues insofar as they impact upon the City Centre. The literature review has been used to inform the more in-depth analysis undertaken by the SIF team and acts as a useful point of reference moving forward into production of the SIF document. Key documents have been highlighted throughout the Literature Review paper.

Benchmarking Study

- 1.5 The Benchmarking Study sets out a number of emerging themes which enable the team to think carefully about what will add value in regard to the SIF. The benchmarking study therefore looks at:

- **Retail** – with an emphasis on the most contemporary or appropriate types of future development for Liverpool;
- **Knowledge Economy**- illustrating the emerging digital and life science benchmarks and their influence on place and also the role of higher education, healthcare and institutional development in a City Centre context;
- **Culture and Tourism**- iconic building design adding to brand identity and place shaping;
- **Residential**- development within the city demonstrating how the best neighbourhoods work;
- **World Events and Festivals** – their influence on brand identity and opportunity to deliver legacy projects;
- **Waterfront**– the influence of a great waterfront on the city form and place making opportunities;
- **Commercial**- illustrating the drivers and accelerators of change and demonstrating that various mixes of use can co-exist;
- **Green Infrastructure**- imaginative use makes a world class city; and
- **Green Expo**- demonstrating that further opportunities exist to benefit from international business tourism and sustainable development.

- 1.6 The benchmarking study illustrates that whilst there is something to be gleaned from other places, Liverpool has made substantive progress in the key areas, perhaps the biggest point we could take from the process is the need for an international scale of ambition that will take the city to the next level over the next decade.

Spatial Analysis

1.7 The spatial overview contains:

- A definition of the appropriate boundary for the SIF which concludes by 'shifting' the geographical emphasis from South to North. This enables the framework to pick up the underutilised reservoir of land to the North of the ring road, whilst continuing to enable the Framework to take in the most dynamic parts of the City Centre to the South.
- The spatial analysis also considers 'what works' and what 'does not work' – the process beginning to define the areas where more work will be required through the SIF. Key opportunity areas include those areas already publicly identified for major proposed development such as Liverpool Waters, the BioCampus and Central Village. There are also areas where proposals for development are still emerging or require more focus and consideration, such as the older part of the City Centre core, the Baltic Triangle, the undeveloped parts of the waterfront and the remaining elements of the Central Business District, amongst others.
- A photographic record to archive the existing form of the City Centre.

Infrastructure

1.8 This report presents a baseline position with regards to existing infrastructure provision and identifies an understanding of the existing provision, any gaps in provision and suggestions of infrastructure-related initiatives which could address issues and support the development and delivery of the SIF.

1.9 The report reviews the following forms of City Centre infrastructure:

- Transport;
- Utilities, e.g. energy and water;
- Waste management;
- Flood prevention;
- Digital infrastructure, e.g. broadband provision;
- Social infrastructure, e.g. schools, health provision and community facilities, such as libraries; and
- Green infrastructure.

1.10 Public transport forms an important aspect of the Review. It is currently providing for numbers but is not sufficiently directed at either the economic well-being of the city nor the well-being of those on lower incomes who are an essential ingredient of the city.

1.11 In addition, vehicle movement and vehicle management controls tend to take priority over walking and cycling in the city. The SIF will aim to address this issue.

- 1.12 The delivery of a cruise liner terminal and an improved link to the airport is also recognised as infrastructure priority.
- 1.13 Broadband features highly as a form of infrastructure required to ensure that Liverpool City Centre competes nationally and internationally.
- 1.14 The Royal Liverpool Hospital is set to be completely redeveloped as part of a Private Finance Initiative (PFI) scheme to develop healthcare provision and provide opportunities for Life Sciences in the City Centre.

Economic Review

- 1.15 The economic review focuses on key economic and labour market indicators for Liverpool City Centre, the sub-region, the UK as a whole as well as existing Global market conditions.
- 1.16 The fragile Global economic situation, in particular with the ongoing Eurozone debt crisis, means that there is significant uncertainty about the short-term economic outlook. However, as the economic review highlights, the SIF is concerned with establishing a long-term framework for growth and development in the City Centre, building on the strong investments seen over the past decade.

Funding and Delivery Mechanisms

- 1.17 Our overview of funding and delivery draws together current mechanisms which have evolved over the last year or so. The funding landscape is changing and whilst the climate for 'direct' public investment is challenging, the thinking in relation to public: private partnership continues to develop.
- 1.18 The Delivery section of the SIF will explore opportunities to harness the new mechanisms available to the best advantage.

Wider Impacts

- 1.19 The wider impacts section of the Baseline Report assesses the crucial impact of the City Centre on the hinterland. The impacts section picks up:
 - North Liverpool, where development is being guided by the North Liverpool Strategic Regeneration Framework (SRF) ;
 - The International Gateway as defined by the Airport and Speke;
 - The Eastern Approaches where the completion of the Edge Lane works will transform the first views of the city;
 - Development of Atlantic Gateway including Liverpool Waters, Wirral Waters and SuperPort;
 - Global Inward Investment;
 - Housing Development;
 - Football Quarter;

- Daresbury; and
- Media City.

City Conversations Report

- 1.20 The City Conversations process, as a wide-reaching consultation process, lasted two months and involved consultation with a range of stakeholders and residents using round table discussions, 1-2-1 conversations and social media.
- 1.21 The process yielded a large amount of information which has been presented within this report, organised around six different themes including:
- Business sector growth (e.g. creative & digital, culture & visitor, financial & professional and retail)
 - Improving the journey
 - Improving specific city areas and buildings
 - Strategic planning and leadership
 - Housing provision
 - Marketing and events
- 1.22 The key points from the City Conversations process will be carried forward by the SIF team and incorporated in the production of the final SIF.

Summary

- 1.23 It is clear from the Baseline Review that much has been achieved over the last decade on the back of the original SRF and a relatively strong economic period.
- 1.24 The city has the chance now to move on again over the next decade with a range of interventions and projects that will seek to fill gaps, build on real strengths and attract new types of investment to the city.
- 1.25 Through the City Conversations process we aim to sharpen and define what those interventions should be and where they should be situated.
- 1.26 We can then move on to determine their economic and social impact and route to delivery.

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Liverpool City Centre Strategic Investment Framework Baseline Literature Review

1 Literature Summary

The Literature Review is summarised by the following policy detailed within the Liverpool Core Strategy.

The City Centre

Economic growth will be the primary objective of development in the City Centre. Priority sectors include financial, business and professional services; knowledge-based, digital and creative industries; regionally-significant comparison goods retailing; and culture, leisure and tourism.

The existing Commercial District will be a key location for business and financial services. The eastern parts of the City Centre (the “Knowledge Quarter”) will be the focus of knowledge-based uses, broadly centred on the three Universities and a new Royal Liverpool University Teaching Hospital;

Retail growth will be centred in the Main Retail Area, including Liverpool ONE. Investment in cultural, tourism and leisure uses will be directed to the City Centre waterfront area and other locations now of increasing significance for international tourism such as Hope Street, Ropewalks, and the St George’s Quarter;

Significant physical change will take place in the Baltic Triangle, Islington, Princes Dock, Kings/Queens Dock, Commercial District, Copperas Hill (Knowledge Quarter), and Hall Lane areas, where major development opportunities exist and where long term processes of development and investment are continuing;

Several areas of the City Centre - Lime Street Corridor, Berry Street / Renshaw Street Corridor and Victoria Street / Dale Street / Cavern Quarter/ Tithebarn Street and London Road - have experienced significant changes in the roles that they play in the City Centre, and should become a focus for regeneration investment over the plan period.

City Wide Strategic Documents

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Liverpool Core Strategy Submission Draft	Liverpool City Council	2011	Strategic direction, vision and allocations for growth for the next 20 years.	<p>The Core Strategy makes provision for 40,950 additional dwellings, city-wide between 2011-2028.</p> <p>The Core Strategy also makes provision for 274ha of employment land which is provided as 20ha in the City Centre, 75ha in the Urban Core and 179ha in the Suburban Areas.</p> <p>The City Centre plays a central role as a regional centre for office, commercial, retail, leisure and tourism and other visitor economy uses and as the primary economic driver for the sub-region.</p>	<p>Housing- The City Centre and Urban Core areas of Liverpool will be the focus for housing investment. The City Centre is high density but meanwhile protecting family housing.</p> <p>Employment- Development of the following business areas are encouraged: Advanced manufacturing and engineering, Financial and Professional services, Media, Creative and Cultural industries, Biomedical, High value-added knowledge based industries, ICT/digital, Tourism, Maritime, Communications,</p> <p>Retail- The Main Retail Area (MRA) including Liverpool ONE will be the primary location for major comparison goods retail development within the city and City Region. London Road Shopping Area and the Waterfront will also support retail development.</p>	<p>Which neighbourhood should be the focus for housing growth?</p> <p>Several areas of the City Centre - Lime Street Corridor, Berry Street / Renshaw Street Corridor and Victoria Street / Dale Street / Tithebarn Street - have experienced significant changes in the roles that they play in the City Centre, and should become a focus for regeneration investment over the plan period.</p>	<p>Key document.</p> <p>See previous City Centre policy summary</p>

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Liverpool Infrastructure Delivery Plan 2012-2028 (Draft)	Liverpool City Council	2012	<p>Supports the Core Strategy and supports decisions relating to capital investment across the city. It identifies:</p> <ul style="list-style-type: none"> How well existing infrastructure needs are met; Future infrastructure requirements; Schedule of type and location of new infrastructure including reason for the requirement, the lead agency, phasing, cost and sources of funding. 	<p>Liverpool's population is expected to increase until 2026</p> <p>Main concerns relating to infrastructure provision include: multiple issues relating to the rail network; linkages for some cycling and walking routes; maintenance of the road network; significant sewage and surface water flooding risks; requirement for 100Mbps broadband (see pg. 7 for summary table)</p>	Which of the suggested infrastructure improvements will have a direct impact on the City Centre during the next 10 years?	How can the suggested infrastructure improvements be used to leverage private sector investment?	Key document- Need to Identify key projects from the infrastructure delivery plan for the City Centre which will be delivered in the next 15 years.
People, Place & Prosperity- An Economic Prospectus 2024	Liverpool Vision	2011	This prospectus outlines the proposition for partners to invest in Liverpool's future.	The vision for Liverpool is of a confident and competitive international city, a vibrant knowledge centre and culture capital where dynamic creativity drives a thriving and inclusive economy- simply one of the best places to live,	Liverpool now has the assets, capacity and momentum to move on to a new and more successful level.	<p>Identify programmes and projects which support the vision. To include the development of at least one more substantial visitor attraction; replacing and upgrading music and drama facilities and creating top quality sport facilities.</p> <p>Develop a business-led, workforce skills programme.</p>	This document needs to be revisited when establishing the Liverpool SIF vision. The immediate priorities for action (p24) should be addressed.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
work, invest and enjoy life.							
Liverpool Vision Investor Brochure	Liverpool Vision	-	Promotional brochure which focuses on Liverpool's strengths in: International outlook, finance and wealth management, outsourcing, entrepreneurship and enterprise, life sciences, creative and digital, superport, global manufacturing and low carbon.	n/a	This document defines Liverpool's key strengths and gives a useful background and some key statistics.	Which of these strengths are specific to the City Centre?	Useful sector breakdown and business area breakdown, together with six key future projects. This is an attractive looking document, should the Liverpool SIF be presented in a similar manner with a dominance of images?
Rebalancing Britain: Policy or Slogan	Heseltine and Leahy	2011	Independent city-regional analysis of the opportunities for growth in Merseyside over the next 10 to 20 years.	<p>Defines the city region as the economic focus, supports a directly elected mayor.</p> <p>Recognises that through three growth sectors: the Port, the knowledge economy and tourism, 95,000 jobs could be created by 2020. Also supports the movement of significant numbers of public employees out of London.</p> <p>Discusses Liverpool's academic strengths.</p>	<p>City Centre projects supported within this report include:</p> <ul style="list-style-type: none"> ▪ The proposed Bio-Innovation Centre. ▪ Free Wireless Fidelity (WiFi) and Superfast Broadband connections across the central business district. ▪ Liverpool should set out how it will become one of the best places to start a business in the UK. ▪ Liverpool should host an International Expo on behalf of the nation ▪ Accelerate and expand the scope for the Northern Rail hub project. 	<p>One option that merits serious consideration is the location of the Government's new Green Investment Bank in Liverpool.</p> <p>Existing capital programmes should give priority to schemes that stimulate gearing from the private sector. To provide the initial capital to finance the localism to which the Government is committed, top slicing an appropriate part of existing capital programmes</p>	Key document- City Centre relevant projects should feed into 'City Conversations' discussions and final SIF document.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
				Recognises that the first step is to exploit the strengths of the existing companies.	<ul style="list-style-type: none"> ▪ High Speed 2 ▪ Development of University Technical Colleges (vocational skills) ▪ Feasibility study into the establishment of a Hospitality Skills Academy ▪ Housing development with new models of private/public sector partnership. 	<p>should provide resource to programmes in the principal provincial cities.</p> <p>Is a CBD/Enterprise Zones masterplan required as the report suggests?</p> <p>The report states that with the recent completion of 4 St Paul's Square, there is now no new office space in the pipeline for the commercial district and, overall, a diminishing supply of Grade A space. This is a major concern and means that, potentially, Liverpool will not be able to capitalise on general economic recovery and an improved reputation as a business location.</p>	
Liverpool Green Infrastructure Strategy	LCC	2011	Local Development Framework evidence base document which identifies interventions that can help address environmental and socio-economic needs and capitalise on opportunities.	Key findings include: 62% of the city is green infrastructure; The City Centre and Inner Areas have low levels of green infrastructure; and the most	Reasons for improving the green infrastructure include: sustainability, health, biodiversity, reduce urban heat island and drainage issues. The strategy does not cover the economic benefits.	The City Centre element of the strategy is achievable but not ambitious.	The SIF should build on this in conjunction with other major projects and should aim to propose world class green infrastructure in the City Centre.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
				effective actions will be those that concentrate on making the best use of the existing green infrastructure resource through appropriate management.			
Positioning Liverpool on the International Stage	Liverpool Vision	2011-2013	A document focused on raising businesses' awareness of emerging global markets and the opportunities and challenges that they bring with the aim being to develop and anchor more global economic activity in Liverpool.	The aims are to: increase the number of businesses capitalising on global market potential; to encourage international flows of investment; to increase tourism and increase the numbers of international students.	Each sector of Liverpool City Centre's economy has the potential to reach the international stage. This has to be embedded throughout the SIF. The City Centre needs to differentiate itself from other cities and must adopt a one voice approach to marketing.	International opportunities in: trade and enterprise; internationally competitive sectors (Creative & Digital, Life Sciences); targeting international tourism; international students; international events and international place marketing. The Liverpool Plan also needs to be considered. Key international events mentioned include 'Your Big Year', Global Entrepreneurs Week, 'We Own It' Summit, and '100 Years of International Women's Day'.	This is the decade to maximise international opportunities for inward investment and this should drive economic growth in the City Centre. The SIF should present coherent and well defined investment opportunities.
Liverpool Smart Cities		2012	Sets out the Smart City strategy to deliver a 35% reduction in	Liverpool Smart Cities will act in partnership to make	Identifies key actions and the Board's strategic aims.	n/a	Carbon reduction strategies could be considered as a theme

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Strategy			Liverpool's carbon emissions against the 2006 baseline by 2024	Liverpool one of Europe's most sustainable Cities within 10 years			in the SIF if required.
Designing out Crime	LCC/ FERIA/ City Safe	2010	Recommendations to improve safety in the city after dark.	The fear of crime is a direct result of the intensity and proximity of a certain type of alcohol-led night-time venues, described in the report as 'big night outs'. These typologies are found at the heart of both Ropewalks and the Victoria Street Area.	The document seeks to address the negative perception of the night-time economy, which is currently perceived to be centred around drinking.	Sense of place, cohesive neighbourhoods, effective City Centre management, planning enforcement, better lighting and delivery of the 'after-dark vision' will help transform Liverpool's night-time economy which will itself have economic benefits for the City Centre.	Highlights the importance of addressing the conflict between the drinking establishments and the surrounding businesses, particularly in the Ropewalks.
Equality & Diversity Policy	Liverpool City Council	2012	Sets out Liverpool City Council's commitment to equality and diversity and the integration of equality considerations into all relevant areas of mainstream service planning, development, management and delivery.	N/A	<p>Liverpool is historically a diverse city and its population of 445,200 is becoming increasingly diverse.</p> <p>Liverpool is also the most deprived local authority area in England with some of the most deprived communities in the UK and large areas of the city suffer high levels of deprivation in terms of education, employment, income, healthy and living environment.</p> <p>Commitment to Equality and Diversity is explicit in wider Council policies.</p>	<p>Impact Assessment and Equality Analysis -</p> <p>Use a process of impact assessment and equality analysis to support the development of inclusive and responsive policies, procedures and service provision.</p> <p>Carried out when a new policy, procedure or service is being developed and assessment includes an analysis of impacts on protected characteristics and socio economic status</p>	Key Corporate Document

Legislation – Public Sector Equality Duty requires local authorities to consider the way their spending decisions and services delivery affect different disadvantaged groups.

Commissioning and Procurement -
Council has embedded its equality considerations into the Corporate Procurement Strategy and policies to ensure relevant equality issues are taken into account, when they are applicable, and is committed to ensuring a robust approach to the inclusion of equality issues throughout the procurement cycle.

Single Equality Scheme	Liverpool City Council	2012	Delivery Plan for Council's Equality and Diversity Policy. Sets out aims, objectives and actions for the next year to tackle inequality experienced because of age disability, gender identity and gender reassignment, pregnancy and maternity, race, marriage and civil partnership, religion or belief, sex, sexual orientation, and social and economic status. Underpins organisations long-term vision and aims and values and will help the Council to meet the Public Sector Equality Duties and comply with the Equality Act 2010.	Socio and Economic - 39.1% of Liverpool residents are classed as 'income deprived' and 48% of Liverpool residents live in areas ranked as the most deprived 10% of the country (Index of Multiple Deprivation 2010). The overall employment rate for Liverpool is 59.6% (ONS Annual Population Survey March 2011). More than 1 in 5 working age residents in Liverpool are claiming out of work benefits equating to a worklessness rate for City of 21.8% (Normis/DWP May 2011) Liverpool is a place where there is a wide social and economic mix with areas of significant disadvantage situated alongside areas of affluence.	Consider measures to improve the socio and economic mix.	Inclusive access to Council services and buildings. Meet British Standard 8300:2009 and Part M Buildings Regulations and encourage use of 'Design Access for All'. 'Planning and access for disabled people'. 'Code of Practice on Mobility' and 'Inclusive Mobility'. Commissioning and Procurement - Opportunities for Council contracts are designed in a way that enables as wide a range of potential bidders to tender for work. Contractors are encouraged to promote equality of opportunity and are required to follow the Liverpool City Council Equality and Diversity Policy Statement	Key Corporate Document
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Market Evidence Documents

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Liverpool Business Growth Survey Foundations for Growth 2010-2011	2020 Research/ Liverpool Vision	2010	Tracks the overall opinion of businesses across the City of Liverpool as a place to do business and measures of satisfaction	<p>Business satisfaction has been retained during the recession.</p> <p>Businesses are not likely to invest in the next 2 years. Only 40% of businesses expect to grow in the next 5 years.</p> <p>Considerable concern about reductions in public sector spending.</p> <p>Quality and skills of workforce is not an issue</p>	How does this effect the short-term development of the city?	<p>What will replace the reliance on public sector funding for many of Liverpool's businesses?</p> <p>Is an international outlook something more companies will be looking towards? How can this be encouraged?</p> <p>What's next after Shanghai Expo?</p>	This document tracks business sentiment. Businesses will be looking for opportunities to move away from public sector reliance.
Economic Forecasts for the Liverpool City Region (LCR)- Technical Report	Pion Economics	2009	<p>Defines the LCR economic base including an analysis of Employment, Gross Value Added (GVA) and Productivity.</p> <p>Includes an analysis of how the knowledge economy and culture and visitor economy can drive growth</p>	The trend for growth suggests that the LCR economy will grow by some 45,000 jobs and £10.3bn of GVA up to 2030	Liverpool City Centre is the key driver for the LCR economy- Be ambitious.	Growth achieved through knowledge economy and culture and visitor economy	Liverpool City Centre is the key driver for the LCR economy
Liverpool City Centre	Pion	2011	This document estimates the	The stock of City Centre jobs	Some sectors are increasing in	The database supplied to PION	The study highlights the lack of

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Economic Impact	Economics		GVA generated though activities that are located in the City Centre and the additional benefits that accrue to the surrounding Liverpool, Liverpool City Region (LCR) and wider Liverpool City Region (LCR(W)) economies.	<p>(measured in 2009) lies around the 103,000 mark. City Centre employment represents some 46% of the Liverpool total.</p> <p>The economy is dominated by service activity - public sector services constitute the largest service sector, accounting for 40% of all employment, followed by business services (17%), hotels and catering (9%), financial services (9%) and retailing (8%).</p>	<p>size (up to 2009): Public sector employment, retail, hotel and catering.</p> <p>Others are decreasing in size: business services, financial services, transport and communications.</p> <p>Expect a notable fall in employment levels over the coming three years (in the light of public sector retrenchment) but a return to growth from mid-decade.</p>	<p>by Liverpool Vision contains 144 development projects that focus on the City Centre area. Two-thirds of the projects are classified as being in-development and have a total of 5,680 gross jobs attached.</p>	<p>employment producing floorspace in the City Centre post 2020 and the important role the City Centre plays in driving city-regional growth.</p> <p>Useful statistics and sector analysis is provided within this report.</p>
Liverpool Strategic Housing Market Assessment	GVA	2011	Identifies stock profile and key drivers underpinning the Liverpool Housing Market	The City Centre and Waterfront have clearly played a significant role in the changing nature of Liverpool's housing market over recent years.	The important role of City Centre and Waterfront housing is set to continue in the longer-term, with a substantial proportion of future capacity still remaining in these areas set alongside the projections of a growth in single person households.	It is important to manage this growth, the balance of tenures and types of property within the City Centre. Increasing the choice of properties available and the leaseholds will help to continue to develop communities rather than transient populations, with the waterfront serving as a good example of where this is starting	The City Centre and Waterfront require investment into the housing market to produce residential accommodation of choice with a variety of tenures and sizes.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
						to occur.	
Liverpool Residential Update	City Residential	Q4 2011	Detailed market research on residential sales and rental prices and trends	Prices down 5.71% in a year, sales transactions still low but improved. Low stock levels for lettings.	Q3 letting were the strongest in 11 years. Completions are currently low as might be expected.	A number of proposed schemes are detailed within the update with a detailed description. The location and impact of these schemes needs to be a consideration.	Detailed market report with some useful analysis and identification of residential pipeline developments.
Liverpool Commercial Office Market Review	Professional Liverpool and Liverpool Vision	2011	Insight into Liverpool's commercial property market	<p>Nearly 390,000 sq ft office take-up in 2011(including out-of-town).</p> <p>Grass routes demand is showing signs of recovery.</p> <p>257,000 sq ft of unoccupied Grade A office space in CBD.</p> <p>Take up in the CBD increased by 29.3% on 2010.</p>	<p>The recovery from recession that started in 2010 has continued in 2011.</p> <p>The professional and financial service share of the take up in the City Center was 60.4%.</p> <p>Liverpool Waters will have an impact on the supply of commercial office space in the City Centre</p> <p>Having established itself as one of Liverpool's most important sectors with four years of steady expansion the growth of the creative, media and digital</p>	<p>How to strengthen the identity of the creative, media and digital market to continue its expansion?</p> <p>How to support the existing commercial district with the proposed development of Liverpool Waters.</p>	The commercial office market has a slowly reducing oversupply. The financial and professional sector and training firms are currently driving demand.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
					sector has slowed as the industry matures.		
Merseyside Office market Review	DTZ	2008	Merseyside office market evaluation- including an audit of City Centre office accommodation.	Merseyside compares well with middle tier Cities such as Bristol, Newcastle and Sheffield. However, it remains some way behind the top three cities of Manchester, Birmingham and Leeds, whose office markets are more than double that of Merseyside.	What are the future drivers of Liverpool's office market going to be?	Should Liverpool be promoting sectors which don't compete with other nearby markets e.g. creatives?	This document, produced in 2008, is of limited relevance given the length and depth of the current economic situation
Liverpool Hotel Futures 2011	Hotel Solutions	2011	Demonstrates the role that the hotel sector will play in delivering growth and the potential for hotel development in Liverpool through to 2020	Liverpool has seen a massive expansion in its hotel sector since 2001. The city also now finds itself with a broader, more modern and competitive hotel supply, with the addition of global brands such as Hilton and Novotel now represented in Liverpool.	Significant numbers of new rooms coming on stream since 2008. Average annual room occupancy for City Centre hotels dropping to 69% in 2010. Whilst weekends continue to be strong, mid-week performance remains a challenge.	Liverpool now needs a period of consolidation whilst the market recovers and 'catches up' with the increased supply.	Following the opening of the hotels currently under construction, there will be renewed market potential for further hotel development in Liverpool City Centre beyond 2014 at boutique, upper tier 4 star and mid-market levels.

Sector Specific Strategy

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Financial and Professional Services (FPS) Study	Ernst & Young	2010	This document details a Liverpool City Region FPS sector strategy and separately outlines a business plan for Professional Liverpool	FPS is an important sector to the Liverpool City Region and there are some nationally significant aspects to the work carried out across the Region. At a headline level, however, the scale and activity of the overall sector in the Region is falling behind the UK as a whole and there is also evidence that elements of the sector are in decline.	The perception of the LCR as a financial centre is relatively weak and the clear strengths in banking; asset and wealth management; and the supply side offer create a strong opportunity for raising overall perception and securing further investment.	The massive structural changes across the sector and the opportunities for outsourced activities and third party provision of services is a clear opportunity for Liverpool.	Defined and representative sector activity combined with the large catchment, capacity of the transport network and major developments in commercial office space results in a strong offer for continued growth and investment in the sector. In other regional centres, the same sector inputs of available people, transport and property cause constraints to growth.
LCR Tourism Strategy	Locum Consulting	2008	This document makes recommendations on what the City region should do to develop and promote its tourism offer post the European Capital of Culture year of 2008 to make recommendations on how the 2003 Tourism strategy might be amended.	Most of the “flagship investments” envisaged in the 2003 strategy have been delivered or are on track for delivery. The net effect is that the City now genuinely does have an offer that could take a visitor at least a couple of days to experience.	Seven core experiences were identified: Conferences, Culture and Heritage, Essential Liverpool, Beatles, Sport, Classic Resorts, Major Events. A further six emerging/niche experiences include: Cruise, Film and TV, Horticulture, Genealogy, Education, Bird Watching.	Some suggestions for future projects include: Gastronomic Market/Food Hall, character independents zones, major family leisure development, and large scale creative industries centre.	Provides an audit of completed projects within the Liverpool City Region. Makes some recommendations for future projects but no commentary on feasibility or delivery.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Recall the Past to Inform the Future – A Heritage Investment Framework for the City of Liverpool	Liverpool City Council	2011	Showcases the distinctiveness of the city; highlights recent successes in heritage-led regeneration; considers future priorities; and targets future funding and investment	Details the project opportunities under sections: Buildings and Streetscape, Parks and Gardens, Statues and Monuments, Collections and Memories	It will be necessary to undertake a regular review of the programme of activity and assess new projects coming forward in order to ensure strategic targeting of resources, whilst retaining flexibility to take advantage of opportunities that may arise.	As set out in the various action areas.	Provides a detailed breakdown of opportunities and priorities with heritage value.
Liverpool City Region's Knowledge Economy: Delivering Opportunities for Growth	Knowledge Economy Group Partners	2011-2020	A route map for creating a competitive Liverpool City Region economy, based on the application and exploitation of the Knowledge Economy	The document identifies four key elements of the Knowledge Economy; Life Sciences, Advanced Manufacturing, Financial and Professional Services and Creative and Digital Industries.	The document presents a number of 'opportunities' for growth within each of the four sectors. Advanced Manufacturing is unlikely to be relevant to the City Centre but the other opportunities should be considered.	The City Centre relevant identified opportunities are presented in the spatial analysis appendix.	A useful sector based summary of the 'opportunities' for the Knowledge sector on a city-regional basis.
Liverpool City Region Visitor Economy 3-Year Action Plan	The Mersey Partnership	2010	An evaluation of the current strategy direction, with a destination management plan demonstrating how this can be achieved during the next 3 year period.	Action plan led approach to delivery to maximise the city region's performance against key indicators. Details pipeline projects (p.16)	Visitor economy ERDF support ends in 2012. There is a need to develop a new delivery funding model which is less dependent on the public sector.	Product gaps include: <ul style="list-style-type: none"> ▪ 5 star hotel ▪ Backpacker/youth group accommodation ▪ City Centre townhouse accommodation ▪ More animated water spaces ▪ More high-end restaurant 	There are opportunities still to be exploited and a clear justification for the city region's economy. There is still investor interest in leisure tourism. What does post 2012 development look like?

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
						and retail brands as well as independents <ul style="list-style-type: none"> More investment in public realm, gateway points and visitor welcome 	
Liverpool City Region Visitor Economy Strategy to 2020	The Mersey Partnership	2009	Details achievements to date, and establishes a vision for the next 20 years.	Focuses on the 'Global' brand and identifies the visitor economy as being composed of 'culture and heritage' and 'conferences'	Further development of conference market, attraction of major events and capitalising on London 2012 and Glasgow's Common Wealth Games, 2014	Events and conferences, based around existing market sectors and strengths.	Reaffirms culture and heritage as the heart of destination marketing in Liverpool
Life Sciences Action Plan	Liverpool Vision	2012-2015	Details methods for stimulating local economic growth, job creation and attracting businesses to the city region within the Life Sciences sector. Details methods for enhancing collaborations and regional, national and international relationships and ways of improving the health and fabric of the city-region.	According to BIS, the GVA per employee in the pharmaceutical sector in 2007 was over £120,000; for medical devices it was £49,000. As a comparison, GVA per employee in the tourism industry in 2007 was around £19,600, and for the Services Sector as a whole it was £29,500	Life sciences is an area of UK strength. Clear key messages or developing the sector. Strategy includes: Capturing our assets and maximising our business opportunities; Making the right connections to secure investment (outward looking clusters to maximise investment opportunities); and supporting key projects.	There are already some major projects in the pipeline; principally these are: <ul style="list-style-type: none"> The new Royal Hospital and the BioCampus. The BioInnovation Centre. <ul style="list-style-type: none"> RedX Pharma / RedX Oncology The University Technical College 	Large scale projects identified within this document and the Knowledge Quarter SIF to serve the duration of the 10 year SIF project.
Creative and Digital	Liverpool	2011	The paper sets out the actions	The Creative and Digital	The full potential of Liverpool's	Key to the development of this	The CDI sector is above all a

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Industries- A Strategic Framework	Vision		being taken by Liverpool Vision, in conjunction with ACME, to accelerate the development and expansion of the creatives sector.	industries (CDI) are very important to the economy of Liverpool and the City region. There are 9 key action points designed to improve connections within the industry and prioritise action points.	'edgy' content capabilities and the physical clustering of creative firms in the City Centre now needs to be better understood and developed to the full. Liverpool City Centre is the nucleus of the CDI sector in the city region.	sector is the development of superfast broadband to support the growth of existing businesses and attract new businesses into the city. The development of a Smart-City and Smart-Grid for a 21st Century energy and information system is currently being considered. Attracting key corporates to the city such as Sony is also a potential opportunity which should be considered and supported by the SIF.	Global sector with massive export opportunities for Liverpool businesses as well as important potential for inward investment. The SIF should reflect this.

