



Northwest Regional Economic Strategy 2006





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SUMMARY

Introduction and Vision

Welcome to England's Northwest, a £98 billion economy with 6.8 million people and 230,000 firms. It is home to the largest media hub outside of London (Manchester), one of the world's most famous waterfronts (Liverpool), the largest concentration of advanced manufacturing and chemicals production in the UK (Lancashire and Cheshire) and to one of Europe's leading national parks (The Lake District).

During the 1980s and 1990s, our economy went through a major period of restructuring and underperformance. Since 2000, performance has improved in favourable conditions. However, the region is still not contributing its full potential to the UK economy. The Gross Value Added (GVA or output) per head is 12% lower than the England average, resulting in an output gap of £13 billion. £3 billion of this is due to fewer people working per head of population and £10 billion is due to lower productivity (GVA per employee). Forecasts also indicate that the next few years will be tougher for the region, due in part to population change and slower growth in public sector spending.

Our job is to continue the transformation of the economy by building on our many assets and tackling our areas of underperformance. Tough choices are needed if recent growth is to continue and our region is to succeed in its ambitions. We have therefore set a clear vision for the economy. This strategy sets out the actions needed to achieve this vision.

Vision

A dynamic, sustainable international economy which competes on the basis of knowledge, advanced technology and an excellent quality of life for all where:

- 1** Productivity and Enterprise levels are high, in a low carbon economy, driven by innovation, leadership excellence and high skills.
- 2** Manchester and Liverpool are vibrant European Cities and, with Preston, are key drivers of city-regional growth.
- 3** Growth opportunities around Crewe, Chester, Warrington, Lancaster and Carlisle are fully developed.
- 4** Key Growth Assets are fully utilised (Priority Sectors, the Higher Education and Science Base, Ports/Airports, Strategic Regional Sites, the Natural Environment especially The Lake District, and the Rural Economy).
- 5** The economies of East Lancashire, Blackpool, Barrow and West Cumbria are regenerated.
- 6** Employment rates are high and concentrations of low employment are eliminated.

We are committed to delivering sustainable economic development. This commitment is in line with the government's ambition of enabling all people to satisfy their basic needs and enjoy a better quality of life, without compromising the quality of life of future generations. We recognise the diversity of the Northwest's people and communities as a real economic asset and we seek to deliver the opportunity of economic participation for all. It is for this reason that topics such as environmental issues, social inclusion and rural affairs have been integrated into this strategy.



This Regional Economic Strategy (RES) has been developed in the context of a rapidly changing global environment where international competition, energy supply and climate change are all of significant concern. It has also been developed in the context of a range of European, national and regional policies. These include the government's Regional Economic Performance Public Service Agreement (PSA) target, aimed at reducing disparities in growth rates between regions, and the Northern Way Growth Strategy. There is considerable work underway between the Regional Development Agency, Government Office and the Regional Assembly to ensure that key regional strategies, in particular the Regional Housing Strategy, the Regional Spatial Strategy (incorporating the Regional Transport Strategy), and the RES are fully aligned.

Preparation of the RES has been led by the Northwest Regional Development Agency (NWDA), assisted by a Regional Advisory Group of the private, public and voluntary/community sectors, with wide consultation in the region. There has been a high quality debate about the key priorities to achieve sustainable growth across the region. This strategy is therefore the region's strategy.

The RES sets out our twenty-year economic strategy, together with the specific actions required in the next three years. It sets a framework for regional, as well as sub-regional and local action. Much economic growth is ultimately driven by the private sector and its role has been important to the development of the RES. All public, private, voluntary, community, faith and trade union partners have a crucial role in helping the region to achieve its potential.

Delivery of the strategy is crucial to the success of our region. Specific actions have been defined to achieve this. These are set out in five themed chapters. Each action has been assigned a "lead" organisation. Many organisations will be involved in the delivery of each action, but the "lead" organisation will be responsible for ensuring that action occurs and is co-ordinated. The NWDA has an overall leadership responsibility to ensure that progress against the RES is delivered, monitored and evaluated. The region's five Sub-Regional Partnerships (SRPs) also have a responsibility to bring together into a sub-regional action plan all the actions in the RES relevant to their sub-regions. All partners have a responsibility to work with the SRPs.

We have public resources to support the delivery of this strategy. It is essential that all appropriate public sector spending is aligned with the RES and other key regional strategies. All public sector organisations need to develop their own corporate plans in the light of the RES and make their own spending decisions. Each organisation will have a process for doing this. It is important to note that the inclusion of an action in the RES does not imply that any funding decisions have been made by individual organisations.

We would like to thank all those who contributed to this strategy. Your many views were invaluable. We are committed to delivering the strategy, but need the continued support of everyone in the region and in government to help us achieve the full economic potential of England's Northwest.