City Area Specific Documents

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
A Strategy for the Main Retail Area	DJDeloitte/BDP	2011	Establishes the future framework for Liverpool's Main Retail Area for the next 10-15	There are 6 policy interventions: <ul style="list-style-type: none"> ▪ Prioritise investment in the North and East of the MRA ▪ Transform arrival points, 	What will the next major intervention include?	Who will deliver the next phase of retail development? How can public realm/ key gateway/pedestrian linkage	Key document which has been consulted upon to give 6 clear policy directions. Also provides a strong and recent evidence

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
			<p>years.</p> <p>Chapter 3 also gives an analysis of Liverpool as a Global City</p> <p>Chapter 7 gives a SWOT analysis of the City's Districts including: Knowledge Quarter, Ropewalks, Commercial Quarter, Waterfront, Baltic Triangle and Cultural Quarter</p> <p>Chapters 9-13 give an analysis and action plan for each area: Bold Street/Renshaw Street, Lime Street/St Johns/ Clayton Square, Williamson Square, Whitechapel/Met Quarter/Cavern Quarter, and Liverpool ONE.</p>	<p>pedestrian access and movement for key gateways</p> <ul style="list-style-type: none"> Improve quality, management and regulation Strengthen the quality, offer and utilisation of public space Develop consistent approach to City Centre management, maintenance, branding and promotion Plan major interventions around Williamson Square and Whitechapel to shape the next phase of the core City Centre Development programme strengthen links to Cultural Quarter 		<p>improvements be funded and delivered?</p>	<p>base and delivery programme which can be carried forward into SIF (see Chapter 7, 9-13).</p>
Liverpool Knowledge Quarter Strategic Investment Framework	GVA	2011	Builds on previous research and contextual literature to detail the knowledge economy's key strategic investment projects, defined by areas.	In order to grow the knowledge economy and consolidate the Liverpool Knowledge Quarter the focus is on enabling infrastructure, creating a world class environment, branding and promoting sustainable development.	See Appendix A for projects	Are there any more to consider?	Key document with a comprehensive list of projects

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Liverpool Knowledge Quarter Urban Design Framework	URBED	2008	Analysis of urban form, character and movement within the Knowledge Quarter	Suggestions for how the urban form could evolve over the next 20 years	This document feeds into the Knowledge Quarter SIF	Includes a list of strategic streetscape improvements (5.4) and public realm improvements (5.5)	Provides guidance on upgrades required to the urban form.
Liverpool Knowledge Quarter	Liverpool Vision/ Regeneris	2007	A prospectus to highlight the role, scale, strength and significance of the Knowledge Quarter and to stimulate collaboration and commitment to tackling challenges. Also provides an audit of the physical and environmental assets.	Strengths include: University of Liverpool, Liverpool John Moores University, Royal Liverpool University Hospital, Liverpool, School of Tropical Medicine and new Centre for Tropical and Infections Disease, key buildings on Hope Street, Liverpool Science Park	There are a number of different investment programmes in place by key stakeholders (see pg 43 and 44).	Investment priorities are detailed on pg49.	Provides an important evidence base to any further proposed developments within the Knowledge Quarter- particularly with regard to the specialisms of the Universities and the opportunities that can be exploited from them.
Liverpool Knowledge Quarter	Liverpool Vision	2011	An up-dated prospectus from 2007, which details the Knowledge Quarter's assets and details current investment priorities.	The Knowledge Quarter is recognised as centre of excellence in knowledge transfer, from which innovation flows and new products and processes are developed. Certain attributes make for a strong knowledge environment	Key investment priorities are detailed: <ul style="list-style-type: none"> Tackling linkages to city core Concerted investment in underperforming areas: Brownlow Hill, Mount Pleasant, Hardman Street/Myrtle Street and London Road quadrants. Improving routes within Knowledge Quarter Overcoming domination by cars 	The Knowledge Quarter is supported by a strong cultural offer. Which linkages are priorities for improvement?	The key investment priorities for the Knowledge Quarter should be addressed within the Liverpool SIF.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
				including: sense of place, clear but permeable boundaries, open and inclusive spaces and strong physical and visual linkages. Quality of place matters.	<ul style="list-style-type: none"> ▪ Making memorable spaces better linked to their surrounding buildings. 		
Commercial Quarter Supplementary Planning Document	Liverpool City Council	2006	A planning policy supplementary document to guide the development of the Commercial Quarter	A co-ordinated approach is essential to achieve the sustainable regeneration of the Commercial Quarter.	N/A	In addition to the opportunities at Pall Mall the remaining development opportunities within the Commercial District include: Kingston House, West-Moorfields, Ralli House	Key Document to guide the future expansion of the Commercial District
Ropewalks SPD	JLL and BDP	2005	Establishes a vision and development principles for the Ropewalks	The vision is to create a distinctive and diverse quarter building on history and heritage	What investment opportunities are there within the Ropewalks?	What contribution can the Ropewalks make to the visitor economy, Digital and Creative industries and an increase in residential population?	Need to consider whether a new plan is required.
Ropewalks Marketing Strategy and Action Plan	Blue Sail	2009	Articulation of a vision, identification of the target market and details of a delivery plan to reaffirm the identity of the Ropewalks	The Ropewalks is an 'Urban Village' which has huge potential as an independent, creative and cosmopolitan area of the City where people can live, work and visit.	What investment opportunities are there within the Ropewalks?	What contribution can the Ropewalks make to the visitor economy and the creatives industry?	Defines the vision for the area

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Baltic Triangle Planning Framework	GVA	2008	Definition of the vision and development opportunities within the Baltic Triangle	The vision for the Baltic is that over time it will become an important employment area for the city. A mix of general office employment will complement creative industries employment, providing for a diverse range from architects offices to artist's studios and new employment space.	Limited development has occurred in the past 5 years in this area. The CUC is also due for closure in Dec 2011. Are fragmented ownerships and existing uses preventing development?	Is the vision for this area deliverable? Should residential development be encouraged?	The Baltic Triangle has a number of opportunity development sites
Baltic Triangle Marketing Recommendations	Blue Sail	2009	Advice on target markets and positioning for the Baltic Triangle to attract investment and development	Recognising culture and creativity as an economic driver; there is demand for contemporary workspace; The Baltic Triangle is Liverpool's most central development opportunity; investors are currently cautious.	The Baltic Triangle is being marketed as a 'cool and edgy' place for creatives to live, work and play.	How will the closure of the CUC impact confidence for investors in the area?	Engage with the Baltic Triangle Strategic Steering Group representative during the 'City Conversations'
Baltic Triangle Manifesto	Baltic Stakeholder group	2012	Details the strategic direction for the Baltic triangle	The direction of travel for the area is most appropriately illustrated by the following terms: Flexible, curious, industry, art, free-thinking,	How to encourage private sector-led creative development? How does residential development fit in? Links to Kings Dock and other	Are urban realm improvements and public spaces required to achieve this vision?	A brief but visionary document which details the preferred direction of travel for the area.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
				creative, pop-up, independent retail, urban leisure.	neighbouring communities.		
Promoting Liverpool's Waterfront to the World Premier League of Destination Waterfronts	Locum Consulting for the NWDA	2008	Seeks to demonstrate how stakeholders can work together to promote public and private sector investment in the Waterfront. Analyses how informal partnerships, Business Improvement Districts and JV development vehicles should be used.	Definition of the Liverpool Waterfront as a 'Destination Waterfront, which competes internationally.' A new branding and marketing strategy is needed.	How has the branding and marketing strategy progressed since 2008? (See below)	Details of internationally significant waterfronts are given in this report- Opportunity to build on these for the benchmarking exercise	A collaborative area-wide working group for the Waterfront is required to guide future investment priorities- Has this been achieved?
Kings Waterfront Brochure	Liverpool Vision	Pre-2008	Provides a masterplan vision for the Waterfront	Establishes the development of the Arena and Convention Centre Liverpool, associated indoor arena and exhibition space to create the new waterfront quarter	What opportunities still exist for Waterfront development?	How much development land is still available?	Historic document, a majority of which has been realised.
Business Plan for Liverpool Waterfront Partnership	Blue Sail	2010	The Liverpool Waterfront Partnership (LWP) is established and this document provides a draft business plan to exploit existing and future	Outlines the requirement for a LWP director to lead the partnership	N/A	N/A	Engage LWP in the City Conversations process.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
(Draft)			development opportunities				
South Docks Waterspace Strategy	British Waterways	2011	<p>The Liverpool Waterspace Strategy establishes uses and proposals for three Character Zones within the South Docks:</p> <p>the Culture Zone, encompassing Canning Dock, Canning Half-tide, Albert Dock and Salthouse Dock; the Mixed-use Zone, encompassing Wapping Dock, the former King's Dock and extending into Queen's Dock and the Leisure and Aqueducture Zone, encompassing Queen's Dock, Coburg Dock and Brunswick Dock.</p>	British Waterways identified that the Liverpool South Docks, part of the UNESCO World Heritage Site, are under-used, and that there is no clear over-arching framework for introducing activity to the docks.	Funding these projects needs to be a key consideration.	A number of projects are suggested see- Appendix A	A key document which highlights some possible projects for the SIF
Islington Planning Framework	Liverpool City Council	2006	Establishes a development framework for Islington	Islington to become a lively mixed-use district, where traders, retailers, shoppers, workers, residents and visitors enjoy an attractive, convenient and robust public realm, building on investment taking place in	Is this a priority area? Is the vision enough to differentiate this area?	This area is now considered to be part of the Knowledge Quarter	This area is a focus for development.

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
				the University, Hospital and City Centre areas.			
Islington-Liverpool's Next Big Destination	Islington Regeneration Company	2011	A development brief document detailing the plans for comprehensive redevelopment	Islington Regeneration Company plan to deliver new public spaces, office, retail, leisure, residential, hotel, student village and an MSCP	This area is marketed as 'The next big destination for change'	What type of retail should be encouraged in this area? Is this a location for student residential accommodation?	Is this a potential 'action area?'
Hope Street Quarter	Amion/Liverpool Vision	2006	Provides basic information about the Quarter and a series of non-prioritised opportunities/ideas for consideration	Presents the idea that Hope Street should be considered as part of the Knowledge Quarter	N/A	N/A	This document is superseded by the Knowledge Quarter SIF
Lime Street Station South/Renshaw Street	GVA Grimley	2003	Outline Development Framework for Lime Street Station and its immediate environs to set the Gateway proposals in a broader context.	Identifies key landowner plans and aspirations for the area including the: Royal Mail, Gladstone Hotel, Adelphi, Mount Pleasant MSCP, Lewis' Building, Central Station, ABC Cinema, YMCA, Central Hall and Rapid Hardware	Which elements of this development framework have progressed, which are pipeline and which are stalled?	Renshaw Street plans for redevelopment. Lewis' building has planning consent for redevelopment as Phase 1 for Central Village which includes retail, leisure and hotel development.	The area as a whole lacks an identity. Is there an opportunity to bring in some new uses? What are the current opportunity sites? Is this now a priority area for investment?

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Stanley Street- A Strategic Direction for a Vital Urban Quarter	Liverpool City Council/ Fera Urbanism	2011	An analysis, consultation process and action plan for the delivery of a strategic “Stanley Street Quarter”	Stanley Street is widely recognised as the ‘gay village’ of Liverpool, and this area extends more widely to Cumberland Street and Eberle Street- recommends that the “Stanley Street Quarter” is adopted as a description	Investments should plan to attract new users, a greater investment in daytime uses aimed at an older crowd and raise the quality of the offer.	<p>A number of development opportunity sites exist which link Stanley Street to the Commercial District.</p> <p>Opportunity for ‘gay hotel’ development?</p> <p>Can we achieve a ‘car-free street’ or a new civic space?</p> <p>More food & drink and day-time uses are required in the area.</p>	A clear strategic direction for the area is articulated within this document- The table of actions (p94) should be considered for implementable actions.
Pumpfields Development Framework	Taylor Young	2007	A thorough review of the Pumpfields area including existing land uses to prepare a development framework to guide future development.	Whilst Pumpfields is situated within the City Centre, it is within the Northshore Employment Area and as such it has fallen into the regeneration remit of Liverpool Land and Development Company. It is anticipated that this will be a priority regeneration project for the new company.	Contains details of 10 potential development sites which should be developed as a whole rather than piecemeal development.	The overall vision is to create a vibrant mixed use area with both new and existing employment uses. Connectivity through this area needs to be a key consideration.	This area will present a vital opportunity to link the large industrial areas of the Northshore to the Commercial Quarter.
West Derby	Taylor	2010	Articulates a vision for the	These plans are centered	Timescales for delivery of the	This is reflected within the	This area needs to be identified

Report	Source	Date	Scope of Report	Key Findings	Issues to Consider	Opportunities to explore	Conclusions
Street- A Vision and Strategy	Young		transformation of West Derby Street into an integral part of the Knowledge Quarter.	around the plans for the new Royal Liverpool University Hospital (RLUH)	RULH is May 2012- 2016. The plans aim to create some high quality public spaces.	Knowledge Quarter SIF	as a neighbourhood within the context of the RLUH within the SIF.
Liverpool – Maritime Mercantile City World Heritage Site Management Plan	Liverpool City Council	2003	The management Plan is the mechanism for delivering the Vision of the WHS. The document sets out the principles behind the Management Plan, issues, objectives and implementation.	Includes recommendations on how to ensure the outstanding universal value of the site is conserved and transmitted to future generations.	To ensure the WHS is a key factor in strategic content and approach, how scale and cost issues for built heritage are managed, and the challenges of sustainable regeneration and conservation in a historic context.	These are set out in Action Areas including the Waterfront, Retail Core, Commercial District, Lime Street Gateway, Movement and Public Realm, and Feature Lighting.	A reference document to ensure the strategic approaches complement the WHS.
World Heritage Site Supplementary Planning	Liverpool City Council	2009	Provides detailed guidance for new development, regeneration and conservation in the Liverpool Maritime Mercantile City World Heritage Site (WHS) and the surrounding area.	The aim of this SPD is to raise standards of design and conservation in WHS and to provide guidance for protecting and enhancing the outstanding universal value of the WHS, whilst encouraging investment and development which secures a healthy economy and supports sustainable regeneration.	Development should seek to conform to the guidance set out in this SPD.	Set out in Action Areas.	Guidance document providing advice on WHS.

Local Transport Plan	Mersey-travel	2011	Provides the statutory framework for the policies and plans that will guide the future provision of transport in Merseyside. Includes an Implementation Plan which sets out programmes for delivery in the short term until 2015 and looks to a longer term strategy for 2024.	Aim is to establish a city region committed to a low carbon future, which has a transport network and mobility culture that positively contributes to a thriving economy and the health and wellbeing of its citizens and where sustainable travel is the option of choice.	<p>Greater emphasis should be placed on the City Centre's role as the concentration of economic output, employment, leisure, health and transport.</p> <p>Importance of the economic challenges and opportunities of North Liverpool and development proposals in South Liverpool.</p> <p>Greater emphasis on the needs of businesses.</p>	<p>Set out in the Strategy</p> <p>Also- improve access to the city centre via key gateways and encourage ease of movement particularly pedestrian movement within the City Centre.</p> <p>Prioritisation of projects and actions that will be key to delivering a transport strategy for the region that supports economic growth.</p>	<p>A relevant document to enhance and improve transport for Merseyside, in light of future growth, carbon reduction and improving health and wellbeing of residents.</p> <p>The role of the LTP in stimulating investment needs to be strengthened, particularly in relation to major development sites, strategic development areas and the emerging SIF.</p>
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Liverpool City Centre Strategic
Investment Framework
Benchmarking

1 Benchmarking

- 1.1 In developing the Liverpool Strategic Investment Framework, we have adopted a thematic approach to the benchmarking element of the baseline review. So much is happening across the city planning landscape that it would be wrong to focus on just an individual city. Rather, it is more appropriate to look at best practice, innovation and ideas that can influence the shape of the next plan for Liverpool City Centre from a number of different national and international locations, and in this context consider what the lessons might be for Liverpool.
- 1.2 Our approach to benchmarking therefore tracks some of the emerging themes we are likely to pursue through the new framework, highlighting the noteworthy and aspirational projects and programmes that can and will drive city growth and change. The benchmarking considers the following key areas:
- **Retail** - The next phase of Liverpool City Centre retail growth will probably focus on the area between Liverpool ONE and Lime Street in accordance with the Strategy for the Main Retail Area. There are both very modern (Oxford Street East) and 'refit' methods available to improve the city centre retail offer and provide diversity with a range of independent creative retailers (Gabriel's Wharf). The quality outdoor market offering is also becoming more of a theme in a number of successful city locations (Borough Market) as it offers vibrancy and activity to the streetscape.
 - **Knowledge Economy** - In line with thoughts around this sector there are a range of possibilities to consider – publically re-launching an already themed district to encourage further development of the sector (such as Tech City- Shoreditch), creating a new University Science campus (NYC) or using the university as a catalyst for commercial opportunities (science districts).
 - **Culture and Tourism** - We have highlighted the use of iconic architecture allied to use and place making, notably in Oslo, and also how the capital of culture designation proved useful in delivering legacy projects- Porto is a great example with many similarities to Liverpool.
 - **Residential** - The City Centre residential offer does we believe need greater definition and identification - there could be a number of defined neighbourhoods across the City Centre where we add depth and quality of the offer - to illustrate the point we have looked at both contemporary offerings (NYC's meat packing district) but also just quality - with a particular eye on the Canning/Hope Street area, where we use Barcelona's Eixample district to define the art of the possible.
 - **World Events** - Much has been made of the importance of the global events programme - this can combine visiting festivals (tall ships, global entrepreneurs) or be more 'home grown' - Manchester International Festival is a great example of the

latter. Expo is of course a possibility - note the transformational impact in Seville for example.

- **Waterfront** – As the jewel in Liverpool's crown, we identify two projects to make a point. In Melbourne the job is largely done and seen to be very successful, in Hamburg, a tighter grained more complex project is being delivered. Neither city has the expanse of water that Liverpool has and indeed with a slightly more historic example of the Ebro in Lisbon, the combination of 'big planning' and waterfront development can be seen to transform city status.
 - **Commercial**- The Commercial District in Liverpool is at a pivotal point in its development and highlighting the potential accelerators of change is necessary if the district is to evolve successfully. The important role of transport hubs is demonstrated in Lyon, whilst Dublin illustrates how high speed digital connections can be viewed as a potential competitive advantage. Finally, the example chosen from Marseilles illustrates that various mixes of uses can co-exist within a successful commercial district.
 - **Green Infrastructure**- Green infrastructure forms an integral part of any successful city and its imaginative use is demonstrated by the examples shown in New York, Chicago, Hong Kong, Paris and Munich. Some of the most interesting examples exist within cities where the built urban form is combined with imaginative green design.
 - **Green Expo**- An international Green Expo example from South Korea is also identified to illustrate how Liverpool can potentially position itself further to benefit economically from the international business tourist.
- 1.3 The above benchmarks are key themes being pursued across the World City Planning landscape at the current time. There are others but these are particularly relevant to Liverpool and the production of the SIF.
- 1.4 We must remember that public realm and infrastructure are critical further components of the plan which will be drawn out and through the framework.

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Retail Benchmarks

Oxford Street East, London

The eastern end of Oxford Street has traditionally fared poorly in relation to the primary retail area around the west of the street, Regent Street and Bond Street. Development has been constrained by multiple ownerships and competing interests.

The proposed development of Crossrail at Tottenham Court Road has, however, provided a catalyst for the regeneration of this area of Oxford Street. The New West End Company Business Improvement District, set up in 2005 to represent property owners and retailers, has made capitalising on this major infrastructure project a strategic priority. The New West End Company has been pro-active in promoting the area with initiatives such as a 'digital guide', a marketing campaign, various events and a social media campaign.

Following the pre-let of a development to Primark in 2010, a variety of new developments are expected to come forward in the coming year. Zone A rents are expected to double and spending to increase by 58% by 2017, to similar levels currently achieved at the west end of Oxford Street as a result.



Our Brand	Shop West End
Brand Essence	Like nowhere else
Brand Proposition	Flagships & hidden gems Classic, cool, contemporary
Brand Experience	Glamour, vibrancy & scale

Unique & Iconic + Brand Led + United Strength
= Successful World Leader

SHOP
WEST
END

Lessons for Liverpool

This case study has been identified to consider the lessons that can be learnt for Liverpool's secondary retail offer which will need re-definition and investment in accordance with the recommendations made within the Liverpool Main Retail Area Strategy (2010).

The value of the Business Improvement District in focussing and aligning resources has been evident in overcoming ownership constraints and facilitating development through collaborative working in accordance with a clearly defined strategic objective. In addition, the importance of an anchor tenant in attracting further retail investment is also evident, coupled with a powerful marketing campaign



**BOROUGH
MARKET**
SE1



Borough Market, Southwark, London

Borough market is one of the largest food markets in London, selling a variety of foods from all over the world. The market is administered by 16 trustees.

Borough Market has become a fashionable place to buy food and it has been promoted by British television chefs and has been used as a film set. The market has its own website and Facebook page to attract visitors and to alert them to any events or promotions.

Gabriel's Wharf, South Bank, London

Gabriel's Wharf is a highly popular riverside destination which was originally old garages with shop-fronts added to convert the units into retail design studios. There are also restaurants and cafes overlooking the river which give local employees a chance to enjoy the environment.

The blank wall of the London Studios was painted to provide an imaginative backdrop. The opening of Gabriel's Wharf in 1988 brought commercial and public life to an area that had long been derelict and signalled the 'rebirth' of the South Bank.



Lessons for Liverpool

Both examples demonstrate the opportunities available to provide definition to an area through the imaginative use of retail, food and drink. The use of heritage as a starting point to define the character of an area is evident in both examples, as is the importance of the 'local and personal', in contrast to the less personal retail offer provided by a high street/ shopping centre.

Knowledge Economy Benchmarks

Tech City, Shoreditch, London

One of the most interesting and potentially relevant for Liverpool is the creation of TechCity in east central London. It is home to technology, digital and creative companies ranging in size from start-ups to multinationals.

The Shoreditch location offered a ready stock of existing relatively inexpensive office space and, while ties exist at the university and college level, the real success appears to be in the establishment of a self-reinforcing cluster of IT businesses.

The Tech City Investment Organisation is working in collaboration with key partners to make Tech City a success, promoting the area's reputation globally. Partners include UK Trade & Investment, London Mayor's Office and Hackney Council.

One year after the launch of Tech City, the number of companies has increased from 300 to 931. Anchor tenants include: Virgin, BT, Google, Vodafone, Cisco, Barclays, Intel. A number of festivals have also been launched, including Digital Shoreditch and Tech City Entrepreneurs Festival.



Lessons for Liverpool

The establishment of a creative and digital community in Shoreditch has clear locational advantages for **all sizes** of companies looking to develop their business within this sector.

Locational benefits include: R&D tax credits of up to 200 per cent (increasing to 225 per cent in 2012) available for small companies, extensive package of **additional support** including access to UK Trade & Investment's export services.

Property costs are competitive for such a London location, while the steady stream of **highly talented graduates** emerging from the wealth of higher education institutions located nearby helps to provide an educated workforce for local businesses. Cutting edge ICT and connectivity facilities ensure Tech City is a highly competitive location at the international level.

Medical and Related Sciences District Centre, Toronto

The Medical and Related Sciences (MaRS) Discovery District in Toronto has become one of the world's leading examples of the combination of privately funded commercialisation of science within the framework of an extensive university and public hospital network. MaRS is a not-for-profit organisation which seeks to commercialise research. Its initial focus was the medical sciences, but their work now extends into ICT, Engineering and Social Innovation.

With now approaching 2 million sq ft of research and development space, the initial publically developed area was doubled in size by the attraction of a private developer who specializes in the creation of bio-medical commercial space. That same developer, Alexandria, has been responsible for two similar initiatives in New York and San Francisco.

Facilities in the MaRS Discovery District include: Conference Centre, Media Centre, incubator space, wet-labs, cutting edge scientific equipment and Canada's premier research hospitals.



Alexandria Centre for Life Sciences, New York

The Alexandria Centre for Life Sciences is a collaboration between the New York City Economic Development Corporation and Alexandria Real Estate Equities. It is a leading centre for life science and technology commercialisation situated in the heart of New York City. It capitalises on the proximity to the City's top academic medical institutions and major hospitals. It provides a 1.1 million square foot campus of first-class office/laboratory space designed to foster cross-institutional collaboration through the provision of environments which encourage networking and innovation.



Lessons for Liverpool

These case studies show the benefits to be gained from the commercialisation of science. The proximity of these premises to Universities is vital in the formation of knowledge hubs, through which research can be transferred through established networks.

The lesson for Liverpool is to consider whether the current plans for commercialisation through Liverpool Science Park and the BioCampus are sufficient, and whether all the opportunities for commercialisation are being realised with the life science agenda.



New York City Science University, New York

The development of a new university campus on Roosevelt Island, New York is underway to address an identified shortfall in a first rank engineering and science research university in the city.

In the NY model, the city invited bids from the world's top universities to build a university campus. The city offered the land for free and \$100 million dollars start-up assistance including infrastructure improvements. The winning bid came from an international partnership between Cornell University and Technion-Israel Institute of Technology. The partnership is responsible for delivery of the campus, which is expected to cost around \$2 billion. The campus will extend to 200 million square feet, accommodate 2,500 graduates and 280 faculty members by 2043.

In terms of benefits, the campus is expected to create 20,000 construction jobs, 8,000 permanent jobs and spin off some 30 companies in the first 30 years. In the same period it is expected to generate \$23 billion dollars economic activity and \$1.4 billion dollars in tax revenues.



Lessons for Liverpool

This represents perhaps one of the most imaginative and successful urban economic development strategies of recent times, demonstrating a new form of inward investment. This is particularly in keeping with Government's announcement in January 2012 of plans to create a new class of privately funded university, focusing on science, technology and postgraduate training. This will build the UK's research base solely through private sector and international investment, rather than through the traditional model of public sector investment.

Culture and Tourism Benchmarks

NATURE – CULTURE – COMMUNITY



EVERGREEN
BRICK WORKS



Evergreen Brick Works, Toronto

Evergreen Brick Works combines arts, non-profit, cultural and community themes in a city location. Located in the buildings and quarry of a 19th century brickworks, it has been developed and operated by Evergreen, a non-profit parks creating and educational organisation.

The Bricks Works have a strong ecological educational and advocacy experience while providing event space, a distinctive farmers market and a 50,000 sq ft office building housing a number of non-profits and social entrepreneurs. The ecological restoration of the quarry has created a new in-city urban wilderness park that has also become a tourist attraction, along with a destination Locavore restaurant.

The facilities provided at Brick Works include: farmers market, garden centre, public skating, event space, plant demonstration space, large-scale art installations, climbing tower and bouldering wall.



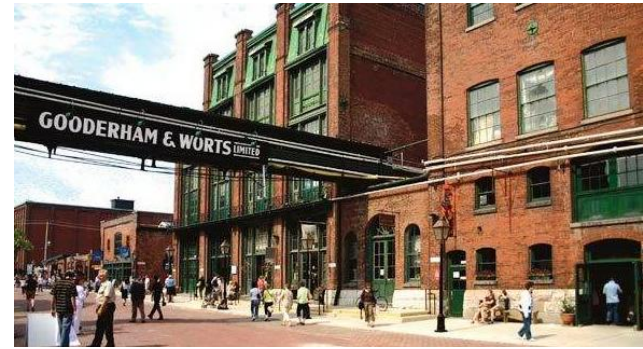
Lessons for Liverpool

The Evergreen Brick Works provides an excellent example of imaginative re-use of a historic urban asset in a city location. The attraction is of huge value to the local and wider community and is a unique demonstration of how nature can be brought back into the city.

Distillery District, Toronto

The Distillery District is a historic and entertainment precinct located east of Downtown Toronto. It contains numerous cafés, restaurants, and shops housed within heritage buildings of the former Gooderham and Worts Distillery. The 13-acre (52,000 sq. m) district comprises more than 40 heritage buildings and 10 streets, and is the largest collection of Victorian-era industrial architecture in North America.

The Distillery District has become a very popular eating, shopping and relaxing area and is spawning regeneration all around. The City was indirectly involved through Artscape, with its non-profit element focused on the creation of space and facilities for artists. The overall project is privately funded and led.



Wychwood Barns, Toronto



Wychwood Barns is a project in which Artscape has played the leading role in taking over some former historic tram depots, creating a unique combination of performance space, artists housing and work space, office space for cultural institutions, urban agriculture and farmers market. The Barns are located in the middle of a low rise residential neighbourhood, so the facility also provides a park, play areas and winter skating rink. This has been an amazingly successful project both in itself and in its neighbourhood uplift.



Lessons for Liverpool

Liverpool's maritime history forms an important part of Liverpool's cultural heritage and these examples show how existing historical buildings can be adapted and re-used to revitalise neighbourhoods. The challenge for Liverpool will be on producing commercially viable projects in a period of reduced public sector gap funding.



Porto, Portugal

Porto is Portugal's second city, with a strong commercial and industrial sectors. The city has a rich maritime history and the historic centre of Porto is a UNESCO World Heritage Site.

Despite the city centre's historic significance, it has experienced significant decline following sustained depopulation of the traditional central core, which includes the movement of retail and industry towards the suburbs.

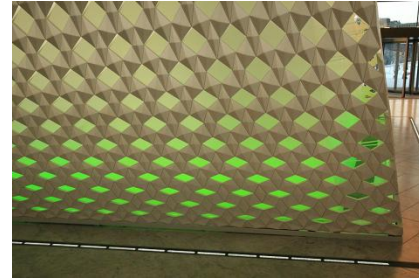
City regeneration was central to Porto's year as European Capital of Culture in 2001. Ambitious plans included re-introduction of the tram system, renovation of four public squares and economic and housing programmes such as modernising small independent retail and regenerating shopping districts.

Lessons for Liverpool

Porto successfully improved the attractiveness and livability of the city centre through urban regeneration, improving public spaces and transport. A successful balance of heritage with modernity to the benefit of the visitor experience has been the result, from which Liverpool can take inspiration.

Urban design solutions need to be combined with economic and social initiatives to improve competitiveness and liveability in order to attract visitors, businesses and residents.





Oslo Opera House, Norway

Oslo Opera House opened in April 2008, creating an iconic new building within Norway's capital city. The building is located within Bjorvika, a run-down area of Oslo which acts as the gateway to the city when arriving by boat, bus or train.

The primary rationale for developing the Opera House at this location was to stimulate the regeneration of the Bjorvika area. In this regard, design competitions have subsequently been held to develop two museums and a public library to form a new cultural centre. The Barcode Project is currently under construction and will comprise commercial floorspace and 500 apartments.

Statistics indicate that the Opera house is now the most popular tourist attraction in Oslo, with over 1.7 million visitors in 2010.



Lessons for Liverpool

The development illustrates the potential for an iconic building to stimulate development in the wider area and to become a marketing symbol and visitor attraction in its own right, much like the potential that can be derived from Liverpool's own Liverpool Museum and the City's numerous cultural attractions. Clearly cultural attractions have a very important role to play in shaping the identity of a city and enhancing the visitor experience.

Key to the success in the Oslo experience is the use of the building as a place marketing opportunity. The prevalent use of iconic buildings in advertising campaigns is one such example of how buildings can be used to promote a city and to reinforce the positive identity of the city to its residents.

Residential Benchmarks

Eixample, Barcelona



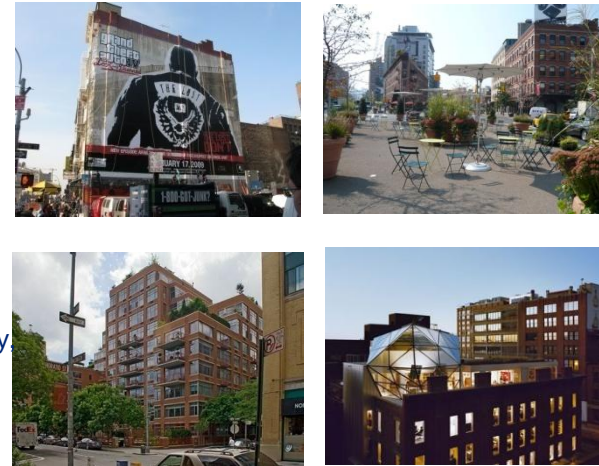
The Eixample (catalan for extension) is a residential district of Barcelona between the old city and what were once surrounding small towns, constructed in the 19th and early 20th centuries and is considered to be one of the world's first examples of urban planning. Cerda, who designed the plans for Eixample, hoped that it would become a neighbourhood outside the city centre accommodating people from all walks of life. Eixample was planned to contain all the residents needed for their daily lives, including markets, schools, hospitals, and leisure facilities.

Influenced by a range of schools of architecture, Eixample was designed in a grid pattern with long streets, wide avenues, and rounded street corners. Despite being in the centre of a thriving European metropolis, the district provides a high standard of living for inhabitants with extensive sun light and a large amount green space for public use.

The Meatpacking District, New York

The Meatpacking District is a neighbourhood in the New York City borough of Manhattan which has developed a distinctive identity and is home to a thriving residential community. In 1900 the area was home to 250 slaughterhouses and packing plants but by the 1980s, it had become known as a centre for drug dealing and prostitution. Beginning in the late 1990s, the Meatpacking District went through a transformation. High-end boutiques catering to young professionals and creatives opened.

The area hosts a number of events and activities including: Farmers markets, culinary tasting events, outdoor concerts, marketing and promotional event, cultural and educational programming, public art and performances, fashion events, photo, television and film shoots. The Meatpacking District is now known as one of New York's most fashionable neighbourhoods.



Lessons for Liverpool

Both the Meatpacking District and Eixample provide noteworthy examples of distinctive neighbourhoods where residential communities thrive. Through the imaginative use of public spaces, the use of events and the addition of inspiring retail and restaurant provision, neighbourhoods can transform in areas such as Ropewalks and Baltic Triangle. Historical and cultural roots can often provide the basis for the distinction, with features such as cobbled streets, decorative street lamps, the re-use of historic buildings and street art, providing attractive features to desire.

World Events Benchmarks

Cathedral of Santiago, Spain

A brand-new cutting-edge technology show has been produced by GDP which combines light, sound, music, fireworks and special effects to achieve a mapped, warped 4D effect, projected onto the Cathedral of Santiago, Spain.

The Cathedral's baroque façade was turned into a giant screen recounting St. James' life story in a virtual tour of the Cathedral interior. The visual impact, the combination of more than 50,000 watts of sound and 4,200 fireworks being set off all made this a unique event attended by more than 100,000 people.



Manchester International Festival

The Manchester International Festival is an international cultural festival of original new work. It is a biennial event, first taking place in June–July 2007, and subsequently recurring in the summers of 2009 and 2011. The Festival has made considerable strides in building on the achievements of the festivals in 2007 and 2009 – as well as learning from their shortcomings – to deliver an even more successful third edition in 2011.

A total of £2.4 million was raised in sponsorship in 2011, with the Co-operative Group joining existing top tier sponsors PZ Cussons, NCP, Mint Hotel, Bruntwood and Manchester Airport Group. The festival created £23.3 million advertising equivalent value of media coverage and had an economic impact of £37.6 million.



Lessons for Liverpool Cultural and visitor attractions such as these have a number of beneficial impacts for the City Centre and increase the perception of Liverpool as an international city.

The lighting installation in particular would improve the night-time economy for the city, which would encourage overnight stays, complementing other daytime attractions.

The beneficial impact of the Manchester International Festival is both economic and cultural, demonstrating that events such as these can grow to international standards in a number of years and are of great importance to the city's residents and visitors. Liverpool already recognises the importance of attractions like these, hosting the Liverpool Biennial and other major events, but there is a need to co-ordinate and promote Liverpool's events offer.

Waterfront Benchmarks



Melbourne Docklands, Australia

Melbourne's Docklands is the product of an ongoing urban renewal project to extend the area of the Central Business District by over a third when completed around 2015, providing retail, commercial and community uses within tram, boat and walking distance of the central city.

It is now home to several of Melbourne's modern landmarks including Etihad Stadium, Southern Cross Station and The Southern Star (Melbourne's observation wheel). In addition, the waterfront remains active with a 200 berth marina, provision for river ferries and historic vessels.



A handful of significant buildings were retained, generally due to their association with the area's industrial and maritime history. Most of these heritage buildings have been the focus of adaptive reuse and integrated with new facilities.

Perhaps the most interesting point from this example is that unlike similar developments, there will be no cost to Government, with the market demand within the Australian economy providing the incentive for the private sector to deliver this scheme.

HafenCity, Hamburg, Germany

The creation of HafenCity has created offices, hotels, shops, official buildings and residential areas in area covering 157 hectares on Hamburg's waterfront. This makes it one of the most prominent inner-city waterfront development projects in the world, increasing the size of Hamburg City by 40 percent. The project was initialised in 2000, with 50 projects now complete and 37 under construction or planned.

HafenCity has adopted the concept of mixed use not as an add-on feature but as its raison d'être — every single building in the new development has to serve more than one purpose. The Philharmonic Hall, for example, houses not only a concert hall but a hotel, 43 apartments and a parking garage. The jewel in the crown will be a brand new opera house designed by Herzog & de Meuron, a sight to rival Sydney's landmark concert hall.



Lessons for Liverpool

Both Melbourne Docklands and HafenCity provide illustrative examples of what can be achieved in a waterfront location. The adaptive re-use of buildings provides the historic reference and sense of identity which makes these examples so successful. Improving accessibility and connectivity to the waterfront integrates the area with the surrounding districts to create a coherent urban environment in which value is maximised.

Commercial Quarter Benchmarks

Part-Dieu, Lyon, France

The station was constructed in the heart of the Commercial District as part of the new Part-Dieu urban neighbourhood project. As the planners intended Part-Dieu to act as a second city centre for Lyon, the large train station was built in conjunction with a shopping centre, a major government office complex, and the tallest skyscraper in the region, nicknamed Le Crayon due to its shape.



Dublin

Titanic Quarter, Dublin

At 185-acres, Titanic Quarter is one of the largest urban waterfront regeneration projects in Europe - a development where Financial Services will account for a significant proportion of the 20,000 jobs which will be located on site.

Advertised benefits include:

- Total occupancy costs 60% lower than Dublin
- Skilled, available workers (25% of the population is under 18)
- Global Tier 1 Internet Access
- Access to Project Kelvin, Northern Ireland's first and Europe's fastest direct fibre optic link to North America
- Gigabyte Connections to Dublin
- Private Networking Options

Marseilles Commercial District, France

Under the impetus of the Organisation for Euro-Mediterranean Development, Marseille is undergoing a metamorphosis to leave the stereotypes behind and become an attractive major metropolis. This is one of the largest urban development programs in Europe. Since 1995 the government and local authorities have invested more than 600 million Euros which has generated 1.8 billion in private investment. Five districts of Marseille between the Old Port and the City Centre are involved in exemplary projects which are already completed or under way.



La Joliette features within the Docks district and includes 300,000m² of new and refurbished offices, 1000 new and rehabilitated houses, hotels, shops, schools and colleges.



Lessons for Liverpool

The strategic role of the transport hub as a second gateway into the city (second to the 'central' station) is important to recognise when developing a Commercial District. Signature architecture is often used to mark the arrival and departure point for city office workers. In the case of Dublin, strong incentives are advertised to attract occupiers. The digital infrastructure is a clearly key asset to the Commercial District in Dublin. The Marseilles example provides a clear illustration that commercial office space can work effectively with a mix of other uses, including educational institutions.

Green Infrastructure and Expo Benchmarks



Park Lane, New York



Millennium Park, Chicago



Hong Kong Park,
HK



The Viaduct, Paris



Petuel Park, Munich



Green Energy Expo Korea

International Green Expo

Expo 2012 Yeosu Korea is an International Exposition recognized by the Bureau of International Expositions to be held in South Korea from May 12 to August 12, 2012. The theme of the Expo is “The Living Ocean and Coast” with subthemes of “Preservation and Sustainable Development of the Ocean and Coast,” “New Resources Technology,” and “Creative Marine Activities.” The Expo is anticipating participation of more than 100 countries and international organizations, and 8 million visitors.

Along with a sharply growing Korea market, the latest show has experienced a large increase in the number of exhibitors and professional visitors. The most successful PV and renewable energy show will provide access to the latest market, policy, finance and technology happenings in the industry, and invaluable networking opportunities for attendees.

The Green Energy Expo has built an international reputation as an ideal platform for business opportunities, which is underscored by the fact that more than 40% of the participating companies come from abroad and many companies ranked in the top 20 of each sector has actively participated for consecutive years.

Lessons for Liverpool

Green infrastructure does not have to be confined to traditional parks within a city centre. Some of the most interesting examples exist within cities where the built urban form is combined with imaginative green design.

An international Green Expo is one example of how Liverpool can position itself to benefit economically from the international business tourist.

[Click here to return to contents page](#)

Drivers Jonas Deloitte.

Liverpool City Centre Strategic Investment Framework

Spatial Appraisal

1 Introduction

This document provides an analysis of the suite of documents in terms of those spatial implications for the growth of Liverpool City Centre 2011-2026. It aims to highlight key themes and opportunities for future investment projects within the centre of Liverpool. This will be achieved by first analysing how the City performs today, which areas work, which areas need improvement, what has already been achieved and what the City is lacking. The starting point for this appraisal will be the 2000 Strategic Regeneration Framework, setting out those aims which have been achieved and which have not and will be a priority for the next 15 years.

2 Establishing the Boundary

To set the focus for the Framework, the first initial challenge has been to establish and define a City Centre boundary. Following a thorough review of the existing reports and strategies produced since 2001, and mapping of their recommendations alongside known committed developments/ initiatives, individual areas of the City were analysed to identify which are likely to play a significant role in shaping Liverpool's future over the next 15 years.

The boundary for the Framework has been set to take account of all those areas considered to have the potential to make a real contribution to the health, wealth and growth of the City Centre.

The Northern boundary extends beyond the Ring Road to include the 'City Fringe' areas to the north of Leeds Street. The first phase of the Liverpool Waters Development is key to shaping Liverpool's future due to its location in close proximity to the Commercial District, as part of the 'Enterprise Zone,' and as a key Waterfront location. Outside the Liverpool Waters red line, but conjoined and forming an important bridge to North Liverpool, the employment and industrial sites immediately north of Leeds Street have been highlighted in several documents as a 'Green Technology Zone' and due to their location and current use as predominantly industrial and employment use they are considered to have the potential to play a significant role in the future development of the City Centre. For this reason they have been included within the boundary for the framework. Both Liverpool John Moore's and Hope University campus sites will be included within the City Centre boundary.

The Eastern boundary has extended to the full extent of the Knowledge Quarter (marked by the Liverpool Women's Hospital) and as a whole will have significant impact on the economic future of Liverpool City Centre.

The Southern boundary is predominantly defined by the A562. At the waterfront the boundary has been drawn to include Cains brewery, the Marina and the residential waterfront development of South Ferry Quay.

The Western boundary of the City Centre is defined by the River Mersey.

3 Spatial Analysis

The following tables analyse the findings in terms of spatial implications for Liverpool City Centre following a review of the existing literature. From this study several key themes and investment projects have been identified which will inform the development of the Strategic Investment Framework. The following tables should be read in conjunction with the diagrams found in the Appendices.

Analysis of 2000 SRF Spatial Objectives

Vision Area	Objective	Was it achieved?	Is this still a consideration for 2011-2026?
Pier Head	Re-design the strand as a 'Maritime boulevard'	No (in small part)	Yes
	Breathe new life into the ground floors of the 'three graces'	In part	yes
	Construct a "Fourth Grace"	Yes	No
	Redesign the pier Head Garden to incorporate an underground car park	No	No
	Improve Ferry and Cruise Liner facilities	In part	Yes
	Develop a Mann Island transport exchange	No	No
	Provide family attractions	Yes	Yes
Commercial District	Establish a Northern Gateway to the city	In part	Yes, a stronger gateway would define the arrival point to the City from the North. At the moment the overall impression when arriving from the north is poor until the Commercial Quarter is reached.
	Provide new grade A office space	In part	yes
	Improve the streetscape enhancement of Old Hall Street/Tithebarn Street and adjoining roads	In part	yes
	Encourage a wide variety of uses of the ground floors of buildings on Old Hall Street	In part	yes -
	Provide new public open spaces for new and existing office buildings	In part	yes
	Establish Commercial Action Area	Yes	-

	Refurbish Exchange Flags	In part	Yes
	Improve connections to Exchange Flags	yes	-
	Improve entries to Moorfields station	No	yes
Castle Street	Streetscapes improved/pedestrian priority introduced	Yes	-
	Upgrade the ground floors of the buildings on Castle Street in the live-work district	In part	yes
	Redesign Exchange Flags public open space	No	yes
	Improve Derby Square	Yes	-
	Centralise civic facilities around the Town Hall	No	No
	Identify appropriate buildings for conversion to live-work uses	In part	Yes, the principle of live/work use and finding areas for city centre housing is still an important consideration
	Provide amenities for new residents: open space, crèche etc.	In part	Yes
Cultural Quarter	Undertake traffic feasibility study	In part	Yes
	Improve the environment and pedestrian routes	Yes	-
	Redesign the entrance to Lime Street Station	Yes	-
	Redesign St John's gardens to be an accessible, public open space	No	Yes
	Improve the streetscape of surrounding streets	In part	Yes
	Introduce commercial use of St George's Hall and St John's Gardens	In part	Possibly within Gardens
	Re-furbish St George's Hall	Yes	-
Retail Core	Create a well-planned, dynamic and vibrant shopping experience	Yes	-
	Regenerate the existing Retail core	Yes	-
	Integrate exciting new retail opportunities in a mixed environment	In part	Yes
	Develop links between the retail core and Albert Dock and Kings Waterfront	Yes	-
	Redefine the role of the traditional market in Liverpool	No	Yes
Kings Waterfront	Maintain the large scale opportunity of the site	Yes	-
	Improve north-south link with Albert Dock	Yes	-
	Improve links across the Strand to the retail core and the City Centre	In Part	Yes
	Examine possibilities for; Conference/convention/exhibition center	In part	Yes
	Arena	Yes	-

	Waterfront Park	No	Yes
	Family Leisure and entertainment facilities.	In part	Yes
Hope Street Quarter	Provide new and enhanced public open spaces	In Part	Yes
	Plan for improved pedestrian links through the area	In Part	Yes
	Improve key streets	In Part	Yes
	Establish a network of squares and spaces	In Part	Yes
	Prioritise important buildings for renovation	In Part	Yes
	Rationalise traffic routes through the area	In Part	Yes
	Encourage night-time economy	Yes	-
	On going programme of support for key performance spaces	No	No
Capital of culture	2008 Capital of Culture Bid	Yes	-
	2007 800th birthday celebrations	Yes	-
	World Heritage Status	Yes	-
Movement	Radically improve the approaches and gateways to the City	In part	Yes
	Significantly extend pedestrian priority areas	Yes	-
	Develop ferry/cruise liner terminal and public transport hub at Pier Head/ Mann Island	In Part	Yes
	Reduce dominance on traffic on the strand and improve conditions for pedestrian and cyclists	No	Yes
	Enhance local community routes for pedestrians, cyclists and public transport users	In part	Yes
	Improve access to and environment of the railway stations	In Part	Yes
	Improve access to Liverpool and Manchester Airports	In part	Yes
	Improve the quality of public transport and introduce new high quality public transport routes across the City	In part	yes
	Develop a parking strategy to define supply and location	In Part	Yes
	Improve signage for private vehicles and public transport users	In Part	Yes
Public Realm	Promote a step change in the quality of the public realm to ensure sufficient management resources are put in place for maintenance	In Part	Yes

Enhance the key existing 'postcard spaces'	Yes	-
Develop a benchmark public realm strategy	Yes	-
Enhance the key road gateway corridors to the city	In Part	Yes
Enhance Strand Corridor to create a 'Maritime Boulevard'	No	Yes
Develop 'Mile of Art' public art programme	No	No
Introduce focused greening element to the public realm	No	Yes
Continued development of 'City of light'	In part	Yes
Develop pedestrian information beacons using latest technology	Yes	

What works in Liverpool City Centre? Refer to Appendix 2

Area	Area description	Economic sector	Strengths/which areas work?	Weaknesses/Areas to improve?
1. Pier Head	The Three Graces, The Museum of Liverpool, and Mann Island	Culture & Tourism, Commercial	Established cultural/tourism assets, public realm, Promotion of Liverpool	Isolation caused by The Strand, High vacancy rates in office buildings
2. Albert Dock	Converted listed warehouses on the waterfront with cultural and visitor attractions, shops, restaurants and offices	Culture & Tourism, Commercial	Established cultural assets/tourism asset, public realm and links to the City	Vacant Commercial space
3. The Arena and Convention Centre	Northern area of Kings Dock Echo Arena and conference facility	Culture & Tourism	Established cultural asset	Isolation caused by The Strand, Southern end of dock not developed
4. Liverpool ONE	Large retail focused mixed use development	Retail&Leisure	Retail heart to the City, public realm, links to the City	
5. The Cultural Quarter	Area includes heritage assets such as St Georges Hall, St John's Gardens, The Walker Art Gallery, Liverpool Central Library, and World museum	Culture & Tourism	Established cultural assets with strong tourist draw	Full potential of St John's Gardens not realised. The surrounding road network . Pedestrian connectivity between

6. The Hope Street Area	Linear corridor linking Liverpool's two Cathedrals. Major cultural focus based around Liverpool Philharmonic Hall and soon-to-be rebuilt Everyman Theatre.	Financial & Professional Services; Creative and Digital; Life Sciences; Culture& Tourism	Public realm; mix use; 'blurring' of the interface between large institutions along Hope Street and the Georgian Quarter to the East	Anglican Cathedral needs to re-engage with the City Centre more visibly and positively.
7. Ropewalks	Liverpool's alternative/independent neighbourhood. Historically a trade/industrial area, now this neighbourhood largely contributes to the night-time economy of Liverpool, a mix of independent retail, bars, cafes and restaurants with residential	Retail/ Culture & Tourism Creative & Digital	Public Realm, mix of uses, key element to night-time economy of Liverpool	Conflict of night-time economy and residential community. Reputation of certain areas plummeting

Areas of major proposed development Refer to Appendix 3

Area	Proposals	Economic sector of opportunity	Identified projects from baseline literature review	Timescales
1. Liverpool Waters/Atlantic Gateway/ Enterprise Zone	Mixed use development	Culture & Tourism, Creative and Digital, Retail, Financial & Professional Services, Residential	Prince's Dock, King Edward Triangle	Outline planning consent granted April 2012. Completion Phase 1 in 5-15 Years
2. Knowledge Quarter	Commercial and mixed use development. Re-develop parts of University of Liverpool campuses	Creative and Digital, Life Sciences, Culture & Tourism	University/Hospital Boulevard, Hope Street, Knowledge Quarter Public realm improvements, Royal Liverpool University Hospital (2a), Bio Campus (2b), School of Tropical Medicine (2c), Liverpool Science Park (2d), LJM Extension/Copperas Hill (2e), University of Liverpool (2f).	As yet unknown
3. Mount Pleasant Car Park area	Student Accommodation, multi storey car park, commercial floor space.	Residential, Creative and Digital and Life Sciences	Redevelopment of area in line with the knowledge Quarter SRF	As yet unknown
4 TRIBECA urban Splash Development	Mixed Use	Residential, Creative and Digital	Great George Street masterplan approved by LCC	Project on hold.
5. The Baltic Triangle	Mixed Use development	Creative and Digital, Residential, Culture & Tourism	Beers Timber Yard, Kings Dock Mill, Blundell Street development	Neptune Developments in process of preparing Planning Application for former half-completed Windsor Development's Plot. Planning permission granted to Kings Dock Mill
6. Pall Mall	Proposals for a new commercial development with a green technology focus	Financial & Professional Services, Creative and Digital	Completion of projects within Commercial Quarter SPD	To be confirmed
7. King's Dock	Extension to Arena, Mixed use development	Culture & Tourism	Exhibition Centre Extreme Sports Centre	HCA engaged consultants to prepare masterplan. Key project and interface with SIF team essential to define.
8. Queen's Dock	Proposals for residential development	Residential		Planning approval granted 11.1.12. Works due to begin in 2012

9. Central Village	Mixed Use development with retail focus	Retail, Creative and Digital, Financial & Professional Services, Leisure	Original scheme consented in 2007. Former Lewis' building acquired in 2009.	Retail refurbishment/ infill works to Bold Street completed; Q-Park phase underway; Lewis' redevelopment due to commence in early 2012.
10. New Islington/London Road	Mixed Use development	Retail, Residential	-	Unknown
11. West Moorfields	Mixed Use development,	Financial & Professional Services	Potential site for relocation of Magistrates Court	Magistrates Courts not proceeding on this site. Timescales to be advised of for alternative development.
12. Scandinavian Hotel	Conversion of existing building in to a hotel	Culture & Tourism	Scandinavian Hotel	Planning Application approved
13. Wolstenholme Square	Re-development of existing square	Leisure Creative and digital	Comprehensive Redevelopment	Unknown
14. The Lime Street Corridor	Public realm proposals, mixed use developments along corridor	Culture & Tourism, residential	Student Accommodation, Lime Street Gateway public realm	Proposals in development
15. Magistrates Courts/Bridewell	Residential led mixed use developments	Mixed use, residential led development	Redevelopment of area to support Historic Downtown neighbourhood	Timescales dependant on re-location of Magistrates Court

Areas of opportunity for discussion Refer to Appendix 4

Area	Nature of existing development	Discussion questions
Development Area A	Employment area North of Leeds Street. Existing development includes number of large warehouses, industrial units and retail sheds. It is highlighted as a City fringe 'Technology Zone'	How can this area contribute to the economic development of Liverpool? Proximity to the Commercial Quarter, logical expansion of the City Centre? Missing link to connect Liverpool Waters to the Commercial District? Opportunity to create a new gateway to the City from the North?
Development Area B	The interface between Pier Head/Liverpool Waters. Poorly defined space and over-engineered road	Important interface between Liverpool Waters and Pier Head. Opportunity for public realm improvements? A new public

	layout.	space?
Development Area C	Canning Dry Docks	Important linking/ bridging space between Albert Dock and Mann Island/ Museum of Liverpool. Following unsuccessful application for Lottery funding by British Waterways, should this area be prioritised to complete the Pier Head – Albert Dock experience?
Development Area D	Previous Customs and Exercise building on the waterfront	Re-location of Merseyside Police HQ? Existing building with prominent waterfront location
Development Area E	Cleared area adjacent to Vermont development site	Can development on this site create a new gateway to the City Centre from the South?
Development Area F	Merseyside Police Headquarter site	Does this site have the potential to contribute more to the City Centre?
Development Area G	Residential area incongruous with surrounding City Centre urban fabric	This site provides the missing connection between Ropewalks and the Baltic Triangle. Key strategic links between have been missed due to poor design. Does this area need to be redeveloped in order to ensure the success of the Baltic Triangle/Kings Waterfront/TRIBECA area?
Development Area H	Residential development adjacent to Cathedral	How can this area contribute to the City Centre due to its key location adjacent to the Cathedral?
Development Area I	Retail area, Clayton Square shopping centre, Williamson Square, St Johns Centre, bus interchange	How can this area present a better arrival point to the City? How can this area provide better connections to the surrounding areas? How can this area be improved to meet the standard of Liverpool ONE?
Development Area J	Chinatown	How can this contribute to the economic vitality of the City Centre?

Areas of major infrastructure Opportunities for major city parks/green infrastructure Refer to Appendix 5

Green Infrastructure Opportunity	Discussion questions
1. A waterfront City Park	Could a new City Park be designed as part of the Kings Dock proposals? Was originally proposed and could further promote waterfront as World Class.
2. St John's Gardens	The potential of this area was left unrealised from the 2000 SRF. How can this space be improved to better interact with the rest of the Cultural Quarter and the City as a whole? How can the gardens become a great inner City Park and contribute to the green infrastructure of Liverpool? Events and functions space, not necessarily about physical change – get the people of Liverpool and its visitors to love it again.

3. St James's Mt and Gardens	A unique asset – currently under-used, under-loved and unsafe. Can this area provide a better amenity for the City? Has its connections to the surrounding area, location at the end of the Hope St Quarter and adjacent to the Cathedral been used to best advantage for the City?
	Do these green spaces address all requirements for green infrastructure in the City? Is a new Major City Park required for Liverpool?

Infrastructure Opportunities Refer to Appendix 6

Infrastructure Opportunity	Discussion questions
1. The Strand	Liverpool's Great Street? Treat it like a river – as a JOINER not a DIVIDER. Is it Liverpool's opportunity to match Boston's 'Big Dig'?
2. The Docks/Waterfront	Links to and from the City Centre should be EVEN stronger
3. The tunnels	Do they appear in the right places? What is the first impression when surfacing from them?
4. The City's Street Network	Good but not yet GREAT. Goal has to be the latter – one final push to create a truly walkable City Centre and perhaps remove any future need or justification for a cross-core tram. Key streets should be identified to form the focus for public realm strategy.
5. The flyover	Liverpool's 'High Line Park'? Is it needed, where does it go? How do we mitigate the harm it causes to the Library and Galleries?
6. The Bus Interchange	Cuts the City in two at its most vulnerable point – how can we join Queen's Square and beyond back to the beating heart of the City? Redevelopment of Williamson Square?
7. The underground	Is the underground performing to its full potential? Are there opportunities for new stations/re-use disused stations? Extend the lines?

Strategic Connections Refer to Appendix 6

Strategic connection	Areas linked	Improvements required?
Old Hall Street	Commercial Quarter to the North	King Edward Street severs connectivity to potential City Centre expansion and proposed development sites
Water Street/Dale Street	Pier Head/Commercial Quarter/Cultural Quarter	Improve connectivity across the Strand. Public Realm improvements to make a GREAT street of Liverpool?
Hanover Street/Ranelagh Street/Brownlow Hill	Albert Dock/Liverpool One/Knowledge Quarter	yes
Lord Street/Bold Street	Liverpool One/Retail area/Ropewalks	yes
Blundell Street/Cornwallis Street	Potential to link Kings Dock/Baltic Triangle/Ropewalks	Missing link in the City Centre. A strategic connection here could ensure the vitality of King's Dock and the Baltic Triangle. Improve connectivity across the Strand.
St Anne Street/Russell Street/Rodney Street	Strategic route to the City from the North	yes
Hope Street	Metropolitan Cathedral/Anglican Cathedral	yes
London Road/Pembroke Place/West Derby street	Cultural Quarter/Knowledge Quarter	At present defined as an amorphous, overly large 'neighbourhood' within various strategies and documents. Key challenge to delve deeper into the grain and diversity, separating the physical fabric from the aspirations for the area as a whole.
Lime Street/Renshaw Street/Berry Street	Cultural Quarter/Central Village/Ropewalks/Cathedral	Poor quality public realm and street frontages.
Victoria Street	Cultural Quarter/ Main Retail Area/Commercial District.	Poor quality public realm

4 Transformational Projects

The review of the baseline documents has identified a number of emerging projects that will have an impact on the City Centre in the next ten years. Several of these projects have been highlighted as having a transformational quality in terms of their collective impact on the city's profile. These projects have the potential to become real catalysts for regeneration and investment and raise Liverpool's status to a worldwide stage.

These projects include;

Culture and Tourism

- *International Cruise Liner Terminal turnaround facility*. The terminal will deliver tourists directly into the heart of the city, with the potential to have significant impact on the city's economy and worldwide reputation as a top tourist destination.

Life sciences

- The proposals at the *Royal Liverpool University Hospital; Bio Campus* and the *School of Tropical Medicine and Science Park* have, in combination, the power to transform the city's international profile, raise the profile of the city in terms of life sciences to perform on the worldwide stage and attract businesses and investment.

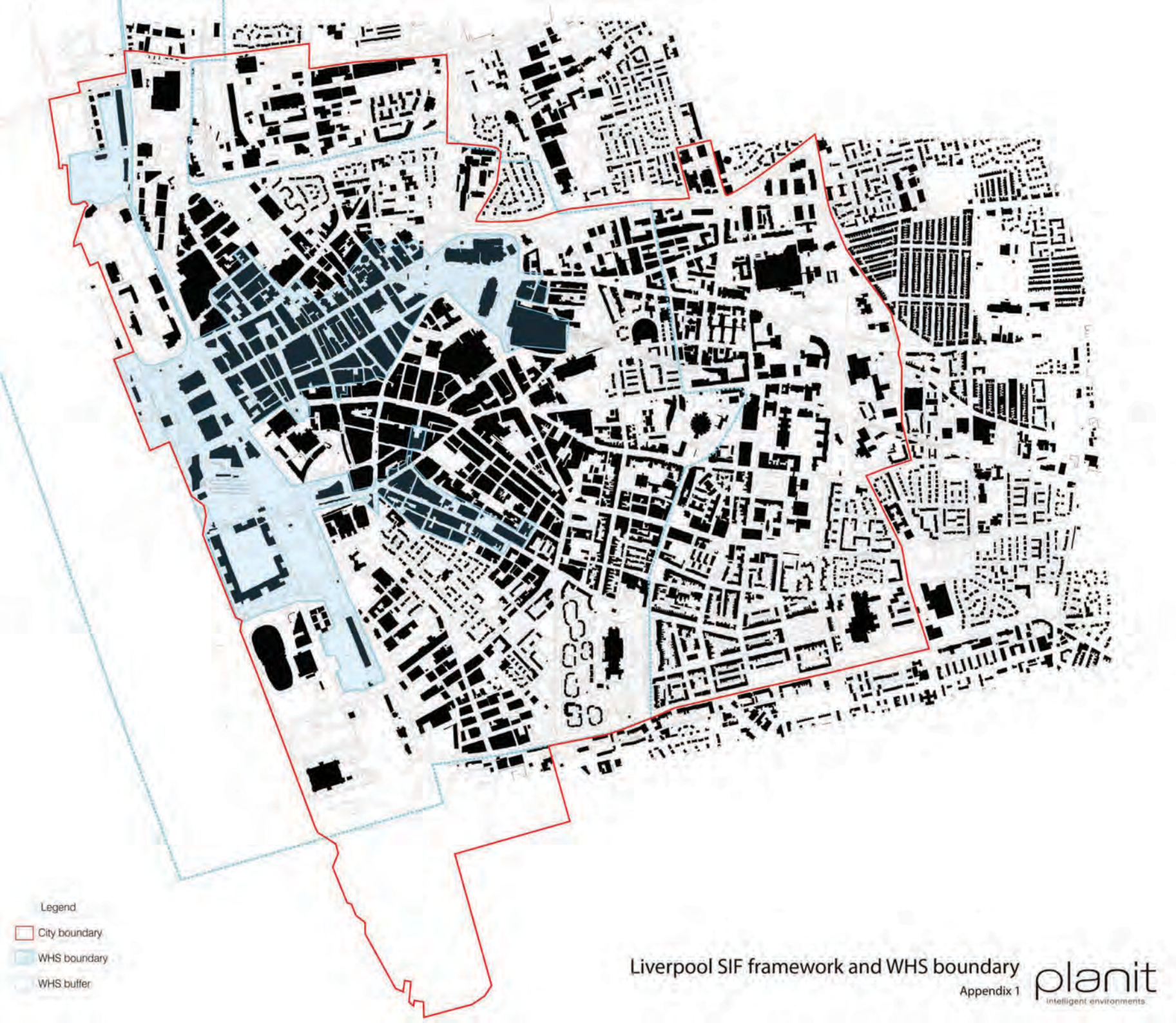
Financial and Professional Services

- The *Liverpool Waters* proposals will transform the Northern Docks, extending the commercial core of the city and creating the opportunity for inward investment, particularly from abroad.

Leisure

- A *City Park* in the centre of Liverpool would have the potential to be transformational, attracting people to the city and raising the city's status as a key leisure destination for the region.