The Economic Strategy

The RES has been developed from a sound evidence base. This identifies **three major drivers** to achieving the strategy's vision and to closing the output gap with the average for England.

Firstly, the region needs to **improve productivity and grow the market**. It needs to build on its areas of success and its particular assets and opportunities to increase GVA per person employed (£10 billion of the GVA gap). This means increasing the added value of jobs in the region as well as retaining the existing high added value jobs – many of which are in the manufacturing sector. It will mean promoting enterprise, including social enterprise, and working with companies to invest in product, process and market innovation, internationalisation, leadership and management, ICT and sustainable production, as well as working with individuals to develop higher level skills.

Secondly, the region needs to **grow the size and capability of the workforce**. We need to get more people working and to encourage all forms of economic activity in our most deprived areas, those areas remote from growth and among our most disadvantaged communities (£3 billion of the GVA gap is due to fewer people working). This means ensuring that people from these communities have the skills required to work, linking people to nearby job opportunities and encouraging new enterprise activity. Developing the skills of the existing workforce to meet higher added-value jobs also provides opportunities to bring currently workless people into the workforce. Although initially some of these jobs may be relatively low value-added, the ultimate aim is to develop skills and build conditions in all areas to create high value-added jobs.

Thirdly, these two major drivers need to be underpinned by creating and maintaining the **conditions for sustainable growth** and private sector investment. This means investing in the region's environment, culture and infrastructure (especially to link growth areas with more deprived communities), improving the quality of life, tackling deprivation, valuing diversity and social inclusion, and recognising the social and environmental implications of economic growth. It is critical to wider regional success to create sustainable communities where a thriving economy is matched by high quality natural and built environment, high quality local services, good transport connections and an active, safe and inclusive society.

It must be recognised that there are a number of other important external factors influencing the region, including: global change, such as energy prices and new emerging markets; environmental change; demographic change (the population of the region is ageing and is likely to see a proportionally faster decline in the number of young people than the UK as a whole); sectoral change away from manufacturing and towards services; and changes in the rural economy. We have more control over some of these factors than others. The RES focuses on those things within the region's control, but the importance of seeking to influence policy decisions at a national and EU level cannot be understated.

Drivers for Growth

The diagram below shows the **three major drivers** of the economy and the **factors** and **objectives** which influence them. The **five themed chapters** - Business, Skills and Education, People and Jobs, Infrastructure and Quality of Life - detail the actions required to address market failure and achieve the vision. The colour coding shows the themed chapter in which these factors and objectives appear.



Transformational Actions

The region must make tough choices in order to achieve the six transformational outcomes set out in the vision. All the actions listed in the RES are important, but priority needs to be given to those which are fundamental to achieving these outcomes - the transformational actions. These are summarised below, linked to the drivers for growth. They are also highlighted in each themed chapter. The process by which they have been identified is described in Annex A.

All organisations will be asked to focus first on these transformational actions when developing their own plans. As part of the NWDA's leadership role, a senior member of the Agency will track progress against each action and ensure that they are receiving the priority needed to achieve the overall vision.