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Areas 'that work' in Liverpool City Centre

Appendix 2



Areas of proposed major development Liverpool City Centre

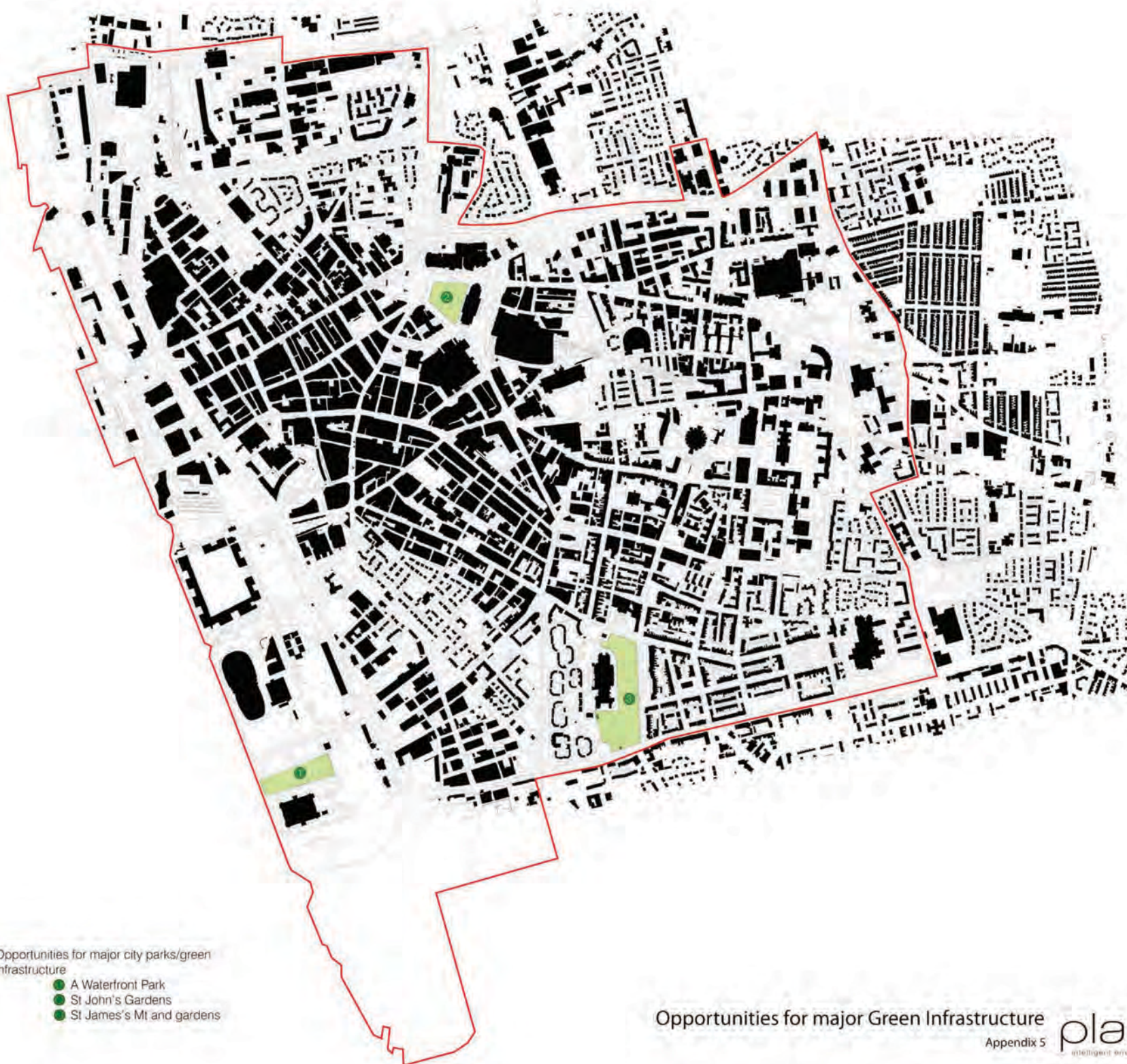


Areas of opportunity for discussion

- Site A
- Site B
- Site C
- Site D
- Site E
- Site F
- Site G
- Site H
- Site I
- Site J

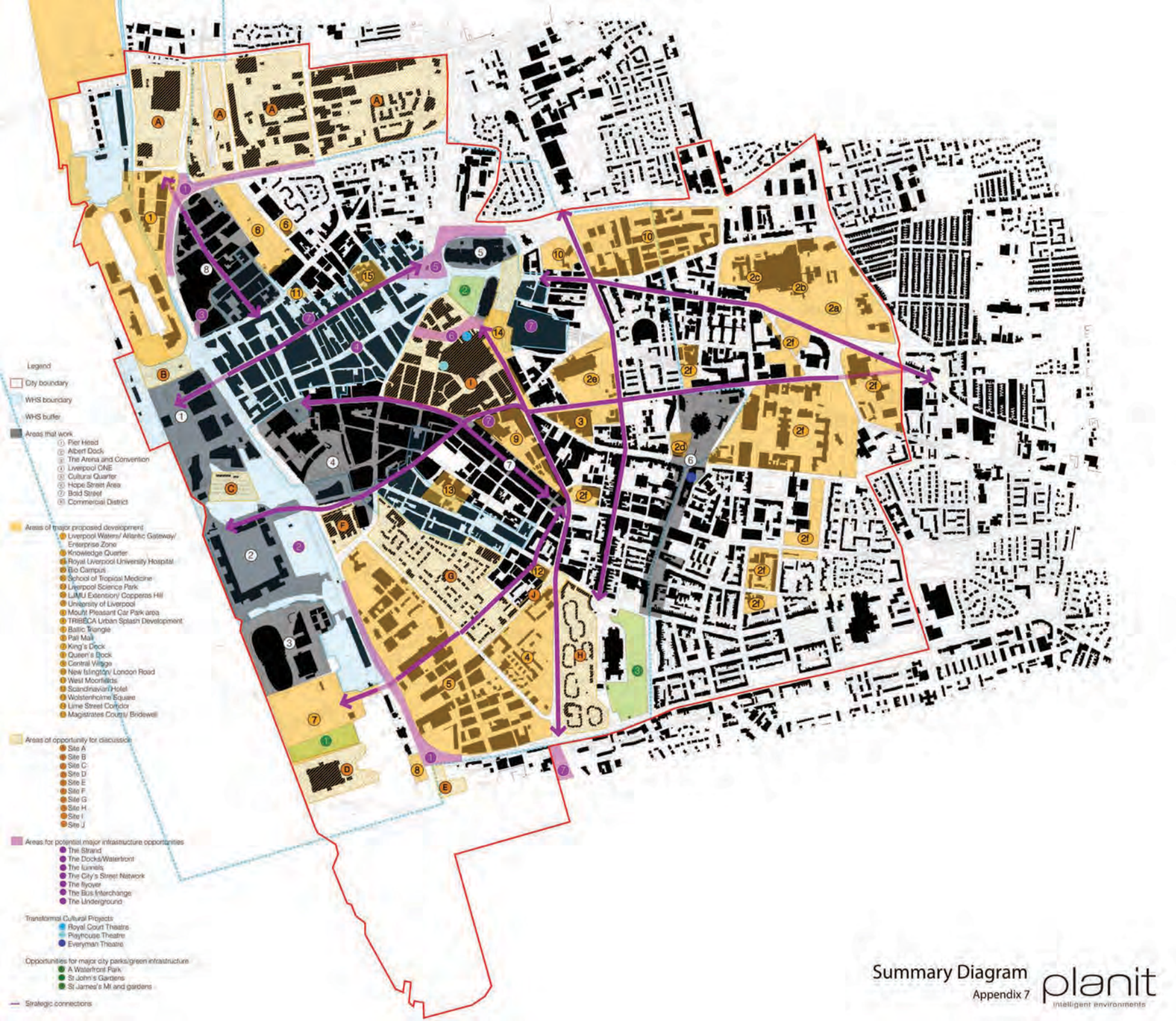
Areas of opportunity for discussion

Appendix 4



- Opportunities for major city parks/green infrastructure
- 1 A Waterfront Park
 - 2 St John's Gardens
 - 3 St James's Mt and gardens







APPENDIX 9

PHOTOGRAPHIC SURVEY

Introduction

This appendix provides a photographic survey of Liverpool City Centre in 2012. It supports the Spatial Appraisal, documenting visually the key character areas of the City Centre.



BALTIC TRIANGLE



HOPE STREET



COMMERCIAL DISTRICT AND HISTORIC DOWNTOWN



COMMERCIAL DISTRICT AND HISTORIC DOWNTOWN



COMMERCIAL DISTRICT AND HISTORIC DOWNTOWN



CANNING GEORGIAN QUARTER



KNOWLEDGE QUARTER



PUMPFIELDS



MAIN RETAIL AREA



MAIN RETAIL AREA



ST GEORGES QUARTER





ISLINGTON



MARYBONE





ROPEWALKS



ROPEWALKS



ROPEWALKS



ROPEWALKS



WATERFRONT



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WATERFRONT

Liverpool City Centre Strategic Investment Framework

Infrastructure Assessment

1 Introduction

The infrastructure of a city is a critical element in the short and long-term well-being of the place; it is the circulatory system, the power unit and the waste processor of the city. Whilst cities can function reasonably with poor infrastructure they can never achieve their full potential without the support of a well-coordinated and well managed infrastructure. The Social, Cultural and Economic well-being of Liverpool City Centre is underpinned by its infrastructure.

It is therefore critical that the right infrastructure is in place in Liverpool City Centre, to support the delivery of the (SIF). It is therefore necessary to understand the current position with regards to existing and planned infrastructure – to ensure that the vision for the Liverpool SIF can be realised. This report presents a baseline position with regards to existing infrastructure provision and seeks to identify:

- An understanding of the existing provision of infrastructure in Liverpool City Centre and any issues in respect of availability or quality;
- Gaps in infrastructure provision; and
- Suggestions of infrastructure-related initiatives which could alleviate issues and support the development and delivery of the SIF.

The document which provides the key reference point for this baseline infrastructure assessment is the Infrastructure Delivery Plan (IDP), which is in draft form and is being developed by Liverpool City Council to support the emerging Local Development Framework. The IDP sets out the position with regards to infrastructure requirements to support the delivery of the Core Strategy, to 2028. In addition to this, the evidence base for this report has been supplemented by the following:

- A comprehensive visual appraisal of Liverpool City Centre;
- Discussion with Liverpool City Council planning representatives; and
- Meetings with a number of stakeholders, including Merseytravel.

2 Existing Provision

The Liverpool SIF will be an economic and spatial framework that will guide the future development of Liverpool City Centre over the next 15 years. An understanding of the adequacy of provision and of the quality of physical infrastructure to support this development is therefore necessary. The assessment of existing provision has therefore focused on physical infrastructure, including:

- Transport;
- Utilities, e.g. energy and water;
- Waste management; and
- Flood prevention.

However, given that the Liverpool SIF will provide an economic as well as a spatial framework to underpin the development of the City Centre, it is also important to understand the issues, opportunities and any gaps in provision in respect of other types of infrastructure, such as:

- Digital infrastructure, e.g. broadband provision;
- Social infrastructure, e.g. schools, health provision and community facilities, such as libraries; and
- Green infrastructure.

The table below presents an appraisal of the current position with regards to the availability and quality of existing infrastructure provision in Liverpool City Centre, by theme.

Appraisal of Existing Infrastructure Provision in Liverpool City Centre

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
Transport			
Rail			Investment required to improve Central station.
		Generally very good and well used.	Electrification of Liverpool/Manchester and Northern Hub required.
	Comprehensive network with Lime Street mainline station and Central station. Three main lines for Mersey area, Northern, City and Wirral.	Capacity problems at stations in Central Liverpool and on the wider regional network.	Halton Curve reintroduction could improve connectivity considerably.
	Connections in Mersey area plus to other major cities including Manchester and London.	Poor connectivity and journey times on some routes.	New rolling stock required.
	Not currently on first phase of High Speed 2.	Insufficient parking and poor interchanges.	High Speed 2 connectivity could provide significant economic benefit.
Bus		Overcrowding on some parts of the network.	Lack of late night train provision
		Quality of provision is generally good overall, providing 78% of all Merseyside public transport journeys.	
	Comprehensive network.	Growth in use on major routes but overall trend is of declining usage.	Affordability remains an issue and Fares, ticketing and information need improvement.
	Two bus stations in City Centre.	Queens Square bus station in City Centre is damaging to environmental quality (noise, air quality)	Liverpool ONE bus station is under-used. City needs to take a much more active role in dealing with

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
		<p>and hazard) locally and on surrounding streets leading to and from bus station.</p> <p>Fare levels have increased twofold in last ten years.</p> <p>Perception is that the problems are now primarily operational and not infrastructure based.</p> <p>There remains a perception of bus travel as being of lower quality than rail and private vehicle and as being for those on lower income rather than transport for all.</p> <p>Integrated transport seen as a transport-to-transport issue rather than one of integrating the transport into the city.</p>	<p>bus transport and not leave it to operators alone.</p> <p>More creative thinking about how to raise the perceived quality of bus transport to enable it to become high quality transport for all.</p>
Walking	Network of footways and public spaces on the highway network including other public rights of way.	<p>Generally good provision in terms of quantity and potential connectivity but quality is an issue in places as well as connectivity, owing to the focus on vehicle movement over walking and cycling.</p> <p>Street quality in places is excellent where recent public realm work has been completed.</p> <p>Many streets and the wider public realm are still in need of change of quality to recognise the shift of emphasis towards walking and cycling.</p> <p>Despite a basically very good architectural quality to City Centre streets the overly controlling traffic management system prevents these streets from</p>	<p>Overall there is an emphasis on the dominance of vehicle movement and vehicle management controls to assert the priority of walking.</p> <p>The City Centre would benefit greatly from being a walking (and cycling) City where vehicles are allowed in rather than the current approach of accommodating walking and cycling.</p>

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
		achieving their full potential.	
Cycling	In City Centre via the highway network generally.	<p>Little genuine provision which would encourage non-enthusiasts to cycle.</p> <p>Highway network dominated by vehicle management measures.</p>	See above RE: walking.
Motor Vehicle	Comprehensive network of City Centre streets connected to the wider road network and via the latter to comprehensive motorway network.	As part of the City Centre Movement Strategy a significant number of City Centre streets have been improved but there is still a tendency for vehicle provision to be given precedent in shaping street design.	<p>The City Centre Movement Strategy was a £73 million programme – partly completed - securing funding to deliver the remaining projects is challenging.</p> <p>Requires a more rounded view of the role of vehicle movement in the City Centre and its relationship to provision for walking and cycling.</p>
Merseytram	<p>Powers granted to construct Line 1 from Kirby to City Centre.</p> <p>No tram provision at present.</p>	The case for tram movement within the City Centre needs further thought given that tram movement in the City Centre is not likely to improve speed of movement across the centre. Infrastructure is costly and damaging to the important City Centre environment.	
Port	<p>Port of Liverpool is a major container port.</p> <p>Liverpool Cruise Terminal.</p>	<p>Third largest container port in UK.</p> <p>Cruise facility increasing use from three in 1992 to over 40 now.</p>	<p>Regional Growth Fund support in the region of £30m has been approved to deepen the bed of the Mersey to enable the development of a £300m post panamax terminal.</p> <p>Much improved rail facilities needed to provide for Peel's</p>

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
		<p>Peel has plans for expansion across all fronts.</p> <p>Currently a heavy reliance on road transport to serve ports.</p>	<p>future growth targets without compromising the road network and the City Centre in particular.</p> <p>The cruise liner terminal, as it stands is limiting the volume of cruise liner traffic. There is a need to deliver a cruise liner terminal that can compete on a Global scale for cruise liner business.</p>
Airport	Liverpool John Lennon Airport serving 650 worldwide routes and 5.5 million passengers. Owned by Peel Group and Vancouver Airport Services.	<p>Intention is to improve terminal facilities, transport infrastructure and lengthen runway in long term.</p> <p>Heavy reliance on use of private vehicles to access airport facility.</p> <p>Rail station is remote from airport.</p>	In the long term a fast, rail connection direct from airport to City Centre is required to assert Liverpool John Lennon Airport's role as a genuine Liverpool City Airport.
Utilities			
Electricity	<p>Within the Liverpool area a 275kV underground cable running from Birkenhead (Wirral) to Kirkby substation (Knowsley) via Lister Drive substation in Liverpool forms part of the transmission network by National Grid.</p> <p>Scottish Power Manweb is the local distribution company owns and operates the lower voltage network.</p>	According to the draft Infrastructure Delivery Plan, electricity supply appears to be adequate at present and for future growth planned in the Core Strategy.	<p>Suppliers cannot (within their regulated environment) provide speculatively for future uses. In order to develop a dialogue with utilities providers regarding future requirements for Liverpool City Centre, more definition is required in respect of specific projects that may require additional utilities provision. Early consultation will be required through the implementation of the SIF</p> <p>There is the potential to explore alternative means of providing power locally and in particular for specific major developments.</p>

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
Gas	National Grid owns and operates the high pressure National Transmission System.		No significant improvements envisaged with supply.
	NTS supplies direct to large users. Smaller end users, including domestic receive supply from twelve Local Distribution Zones. National Grid provides the network to LDZ's.	National Grid forecast a fall in demand over the medium term as a result of appliance and thermal efficiency improvements.	In order to develop a dialogue with utilities providers regarding future requirements for Liverpool City Centre, more definition is required in respect of specific projects that may require additional utilities provision. Early consultation will be required through the implementation of the SIF
Renewable Energy		Work being carried out to assess the potential for the retrofit of housing stock.	
	Range of plants primarily for benefit of user	Limited potential for major plants in the City Centre.	There is the potential for tidal energy generation - however this is currently not economically viable.
	University and Royal Liverpool University Hospital operate combined heat and power (CHP) plants.	The Smart Cities project has identified a set of challenging targets for carbon reduction, which have great resonance with the development of renewable energy.	Support measures are required to reduce demand, encourage CHP on major schemes and support local small scale generation initiatives.
	Limited potential in City Centre for wind energy generation but Arena is a notable exception.	The Eldonians' Combined Heat and Power project is spearheading a new approach to energy generation and usage. The Eldonians are working with Peel to develop follow-on plans.	Potential for off shore wind energy generation
Water	United Utilities provide supply of water and waste water treatment.	No current problems identified in the Infrastructure Delivery Plan. There may be a potential deficit from 2024, however measures are currently being planned to address this, such as leakage reduction, water	In order to develop a dialogue with utilities providers regarding future requirements for Liverpool City Centre, more definition is required in respect of specific projects that may require additional utilities provision. Early consultation will be required through the implementation of
	Served by Integrated Resource Zone which provides 95% of		

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
	water across the North West.	efficiency and water source enhancements.	the SIF
Waste Water	<p>Three waste water plants at Liverpool, Fazakerley and Woolton.</p> <p>Main works is Liverpool Waste Water Treatment Works at Sandon.</p>	Continued growth in population and in use of water means that more capacity will be required in the medium term.	A Planning Application has been made for a £200 million extension to LWWTW, which will address the current gap in provision.
Flooding	<p>Liverpool City Council is the lead Local Flood Authority.</p> <p>Environment Agency overall responsible nationally for flood management and defence</p>	<p>Only 4% of Liverpool identified as flood risk zone.</p> <p>The City Centre has some particular problems requiring continuous pumping for the Mersey tunnels.</p> <p>There are likely to be more localised flooding issues in the City Centre in the future due to increased rainfall run-off.</p>	<p>Sustainable Urban Drainage Systems are required for new developments.</p> <p>A Surface Water Management Plan, Sustainable Urban Drainage Systems study, a Preliminary Flood Risk Assessment, Liverpool Land Draining investigations, a Water Cycle Study and a Strategic Flood Risk Assessment are currently being prepared, which will provide further clarity in respect of gaps in provision.</p>
Waste	<p>Managed by Merseyside Waste Disposal Company. Currently on contract to Veolia Environmental Services.</p> <p>14 Household Waste Recycling Centres and four Waste Transfer Stations.</p> <p>A Materials Recovery Facility.</p>	<p>Joint Municipal Waste Management Strategy (JMWMS) in place to move to more sustainable waste strategy.</p> <p>Recognition that disposal into landfill is no longer acceptable.</p>	Future requirements forecast 15 new sites for built facilities, two for inert landfill and two for non-inert landfill.

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
	Several Landfill sites.		
Broadband	<p>BT and Virgin are main providers to businesses and residents in the City Centre.</p> <p>The JANET network provides academic institutions with their high speed internet access.</p> <p>AIMES Grid services provide a R&D service called Fibrenet to various businesses in the city centre (particularly in the Knowledge Quarter) which is used to access high speed internet in order to test applications and web use.</p> <p>This uses the City Council's wide area traffic control system which is a network of ducts and fibre in the city centre used currently to provide traffic signals and CCTV but with the capability to run broadband services through</p>	<p>Both Virgin Media and BT have a significant presence in Liverpool and between them currently offer 77% coverage of the whole of Liverpool capable of accessing 24mbps Superfast Broadband.</p> <p>Both providers can provide ultrafast (100MBps+) Fibre to the premises provision on demand but at significant cost.</p> <p>Fibrenet is not commercially available at present.</p>	<p>The City Council's aim is to achieve universal fibre to the premises ultrafast broadband provision (minimum 100mb up to 1GB) for up to 3,000 businesses in the City Centre and the wider North Liverpool city fringe (enterprise zone) area.</p> <p>Additionally the City Council are seeking to optimise the deployment of wireless connectivity for a core zone (taking in the city centre but also the surrounding deprived neighbourhoods) covering a population of over 100,000 people, 30 million annual visitors (including 2 million staying visitors), 4800 businesses and over 130,000 jobs making available existing public assets to facilitate this.</p> <p>Liverpool City Council was unsuccessful in its bid for £9m of Urban Broadband Fund money.</p>
Social Infrastructure			
Education	<p>There are 123 infant/junior/primary schools and 12 special schools in Liverpool City Council's administrative area.</p> <p>Liverpool City Centre has 4 primary schools with over 700 pupils and they all have excellent or good Ofsted ratings.</p> <p>There is one secondary school in the City Centre; Archbishop Blanch C of E High School for Girls has over 900</p>	<p>In the secondary sector, since 2000, 5 schools have been re-built or refurbished under the PFI programme; since 2006 a further five have been rebuilt or refurbished through the Academies programme; and since 2008 the city's Wave 2 BSF</p>	<p>Following the loss of BSF funding, the Leader of Liverpool City Council has established a BSF Taskforce to identify a potential 'rescue package'.</p> <p>A new Liverpool schools building programme was highlighted as part of the City Deal with government and</p>

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
	<p>pupils and an excellent Ofsted rating.</p> <p>Liverpool has 3 universities, which are all located within the Knowledge Quarter.</p>	<p>programme has delivered another 8 school schemes. Three of the BSF schemes involved special schools.</p> <p>Primary schemes total around 6 new builds since 2006 and a broad range of condition-related investment in others.</p> <p>Nearly a dozen secondary schools remain in need of investment.</p> <p>The Knowledge Quarter generates £1 billion for Liverpool each year, or 5% of Liverpool's GVA and supports 14,000 jobs, around 7% of the City's total.</p>	<p>further announcements are anticipated in the near future.</p> <p>The University of Liverpool has identified a need to invest in its facilities, presenting a £600 million development programme, which includes a £250 million redevelopment of the University's student accommodation.</p> <p>LJMU is midway through the delivery of a £180 million masterplan to change and develop the 3 university campuses.</p>
Health	<p>Primary, secondary and tertiary healthcare is provided by the NHS.</p>	<p>LIFT has been used to redevelop a number of primary care services.</p> <p>The JSNA is guiding future direction and is helping to identify and deal with critical issues through a partnership approach and in a joined up way.</p> <p>Health facilities in the City Centre are adequate for current needs but will need to be expanded as the population increases, Currently 4 x GP surgeries/health centres and a drop in centre in the City Centre</p>	<p>The Royal Liverpool Hospital is set to be completely redeveloped as part of a PFI scheme.</p>
Emergency Services	<p>Ambulance, fire and rescue and police services are provided</p>	<p>NW Ambulance Service has invested £1.3 million in</p>	<p>No further gaps in provision identified.</p>

Infrastructure	Existing Provision	Quality of Existing Provision	Gaps in Provision
	by the respective emergency services agencies.	its estate.	
		In 2010, a new fire station was opened in Kensington.	
Communities	Library and information services are provided through the Central Library, 20 community libraries, a mobile service and a home delivery service.	The Central Library redevelopment is currently on-site and will deliver a £50 million PFI redevelopment upgrade of the library, including the rebuilding of the William Brown Library Extension and renovation of the historic fabric of the Picton Library, which is due for completion in 2013.	No further gaps in provision identified.
Sport and Leisure	There are a number of private gyms in Liverpool City Centre. However, there are no specific sports and leisure municipal facilities within the Liverpool SIF study area.	The private gyms within Liverpool City Centre include brand name, as well as independently owned gyms.	Discussions are underway with a private leisure provider to deliver a new 'extreme sports' centre on the waterfront.
Green Infrastructure	Green infrastructure provision is set out in the Liverpool Green Infrastructure study. The evidence base for this study includes the Liverpool Open Space study, the Sports and Recreation Strategy and the Liverpool Space for Nature study.	In the urban core, there are moderate to low levels of green infrastructure provision, most of which is private gardens, parklands and general amenity space.	The areas of Liverpool which are set to see the greatest levels of housing and economic growth, which includes the City Centre – are also those areas where green infrastructure is limited.
Cultural Infrastructure	There are 5 theatres, a concert hall and a number of smaller theatres and music venues in the City Centre in addition to the Echo Arena	The Everyman Theatre is being redeveloped but investment is needed in the Philharmonic Hall, Royal Court and Playhouse Theatres	Funding needs to be identified to invest in existing venues. Longer term there is scope for a new concert hall.

Summary

It is often the case that post-industrial cities find themselves with inadequate provision of infrastructure or infrastructure that is in decline and in need of immediate attention in order to address current demands. For example:

- Birmingham was dominated by its road network and could not progress until it addressed this infrastructure shortcoming;
- Manchester's street network was poor quality and virtually all of the public spaces were of poor quality. Until the construction of the Metrolink system its transport system was virtually non-existent;
- Sheffield is now regarded as an exemplar for public realm; however this was not the case fifteen years ago.

Liverpool does not fall into this category. The huge reduction in its population since its peak means that there is more than adequate capacity in the infrastructure (with some exceptions including Ultra-fast Broadband and green spaces) In general its physical infrastructure is in reasonable condition. Whilst improvement will be needed in some areas where long term change to The Strand, Dale Street, the Green infrastructure etc will pay long term benefits the greater urgency at this stage is to address the underlying problem of its struggling economic base.

The key requirement for the next ten years is to invest in the human capital of the city by measures which support the development of small-scale enterprises, encourage the reuse of the city's wealth of under-used buildings and develop a social infrastructure which supports local neighbourhood life. Much of the social provision for the city in its schools, hospitals, health, emergency services etc has been at large scale and by definition unable to be local to all parts of the city. In order to make the repopulation of the City Centre viable a finer-grain of social infrastructure is required with local, small scale provision.

For movement around and to and from Liverpool City Centre there is generally good provision of streets, spaces and routes. All of the city streets provide a very permeable and well connected city generally. However, whilst the quantity of provision is adequate and while improvements have been delivered over the last ten years to address the quality of parts of the public realm e.g. Hope Street, Duke Street, Lime Street Station frontage there is a sense that the city neighbourhoods need to be better connected.

The allocation of street space is dominated by provision for vehicles in preference to people on foot and cycling; the over-complex one-way vehicle routing is not conducive to producing a civil quality to the streets; the underground rail loop is limited by being single direction, and neither of the two bus stations is working well enough in supporting the city's economy.

The wider road system connects the city well to the wider area and beyond to National and International travel networks. Its road tunnels and ferry facilities provide varied and good facilities for crossing and enjoying the River Mersey.

Public Transport is providing for numbers at present but is not sufficiently directed at either the economic well-being of the city nor the well-being of those on lower incomes who are an essential ingredient of the city.

The reviews of infrastructure commissioned by the city indicate that there is generally adequate existing provision for power, gas and water supply and for waste removal. The review documents also indicate that there is potential to absorb and adapt to an increase in population and general demand. However, to determine whether the plans for growth that will be presented in the emerging SIF can be accommodated, further clarity is required on the detail of the emerging projects before a dialogue can be progressed with utilities providers, as in most instances they are unable to

deliver capacity based on speculative development.

The City Council has an aspiration to deliver superfast broadband in a co-ordinated programme. The emerging SIF must align with the strategy, so as to ensure maximum impact and benefit for the City Centre.

The Smart Cities project is an important initiative that will guide the future development of Liverpool and its City Centre. Whilst plans are currently in their infancy, the appetite exists to develop the strategy quickly and there are a number of key partners involved at this early stage. The DNO, Scottish Power is a willing partner and is keen to work with partners to develop the Smart Cities proposals, which is positive.

In respect of social infrastructure, the universities within the Knowledge Quarter have ambitious plans for development and a proven track record of success in leveraging funding and generating essential GVA and jobs for the local economy.

The areas of Liverpool which are set to see the greatest levels of housing and economic growth, which includes the City Centre – are also those areas where green infrastructure is limited. This must be considered in the emerging spatial plan for the SIF.

Key Issues

Following on from the assessment of existing infrastructure provision across the various infrastructure types, key issues relating to the implications of the quality of existing provision and gaps in provision must be considered in the emerging SIF. These include:

Supply and Demand: *do we have adequate provision and is it in a condition and management regime by which it is sustainable?*

This question applies in particular to Utilities and services such as energy, water and waste, as well as broadband. The Infrastructure Delivery Plan confirms that existing provision is adequate and that future development plans will be accommodated by utilities providers. Clarity on the potential areas of the City Centre that may require further attention will be achieved through the implementation of the SIF. The High-speed Broadband provision is worthy of further mention here in that it is a key requirement of the City's future aims.

How people and goods move around Liverpool City Centre. These are the transport, movement and public realm elements of the City's infrastructure and are particularly critical to the Social, Cultural and Economic functioning of the City. This infrastructure should provide the essential background quality to the City and as such the quality and nature of provision is extremely important, as well as the obvious question of addressing capacity and functionality.

An example of successful new infrastructure provision can be found in the work carried out on the Edge Lane entry to the City Centre. This is already having a marked impact on the perception of those entering the City on this route. However, there are significant shortcomings in the road routes to the North of the City Centre in particular.

High Speed 2 is currently a hot topic of debate and now part of Central Government policy. At present, the first phase of HS2 will stretch to

Birmingham by 2026. Phase two will stretch to Leeds and Manchester by 2033. Liverpool however is not currently set to be connected to the network. There are clearly implications for Liverpool both in absolute terms, whether or not Liverpool is to eventually be part of the HS2 network and in relative terms in relation to other cities such as Birmingham, Manchester and Leeds if they were to be included without Liverpool.

3 Suggested Areas of Focus for the Liverpool SIF

The development of the Liverpool SIF must consider the non-physical environmental aspects of the city and corresponding social infrastructure, as well as ensuring that the physical infrastructure is fit for purpose to support and act as a catalyst for future development. Liverpool must find a way to assert itself over the coming ten, twenty and thirty years in areas where it has fallen behind other UK Cities. For example it has not succeeded in attracting the level of commercial development of Manchester and Birmingham, it does not host a cultural festival of the international significance of Manchester or Edinburgh, it has higher worklessness, lower skill levels and a greater dependence on a diminishing public sector than all similar sized UK cities. Whilst it has a new and (so far) successful retail area and has invested in the Waterfront its City Centre is still underpopulated and other areas of the city are not coping well economically. Attempting to compete directly on the traditional areas of the economy may yield some success but the reality is that a bolder, alternative approach will be required in order to avoid this catch-up to become a long-term condition.

The focus now must be on a bottom-up revival of the city's social, cultural and economic well-being. Public funding is much more scarce and private sector funding is in shorter supply and still not fully re-structured; TIF will not work without private sector involvement and Asset Backed Vehicles require the assets to have significant value. So relying on major tranches of funding from elsewhere is not a viable future strategy. Investment of time and creative thinking is needed in order to take the existing physical environment (which is to be envied by many other cities) and inhabiting this with a community of small, successful, businesses and enterprises. To do this will require many small changes to reduce costs to occupants, to reduce liabilities, to relax and remove some regulation to imagine an environment in which small enterprise can flourish and in which individual families can flourish.

The objective of the Liverpool SIF is to produce an economic and spatial plan that will support the continued development of Liverpool City Centre over the next ten years. Ensuring that the right infrastructure is in place in the City Centre to support this development will play a critical role in shaping the plan – and the potential for critical infrastructure – both physical and social - to act as a catalyst to support growth must also be considered.

The IDP, visual appraisal of Liverpool City Centre and preparation of the infrastructure appraisal table in the previous section have all contributed to

this baseline paper and point towards a set of considerations that should inform the next stage of the preparation of the Liverpool SIF. This includes a set of recommendations in respect of the physical infrastructure within Liverpool City Centre, as well as the recognition of the role and function that social infrastructure can and should play in the development of the Liverpool SIF.

In order to allow Liverpool City Centre to develop its potential further the emerging Liverpool SIF should investigate the potential to go beyond making provision for maintaining existing infrastructure and whether it can either stimulate demand or provide for future capacity forecasts. The provision of super fast broadband is one example of this – installing a broadband architecture to rival competing cities will provide Liverpool City Centre with a competitive position that it can build upon to attract investment, support existing businesses and enhance services for the resident population.

This is not a time for the over-used, ‘early-wins’ mentality of the past two decades of regeneration. It is a time for bold aspiration and investment in human capital first with a bigger long-term plan. The next stage of the strategic process should be to plan for a qualitative step-change in places where this is required and where it will be most effective. These changes are not required to be in place immediately but since they are the kind of change that requires time, funding and commitment it is essential to make the plan now and to begin the process. These are major changes to the physical fabric of the city but importantly they all involve making more of existing fabric.

Liverpool City Centre has some very significant and historic physical infrastructure. However, it is clear, particularly from the visual appraisal element of this baseline work that much is either under-performing or under-used and much of this could yield more value with the right level of attention. The Strategic Investment Framework should therefore be cognisant of this and investigate ways that the physical infrastructure can be improved, modified, or interventions put in place to be able to ensure that the physical infrastructure of Liverpool City Centre is fit for purpose to support the delivery of the Liverpool SIF. Examples of opportunities for improvements or changes to physical infrastructure that may support or unlock future development include:

- **The Strand** – is a major City street with the potential to be a Great Street by international standards. It has the potential to connect and define the city centre and waterfront but it is currently treated as a problem and works carried out to date have largely been mitigating works. The opportunity to create a great world street should eventually be exploited in order to get the value out of the existing city centre and its expanding neighbourhoods on the waterfront.
- **The Docks and Waterfront** – is an exceptional man-made riverside of world quality and whilst some of the new development on the waterfront has been of appropriate scale and quality there is great potential for improvement. It is essential that this extraordinary asset is fully exploited and not treated merely as more development land.
- **The road tunnels** – these are a very valuable component of the city, bringing people in vehicles into the heart of the city. Very few cities have this capacity to bring vehicles into the City Centre in this way and it raises the question of whether these could be exploited further. Future development should explore the potential benefit of a tunnel connection direct to the water front.
- **The city’s street and squares network** – is one of its richest assets and recently the city has invested in parts of this with some significant success. However, it still does not read well as a coherent well-thought out city network. The one-way vehicle routes are disruptive, the generally vehicle dominant approach stifles good quality movement on foot and what should be great streets (like Dale Street and Victoria

Street) are disjointed and falling well short of their potential.

- **The city's Green Infrastructure** – the benefits of investment in the city's green spaces and in extending the amount of green spaces are well known. Liverpool should of course develop and maintain its current significant green spaces but it should also begin a strategy to make many, small impacts on the environment through use of local smaller scale spaces for growing food in the city on rooftops, derelict and unused spaces etc.
- **The flyover** – One major green intervention should be made at the top end of Dale Street in the form of the existing flyover. The flyover adds little to the city in its present use (for relatively low vehicle use) but could become a great part of the city's open space network for walking and cycling.
- **Bus provision** – in the City Centre and to and from the centre, bus provision is generally very good. Of the two City Centre bus stations, Paradise Street appears underused and Queen's Square is used to the extent that it is very damaging to the local environment and to the environment on local feeder streets. It means that those with the least income available for travel are forced into the worst environment in the City Centre. It emphasises their lack of access to other transport means rather than mitigating the difference. The City needs a bus operation which is perceived to be of the highest quality. There are examples where this has been achieved in other cities. In post-bomb Manchester the closure of the Arndale Bus Station was fundamental to transforming the quality of the environment in the retail centre and in making the bus operation more legible to user. The bus service in London is treated as transport for all by the Mayor and Transport for London and as such it is used by rich and poor alike and regarded nationally and internationally as good quality transport. It is significant that London continues to invest in the quality and perception of its bus service.

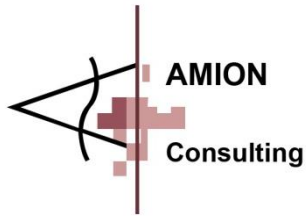
Social Infrastructure

Ensuring that the social infrastructure of Liverpool City Centre is considered in the emerging Liverpool SIF will also play an important role in preparing a robust economic and spatial plan for the city. There is an opportunity for social infrastructure to be considered as a way of supporting the ongoing development of Liverpool City Centre, to support the development of a finer grained population of the City Centre and to support the development of well functioning neighbourhoods. In St Louis in the USA the city has and is investing in its human capital rather than chasing the big deal with commerce and this is enriching the city socially, culturally and economically. By becoming more like itself (investing in its 'St Louisness') it is succeeding.

If we look at the first ten years of regeneration in Manchester what we see is a city that invested first in improving the cultural and social aspects of the city; it built an arena, a major music concert hall, a national cycling facility (now home to the world's best cycle team) and pointedly did not start by building commercial developments. At the same time the city addressed some of the worst deprivation in the city at Hulme and Moss Side. All of this with the aim of presenting a city that would attract inward investment in human capital first; the aim was to encourage people to invest their lives in the city and as this succeeded the problem of attracting financial investment was more straightforward to resolve. This is a different time and as noted earlier there is no sense once you are behind to continue to chase a disappearing target. But the need is still to invest in human capital and in Liverpool now this could include the following:

- **Schools** – there is an opportunity to encourage genuine family living in the under-populated City Centre and with this new educational provision may be required.
- **Health** – to support a growing City Centre population the health provision within the City Centre must be addressed. This could perhaps focus on the provision of health facilities within walkable reach of each neighbourhood.
- **Sports and Leisure** – making the city a more walkable and cycling friendly place would bring activity into people's everyday lives; events planned around the city's streets and public spaces, using these spaces for running, roller balding, cycling etc would reinforce the idea of Liverpool as a healthy city in which to live rather than one where visits to the gym are necessary in order to stay healthy.
- **Emergency Services** – if the above areas are addressed in this different way it will be possible to tailor emergency services to suit this changed scale of social provision.
- **Animating our Streets and Spaces** creating exciting and dynamic city centre streets and spaces, by working together with communities in each City Centre neighbourhood, including businesses, property owners, universities and residents to create a programme of activity. Such a programme can help to develop stronger communities, create a more attractive and cared for area, and provide experiences and memories for visitors. Examples could include growing projects, markets and fairs, performances etc.

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Drivers Jonas Deloitte

Liverpool City Centre - Economic Review

Report

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Reviewed and approved by:	
Signature(s):	
Name(s):	Graham Russell
Job Title(s):	Partner Director
Date:	March 2012

AMION Consulting is the trading name of AMION Consulting Limited
Registered Office: Langtons, The Plaza, 100 Old Hall Street, Liverpool L3 9QJ
Company No: 3909897
Tel: 0151 227 5563
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1 Introduction

1.1 Overview

This short report sets out an economic review of the Liverpool City Centre area, with a specific focus on key economic and labour market indicators. It forms part of the baseline documents prepared to inform the new Strategic Investment Framework (SIF) for the City Centre, which is being prepared by a team led by Drivers Jonas Deloitte (DJD).

The fragile global economic situation, in particular with the ongoing Eurozone debt crisis, means that there is significant uncertainty about the short-term economic outlook. However, the SIF is concerned to establish a long-term framework for growth and development in the City Centre. It will seek to build upon the much more robust base that now exists in the City Centre following the transformation of the retail offer, with Grosvenor's £1 billion investment in Liverpool One, the expansion and development of the commercial and knowledge quarters, and the substantial growth in residential accommodation.

The aims of this report are to

- review the performance of the City Centre since 2001 (where available) in terms of population, employment and unemployment compared with Liverpool overall and other areas; and
- identify the implications of these analyses for the City Centre and the SIF.

1.2 Structure of the report

The report continues in three sections as follows:

- *Section 2* – sets out the economic context in relation to the Liverpool City Centre by providing contextual information at the global, UK, Liverpool City Region (LCR) and Liverpool district performance;
- *Section 3* – provides an analysis of key City Centre indicators with regard to population, employment and unemployment; and
- *Section 4* – draws out the key points from the analysis as they related to the development of the Strategic Investment Framework.

2 Economic context

2.1 Introduction

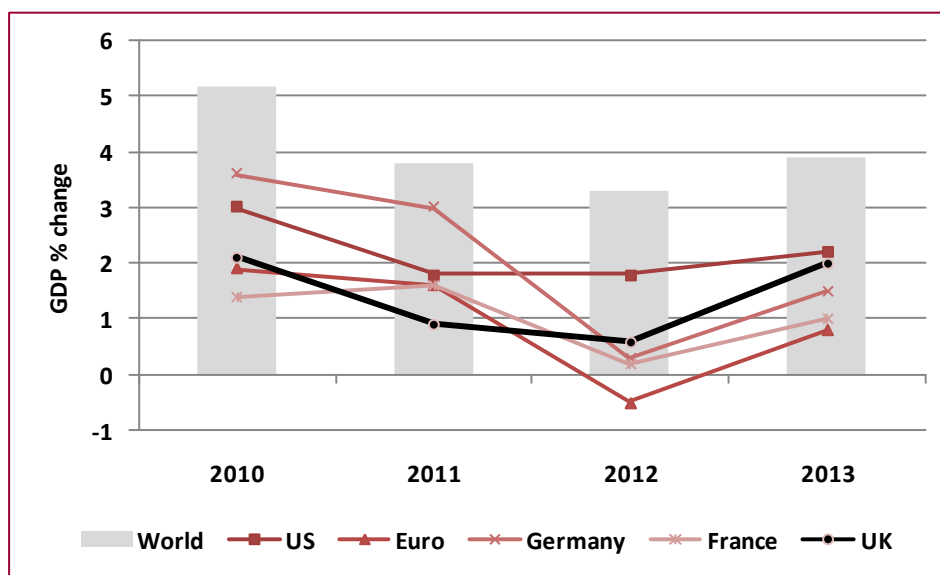
This section provides an overview of the economic context in terms of the global and UK economic conditions that influence Liverpool and the Liverpool City Centre area. A summary of the LCR and, in particular, Liverpool context is then provided.

2.2 Global economic conditions

The latest update of the IMF's World Economic Outlook (WEO), published in January 2012, identifies the main trends in the global economy and the underlying causes. The IMF sees the global recovery as being *'threatened by intensifying strains in the euro area and fragilities elsewhere'*.

In terms of global growth, the IMF predicts that the global economy will grow by 3.25% in 2012, a downward revision of 0.75% relative to the September 2011 WEO. According to the IMF, this is in large part due to the eurozone crisis dragging down the global recovery. The IMF considers that the eurozone is set for a 'mild recession' in 2012 as a result of the rise in sovereign yields, the effects of bank deleveraging on the real economy and impact of additional fiscal consolidation. Moreover, the eurozone's GDP is expected to shrink by 0.5%, compared with the previous forecast of 1.1% growth. The IMF has downgraded its growth forecasts for all major economies, with the UK's growth forecast scaled down for 2012 to 0.5% from 1.6% in the IMF's last forecast – matching those predictions made by the independent Office for Budget Responsibility (OBR). Figure 2.1 shows the expected percentage change in GDP over the 2010-2013 period.

Figure 2.1: GDP % change (2010-2013)

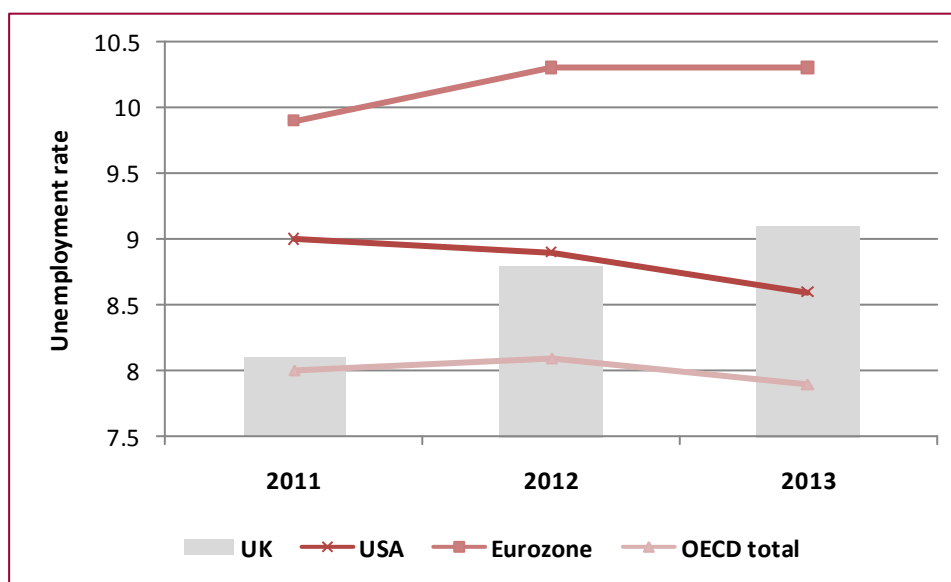


Source: IMF World Economic Outlook (January 2012)

The OECD Economic Outlook (November 2011) considers that the UK economy is weakening sharply as a result of reduced household and government spending, the weakening global economy, lower asset prices and continued uncertainty related to the eurozone debt crisis. The OECD forecast that continued government spending cuts will act as a drag on the economy over the coming years. However, OECD also argues that reduced inflation and gradually recovering export demand from 2012 is expected to support consumption and exports and assist an initially weak recovery. Furthermore, improved consumer confidence and real incomes in 2012 are expected to support consumption growth and in 2013 rising business confidence and increasing capacity utilisation will support business investment and speed up the recovery.

The OECD forecasts that unemployment will continue to increase in the UK as a result of reduced employment in the public sector and lower demand for labour in the private sector, resulting from flagging demand for goods and services. It is also forecast that the weakening of the economy will have a proportionally bigger impact on employment than in the recent recession as real wages and shorter working hours may adjust less. The OECD expect unemployment to increase through 2012 from its current rate of 8.1% and stabilise at about 9% in 2013

Figure 2.2: Forecast unemployment rates (as a percentage of the labour force)



Source: OECD Economic Outlook (November 2011)

Figure 2.2 shows that the UK's unemployment rate is expected to rise through until 2013, whereas the USA and the OECD are forecast to see a fall in unemployment. However, the unemployment rate in the UK is forecast to be below that of the eurozone.

The OECD's forecasts are based on a scenario in which disorderly sovereign defaults, systemic bank failures and excessive fiscal tightening are assumed to be avoided.

2.3 UK economic conditions

The OBR's November 2011 Economic and fiscal outlook states that the economy has grown less strongly throughout 2011 than was forecast at the start of the year. The OBR considers this to be as a result of higher-than-expected inflation putting pressure on household incomes and consumer spending. Having expanded by 0.9% during 2011, the OBR has issued a central forecast for the UK economy of 0.7% growth in GDP in 2012, 2.1% in 2013, 2.7% in 2014 and 3% in 2015 and 2016¹. However, the OBR acknowledges that there are significant downside risks to their central forecasts as a result of the euro zone crisis.

The OBR expects the recovery of the UK economy to be supported primarily by growth in business investment and net trade, although the forecasts for both have been revised down since March 2011.

The OBR acknowledges that although business investment growth has been volatile during 2011, it has, on balance, shown little growth in the year to the third quarter. Furthermore, the OBR recognises that the Confederation of British Industry's (CBI's) latest *Quarterly Industrial Trends Survey* suggests the investment that has taken place has been driven largely by companies undertaking capital replacement projects that were postponed during the recession. According the OBR, it is likely that some deferred projects can be restarted relatively easily and that a strong recovery in later years can be expected once the demand outlook stabilises and credit conditions have normalised.

In terms of net trade, the OBR points to recent data revisions that suggest exports have already increased more in response to the depreciation of sterling than previously thought, suggesting that there is less of a boost still to come. However, the Government has recently implemented a substantial package of export support initiatives designed to create the conditions for private sector growth.

Recent indicators have suggested that business and consumer confidence maybe improving, although the longer-term outlook is still uncertain. The CBI's monthly Distributive Trades survey for February found that only 2% more retailers reported a decline in sales volumes for the month than those reporting an increase – a significant improvement compared to the previous month's figure of 22% and the 10% forecast for February. Survey evidence from The Bank of England's November 2011 *Agents' Summary of Business Conditions* also indicates expected growth in private sector employment over 2012.

Against this backdrop of global and national economic uncertainty, the Government is implementing a deficit reduction programme in order to achieve a sustainable fiscal position. At the same time, economic growth is identified as a top priority, with the Government seeking to create the conditions for the private sector to grow and removing unnecessary barriers that can inhibit expansion. This presents a different and more challenging set of circumstances against which the City is seeking to drive forward growth.

¹OBR (2011) Economic and fiscal outlook, November 2011

2.4 Liverpool City Region context

The economic performance of Liverpool and the City Centre will be influenced by global and national trends. There is also a strong relationship with adjacent economic areas in the LCR, with Liverpool providing the central driver for growth. The future potential of the City Region's economy will therefore be closely linked to the performance of Liverpool and the City Centre.

The LCR comprises an economy of 1.5 million people and around 40,000 businesses, and is worth over £20 billion each year to the UK economy. It has a strong resource base including its universities, ports and Liverpool John Lennon Airport, as well as cultural, sporting, heritage, retail and natural environment assets. However, there is currently a shortage of aggregate demand within the City Region economy and the prospects for growth are uncertain given the wider UK and global context.

The recent economic performance of the LCR has been mixed:

- Gross Value Added (GVA) grew by 13.2% between 2004 and 2009, which was lower than the UK overall (17.4%) but higher than the rate of growth within Greater Manchester (10.9%). Moreover, the decline in GVA between 2008 and 2009 of 1.5% has been less severe than at the UK level (2.1%) and compared to many other comparator areas²;
- total GVA per employee in 2009 in the City Region was £37,400, below that of England (£46,844). In terms of change between 2004 and 2009, the area again grew at a lower rate (16.5%) than England (18.0%), although did not decline between 2008 and 2009, unlike at the national level which saw a reduction of 1.3%³;
- in 2011, there were 40,810 VAT and/or PAYE registered businesses in the LCR. Between 2008 and 2011, the business count in the City Region declined by 6.0%. The business density within the City Region, at 306 enterprises per 10,000 residents aged 16 or over, was substantially lower than the UK average of 455 per 10,000⁴;
- the employment rate in the LCR stood at 64.9% in 2010/11, compared to 66.6% in 2004/05. This represented a smaller decline than at the national level and the number of people in employment in the City Region between 2008/09 and 2010/11 remained virtually unchanged⁵;
- employment in the LCR remains much more significantly dependent on public sector activities than the national average. The City Region has a smaller percentage of employment in manufacturing than the UK average and also has lower employment levels in activities related to ICT, finance and science / technology⁶;

² Source: ONS NUTS3 Regional GVA 1997-2009 (LCR estimates exclude Halton)

³ Source: ONS NUTS3 Regional GVA 1997-2009 (LCR estimates exclude Halton) and annual business inquiry

⁴ Source: Liverpool economic briefing February 2012

⁵ Source: annual population survey, Nomis

⁶ Source: Source: Business Register and Employment Survey, Nomis

- the City Region's visitor economy continues to be an important sector. In 2009, it is estimated to have supported around 41,000 jobs and generated an annual visitor spend of approximately £2.8 billion. This accounted for 26% of all visitors to the North West and 20% of spend⁷;
- unemployment continues to be relatively high, with the claimant rate in January 2012 standing at 5.9%, compared to a UK average of 4.1%. The rise in unemployment over the last year has though been lower in the LCR than in many other comparator areas, partly due to increased part-time working and self-employment⁸; and
- the percentage of working age residents with NVQ level 4 or above within the LCR is, at 24.0%, below the UK average of 31.2%. However, the City Region has seen an improvement in educational attainment and skills levels, with the proportion of those qualified to NVQ Level 4 or above having increased from 21.1% in 2006⁹.

Fundamentally, despite some recent improvements, the LCR is still operating at below capacity with a significant underutilisation of resources. Expanding demand will be essential if sustainable economic growth and full employment is to be achieved. There are also supply-side constraints – the resources that are available within the LCR continue to exhibit weaknesses and gaps in, for example, skills, entrepreneurship and infrastructure.

2.5 Liverpool economic and business context

The Liverpool economic and business context has been assessed with comparison to the Core Cities, and includes an analysis of Gross Value Added (GVA)¹⁰, GVA per worker, business startup rate, employment, and ILO defined unemployment.

2.5.1 GVA and productivity

Liverpool's GVA was worth £8,767m in 2009 and the city generates 0.7% of the UK GVA and almost 45% of Merseyside's GVA. Table 2.1 shows Liverpool's GVA over the 1997 to 2009 period, and compares this to the Core Cities, Merseyside and UK totals. The NUTS Level 3 areas within Merseyside are also included for comparison.

Table 2.1 shows that Liverpool has performed relatively well in terms of GVA over the period 1997-2009. During the 2008-2009 period, Liverpool demonstrated a lower decline in GVA than any other comparator area, including the UK and the Core Cities average. This may be due to the number of developments and projects completed in 2008, together with the increase in economic activity as a result of Liverpool 08. However, as discussed in Section 2.6.3, Liverpool has a relative high proportion of public sector workers – this may have helped to limit the city's GVA decline.

⁷ Source: STEAM 2009

⁸ Source: claimant count, Nomis

⁹ Source: annual population survey, Nomis

¹⁰ GVA provides a measure of the wealth being generated in a given location and is the most widely used indicator of local economic growth

Table 2.1: Gross Value Added (GVA £m) 1997-2009								
	1997	2005	2007	2008	2009	Change (1997- 2009)	Change (2005- 2009)	Change (2008- 2009)
Liverpool	5,144	7,680	8,566	8,803	8,767	70.4%	14.2%	-0.4%
Halton & Warrington	4,468	6,500	7,228	7,317	7,071	58.3%	8.8%	-3.4%
East Merseyside	2,486	3,909	4,379	4,467	4,370	75.8%	11.8%	-2.2%
Wirral	2,469	3,131	3,393	3,410	3,312	34.1%	5.8%	-2.9%
Sefton	2,326	3,143	3,265	3,272	3,196	37.4%	1.7%	-2.3%
Gtr Manchester South	18,476	28,349	31,008	31,515	30,896	67.2%	9.0%	-2.0%
Birmingham	12,570	18,050	19,654	19,960	19,622	56.1%	8.7%	-1.7%
Leeds	10,764	16,294	17,978	18,302	17,858	65.9%	9.6%	-2.4%
Tyneside	8,615	13,410	14,729	14,891	14,594	69.4%	8.8%	-2.0%
Bristol	6,919	9,635	10,738	11,025	10,921	57.8%	13.3%	-0.9%
Sheffield	5,934	8,557	9,519	9,723	9,578	61.4%	11.9%	-1.5%
Liverpool	5,144	7,680	8,566	8,803	8,767	70.4%	14.2%	-0.4%
Nottingham	4,767	6,917	7,460	7,650	7,603	59.5%	9.9%	-0.6%
Core Cities average	9,149	13,612	14,957	15,234	14,980	63.7%	10.0%	-1.7%
Merseyside Total	12,425	17,863	19,603	19,952	19,645	58.1%	10.0%	-1.5%
UK	739,442	1,116,882	1,252,602	1,283,884	1,256,932	70.0%	12.5%	-2.1%

Source: Liverpool City Council

In both the 2005-2009 (14.2%) and 1997-2009 (70.4%) periods, Liverpool's GVA grew by a higher rate than the UK and all of the Core Cities. Only East Merseyside (75.8%) achieved a higher GVA growth rate than Liverpool over the 1997-2009 period.

In terms of productivity, Table 2.2 compares Liverpool's GVA per worker with the Core Cities, Merseyside and the UK.

Table 2.2: Gross Value Added (GVA £) per worker 1998-2009								
	1998	2005	2007	2008	2009	Change (1998- 2009)	Change (2005- 2009)	Change (2008- 2009)
Halton & Warrington	30,345	39,370	43,095	43,593	42,127	38.8%	7.0%	-3.4%
Liverpool	26,823	33,774	37,559	38,496	38,338	42.9%	13.5%	-0.4%
East Merseyside	27,456	34,215	36,728	37,879	37,056	35.0%	8.3%	-2.2%
Sefton	26,159	30,954	34,293	36,084	35,246	34.7%	13.9%	-2.3%
Wirral	25,007	31,965	34,848	35,451	34,433	37.7%	7.7%	-2.9%
Bristol	32,496	41,375	46,069	46,976	46,533	43.2%	12.5%	-0.9%
Leeds	31,223	39,451	43,982	43,787	42,725	36.8%	8.3%	-2.4%
Gtr Manchester South	29,777	38,434	42,296	42,296	41,465	39.3%	7.9%	-2.0%
Nottingham	26,484	36,793	40,646	41,468	41,213	55.6%	12.0%	-0.6%
Birmingham	28,069	35,801	40,277	40,553	39,867	42.0%	11.4%	-1.7%
Liverpool	26,823	33,774	37,559	38,496	38,338	42.9%	13.5%	-0.4%
Sheffield	27,576	33,540	37,879	38,755	38,177	38.4%	13.8%	-1.5%
Tyneside	26,821	32,869	38,353	38,361	37,596	40.2%	14.4%	-2.0%
Core Cities Average	28,659	36,504	40,801	41,337	40,739	42.2%	11.6%	-1.4%
Merseyside	26,400	33,006	36,311	37,400	36,825	39.5%	11.6%	-1.5%
England	30,934	40,691	45,366	46,239	45,517	47.1%	11.9%	-1.6%

Source: Liverpool City Council

As of 2009, Liverpool's GVA per worker (£38,338) is relatively low compared to the England average (£45,517) and the Core Cities average (£40,739), although slightly above the City Region figure of £37,400 (see Section 2.4 above). Liverpool's GVA is the second highest within the LCR after Halton and Warrington.

However, over the 2008-2009 period, Liverpool's -0.4% decline in GVA per worker was significantly lower than the decrease in all City Region and Core City comparators, as well as the UK decline.

In terms of the 2005 to 2009 period, Liverpool achieved a growth in GVA per worker of 13.5%. While this was higher than the England average (11.9%) and the Core Cities average (11.6%), Tyneside (14.4%), Sheffield (13.8%) and the local authority of Sefton (13.9%) outperformed Liverpool in this respect.

Between 1998 and 2009, Liverpool's GVA per worker grew by 42.9% - above the Core Cities average of 42.2% but below the England average of 47.1%.

2.5.2 Business startup rate

There were 1,290 business starts in Liverpool in 2010, accounting for 0.6% of the Great Britain total (230,555).

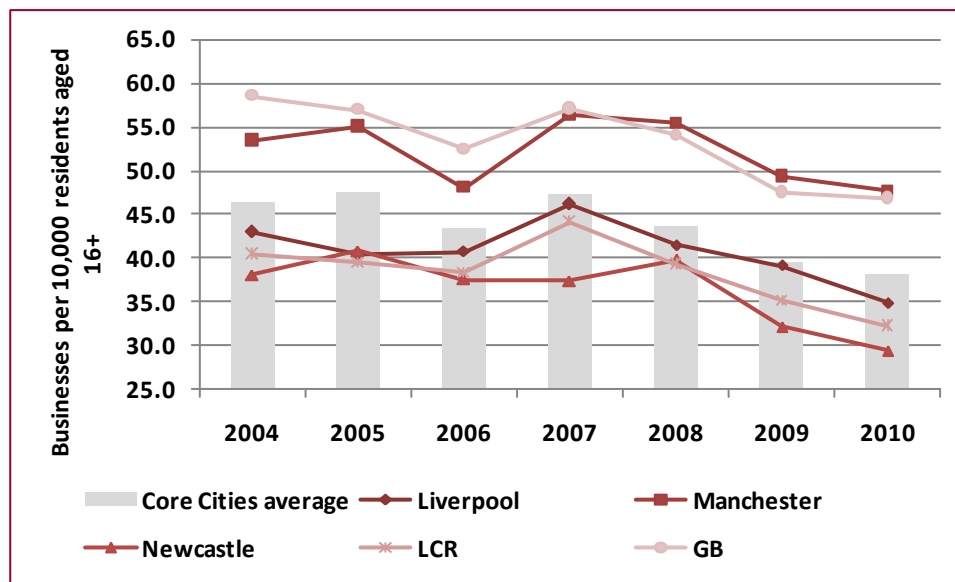
Table 2.3 shows that Liverpool's business startup rate in 2010 was 34.8 (per 10,000 residents aged 16+). Whilst this is the highest in the City Region, it is considerably below the GB average of 46.8 and slightly below the Core Cities average of 38.1.

Table 2.3: Business Startup Rate (Businesses per 10,000 residents aged 16+) 2004-2010									
	2004	2005	2006	2007	2008	2009	2010	Change (2004-2010)	Change (2009-2010)
Liverpool	42.9	40.4	40.7	46.1	41.5	39.1	34.8	-18.9%	-11.0%
Sefton	43.3	42.3	39.2	45.4	39.7	34.4	33.7	-22.2%	-2.0%
Wirral	46.2	41.0	38.7	47.1	39.5	35.1	32.6	-29.4%	-7.1%
Halton	38.5	42.7	40.5	47.2	44.0	39.1	32.1	-16.6%	-17.9%
St Helens	32.5	36.3	35.9	42.1	34.9	30.9	28.7	-11.7%	-7.1%
Knowsley	26.3	28.3	29.5	29.4	32.6	26.3	25.1	-4.6%	-4.6%
Manchester	53.4	55.0	48.0	56.4	55.4	49.3	47.6	-10.9%	-3.4%
Bristol	52.2	52.3	50.9	55.7	51.0	44.3	46.8	-10.3%	5.6%
Leeds	47.8	48.0	43.6	46.9	42.8	38.2	42.6	-10.9%	11.5%
Birmingham	48.4	50.2	44.7	49.9	45.3	46.0	41.0	-15.3%	-10.9%
Liverpool	42.9	40.4	40.7	46.1	41.5	39.1	34.8	-18.9%	-11.0%
Nottingham	42.0	47.2	40.7	41.7	37.0	34.0	31.4	-25.2%	-7.6%
Sheffield	45.6	45.2	40.6	44.4	35.7	32.2	31.2	-31.6%	-3.1%
Newcastle	38.0	40.8	37.5	37.4	39.8	32.1	29.4	-22.6%	-8.4%
Core Cities average	46.3	47.4	43.3	47.3	43.6	39.4	38.1	-17.7%	-3.3%
LCR	40.4	39.4	38.3	44.1	39.3	35.1	32.2	-20.3%	-8.3%
GB	58.5	56.9	52.4	57.1	54.0	47.5	46.8	-20.0%	-1.5%

Source: Liverpool City Council

Figure 2.3 shows that over the 2004 to 2010 period, Liverpool's business startup rate has been consistently below that of the Core Cities average, Manchester and Great Britain as a whole. However, Liverpool has consistently achieved a higher business startup rate than the LCR over the same period.

Figure 2.3: Business startup rate 2004-2010



Source: Liverpool City Council

With the exception of Leeds and Bristol (both increasing their business start up rate by 11.5% and 5.8% respectively), Liverpool and all other comparator areas experienced a decline in business startup rate over the 2009 to 2010 period. However, Liverpool's decline of -10.8% was the second largest drop among all comparator areas after Birmingham (-10.9%) and the local authority of Halton (-17.9%).

During 2010, Liverpool would have needed to create:

- 121 more businesses to match the Core Cities startup rate (a 9.1% increase);
- 474 more businesses to match the Manchester startup rate (a 36.7% increase); and
- 443 more businesses to match the GB startup rate (a 34.4% increase).