IMPROVING PRODUCTIVITY AND GROWING THE MARKET (£10bn of gap)	CONDITIONS FOR SUSTAINABLE GROWTH	GROWING THE SIZE AND CAPABILITY OF THE WORKFORCE (£3bn of gap)
<p>1 Transform Business Link into a key enabler of high productivity and enterprise, and integrate skills brokerage with this service</p> <p>8 Cluster programmes in priority sectors to develop higher value activity and improve productivity</p> <p>9 Exploit opportunities from creation of a Media Enterprise Zone linked to BBC relocation</p> <p>12 Help businesses to implement process and product/service innovation</p> <p>13 Enhance Business/HEI collaboration and knowledge transfer</p> <p>15 Implement the Northwest Science Strategy</p> <p>16 Support major research concentrations and knowledge nuclei</p> <p>17 Inform companies of global opportunities/risks and help them to compete internationally</p> <p>23 Improve Business Resource Efficiency and Waste minimisation (BREW) support to business</p> <p>24 Develop and implement a Regional Climate Change Action Plan</p>	<p>63 Deliver demand management and improvements on the Greater Manchester/Cheshire motorways</p> <p>64 Improve road access to Liverpool City Centre</p> <p>65 Develop the second Mersey crossing</p> <p>66 Reduce levels of congestion by increasing use of public transport and reducing peak traffic volumes</p> <p>67 Deliver capacity improvements to the Manchester Rail Hub</p> <p>72 Grow Manchester and Liverpool John Lennon Airports</p> <p>73 Grow the Port of Liverpool</p> <p>77 Develop Manchester Metrolink, and mass transit for Liverpool and the Mersey Belt including links to Deeside</p> <p>80 Deliver the designated Strategic Regional Sites</p> <p>85 Ensure new housing to support regeneration or knowledge based economic growth</p> <p>87 Set Housing Market Renewal within a strong economic context</p>	<p>43 Deliver employability activities and reduce the number of people on Incapacity Benefit</p> <p>44 Deliver intensive support for those groups with low employment rates</p> <p>45 Develop job brokerage to link employers with vacancies and workless individuals</p> <p>47 Develop and implement an integrated economic plan for East Lancashire</p> <p>48 Implement the Blackpool Masterplan</p> <p>49 Develop and implement the Barrow Masterplan</p> <p>50 Develop and implement an integrated economic plan for West Cumbria</p> <p>52 Encourage employment creation in or near deprived areas</p> <p>54 Capitalise on the strengths and assets of Manchester, Liverpool and Preston as drivers of city-regional growth</p> <p>55 Develop plans to capitalise on ongoing private sector investment around Crewe, Chester, Warrington, Lancaster and Carlisle</p> <p>56 Implement plans to ensure ongoing growth in the rural economy as part of the Regional Rural Delivery Framework</p>
<p>26 Deliver the basic skills required by employers for those without qualifications</p> <p>27 Deliver the skills required by priority sectors</p> <p>28 Deliver the skills required to maximise the economic impact of key growth opportunities</p> <p>31 Develop intermediate/higher level skills and linkages to workless people</p> <p>35 Develop management/leadership and corporate social responsibility skills</p> <p>37 Develop educational attainment</p> <p>38 Develop the University for Cumbria and ensure provision of HE opportunities in East Lancashire</p>	<p>96 Support Liverpool European Capital of Culture 2008 to maximise the full economic benefit</p> <p>101 Improve the product associated with tourism 'attack brands' and 'signature projects'</p> <p>111 Deliver the Regional Equality and Diversity Strategy</p> <p>113 Develop the economic benefit of the region's natural environment</p> <p>114 Implement The Lake District Economic Futures Policy Statement</p> <p>119 Invest in quality public realm/ greenspace/environmental quality</p>	

Targets

Ambitious regional targets have been set to ensure the delivery of the RES vision. These targets reflect the regional elements of the vision, not the spatially-specific elements (elements relating to specific areas and communities). The targets for 2009 have been set on the basis of current and forecast performance and to put the region on track to achieve its longer term ambitions. Full details of how these targets have been set are contained within a separate document (listed in Annex G).

The achievement of these targets will depend on each sub-region fulfilling its potential. Sub-regional contributions to the regional targets will therefore vary depending on a range of factors, including the size and nature of their economies. Each Sub-Regional Partnership will be asked to identify its contribution to these targets and to the spatially-specific elements of the vision.

Data limitations restrict the ability to set targets in other important areas, such as innovation levels, housing affordability and sub-regional wage levels. Consequently, a wider range of indicators will be measured (set out in Annex D). Taken together, the targets and indicators will show how the region is contributing to the government's Public Service Agreement targets, as set out in the national RDA Tasking Framework.

An annual monitoring report will be produced, including performance against these targets at regional and sub-regional level where possible, together with performance against the wider range of indicators.

	Target over the period 2006 - 2009	Longer term ambition (2026 or earlier)
1. GVA Growth	Achieve GVA growth above the England average	Close the GVA/head gap with the England average
2. Job Creation	Create 150,000 net new jobs, 80,000 of which should be in 'knowledge' occupations to bring the proportion of people working in these occupations up to the England average	To have a higher proportion of people in 'knowledge' occupations than the England average
3. Firm Formation (measured by VAT registrations)	Raise the firm formation rate to 21,000 per annum	To have the same firm formation rate and business stock as the England average
4. No Qualifications	Reduce the number of working age people with no qualifications by 80,000 and ensure no district has more than 29% with no qualifications	To have the same proportion of the population with no qualifications as the England average, and to eliminate major sub-regional variations and variations between key groups
5. Graduate Qualifications	Increase the number of people in the workforce with graduate qualifications by 120,000 in order to meet the England average	To have a higher proportion of people in the workforce with graduate qualifications than the England average
6. Employment Rate	Increase the number of people in the workforce by 83,000 in order to meet the England average employment rate, and ensure no district has an employment rate less than 68%	To achieve a regional employment rate of 80% by 2020, and eliminate major sub-regional variations and variations between key groups
7. Deprivation	Reduce the number of areas in the worst 5% deprived, nationally	To have less than 20% of people with a household income of less than 60% of the GB median by 2020
8. CO ₂ Emissions	Reduce CO ₂ emissions per unit (£) of GVA	To meet Kyoto targets by 2012, to reduce CO ₂ emissions to 12.5% below 1990 levels