2.5.3 Employment

In 2010, the number of employees in Liverpool was 220,659. The overall level of employment, including self employed, stood at 230,589, a 1.8% decrease on the previous year. This percentage jobs decline was the third highest among the Core Cities and is significantly higher than the GB average (-0.6%) and the LCR average (-1.2%). However, when considering the 2008 to 2009 period, Liverpool's rate of job loss stood at 1.3%. Although this was the fifth highest among the Core Cities, it was lower than the LCR average (-1.7%), the Core Cities average (-3.4%) and GB (-2.3%). This may suggest that the full impact of the recession on jobs in Liverpool may have been delayed, compared with other areas.

Public sector jobs

Table 2.4 focuses on the change in public sector jobs over the 2008-2010 period. The number of public sector jobs in Liverpool increased by 3.9% between 2008 and 2010, a smaller increase than the Core Cities average (9.7%) and GB as a whole (9.4%).

However, between 2009 and 2010, Liverpool experienced a -2.9% drop in the number of public sector jobs, the only one of the comparator areas to do so. Over the same period, public sector employment increased by an average of 4.6% across the Core Cities, and by 4% across GB.

Table 2.4: Public sector jobs 2008-2010										
	2008		2009		2010		Change 2008-10		Change 2009-10	
	Count (000s)	% of total	Count (000s)	% of total	Count (000s)	% of total	No. (000s)	%	No.	%
Liverpool	63.4	27.7%	67.9	30.1%	65.9	29.9%	2.5	3.9%	-2.0	-2.9%
Sefton	26.3	29.0%	28.3	31.1%	29.2	32.3%	2.9	11.0%	0.9	3.2%
Wirral	27.3	28.4%	27.1	28.7%	27.4	29.5%	0.1	0.4%	0.3	1.1%
Knowsley	15.6	27.6%	14.1	25.7%	14.6	26.7%	-1.0	-6.4%	0.5	3.5%
St Helens	11.5	18.7%	12.5	21.0%	13.4	22.8%	1.9	16.5%	0.9	7.2%
Halton	8.0	15.4%	8.1	16.1%	9.3	18.1%	1.3	16.3%	1.2	14.8%
Birmingham	124.6	25.3%	123.9	27.4%	132.2	29.0%	7.6	6.1%	8.3	6.7%
Leeds	82.0	19.6%	89.2	22.7%	92.9	23.9%	10.9	13.3%	3.7	4.1%
Manchester	66.4	21.6%	74.6	24.5%	74.8	25.0%	8.4	12.7%	0.2	0.3%
Liverpool	63.4	27.7%	67.9	30.1%	65.9	29.9%	2.5	3.9%	-2.0	-2.9%
Bristol	46.4	19.8%	57.4	24.6%	62.9	26.6%	16.5	35.6%	5.5	9.6%
Sheffield	61.4	24.5%	58.3	23.9%	59.9	25.2%	-1.5	-2.4%	1.6	2.7%
Newcastle	53.6	29.8%	51.6	30.5%	56.6	33.5%	3.0	5.6%	5.0	9.7%
Nottingham	49.2	26.7%	50.5	26.8%	54.7	29.8%	5.5	11.2%	4.2	8.3%
Core Cities average	547.0	23.8%	573.4	26.0%	599.9	27.4%	52.9	9.7%	26.5	4.6%
LCR	152.1	26.0%	158.0	27.4%	159.8	28.1%	7.7	5.1%	1.8	1.1%
GB	5,404.6	20.0%	5,683.1	21.7%	5,911.4	22.7%	506.8	9.4%	228.3	4.0%

Source: Liverpool City Council

Liverpool has traditionally had a relatively high proportion of jobs in the public sector. In 2010, 29.9% of all jobs were in the public sector, lower only than Newcastle (33.5%) and Sefton (32.3%).

Employment sectors

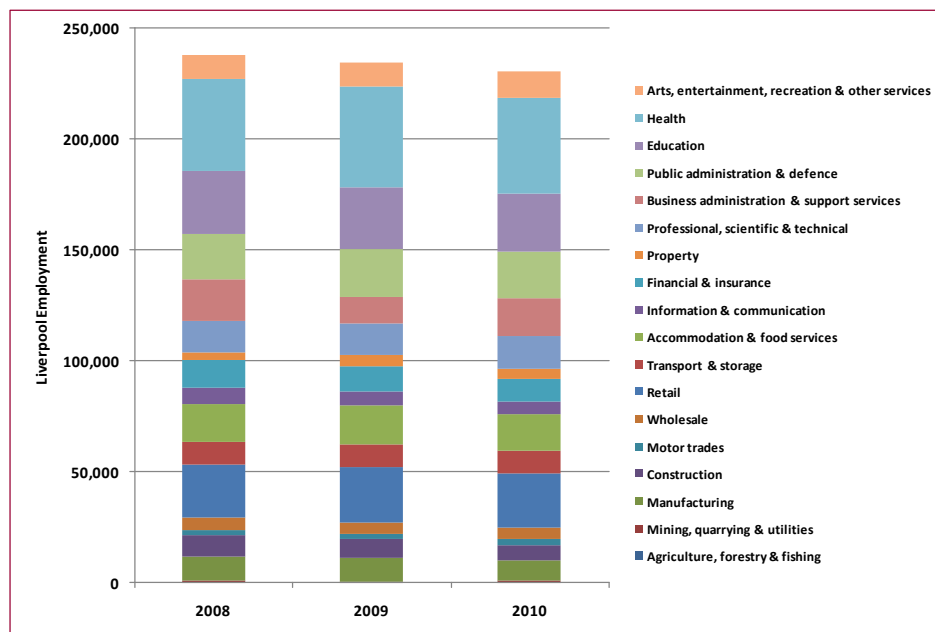
Table 2.5 compares the sectoral breakdown of employees in Liverpool to that of the LCR, the Core Cities average and GB as a whole. It is evident that Liverpool's largest sectors are public sector focused, although the retail sector also makes a substantial contribution to overall employment.

Table 2.5: Percentage share of employees by broad sector (2010)				
	Liverpool	LCR	Core Cities average	GB
Health	19.5%	18.3%	14.9%	13.3%
Education	11.6%	10.3%	11.0%	9.6%
Retail	10.5%	11.0%	9.0%	10.3%
Public administration & defence	9.7%	8.5%	7.7%	5.8%
Business administration & support services	7.4%	7.2%	9.3%	8.0%
Accommodation & food services	7.1%	6.7%	5.9%	6.7%
Professional, scientific & technical	6.0%	5.4%	7.3%	6.9%
Arts, entertainment, recreation & other services	5.1%	4.8%	4.4%	4.6%
Financial & insurance	4.6%	3.1%	5.9%	3.9%
Transport & storage (inc postal)	4.5%	4.8%	4.4%	4.6%
Manufacturing	3.8%	7.8%	6.5%	8.8%
Construction	2.7%	3.8%	3.3%	4.4%
Information & communication	2.5%	2.1%	3.2%	3.7%
Wholesale	2.3%	2.8%	3.7%	4.1%
Property	1.3%	1.1%	1.4%	1.4%
Motor trades	1.0%	1.4%	1.3%	1.8%
Mining, quarrying & utilities	0.5%	0.9%	0.7%	1.3%
Agriculture, forestry & fishing	0.0%	0.0%	0.0%	0.8%

Source: Liverpool City Council

Figure 2.4 shows the change in sectoral breakdown of employment within Liverpool over the period 2008 to 2010.

Figure 2.4: Sectoral breakdown of employment in Liverpool (2008-2010)



Source: ONS Business Register and Employment Survey

The data in Figure 2.4 is also presented in Table 2.6.

Table 2.6: Sectoral breakdown of employment in Liverpool (2008-2010)					
	2008	2009	2010	Change (2008-2010)	Change (2009-2010)
Agriculture, forestry & fishing	27	7	31	14.8%	342.9%
Mining, quarrying & utilities	1,364	826	1,208	-11.4%	46.2%
Manufacturing	10,343	10,442	8,738	-15.5%	-16.3%
Construction	9,780	8,759	7,309	-25.3%	-16.6%
Motor trades	2,473	2,400	2,369	-4.2%	-1.3%
Wholesale	5,623	4,927	5,364	-4.6%	8.9%
Retail	23,660	25,009	24,368	3.0%	-2.6%
Transport & storage	10,623	9,980	10,350	-2.6%	3.7%
Accommodation & food services	17,055	17,784	16,309	-4.4%	-8.3%
Information & communication	6,933	5,955	5,876	-15.2%	-1.3%
Financial & insurance	12,786	11,789	10,374	-18.9%	-12.0%
Property	3,572	4,783	4,041	13.1%	-15.5%
Professional, scientific & technical	14,125	14,291	15,150	7.3%	6.0%
Business administration & support services	18,379	12,205	16,791	-8.6%	37.6%
Public administration & defence	20,718	21,524	21,338	3.0%	-0.9%
Education	28,436	27,940	25,737	-9.5%	-7.9%
Health	41,307	45,058	43,488	5.3%	-3.5%
Arts, entertainment, recreation & other services	10,728	11,051	11,749	9.5%	6.3%
Total employment	237,934	234,731	230,589		

Source: ONS Business Register and Employment Survey

Table 2.7 highlights the broad sectors which saw particular losses and gains between the 2009-2010 period.

Table 2.7: Broad sectors experiencing particularly high losses and gains (2009-2010)					
Broad sector	Number of jobs lost	% decline	Broad sector	Number of jobs gained	% increase
Losses			Gains		
Construction	1,450	16.6	Mining, quarrying & utilities	382	46.2
Manufacturing	1,704	16.3	Business administration & support services	4,586	37.6
Property	742	15.5	Wholesale	437	8.9
Financial and insurance	1,415	12.0	Arts, entertainment, recreation & other services	698	6.3
Accommodation and food services	1,475	8.3	Professional, scientific & technical	859	6.0

Source: ONS Business Register and Employment Survey

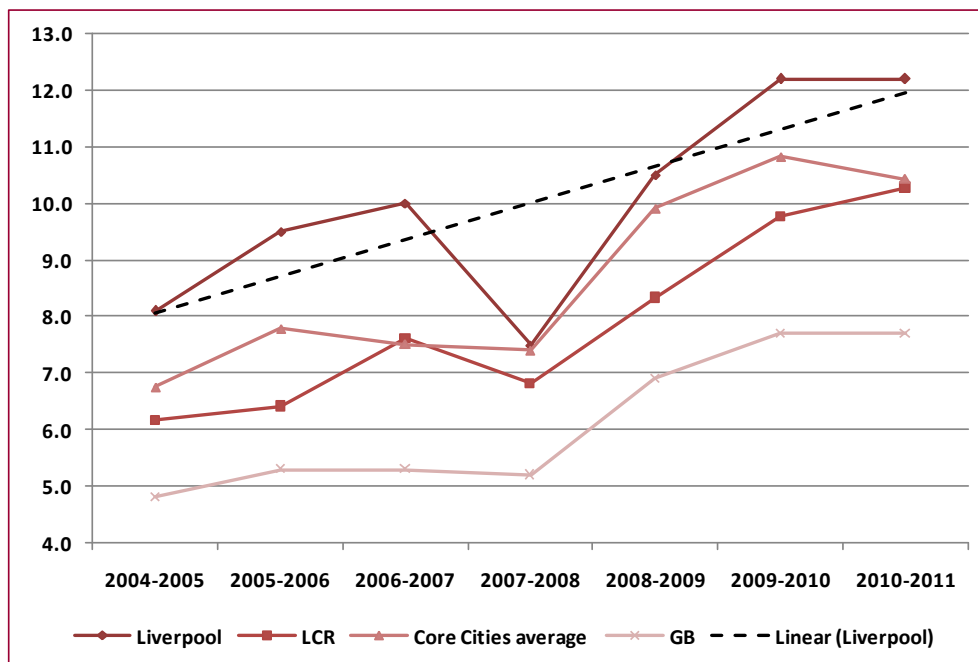
2.5.4 ILO defined unemployment

The definition of unemployment is internationally agreed and recommended by the International Labour Organisation (ILO) - an agency of the United Nations. Unemployed people are:

- without a job, want a job, have actively sought work in the last 4 weeks and are available to start work in the next 2 weeks; or
- out of work, have found a job and are waiting to start it in the next 2 weeks.

Figure 2.5 shows the ILO defined unemployment rate for Liverpool over the period 2004-2005 to 2010-2011, and includes a comparison with the LCR and Core Cities averages and the overall GB unemployment rate.

Figure 2.5: Liverpool ILO defined unemployment rate (2004-2005 to 2010-2011)



Source: ONS model-based estimates of unemployment¹¹

Liverpool and comparator areas follow a similar trend of increasing unemployment between 2004-2005 and 2010-2011, despite a significant fall in unemployment during 2007-2008. However, Liverpool's unemployment rate has consistently been higher than the LCR and Core Cities averages and GB as a whole.

2.5.5 Deprivation

Parts of Liverpool continue to suffer from high levels of deprivation, as measured through the Index of Multiple Deprivation 2010. Around 51% of the LSOAs in Liverpool are in the 10% most

¹¹ Model-based unemployment counts and rates are subject to sampling variability

deprived LSOAs in the country. Moreover, 14% of the city's LSOAs are within the worst 1%. In terms of the average deprivation score, Liverpool is ranked as the most deprived of England's 326 local authority areas.

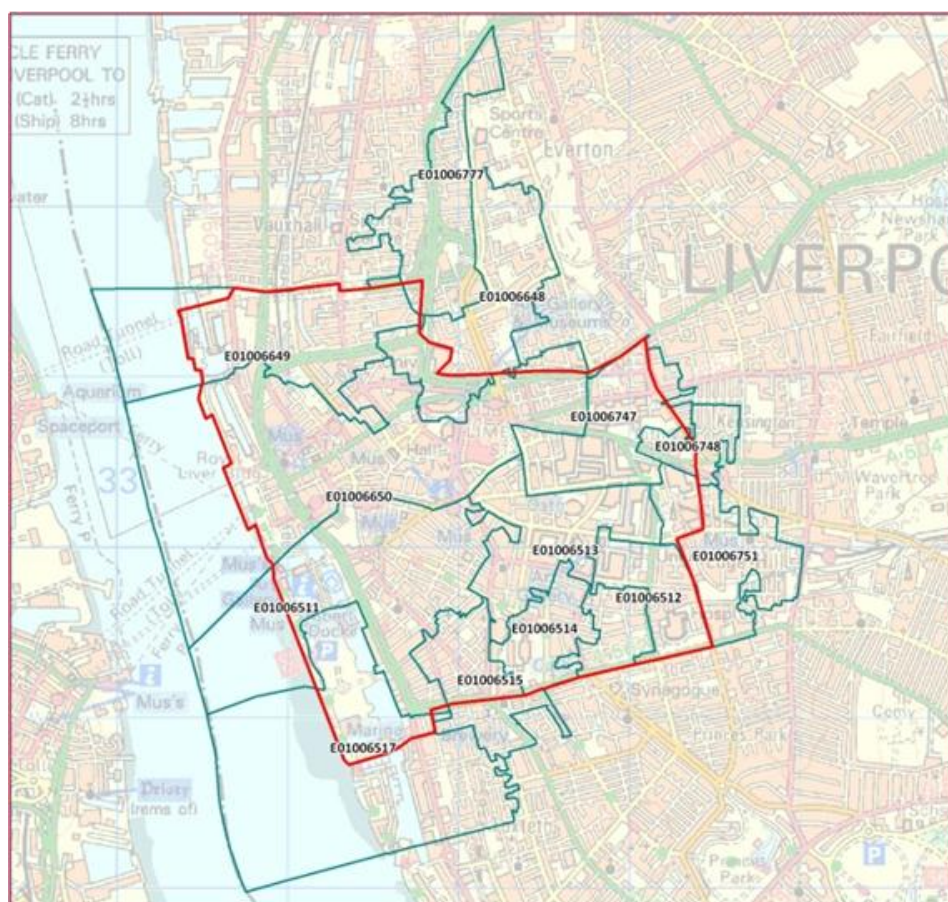
Particular high levels of deprivation are recorded around the edge of Liverpool and to the north of the City Centre, as well as in South Liverpool.

3 Liverpool City Centre

3.1 Introduction

This section of the report presents a review of Liverpool City Centre in terms of its performance against a number of key indicators, namely population, employment and unemployment. Data has been analysed for the Lower Super Output Areas (LSOAs) that cover the Liverpool City Centre area (see Figure 3.1).

Figure 3.1: Liverpool City Centre LSOAs

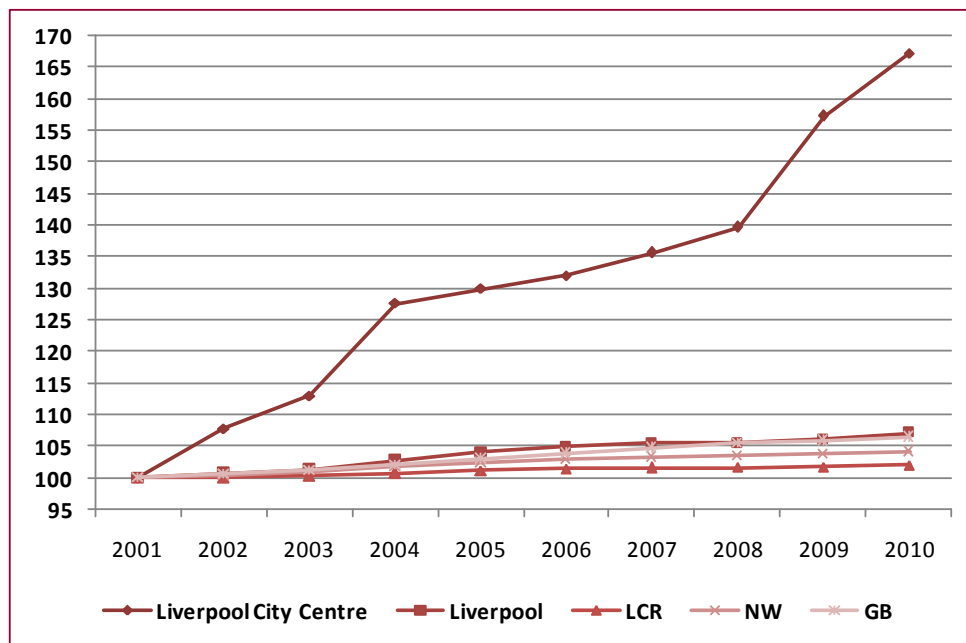


3.2 Population

It is estimated that, as of March 2010, the total number of residents in Liverpool City Centre stood at 23,349¹². Based on LSOA mid-year population estimates, some 86% of these are of working age. As shown in Figure 3.2, there has been a substantial increase in the working age population of the City Centre relative to Liverpool as a whole.

¹² Source: City Residential

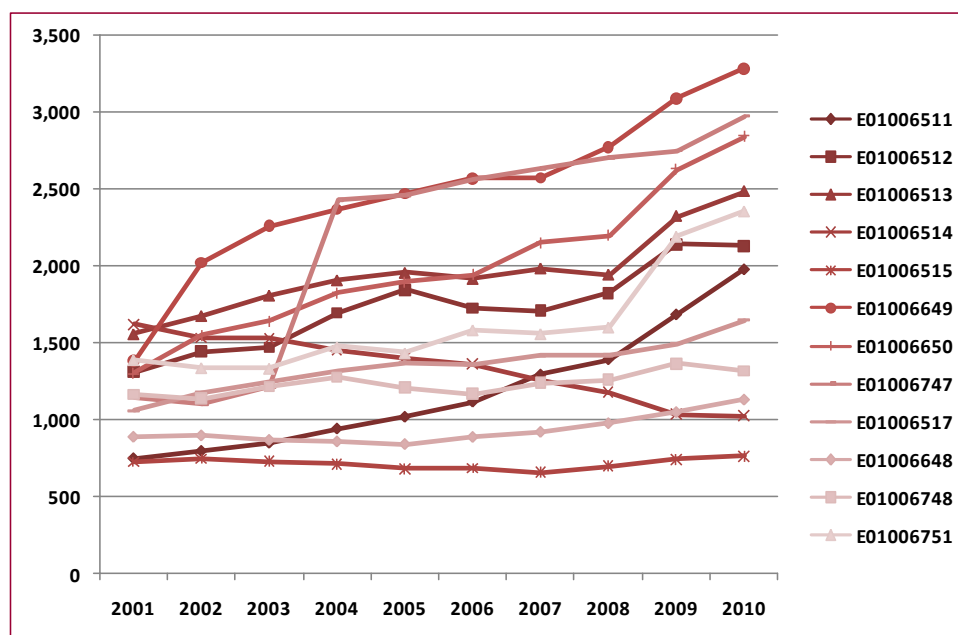
Figure 3.2: Indexed working age population (2001 = 100)



Source: ONS LSOA population estimates and mid-year population estimates

Figure 3.3 shows the change in working age population for each of the LSOAs within the City Centre area. The working age population has risen dramatically across a number of the SOAs, with major growth observed in the core of the City Centre.

Figure 3.3: Working age population (City Centre LSOAs)



Source: ONS LSOA population estimates

3.3 Employees and employment profile

3.3.1 Employees

In 2010, the total number of employees in Liverpool City Centre stood at 98,568. This represented 44.7% of employees in Liverpool as a whole. Between 2009 and 2010, there was a relatively significant fall in the number of employees within the City Centre. However, as shown in Figure 3.4, employment growth between 2003 and 2010 has still been more positive at the City Centre level than in the wider City Region and North West.

Figure 3.4: Indexed change in employees (2003-2010) (2003 = 100)



Source: ONS Annual Business Inquiry (2003-2007) / ONS Business Register and Employment Survey (2008-2010)

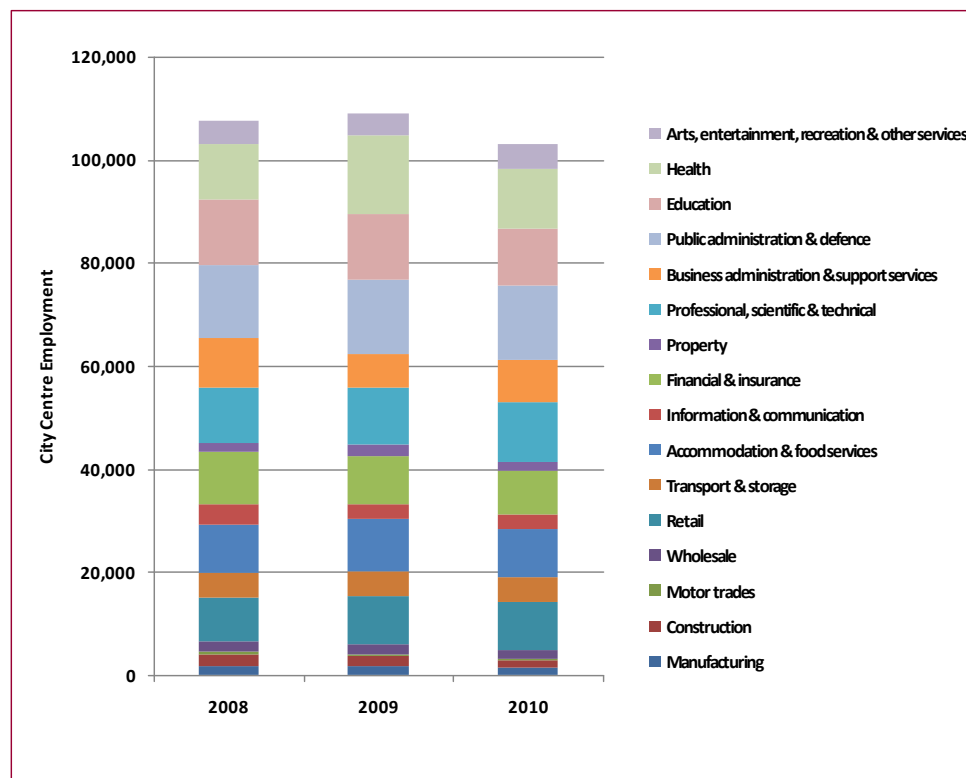
3.3.2 Employment profile

Figure 3.5 shows the sectoral breakdown of employment within Liverpool City Centre over the period 2008 to 2010. In 2010, the largest employment sectors within Liverpool City Centre were:

- public administration and defence (14.1%);
- health (11.2%);
- professional scientific and technical (11.1%);
- education (10.8%);
- retail (9.1%); and
- accommodation and food services (9.1%).

Over the 2008-2010 period, employment levels within the retail, health and professional, scientific and technical sectors have increased by 10.1%, 7.0% and 6.4% respectively. This contrasts with a decline in employment within the majority of other sectors over the same period. Reductions in employment levels were particularly acute within the financial/insurance (-19.1%) and business administration/support sectors (-13.7%).

Figure 3.5: Sectoral breakdown of employment in Liverpool City Centre



Source: ONS Business Register and Employment Survey

Public sector employment in the City Centre, as represented by the public administration and defence, education and health sectors, fell by 1.5% between 2008 and 2010. However, as total employment fell by a greater amount, the share of employment attributable to the public sector rose from 35.0% to 36.1% over this period.

The City Centre represents the key area of employment for a number of sectors in Liverpool. For example, in 2010, 79.9% of employment in the financial and insurance sector in Liverpool was located within the City Centre. Another key sector in terms of employment is the professional, scientific and technical sector, where 75.7% of employment in Liverpool was within the City Centre in 2010.

Sectors where the share of employment located in the City Centre is relatively small include manufacturing (16.0%), motor trades (16.3%), construction (20.0%), health (26.5%) and wholesale (28.5%).

The data in Figure 3.5 is also presented in Table 3.1.

Table 3.1: Percentage share of employment by broad sector within the LCR (2008-2010)

	2008	2009	2010	Change (2008-2010)
Manufacturing	1,678	1,774	1,398	-16.7%
Construction	2,262	1,866	1,459	-35.5%
Motor trades	483	363	386	-20.1%
Wholesale	2,131	1,802	1,528	-28.3%
Retail	8,553	9,412	9,420	10.1%
Transport & storage	4,819	4,809	4,791	-0.6%
Accommodation & food services	9,359	10,128	9,420	0.7%
Information & communication	3,696	2,895	2,863	-22.5%
Financial & insurance	10,240	9,356	8,289	-19.1%
Property	1,777	2,303	1,775	-0.1%
Professional, scientific & technical	10,782	10,912	11,468	6.4%
Business administration & support services	9,537	6,564	8,230	-13.7%
Public administration & defence	14,347	14,589	14,546	1.4%
Education	12,627	12,654	11,093	-12.1%
Health	10,788	15,272	11,540	7.0%
Arts, entertainment, recreation & other services	4,599	4,266	4,704	2.3%

Source: ONS Business Register and Employment Survey

3.4 Unemployment and worklessness

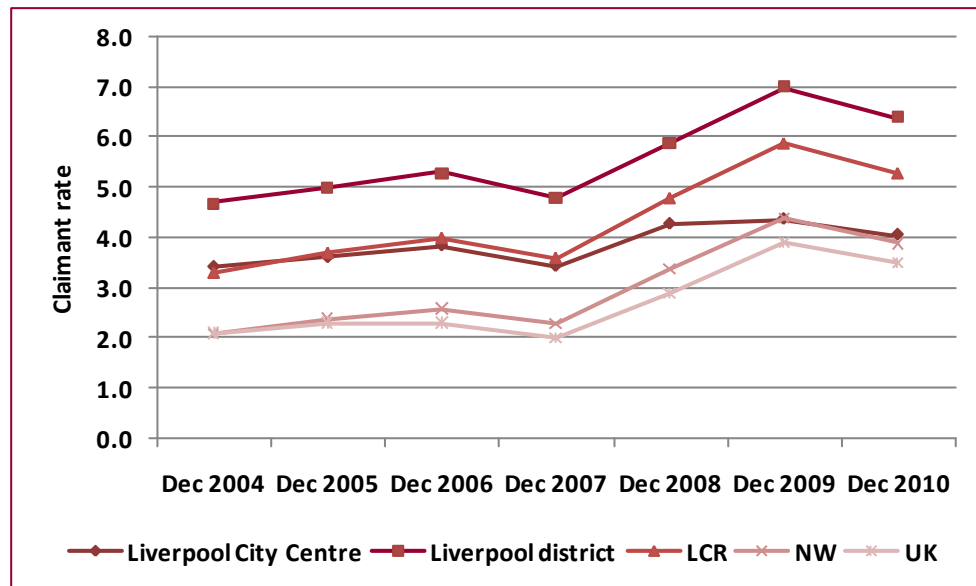
3.4.1 Unemployment

Figure 3.6 shows the change in the Jobseeker's Allowance (JSA) claimant rate in Liverpool City Centre between December 2004 and December 2010. The claimant rates for Liverpool, LCR, the North West and the UK are included for comparison.

Despite the increase in unemployment between 2004 and 2010, the City Centre has performed relatively well compared to Liverpool as a whole, the LCR and the North West. The City Centre has seen an increase of 0.6 percentage points in unemployment between 2004 and 2010, whereas the unemployment rate in Liverpool, the LCR and the North West has increased by 1.7, 2.0 and 1.8 percentage points respectively.

As of December 2010, the claimant rate in the City Centre stood at 4.1%. The current claimant rate for the City Centre is comparable with the North West (3.9%), but significantly lower than Liverpool (6.4%) and the LCR (5.3%). The overall JSA claimant rate at the national level in December 2010 was 3.5%.

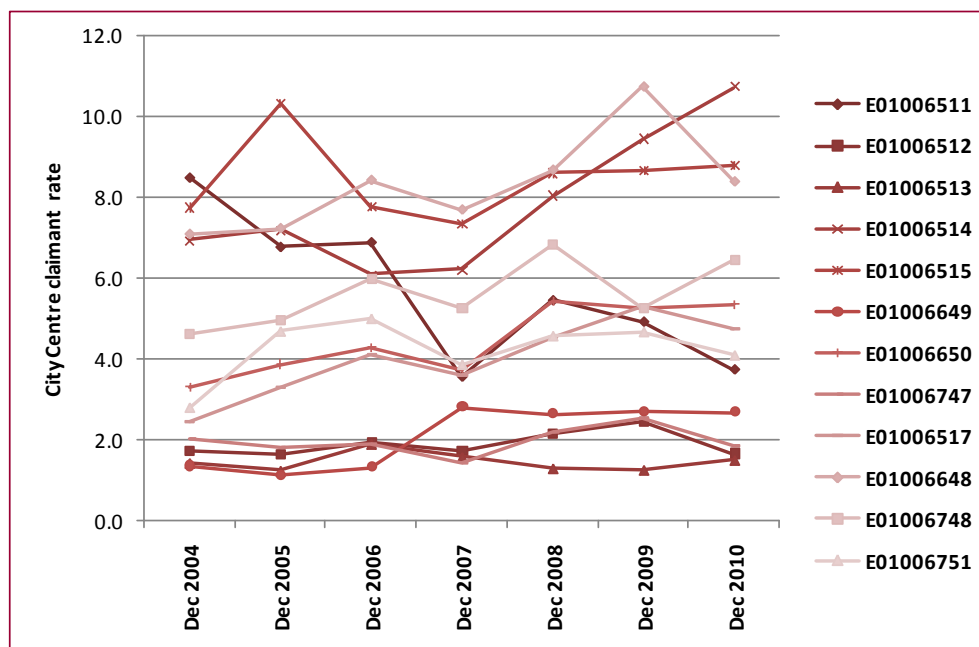
Figure 3.6: Claimant rate unemployment



Source: ONS Claimant count with rates and proportions

In terms of the JSA claimant rate within Liverpool City Centre, Figure 3.7 shows that the LSOAs E01006514 and E01006515, both located to the South of the City Centre area, have demonstrated consistently high claimant count unemployment rates compared to the other LSOAs in the City Centre.

Figure 3.7: Liverpool City Centre claimant rate unemployment



Source: ONS Claimant count with rates and proportions

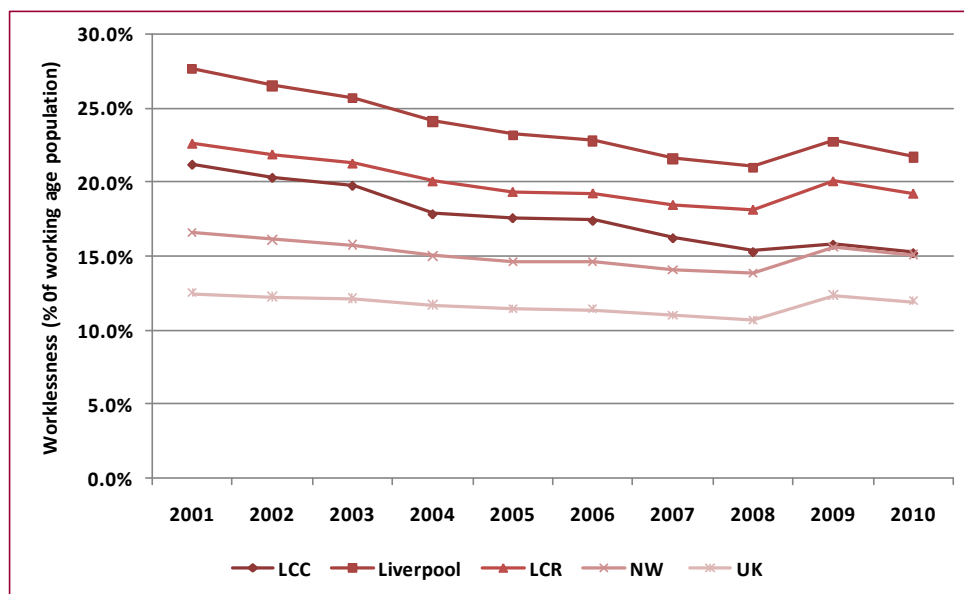
3.4.2 Worklessness

Worklessness is defined here as the proportion of the working age population that are claiming one or more of the following benefits:

- Jobseeker's Allowance; and
- Employment Support Allowance (ESA) and Incapacity Benefits.

The change in worklessness rates of the Liverpool City Centre over the period 2001 to 2010 is presented in Figure 3.8. A comparison has been made with the Liverpool district, the LCR, the North West region and the UK as a whole.

Figure 3.8: Worklessness



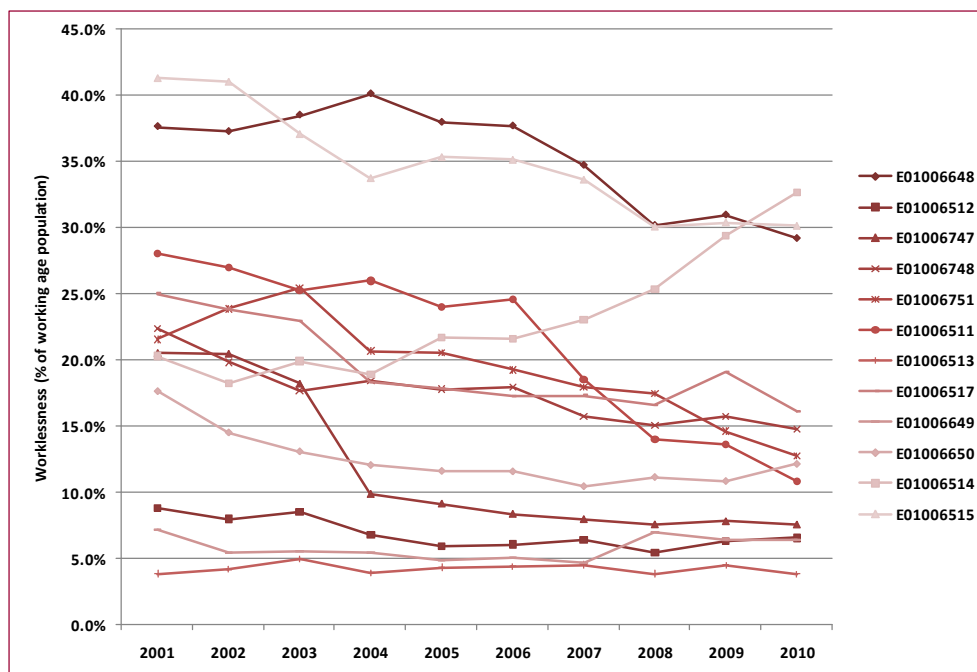
Source: ONS benefit claimants – working age clients for small areas and mid-year population estimates

Since 2001, the worklessness rate in Liverpool City Centre has consistently been lower than that in Liverpool and the wider LCR. It has also converged with the North West rate, reducing by 5.9 percentage points between 2001 and 2010 compared to a reduction of 1.5 percentage points at the regional level. In addition, the gap with the UK worklessness rate has narrowed.

As of May 2010, the worklessness rate in the City Centre was 15.2%. In comparison, the worklessness rate in Liverpool as a whole was 21.7% and in the LCR was 19.2%. At the regional and national levels, the worklessness rate in May 2010 was 15.1% and 12.0% respectively.

Figure 3.9 shows the worklessness rate in each of the LSOAs within Liverpool City Centre. The rate varies significantly, with it being as high as 32.7% in E01006514 compared to just 3.8% in E01006513. The former SOA is to the South of the City Centre, while the latter straddles the City Centre boundary to the South of Albert Dock.

Figure 3.9: Worklessness (Liverpool City Centre LSOAs)



Source: ONS benefit claimants – working age clients for small areas and mid-year population estimates

3.5 Development impacts and forecasts

A recent study¹³ estimated the economic contribution of Liverpool City Centre. As at February 2011, there were 144 development projects that focus on the City Centre area. Table 3.2 shows that of these, two thirds are classified as being in-development and have a total of 5,680 gross jobs attached. Some 20% of projects are defined as being in the process of delivery with some 1,967 gross jobs attached. The number of pipeline and pre-pipeline projects and jobs is relatively small, indicating a more constrained future development in the city.

Table 3.2: Project portfolio		
Development status	Projects	Gross Jobs
In-Delivery	29	1,967
In-Development	95	5,680
Pipeline	12	137
Pre-Pipeline	8	110
Total	144	7,894

Source: Liverpool Vision (February 2011)

Among the projects, the primary sources of employment are defined within schemes that include:

¹³ Pion Economics (2011) 'Liverpool City Centre Impact' Final Report for Liverpool Vision, February 2011

- Central Village (in-development and 2,918 jobs);
- 30/36 Pall Mall (in-development and 1,158 jobs); and
- Mann Island site (in-delivery and 1,064 jobs).

Other large projects include St. Paul's Square (Phase III), Liverpool Science Park Innovation Centre and the Sefton Street Quarter.

Despite the recent economic conditions, investment in the City Centre is expected to continue in the coming years with a variety of schemes anticipated to generate jobs and GVA. In practice, the overall impact of the City Centre Investment Programmed will go some way to offsetting the effects of public sector retrenchment over the next three years and deliver more extensive growth than would otherwise be the case.

Table 3.3 shows the estimated and anticipated benefits that accrue to the Liverpool, the LCR and the wider LCR economies from the everyday operation of the City Centre.

Table 3.3: Estimates of GVA Contribution (£ billion)			
Time Point	Liverpool	LCR	Wider LCR
2009	1.17	2.28	2.71
2030 (No Projects)	1.68	3.23	3.84
2030 (With Projects)	1.73	3.31	3.94

Source: Pion Economics

Table 3.3 indicates that benefits are relatively substantial and equivalent between £1.17billion and £2.71billion per annum across the differing geographies. Moreover, the benefits are likely to grow to between £1.73billion and £3.94billion per annum by 2030.

The successful implementation of a number of key long-term projects will be critical to the growth of the City Centre. These include, the Liverpool Waters scheme, which forms part of the Mersey Waters Enterprise Zone, and the Knowledge Quarter developments. In addition, there are proposals to extend the Arena and Convention Centre in order to create an exhibition centre, which will be important in further developing the visitor economy. In order for the City Centre to compete effectively, it is also essential that it has a high quality infrastructure. This will require improvements to the existing transport infrastructure and the provision of new superfast broadband.

4 Conclusions and implications

Substantial improvements have been made to Liverpool City Centre over the last decade. The retail offer has been transformed with Liverpool One and there has been expansion of its commercial and knowledge districts. There has also been a substantial increase in City Centre living. However, the scale of the physical transformation is not yet fully reflected in the economic statistics.

More generally, Liverpool has performed better than the Core Cities and LCR averages on a number of economic indicators. In absolute terms though, GVA per capita and per worker are low, while unemployment remains high.

The key conclusions of the review are as follows:

- The global economic conditions remain fragile and uncertain, with growth forecasts being downgraded. The UK economy has also weakened sharply. Having expanded by 0.9% during 2011, the UK economy is forecast by the OBR to grow by 0.7% in 2012, 2.1% in 2013, 2.7% in 2014 and 3% in 2015 and 2016;
- The Coalition Government is implementing a deficit reduction programme, in order to achieve a sustainable fiscal position, while at the same time seeking to promote private sector growth to rebalance the economy. This has resulted in a number of policies, initiatives and programmes to promote growth;
- The LCR comprises an economy of 1.5 million people and around 40,000 businesses, with GVA of over £20 billion per annum. Despite relatively better performance than comparator areas since the recession, the City Region still faces a number of challenges and suffers from a lack of aggregate demand;
- Liverpool's GVA of £8,767 million in 2009 is 45% of the Merseyside total. The City has performed relatively well in terms of GVA compared with comparator areas, with its economy growing at a greater rate than the other Core Cities and in line with the UK average;
- The City's GVA per worker in 2009 is lower than the England and Core Cities average, but it has again performed relatively well in terms of growth rates;
- Liverpool's business start-up rates have been consistently below the Core Cities and Great Britain averages over the period 2004 to 2010. However, the City has a higher start-up rate than the LCR average;
- In 2010, employment in Liverpool totalled 220,700, a 2.2% decrease on the previous year, which was relatively high. However, over the period 2008-2010, Liverpool's job loss was the lowest among the Core Cities and below the national average.
- A high proportion of employment (29.9% in 2010) in Liverpool was in the public sector. This compares with a GB average of 22.7%. This adds to the current vulnerability of the City given the cut backs in public sector expenditure.

- Liverpool's unemployment rate has consistently been higher than the LCR, Core Cities and GB averages. In addition, the City continues to suffer from high levels of deprivation, with many of the communities that surround the City Centre being particularly deprived.
- The population of the core City Centre has increased substantially over the last decade, with an estimated 23,349 residents in March 2010. This compares with an estimate of some 3,000 in 2001. The areas that have seen the largest increase include those in the core of the City Centre;
- In 2010 the total number of employees in Liverpool City Centre was 98,568 – some 5.2% below the 2008 level and lower than in 2003. Employment in the City Centre accounted for around 45% of total employment in Liverpool;
- The City Centre represents the key area of employment for a number of sectors in Liverpool. For example, in 2010, 79.9% of employment in the financial and insurance sector in Liverpool was located within the City Centre. Another key sector in terms of employment is the professional, scientific and technical sector, where 75.7% of employment in Liverpool was within the City Centre in 2010; and
- The current claimant count unemployment rate for the City Centre is comparable with the North West, but significantly lower than the Liverpool and LCR rates. Since some of the LSOAs included within the City Centre include adjacent deprived neighbourhoods, the level of unemployment amongst core city centre residents is likely to be low.

In order to achieve its full economic potential, Liverpool City Centre will need to:

- (i) **Attract inward investment**– in order to grow the business base and expand the City Centre northwards into Liverpool Waters it will be essential to attract inward investment;
- (ii) **Support indigenous expansion and new firm formation**– indigenous business expansion and new firm formation will also be important sources of growth in the longer term. A key issue for Liverpool is to tackle the relatively low levels of entrepreneurship and change the enterprise culture;
- (iii) **Continue to expand the residential base**– this will promote both increased activity throughout the day, as well as expanding the local level of disposable income. It will also help to ensure that a suitable range and quality of housing offer is available;
- (iv) **Rebalancing the City Centre economy**– the City Centre is highly dependent on public sector employment and it will be important to rebalance the economy by promoting the expansion of the private sector;
- (v) **Promote linkages with adjacent communities**– high levels of income deprivation are negatively correlated with economic growth and therefore it will be important to ensure that local communities can benefit from future opportunities;
- (vi) **Support the development of key sectors**– the key growth sectors for the City Centre are expected to be: visitor economy (including retailing); life sciences; digital and creative; and financial and professional services;

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- (vii) **Promote the City Centre as one of the international 'venues' for events** – this will involve a step change in the programme of events for the City Centre, which will both attract new visitors and 'showcase' Liverpool to a wider audience;
 - (viii) **Deliver key 'economic' projects** – the delivery of a number of economic projects will be significant drivers of future growth, in particular, Liverpool Waters, Liverpool Knowledge Quarter and the exhibition hall extension to the Arena and Convention Centre Liverpool;
 - (ix) **Education and skills** – continued improvement and investment in education and training will be essential if the City Centre is to compete effectively. This will mean continued development of the Universities and of the new North Liverpool Life Sciences University Technical College. A key component of this will be graduate retention;
 - (x) **Improve infrastructure** – This should include both infrastructure within and outside the City Centre. For example, externally it will be important to improve gateways, such as Liverpool John Lennon Airport and its linkages with the City Centre, to support the continued expansion of the visitor economy. Improved access to Liverpool Waters and better connections between the Waterfront and other key locations such as Lime Street Station is also essential if the City Centre is to function efficiently. The provision of Superfast Broadband is essential if the City is to compete; and
 - (xi) **Environment and place making** – the quality of the environment and public realm is important in attracting visitors and securing private sector investment.

The maximum use will need to be made of limited public sector resources. The City Deal, which aims to boost growth, will be key. The Deal will create a single investment pot of public and private funds, initially worth £130million, but with the potential to grow to £500million - £1billion. The initial pot will include £75 million of new money from government. It will mean also making use of approaches such as business rates retention and Tax Increment Financing, as well as JESSICA funding. In addition, the current European funding programme and the emerging programme for the period 2014-20 will be important.

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Drivers Jonas Deloitte.

Liverpool City Centre Strategic
Investment Framework
Funding & Delivery Mechanisms

1 Introduction

This Baseline Technical Paper provides an overview to the financial tools currently available in the UK that can be used to support the delivery of physical, economic and social development, setting out the various tools available and provides an initial assessment of their potential suitability / appropriateness as tools to support the delivery of the Liverpool City Centre Strategic Investment Framework (SIF). This paper will be used as a framework to support the project scoping and development process in Stage 2 of the study and as the first stage in the preparation of the Liverpool SIF Delivery Strategy.

The new Liverpool City Centre SIF will embrace much of the canvas laid out by Lord Heseltine and Sir Terry Leahy in their Rebalancing Britain report published in 2011. Their opening remarks set the tone:

‘Liverpool should be bold in its ambition. It has great potential and it needs to capitalise on this’. However recommendations should not be ‘pie in the sky’ but practical suggestions as to how the City Region can build upon its existing strengths and shape its future to ensure that it remains competitive and prosperous. ‘

In a changing economic and strategic context the strategy needs to clearly position and articulate Liverpool city centre’s position as the pre-eminent engine for economic growth in the Liverpool city region. As the associated strategy and priorities develop through the development of the Local Enterprise Partnership, the SIF will be the 15 year plan for Liverpool city centre. Given the scarcity of public funding to deliver economic development ambitions, it is important that the SIF is positioned as much as possible in a commercial context. The delivery plan for the SIF will therefore be critical.

It is also important to note that there exists within the context of this report and, following discussions with central government, a ‘window of opportunity’, to lever in support from government to support the delivery of the new SIF vision. Time is of the essence as this window of opportunity will only exist for a relatively short time. Although the SIF will be positioned from a commercial delivery viewpoint; public sector support will inevitably be required. The delivery plan for the SIF must therefore be bold, based on reality and deliverability – however, with the knowledge that good projects that deliver results may be looked on favourably by central government, in respect of funding support.

2 Funding and Delivery Mechanisms

Key

	Deliverable. To take forward into the project planning phase
	Presents challenges. Requires further consideration and modelling in the project planning phase
	Unviable. No merit progressing through to the project planning phase

The following table identifies the funding and delivery tools available at this time in the UK, the benefits and issues associated with each mechanism and an initial viewpoint on their suitability for the Liverpool City Centre SIF

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
Tax Increment Financing (TIF)	<p>Tax Increment Financing is an investment tool for financing infrastructure and other related development. The UK TIF model is based on reinvesting a proportion of future business rates from an area back into infrastructure and related development. It applies where the sources of funding available for a scheme to deliver economic growth and renewal cannot cover the cost of infrastructure required by the scheme. Often this will be a regeneration project, and although UK TIF could be used more widely, it will not be suitable for all schemes. TIF schemes will likely need to lever in additional</p>	Loan	HM Treasury	No upper limit defined as yet	<ul style="list-style-type: none"> Can work for schemes where other sources of funding are not appropriate / available Suitable for funding new, large infrastructure projects through the delivery of low risk developments Should result in net 	<ul style="list-style-type: none"> Requires primary legislation to make it possible to implement TIF Not suitable for delivering high risk, low return schemes in marginal locations Requires public authorities to take on the risk of TIF funding, thereby taking on the risk of ensuring the 	Potentially suitable, but would require careful project planning to identify the right projects that will deliver repayment of TIF finance and that can also lever in additional forms of finance, such as bank lending, bond finance or institutional investment.

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	finance to support full delivery of related commercial development. However, the length or loans required to fund TIF projects are likely to be an issue for banks. TIF schemes can also seek finance through the bond market. However, bond investors tend to prefer to invest in a project where an asset has been completed and is operational. TIF projects must therefore be carefully planned.				<ul style="list-style-type: none"> economic gain for the subregion, without an additional tax on the developer Local Authorities can benefit from a legal framework which allows them to pledge or securitise the specific revenue stream resulting from TIF 	<ul style="list-style-type: none"> successful delivery of development, in order to enable payback Government is reserving the right to 'reset' the business rate retention mechanism. Therefore, TIF schemes that when launched provide sufficient scope for generating additional business rates may be impacted following a reset Displacement is a key consideration – if an occupier moves into a new development from within the local authority area, there will be no net gain of business rates – and therefore no additional business rates generated to repay the TIF finance 	
Prudential Borrowing	Prudential Borrowing is the administrative framework applying to Local Authorities that allows them to borrow in accordance with the Prudential Code. The objective of the Code is to help ensure for individual Authorities that all	Loan	HM Treasury	Usually below £20 million	<ul style="list-style-type: none"> Can be used to finance capital projects and infrastructure Raising finance 	<ul style="list-style-type: none"> Public authorities are accountable in respect of loan payback, therefore risk must be carefully managed 	Potentially suitable, but would require careful planning. Borrowing would need to be led by Liverpool City Council as Local

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
	<p>external borrowing and other long term liabilities are within prudent and sustainable levels and that Treasury management decisions are taken in accordance with professional good practice.</p> <p>Such borrowings are usually in the form of a loan from the Public Works Loan Board ("PWLb"), at rates of interest marginally above those at which the Government itself can borrow from the gilts market; although other forms of borrowing, including commercial bank loans and bond issues, are permitted. Prudential Borrowing is sometimes referred to as an alternative method of procurement to PFI/PPP. This is misleading, as Prudential Borrowing is simply a source of finance – not a procurement route in itself. In fact, Prudential Borrowings can be used in conjunction with conventional, PPP or PFI based procurement.</p>				<ul style="list-style-type: none"> through Prudential Borrowing can be more cost effective than procuring through a private sector contractor through a PPP / PFI arrangement Prudential Borrowing is most likely to be appropriate for low risk assets, such as land and waste management 	<ul style="list-style-type: none"> Local Authorities are normally required each year to set aside some of their revenues as provision for debt, according to Minimum Revenue Provision guidance. Any changes to Prudential Borrowing strategy must therefore be carefully planned The skills, resources and issues involved in delivering a large or complex project funded under Prudential Borrowing should not be underestimated 	<p>Authority.</p> <p>Prudential Borrowing should perhaps be seen as more of a funding component, rather than having the potential to solely fund large infrastructure / capital projects.</p>
PFI / PPP	<p>The Private Finance Initiative (PFI) was launched in 1992 to open up opportunities for more private sector involvement in the provision and modernisation of public services. PFI involves the public sector procuring services to the quality standards it requires, instead of procuring a capital asset or other equipment then operating it itself. In the case of school PFI the school buildings become the property of the</p>		Local Authority funding commitment, private sector development finance	Usually for projects over £20 million	<ul style="list-style-type: none"> Eases the burden on management of large contracts, through the provision of services by the contractor No payments are made by the public 	<ul style="list-style-type: none"> The recession has had an enormous impact on the Government's public infrastructure programme. Severe restrictions on bank lending during the recessionary period meant no sizeable 	<p>The 2010 comprehensive spending review effectively abolished the use of PFI credits in future public building projects.</p> <p>The ring fencing of PFI credits and the 'special status' of PFI has effectively been ended –</p>

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	developer, the school pays for them by a unitary charge and in return gets a building to meet its future needs, along with maintenance and possible various other services.				<ul style="list-style-type: none"> sector until the service commences Local Authorities benefit from the commercial, financial and technical expertise of the private sector partner Risks can be allocated to those best able to manage them 	<ul style="list-style-type: none"> Private Finance Initiative (PFI) contracts could be let. Treasury Committee analysis showed that with the yield on government borrowing – ie the interest rate – now at its lowest level for more than a century, the extra costs of a private firm borrowing the money to pay for a school or a hospital could add 70% to the costs of a PFI project over its 30-year life 	therefore this route will likely not provide a suitable option for the delivery of the Liverpool City Centre SIF.
JESSICA	<p>The Joint European Support for Sustainable Investment in City Areas fund, (JESSICA) is a revolving development fund, making loans for commercial property developments, which are integrated into plans for sustainable urban development.</p> <p>In 2008, the European Commission, together with the European Investment Bank recognised market failures in the development market, as well as the constraints of existing ERDF requirements and established the JESSICA mechanism. This resolved to help authorities in</p>	Loan	European Union, plus match funding and bank funding	£100 million initial fund for the North West, £60 million available to Merseyside	<ul style="list-style-type: none"> A £100m fund in the North West which is approved, capitalised and ready for investments Allows Managing Authorities to use some of their European Structural Funds allocations to invest 	<ul style="list-style-type: none"> Terms and conditions for loans must be on commercial terms, thereby rendering JESSICA unsuitable for gap funding, or marginal, high risk developments However, an application has been submitted to the EU to revise this approach, to allow below market loans 	Potentially suitable, however will require careful project planning. It will be easier to make investments if the application to remove the need for all loan investments to be made on purely commercial terms is granted.

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	<p>Member States of the EU to implement financial engineering mechanisms to support investment in sustainable urban development in the context of cohesion policy.</p> <p>The system has been designed to allow other international financial institutions, as well as banks, investment funds and other private sector investors to contribute. The policy provides Member states with the option to use EU grant funding to make repayable investments and provide development financing in projects forming part of an integrated plan for sustainable urban development. Investment, which may take the form of equity, loans and / or guarantees are delivered to projects via Urban Development Funds (UDFs) and, if required, Holding Funds (HFs).</p>				<p>in revolving fund</p> <ul style="list-style-type: none"> Can be used to leverage additional private sector investment JESSICA provides a new channel for ERDF funds to support important development projects that would otherwise not progress under the programme's existing requirements JESSICA funds enable ERDF funding to be utilised in a recyclable manner, extending the benefits of the fund beyond 2013 (the deadline for ERDF drawdown) 	<ul style="list-style-type: none"> The establishment of a UDF or HF is necessary for delivery of a JESSICA programme. This requires sufficient competence and independence of management and a comprehensive business plan and budgets for undertaking qualifying projects, as well as sound financial backing 	
Local Asset Backed Vehicle (LABV)	Local Asset Backed Vehicles (LABVs) are a corporate entity created through a partnership between a public and private sector body. The public sector partner transfers real estate assets	Equity	Public sector assets / private sector development	N/A	<ul style="list-style-type: none"> Combines public sector powers with private sector experience, capital 	<ul style="list-style-type: none"> Developers in many instances will not want to take on the risk of delivering high risk, low 	Suitable – however, LABVs are not a way of obliging developers to bring forward unattractive, low quality

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	<p>into the corporate entity and the private sector development partner provides development finance and technical expertise to support the delivery of development. Returns are shared between the partners on an agreed basis.</p> <p>LABVs are designed to encourage parties to pool resources, such as finance, planning powers, land and expertise, in order to deliver regeneration with an acceptable balance of risk and return for all those involved.</p> <p>Liverpool City Council has a LABV-style arrangement, named 'InPartnership', which is a partnership between LCC, Neptune Developments and Countryside Developments. Originally formed to deliver regeneration at Norris Green, InPartnership is now working to develop propositions for other key regeneration areas, including the Lime Street Gateway. This will be an important consideration with regards to the delivery of the SIF.</p>		finance		<p>and financial expertise</p> <ul style="list-style-type: none"> • Can enhance the value of the public sector body's assets • Can unlock development on a range of different sites and support the delivery of development in more marginal locations / sites • Offers a strategic approach to delivering a pipeline of sustainable regeneration and community projects through long term partnership • Reduces the burden of regulatory compliance through asset transfer to the LABV 	<p>value developments in marginal locations</p> <ul style="list-style-type: none"> • More attractive, low risk sites will be developed; high risk sites will continue to be difficult to deliver, even in such a partnership arrangement • Cannot be used as a way of packaging unattractive sites 	<p>sites. Sites must be carefully selected and the developer partnering process must be carefully thought through and planned.</p> <p>The LABV arrangement with Neptune / Countryside could provide a mechanism for delivery – it is already established as an entity, which will aid the speed of delivery of projects, where appropriate.</p>

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
Institutional Investment / Bank Finance	<p>The opportunity to fund new development through institutional investment and / or bank finance remains – however, given issues of commercial viability in many instances a purely private sector-funded finance package remains difficult in the current economic climate, particularly in regional locations.</p> <p>Banks and institutional investors are unlikely to provide funding for speculative development and current practice is to require at least a 30% pre-let on commercial development schemes to secure bank finance.</p>	Loan / Equity	Private sector	N/A	<ul style="list-style-type: none"> Funding development on a purely bank based or institutional investment basis creates a simple, clear funding package 	<ul style="list-style-type: none"> Pre-lets are usually required, which makes funding development in more marginal, less attractive locations with lower demand more challenging 	Suitable, however in many instances, institutional investment and bank finance needs to be sought to fund part of a development scheme, with other funding sources forming part of the overall funding package.
New Homes Bonus	<p>The New Homes Bonus commenced in April 2011. It will match fund the additional council tax raised for new homes and empty properties brought back into use, with an additional amount for affordable homes, for the next 6 years.</p>	Grant	Department for Communities and Local Government	£431 million between 2012 - 13	<ul style="list-style-type: none"> Removes the disincentive of housing development for Local Authorities Funding is not ringfenced and can therefore be used to fund capital spending 	<ul style="list-style-type: none"> In many areas, particularly in the north of England, residential development remains unviable. This fund will not address viability concerns 	Potentially suitable; however, viability will remain an issue
Regional Growth Fund	<p>RGF is a centrally administered £1.4 billion fund operating across England from 2011 to 2014. It is designed to support projects and programmes that lever private sector investment and create economic growth and sustainable employment. It aims particularly to help those areas and communities currently dependent on the public sector to make the transition to sustainable</p>	Grant / Loan	Department for Business, Innovation and Skills	£1.4 billion	<ul style="list-style-type: none"> Although Rounds 1 and 2 are fully subscribed, there is likely to be more than one additional call for new projects Successful projects 	<ul style="list-style-type: none"> Not generally being applied to real estate projects Projects must be able to demonstrate delivery of new jobs The fund is not designed to be used for 'gap' 	<p>Suitable – projects must be scoped with a focus on generating new employment opportunities.</p> <p>Liverpool has a proven track record of successfully securing RGF support, which it can build on in later</p>

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
	<p>private sector-led growth and prosperity.</p> <p>The second round of bidding to the RGF ended on 1st July 2011. 492 bids were received, with a combined total value of £3.3 billion. Successful projects centre around projects that are led by or lever in private sector investment, that generate new employment opportunities and that align with government sectoral and industry areas for growth, including the manufacturing sector, the development of the knowledge economy, research and development and high value-added activities and services.</p> <p>The Liverpool City Region has had considerable success in securing RGF support, particularly in Round 1, with key areas of the city and city region leveraging investment, including North Liverpool and the City Centre Knowledge Quarter. Projects include funding for SME growth and development (Liverpool Echo), a new multimodal gateway (Stobart Group) and the delivery of a new micro refinery at the University of Liverpool (Uni Liverpool, Unilever, AB Sugar)</p>				<p>have tended so far to be private sector-led</p> <ul style="list-style-type: none"> The fund is designed to give eligible projects quick access to the required funding to kick start activity and is part of the Government's drive to stimulate a private sector-led economic recovery 	<p>funding projects – therefore it is important that projects focus on job creation</p>	<p>rounds of the fund.</p>
Growing Places Fund	<p>The Growing Places fund is a £500 million enabling fund designed to generate economic activity in the short term, by addressing immediate infrastructure and site constraints and promoting the creation of new jobs and the delivery of new housing, thereby:</p> <ul style="list-style-type: none"> allowing local enterprise partnerships to prioritise the infrastructure they 	Grant	Department for Transport	£500 million total, £12.9 million for Liverpool City Region	<ul style="list-style-type: none"> Local Enterprise Partnerships (LEPs) will be at the heart of decision-making regarding projects to be funded Eligibility criteria is 	<ul style="list-style-type: none"> The level of funding available is such that the fund is not likely to support the delivery of large infrastructure projects – unless matched with other funding streams 	<p>Suitable – however, the fund is relatively small. This will need careful planning and may need to be used as part of a funding package</p>

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
	<p>need; and</p> <ul style="list-style-type: none"> establishing sustainable revolving funds so that funding can be reinvested to unlock further development and leverage private sector investment. 				<p>expected to be similar to Regional Growth Fund</p> <ul style="list-style-type: none"> Funding is likely to be allocated in 2012 and available to spend immediately 	<ul style="list-style-type: none"> It is not clear whether this will be a one-off fund, or whether there will be some continuity to it – and therefore more clarity on funding streams for LEP activity 	
European Regional Development Fund (ERDF)	<p>The Department for Communities and Local Government manages the European Regional Development Fund (ERDF) in England. This fund is focused on reducing economic disparities within and between member states by supporting economic regeneration and safeguarding jobs. Since 2000, England has benefited from more than €5bn of funding, with a further €3.2 billion being invested between 2007 and 2013 in local projects around the country. These programmes are designed to meet current needs by targeting employment, small and medium-sized enterprises, innovation, high-tech business investment, among other key priorities identified by local partners.</p> <p>The European Regional Development Fund has helped a wide variety of projects - from large scale public works to small local initiatives. All are designed to benefit regional or local economies. Grants go to projects that would not have taken place without it.</p> <p>The Department for Communities and Local</p>	Grant	European Union		<ul style="list-style-type: none"> ERDF is a flexible fund, which can be used to support capital expenditure for physical development and infrastructure, as well as business support and entrepreneurship programmes There remains a significant amount of ERDF funding available 	<ul style="list-style-type: none"> The current round of ERDF is time-limited and therefore requires projects to be scoped that are deliverable in the short term Eligibility criteria for ERDF-funded programmes is complex and projects must conform to and adhere to guidelines 	<p>Suitable – however, projects must be carefully scoped and crafted so that they are deliverable in the short term and also adhere to the strict eligibility criteria and performance monitoring frameworks.</p>

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
	<p>Government is the designated Managing Authority for all European Regional Development Fund (ERDF) structural fund programmes in England.</p> <p>Regional Development Agencies had previously been responsible for delivering the English ERDF programmes on the ground, but following the abolition of the Regional Development Agencies, the existing ERDF teams are being retained under the responsibility of the Department for Communities and Local Government.</p>						
Green Investment Bank	<p>The Green Investment Bank (GIB) is a new initiative by central Government, which will establish the world's first investment bank solely dedicated to greening the economy. The vision is to support the transition of the UK economy to a green economy and for the Green Investment Bank to provide support to UK-based businesses.</p> <p>Transitioning to a green economy is estimated to require up to £200 billion for the energy system alone over the period to 2020 and the GIB is seen as a mechanism to support the progression towards a green economy, complementing other green policies to help to accelerate additional capital into green infrastructure.</p> <p>Its mission will be to provide financial solutions to accelerate private sector investment in the green economy. Capitalised with £3 billion, the GIB will play a vital role in addressing market failures</p>	Grant / Loan	Department for Business, Innovation and Skills	£3 billion	<ul style="list-style-type: none"> The Green Investment Bank is one of a number of key policies designed to help meet environmental objectives and promote economic growth. Other initiatives include the creation of a National Infrastructure Plan, reforms to the electricity market, changes to the climate change levy, the introduction of a 	<ul style="list-style-type: none"> The Green Investment Bank is more appropriate for green infrastructure-related investment, rather than for funding physical development schemes 	<p>Suitable for certain projects, however potentially not for development projects. The Green Investment Bank may however provide a deliver route for related SIF projects and programmes, that are not necessarily physically-led developments.</p>

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
	affecting green infrastructure projects in order to stimulate a step up in private investment.				renewable heat incentive, the review of waste policy and the reviews of Ofgem and Ofwat.		
Transport-specific funding	<p>Funding for new transport infrastructure is provided through the Local Transport Plan (LTP), Merseytravel capital funding and in part directly from Network Rail.</p> <p>The Third Local Transport Plan (LTP) for Merseyside became active from 1st April 2011. The plan sets out the implementation plans in the short term to 2015 and looks to the longer term strategy for 2024 on how to improve transport in Merseyside.</p> <p>Network Rail owns the national rail infrastructure and as such is a potential funder, with regards to rail improvements for Liverpool. However, forward planning is necessary and there tends to be a long lead-in time to secure funding, as well as a long lead-in time to programme in improvements.</p>	Grant	Merseyside Transport Partnership	N/A	<ul style="list-style-type: none"> LTP3 provides the statutory framework for the policies and plans that will guide the future provision of transport in Merseyside The new Local Transport White Paper, 'Creating Growth, Cutting Carbon' has demonstrated the Government's continuing commitment to addressing providing a transport system that supports sustainable economic growth whilst addressing carbon reduction 	<ul style="list-style-type: none"> The LTP and Network Rail investments are forward planned and as such may not be versatile enough to accommodate funding for near term projects LTP3 will be funded with only one third of the funding with which the final year of LTP 2 was started – the scale of the funding challenge is therefore clear 	Suitable, depending on the project in question and probably not for near term projects, as they will need to be programmed in to later phases of the LTP and Network Rail's planning system.

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
Local Development Orders	Simplified planning, available through the production of a Local Development Order (LDO), sets clear objectives for development within a specified area and within certain parameters. LDOs are an existing legislative tool. They are flexible and consistent with local determination, part of a move to remove bureaucracy and redefine the issues where planning really makes a contribution to the local area. LDOs are a means for the planning system to incentivise development in a way that meets a whole range of locally specific policy objectives.	N/A	N/A	N/A	<ul style="list-style-type: none"> De-risks the project from the perspective of the developer Reduces the number of planning permissions needed Removes the requirement that development should achieve policies set out in the adopted local development framework 	<ul style="list-style-type: none"> The key issue inhibiting the deliverability of infrastructure and physical development projects is viability – de-risking projects from a planning perspective will aid the delivery of projects, but will not address viability issues Local Development Orders must not be too prescriptive as this may discourage development, rather than encourage it 	Suitable – however, must be used strategically. Must be used as a tool to support development
Business Rate Retention (BRR)	Business Rate Retention is a current proposal by government to empower local authorities to retain a significant proportion of the business rates generated in their area. This incentive is intended to act as a lever to encourage local authorities to strive to create additional economic growth in their area. Currently, Councils in England collect around £19 billion of business rates. The proposed changes to business rates retention will allow councils more control over locally raised resources, provide more certainty over financial planning in the long term, will connect the success of local businesses and the state of	N/A	Payments by businesses	Proportions not yet confirmed	<ul style="list-style-type: none"> Has the opportunity to generate increased income for LEPs to invest in sub-regional economic priorities, from April 2013 Will enhance the opportunities presented through TIF 	<ul style="list-style-type: none"> Although redistribution of business rates for areas with low business rate generation has been confirmed for the short term, redistribution in the long term has not This initiative will benefit affluent, successful areas, but is likely to have a negative impact on more deprived areas 	Suitable – however, the focus must be on generating net additional economic growth, ie creating new businesses and encouraging businesses to move into the area, rather than displacement – which will create no net additional economic benefit

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
	<p>Local Authority finances, thereby providing a direct link between the success of local business and their own cash flow.</p> <p>The proposals centre on the vision to enable councils that grow their local economies to be better off under the new system.</p>						
Community Infrastructure Levy (CIL)	<p>CIL is a levy that local authorities can set in order to enable them to charge a developer contribution levy for new developments in their area. The money generated can be used to support development by funding infrastructure. CIL is optional for local authorities to implement – however, the use of Section 106 will be restricted after 2014. CIL has the potential to apply different rates to different uses or zones – with the option to include nil rates, where appropriate.</p>	Developer Contributions	Developer Contributions	N/A	<ul style="list-style-type: none"> Has the potential to provide developers with more certainty in the project development stage, in respect of planning contribution commitments CIL can more easily fund sub regional infrastructure – larger pieces of infrastructure typically benefiting more than one Local Authority area. Local Authorities have the freedom to work together to pool contributions 	<ul style="list-style-type: none"> All rates must be justified in terms of viability CIL must be balanced in a way such as to ensure that development remains viable, thereby not discouraging developers CIL takes time to plan and implement – therefore, Liverpool Vision must work closely with Liverpool City Council to ensure a joined up process CIL is intended to provide funding for infrastructure determined by the Local Development Plan, rather than remedying existing deficiencies 	<p>Suitable; however, with viability remaining an issue in the delivery of new development, CIL tariffs must be carefully planned.</p>

Financial / Funding Tool	Overview	Nature of Funding	Source of Funding	Level of Funding	Benefits / Impacts	Issues / Barriers	Suitable for Liverpool SIF?
					<ul style="list-style-type: none"> from CIL within the context of delivering their local development plans Timely delivery of infrastructure is assisted by the introduction of CIL, given that it is a new source of income, as well as being more predictable than other funding sources 		
Other funding opportunities	Throughout the implementation of the Liverpool SIF, there will be opportunities to leverage additional funding from a range of sources on a more reactive basis, owing to new funding streams coming available. These sources of funding may be significant, but it is more likely that they will be relatively small 'pots' of funding, that could potentially be pooled together to deliver specific interventions to support the objectives of the Liverpool SIF. One such funding source is the Coastal Communities Fund, which will provide coastal communities all across the country with money to support new opportunities that can make their towns prosper.	Various	Various	Small/ medium pots of funding are likely	<ul style="list-style-type: none"> There is expected to be a significant amount of funding available cumulatively through this method 	<ul style="list-style-type: none"> Identifying the opportunities Difficult to predict 	Suitable

3 Summary and Conclusions

The table above presents a snapshot of the tools and funding mechanisms currently available in the UK to deliver economic development and regeneration programmes. As can be seen from the list of mechanisms and the baseline assessment of suitability with regards to the Liverpool SIF, there are a number of methods of funding economic development and regeneration that should be taken forward into the project planning phase and explored further. The majority of these relate to delivering physical development, namely:

- TIF;
- Prudential Borrowing;
- JESSICA;
- LABV;
- Institutional Investment / Bank Finance;
- New Homes Bonus;
- Growing Places Fund;
- LTP
- Local Development Orders;
- BRR; and
- CIL.

However, some are also suitable for the delivery of wider economic development initiatives, such as:

- Regional Growth Fund;
- ERDF; and
- CIL

There are a number of mechanisms listed above which could be leveraged to deliver the strategic priorities of Liverpool SIF; however they present inherent challenges that will need to be considered in the next stage of project development. These are:

- PFI /PPP. This method of delivery has fallen out of favour with the new government and PFI credits are no longer available. Preparing a plan featuring a PFI / PPP arrangement will therefore be very difficult, but should not be discounted altogether at this stage;
- LABV. With the challenging economic and market conditions comes a challenge in respect of delivering physical development through a LABV approach. Delivering any sort of development without a significant proportion of pre-let on a de-risked site is very difficult in the current conditions and packaging a LABV arrangement may be challenging. However, the existing InPartnership vehicle, the partnership between LCC, Neptune and Countryside, presents an opportunity for the delivery of components of the SIF as it is already established and features willing partners keen to work together to progress project proposals (Lime Street being a key opportunity area)
- ERDF. Although there is a significant amount of ERDF available through the current Operational Programme (OP), there is a time limit on this funding and, with ERDF being managed directly by the Department for Communities and Local Government (CLG), accessing funding quickly may be an issue;

- Green Investment Bank. The Green Investment Bank could provide a mechanism to provide loan finance to deliver specific green-related initiatives that feature within the final Liverpool SIF. However, clarity on the Bank's focus, priorities and readiness to invest remains as yet unclear, (however, it is intended that investments will begin in 2012);
- LTP. Although the LTP provides a mechanism for delivering transport-related infrastructure, the current funding round is committed and resources are becoming increasingly scarce going forward. Any LTP funding in the future for delivery of the Liverpool SIF will likely need to form part of a funding package, leveraging in other methods of delivery / finance; and
- CIL. CIL can provide a delivery mechanism, however more consideration needs to be given to Liverpool City Council's priorities and whether a funding stream may be available to provide funding for City Centre-related development

Local Enterprise Partnership Objectives

The SIF will need to recognise and align with Local Enterprise Partnership (LEP) objectives, to ensure that it complements the new governance structure for economic development. Liverpool City Region's LEP commits to creating a thriving international City region, based upon global trade, science & innovation, manufacturing and tourism. The partnership covers the boroughs of Halton, Sefton, Knowsley, Liverpool, St Helens and Wirral - an economic area that people recognise, with a population of 1.5 million and 49,000 businesses. The plan includes major opportunities to create economic growth and jobs within the private sector through major projects, many of which are in Liverpool City Centre, such as Liverpool SuperPort, the Mersey Gateway, Daresbury Science and Innovation Campus, Liverpool Waters and Wirral Waters. It also emphasises the importance of business start-up, support for small firms and accelerated business development. The LEP is strongly backed by the private sector and, given the commercial nature of the objectives for the Liverpool SIF, will be an important reference point for the implementation and delivery of the framework going forward.

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Liverpool City Centre Strategic Investment Framework

Wider Impacts of City Centre Growth

1 Introduction

- 1.1 This document provides an exploration of the ways in which the City Centre's growth can positively influence the wider City Region and the North Liverpool/ South Sefton regeneration area in particular.
- 1.2 As has been the case for some time, the North Liverpool area in particular presents a challenge in regeneration terms. North Liverpool and South Sefton face many challenges, with high levels of worklessness, deprivation and ill health, but the area also offers unique opportunities for investment and economic renewal.
- 1.3 But this current position is already changing, and whilst investment in Project Jennifer and Liverpool Football Club's stadium are yet to materialise, the momentum is gathering and it will now be more important than ever to 'stitch' the City Centre and its Northern communities together, as the sum of the parts should bear greater success than dealing with them individually.
- 1.4 Several significant regeneration initiatives and projects are already underway or have been identified by the North Liverpool Strategic Regeneration Framework (SRF), in particular the proposals for Liverpool Waters, the development of the Docks and SuperPort further North and the establishment of a 'Football Quarter' based around and between the city's two football clubs. The links between these projects (both physically and economically) and the City Centre, will drive the growth of North Liverpool and South Sefton, and in return, altering for the better the dynamic of the city and positively contributing to its economic success.

2 Contextual Literature

- 2.1 This section provides an analysis of existing literature and policy guidance relating to the development of the Liverpool City Region, with a particular focus on the North Liverpool and South Sefton area. The analysis considers which projects; initiatives and suggestions have the potential to stitch the City Centre to the surrounding communities, thereby sharing the socio-economic benefits of investment and regeneration with more than just the immediate vicinity.

Rebalancing Britain: Policy or Slogan (2011)

- 2.2 This document provides an independent City-Regional analysis of the opportunities for growth in Merseyside over the next 10 to 20 years. Recognises that through three growth sectors: the Port, the knowledge economy and tourism, 95,000 jobs could be created by 2020.
- 2.3 The review details a number of key recommendations that have real potential to generate growth for the City Region. The review articulates that to drive transformational change to the local economy, Government needs to execute its commitment to a directly elected mayor with chief executive powers.
- 2.4 In addition, the report highlights the need for Public bodies and National Agencies across the Atlantic Gateway region to be flexible and supportive in helping bring vital new investments by Peel and other companies to swift fruition. In doing so, Liverpool City Region partners should adopt a master planning and strategic approach to harness development across the two Enterprise Zones and Central Business District, with processes in place to avoid local displacement of business.
- 2.5 These suggestions, when enforced, will assist in creating the platform for development that North Liverpool requires in the form of Liverpool Waters, thereby sharing the benefits of a City Centre location with a currently underdeveloped area of opportunity.

Liverpool Core Strategy- Pre-publication draft (2011)

- 2.6 The Core Strategy's central approach is to capitalise on Liverpool's assets and resources to achieve urban and economic growth, prioritising those areas of the city with the greatest development potential. It aims to stimulate, support and deliver economic growth and address regeneration needs.

- 2.7 The Core Strategy highlights that the opportunities to achieve economic growth and regeneration, are found in the City Centre, the surrounding Urban Core - particularly but not exclusively North Liverpool - and those parts of the Suburban Areas comprising the residential areas on the city's fringes and the Strategic Investment Areas.
- 2.8 Liverpool's Urban Core, which surrounds the City Centre, will be a focus for economic and residential development; North Liverpool in particular will be the primary location for regeneration on a transformational scale. The key outcomes sought include:
- Creating greater housing choice;
 - Improving green infrastructure, including public open spaces;
 - Investment in District and Local Centres to complement housing and population growth;
 - Encouraging development opportunities within the Atlantic Gateway and Eastern Approaches for economic and employment purposes;
 - The Southern part of Atlantic Gateway should provide for the long-term needs of City Centre office-based uses and for University and other knowledge-based businesses when new space is needed; and
 - Within Atlantic Gateway, the emerging mixed-use Liverpool Waters proposals, covering an area of some 60 hectares. It is the largest single development opportunity in the city.

North Liverpool Strategic Regeneration Framework

- 2.9 The SRF is recognition of the need to prioritise action and resources in an area of acute need and deprivation. However, the SRF also recognises that this is an area with a unique concentration of opportunities, including the SuperPort, Bootle Town Centre, Liverpool Waters and Project Jennifer. All of these projects are recognised as having the potential to transform not only this area, but also impact significantly on the economic fortunes of the wider City Region.
- 2.10 The recent history of North Liverpool and South Sefton is traditionally a story of exclusion and disconnection – exclusion from the economic growth and opportunities created elsewhere in the City Region and disconnection from the core assets that are the area's potential sources of renewal.
- 2.11 The SRF seeks to reconnect North Liverpool and South Sefton economically, socially and environmentally and to transform North Liverpool and South Sefton so that their many assets can become a vital source of prosperity, enterprise and creativity for the Liverpool City Region.

- 2.12 The SRF highlights a number of key strategic development projects, which are key to the development of North Liverpool and South Sefton, most notably Liverpool Waters and SuperPort, details of which are provided in the following section. In addition, the SRF highlights the importance of maximising the benefits to be derived from Liverpool FC and Everton FC. Key to the success of the SRF is the maximisation of the benefits derived from growth within the City Centre. The SRF recognises the need to strengthen the link between the growth of the City Centre and North Liverpool.
- 2.13 The following key objectives are identified within the SRF as ways in which North Liverpool/ South Sefton can develop and nurture its people, to better allow them to take advantage of the opportunities presented within the City Centre:
- **Developing 21st Century Skills-** ensuring the workforce has the requisite skills to meet the needs of the modern economy is recognised as being essential for economic growth. Activities will be initiated to engage residents and foster closer links with universities, education institutions and with employers to identify skills needs and opportunities. Providing people with the right skills will allow them to access the employment opportunities within the City Centre.
 - **Supporting families, children and vulnerable groups-** There is an urgent need for effective multi-agency working, flexibility and innovation to support and safeguard the wellbeing of vulnerable groups particularly the young, unhealthy and elderly. Such vulnerable and unsupported members of society are limited in their ability to access the benefits provided by the City Centre. The SRF seeks to address this.
 - **Reducing health inequality-** The SRF will work within the framework of the Decade of Health and Wellbeing to design and deliver imaginative programmes to reduce health inequality in the area. Improving the health and well-being of residents is vital to quality of life.
 - **Promote art, culture, sport and heritage-** The SRF will encourage communities to celebrate and participate in culture and creativity to foster pride, stimulate confidence, build cohesion and ultimately transform the area's external image. The City Centre provides multiple opportunities to engage particularly with regard to culture and heritage, North Liverpool's residents need to be mobilised to take advantage of these opportunities.

3 City Region Growth Accelerators

Liverpool & Wirral Waters

- 3.1 Liverpool and Wirral Waters are conceived as one project by Peel Holdings, intended to form the gateway to the wider Atlantic Gateway initiative. Together they form a large and visionary regeneration project within the UK.
- 3.2 Peel Holding's ambitious 30-year vision for the Mersey Waters Enterprise Zone is one of the City Region's most important regeneration and investment opportunities. The project proposes one of the world's biggest and most ambitious waterfront developments accommodating 3 million sq ft of new business space, nearly 10,000 new homes, together with leisure, retail and cultural attractions.
- 3.3 The scheme will generate tens of thousands of new jobs and reconnect the area with a transformed and reanimated waterfront. The scale and ambition of this development ensures it will be a long term project extending to 2040 and beyond. It will be expected to make an increasingly important contribution towards meeting the city's housing and commercial space requirements.
- 3.4 Liverpool Waters' ambition is on a global scale, with Peel Holdings spearheading the City Region's assault on China and large scale investment from the new world economic powerhouse. Liverpool Waters has taken its inspiration from the great waterfront redevelopments from across the Globe, though very much planned to celebrate and embody the historic dock fabric it will occupy. Debate is raging as to whether the World Heritage Site and its buffer zone will be compromised by the vision, but no one can deny it will be a game changer for Liverpool and the City Region – especially when seen in the context of its sister project, Wirral Waters.
- 3.5 Wirral Waters seeks to create well over 20,000 permanent new jobs, and will also help create skills and apprenticeships for young people, giving them a future on their doorstep. Wirral Waters will transform the derelict docks in Birkenhead into a World class waterfront that is alive with activity, animating the water with both leisure and industrial craft.
- 3.6 The importance of these two conjoined projects to the City Centre cannot be over-stated. Irrespective of the timescales involved, they will raise the profile and transform the prospects and economic outputs of the region, moving Liverpool further forward in its ambitions to grow as a World class city.

Superport

- 3.7 The Superport vision envisages a massive expansion of Liverpool's role as a Global trading gateway. The construction of the post-Panamax facility and proposed investment in the freight and logistics sector will substantially extend the port's capacity and ensure that the area's key economic asset remains a driver for new employment and prosperity. The River Mersey is a powerful emblem of history and shared identity for the North Liverpool and South Sefton communities, but is also a continuing source of economic and social renewal.

Liverpool John Lennon Airport (LJLA)

- 3.8 The existing masterplan for Liverpool Airport is well understood, which confirms the aspirations for the Airport to capture the opportunity to serve new routes, including long haul destinations, and to support Merseyside by capitalising on the prospects to create new jobs at LJLA and in the wider Merseyside economy. The potential of capturing synergies with the Port of Liverpool to create a Superport and developing an enhanced world cargo market are also identified.

4 Opportunities and Challenges

4.1 The future aspirations for development and growth in North Liverpool and the wider City Region clearly present a number of opportunities and challenges. These need to be recognised in the production of the Liverpool City Centre Strategic Investment Framework so that the City Centre's growth can positively influence the wider City Region and the North Liverpool /South Sefton regeneration area in particular. In summary, there is a difficult balance between ensuring that development in the wider sub-region does not adversely affect the City Centre.

4.2 These are summarised in the following tables:

Theme	Opportunities	Challenges
Global Inward Investment	The next decade is anticipated to be characterised by new investment into the UK from 'growth economies' particularly China, the USA, Germany, the Middle East and the BRIC economies (Brazil, Russia, India and China). Peel in particular are looking for funding partners for a number of schemes located within the Atlantic Gateway, including Liverpool and Wirral Waters. Inward investment into the Liverpool City Region will potentially be seen in the form of an increase in the number of businesses capitalising on Global market potential; an increase in international flows of investment (e.g. Foreign Direct Investment, research collaborations, mergers and acquisitions and joint ventures); an increase in tourism as well as increase in the number of international students. This is considered to be a huge opportunity for the Liverpool City Region (LCR) and the benefits are expected to be felt throughout with the increase in job opportunities that the inward investment will bring.	One challenge lies in attracting the scale of inward investment that Liverpool Waters and Wirral Waters require to stimulate the development process. In addition, a number of projects contained within the SIF could potentially be attractive to inward investors but these will need to be commercially viable opportunities with an attractive Internal Rate of Return. The SIF will present and establish the position of Liverpool as a Global City which is vibrant, attractive, and a safe option for international investors and this will help to promote the Liverpool Brand.
Liverpool Waters	30 year plan, consisting of diverse mix of uses with substantial physical, green and community infrastructure as part of the offer.	Whilst the masterplan proposals propose new physical East-West links into North Liverpool, the retention of the Dock Boundary Wall will

Theme	Opportunities	Challenges
	Considerable job opportunities for a range of skills will be available for the City Centre and wider City Region.	<p>make both physical and community integration a major challenge.</p> <p>The 'gravity' of the City Centre will change dramatically once the project reaches its conclusion. It will be important to plan for this future now, both in terms of physical and social infrastructure, to ensure it does not 'suck' life out of the City Centre and instead becomes an integral part of it.</p>
Wirral Waters	Wirral Waters seeks to create well over 20,000 permanent new jobs, and will also help create skills and apprenticeships for young people, giving them a future on their doorstep. Wirral Waters will transform the derelict docks in Birkenhead into a World class waterfront with activity. The plans also include an international trade centre which will bring visitors to Liverpool City Centre. This will bring considerable opportunity for the City Region.	<p>The scheme will potentially compete with Liverpool City Centre as a potential location for inward investment into the City Region. The EZ status of Wirral Waters will benefit potential occupiers, but this is counteracted by the corresponding EZ status of Liverpool City Centre's CBD. The locational advantages of Liverpool City Centre will, for most occupiers, mean that Wirral Waters does not adversely affect the City Centre.</p>
Housing development	<p>Substantial numbers of new apartments will be delivered through Liverpool Waters and the redevelopment of the Stanley Dock complex – these can positively contribute to the growth and health of the City Centre's residential community.</p> <p>Substantial areas of existing housing left derelict or cleared following the incomplete HMRI initiatives (in particular with Anfield and Breckfield) could provide an important supply of family housing that increases choice for City Centre workers and encourages existing and new residents to settle in North Liverpool.</p>	<p>To ensure that this increase in numbers is linked back to the City Centre and does not result in migration North that may damage the City Centre market.</p> <p>Change in perception required and establishment of strong ties with business and development leaders to encourage promotion as a destination of choice to raise a family. This will require continued investment in educational and community infrastructure.</p>
Football Quarter	The establishment of a 'Football Quarter' between the two clubs (Liverpool & Everton) and the construction of new stadia, will further reinforce the city's status as a 'World Class' football destination, further encouraging fans to stay in the city for longer.	To make sure that the infrastructure is in place to substantially improve pedestrian and vehicular links between the City Centre and the stadia/ Football Quarter, and ensure that economic activity is stimulated within North Liverpool and not just to the benefit of the City Centre.
SuperPort	The expansion of the SuperPort provides an opportunity for the significant expansion of the Port's capacity and will enhance the competitive positioning of Liverpool's Port on an international scale, as well as creating a significant number of new job opportunities.	The SuperPort envisages a massive expansion of Liverpool's role as a Global trading gateway. Ensuring that the benefits are realised by the local communities and that the economic impact is sustainable is the key challenge.

Theme	Opportunities	Challenges
Liverpool John Lennon Airport	Expansion and development at John Lennon Airport can support the competitive positioning of Liverpool as both a tourist and a business destination. Increasing connectivity and increasing the profile of these connections can help develop Liverpool's competitive position. There are also opportunities to link with the SuperPort's development.	<p>Getting a clear idea of the timescales for the delivery of the Airport Masterplan and an understanding of the scale of the opportunity, to ensure that developments complement one another between the Airport and the City Centre.</p> <p>Issues surrounding sustainability will challenge the potential development of the Airport in this ecologically sensitive location.</p>
Daresbury	Daresbury, as a location for science and innovation, supports the role of the Liverpool City Region as a Global hub for the life sciences. With over 100 companies located at Daresbury, it is classed as a World class facility where ground breaking discoveries are made.	The forthcoming bio-campus located in the Knowledge Quarter will be complementary to the offer at Daresbury. Both have EZ status which allows them to compete on a 'level playing field'. The location of the new Royal Liverpool University Hospital, the Universities and the School of Tropical Medicine will be an incentive to a number of companies who can benefit from the research and trials carried out in this location.
Media City	The North West of England, and particularly the Manchester – Liverpool corridor, is Europe's second largest media hub, with 31,000 businesses and 320,000 jobs. This is the magnet which attracted the Media City development. With the relocation of 6 BBC Departments, ITV Granada, a growing presence of major and medium sized creative companies and the strategic relationship with Salford University, Media City will become the catalyst for and the nucleus of a significantly expanded cluster. Some 10,000 new jobs are expected to be located there in the medium term.	Media City provides a varied mix of commercial office space for SME's and larger companies within the creative and digital sector. There is potentially an element of competition for tenants who might choose between Media City, Liverpool Innovation Park and Liverpool City Centre.

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Liverpool City Centre
Strategic Investment
Framework
City Conversations Report

1 Introduction

- 1.1 It is essential that the Strategic Investment Framework (SIF) is produced collaboratively and has the endorsement and ownership of all elements of the City Centre and wider city. To ensure this happens, the 'City Conversations' process has been undertaken.
- 1.2 The 'City Conversations' is the term used to describe the wide reaching consultation process that has engaged business, residents and stakeholders to ensure that the priorities, ideas and aspirations are considered within the SIF. The term 'City Conversations' reflects the interactive and evolving nature of the consultation exercise. The aim of this exercise has been to encourage meaningful and structured debate regarding the next 15 years of economic growth and transformational change in the City Centre.
- 1.3 The remainder of this baseline paper details the methodology undertaken and the feedback from the process, which has been represented within 6 themed 'Wordles' to allow the main messages to be easily absorbed by the reader.

2 Methodology

- 2.1 The 'City Conversations' have had five strands to the engagement process, which have included engagement with:
- The Members Reference Group;
 - Key themed business meetings involving round the table discussions which have been termed the 'Business Conversations';
 - Attendance at neighbourhood stakeholder meetings;
 - The wider residential and business communities, which has been termed the 'Social Media Conversations'; and
 - 1-2-1 conversations with interested parties to discuss specific issues or development plans.

Members Reference Group

- 2.2 A Members Reference Group has been established to ensure Members are kept informed and have input into the SIF as it evolves. An initial briefing meeting was held on the 13th January with a further meeting held on 21st March.

Business Conversations

- 2.3 The business conversations have included debates with key business representatives and stakeholders. This has included 6 sector based meetings in 'round table' discussion format. The following meetings have been held:
- Financial and Professional Services stakeholders (26th Jan);
 - Creative and Digital stakeholders (24th Jan);
 - Culture and Visitor Economy stakeholders (24th Jan);
 - Follow-up meeting on Culture and Visitor Economy with LARC (1st March);
 - Property stakeholders (26th Jan) and
- 2.4 Each meeting was well attended by stakeholders, the consultant team and Liverpool Vision and involved a lively debate, lasting for around 2 hours per session. The process involved hearing the views of around 100 different stakeholders in total, from a broad range of interests.
- 2.5 Simon Bedford from Drivers Jonas Deloitte chaired the events and facilitated discussions. Attendees were provided with the following topics for discussion prior to the event:

- What elements of Liverpool's culture/society/economy need more support over the next ten years?
- What ideas/initiative/projects should be promoted to ensure that investment into the City Centre is enjoyed by the wider Liverpool community, particularly those in areas of deprivation;
- What do you see as the 10 year potential of the City and how does [xxx] plan to contribute towards that vision;
- What do we need to grow business in [xxx] sector/what is the main inhibitor of growth?;

Neighbourhood Meetings

- 2.6 A number of neighbourhood stakeholder meetings were attended by Catherine Wignall from Drivers Jonas Deloitte to add greater depth to the team's understanding of the issues and priorities at play in the City Centre. The neighbourhood meetings were an opportunity to observe rather than an opportunity to create debate.
- 2.7 The following neighbourhood stakeholder groups were engaged in the process:
- Baltic Triangle
 - Commercial District BID
 - Ropewalks
 - Stanley Street
 - Waterfront
 - Hope Street
 - Renshaw Street

As well as key partners in other parts of the City Centre.

Social Media Conversations

- 2.8 The social media conversations involved the potential for engagement with the city's wider residential and business communities through the use of social media.
- 2.9 The residential and remaining business community had the opportunity to engage with the 'City Conversations' for a 4 week period (23rd Jan to 17th Feb) through the following media:
- **Facebook** – a 'City Conversations' Facebook page detailed the purpose of the consultation exercise, included themed questions for discussion and gave feedback from the business conversations. Residents, businesses and stakeholders were able to post comments on the page. Access to this page was through a 'Google' search, through Liverpool Vision's website or through the Facebook network;
 - **Twitter** – A 'City Conversation' Twitter account posted regular 'tweets' to provoke conversations and direct followers to the Facebook page where more in-depth discussions were available;
 - **Media coverage** – A news article in the Liverpool Echo which gave details of the City Conversations process and social media engagement

opportunities, and also included an address for written responses. The process was also featured on Radio Merseyside.

- 2.10 To encourage stakeholders to engage, the following sources were used to encourage participation:
- The Liverpool Vision website hosted the Twitter live feed and a link to the 'City Conversations' Facebook page;
 - Engage is an existing City Centre residential forum. Engage facilitated resident consultation by hosting a City Conversations news article and links to Facebook and Twitter on the existing Engage website (see <http://www.engageliverpool.com>). Engage also issued a mailshot to existing Engage subscribers to encourage participation;
 - Liverpool Vision sent out a mailshot to local business to encourage engagement through social media. Mailshots were also sent out through other website channels.
- 2.11 In addition to social media, a number of responses were received by email and letter and these have been included within the consultation feedback contained within this Baseline Report.

1-2-1 Conversations

- 2.12 A number of 1-2-1 conversations have been held with key stakeholders to ensure that specific elements of the City Centre's future development are understood in sufficient depth and detail.
- 2.13 A number of meetings and conversations have been held with a broad range of City Centre stakeholders, to ensure wider City Centre coverage, and gain more in depth knowledge particular issues, development programmes and areas. These include conversations with Merseytravel, Liverpool John Moore's University, the University of Liverpool, Peel, hotel owners and property owners.

3 City Conversations Feedback

- 3.1 The City Conversations in their entirety produced a large amount of consultation feedback, which was recorded by the consultant team.
- 3.2 This information has been sorted according to themes and represented within 'Wordles'. Wordles are an effective means of displaying a large amount of feedback from a consultation exercise, making it easier for the reader to absorb the information. The larger the text, the more frequently the response occurred within the City Conversation process.
- 3.3 The 6 themes that have emerged include:
 - Business sector growth (e.g. Creative & Digital, Culture & Visitor, Financial & Professional and Retail);
 - Improving the journey;
 - Improving specific city areas and buildings;
 - Strategic planning and leadership;
 - Housing provision;
 - Marketing and Events.
- 3.4 The key points from the City Conversations process will be carried forward by the SIF team and incorporated in the production of the final SIF.

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