England's Northwest Sub-Regions and City-Regions

 **Sub Regional Boundaries**

City Regions



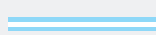
Central Lancashire



Manchester



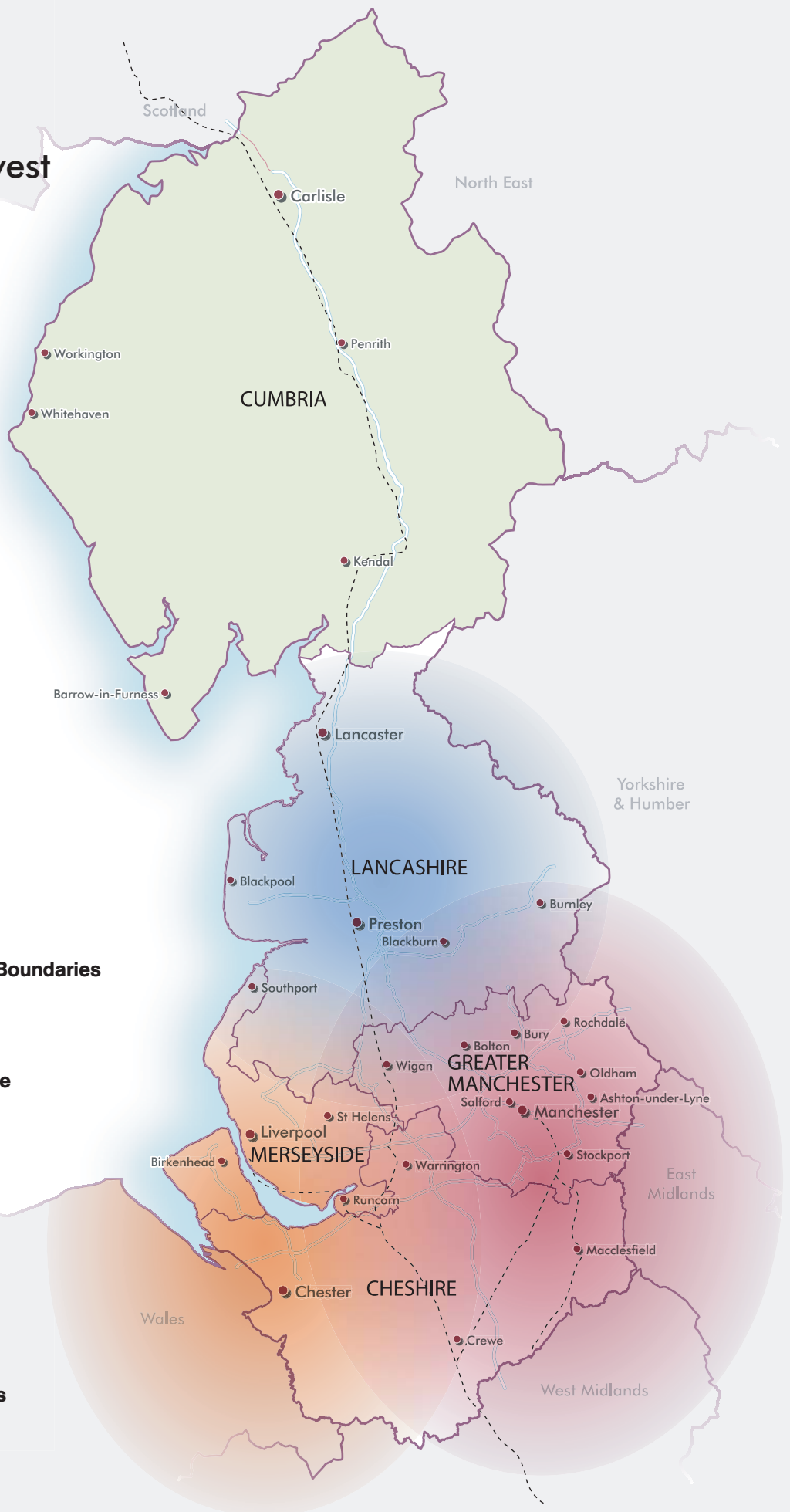
Liverpool



Motorways



**Network Rail's
Primary Routes**





CONTEXT

The RES is the rolling 20-year strategy to shape the future economic direction of the Northwest. It has a particular focus on activities between the years 2006 to 2009. The NWDA led the development of the strategy, ensuring and coordinating the contribution of all those seeking to develop the region's economy. This collective effort by key partners is essential if economic transformation is to be achieved.

At the heart of the RES is the concept of achieving sustainable development. The RES is of central importance to a range of other policies. For example, it influences housing, planning and transport policies via the Regional Housing, Spatial and Transport strategies.

The Review Process

The RES is underpinned by a substantial evidence base, including specifically commissioned economic, environmental and social analyses, to ensure that all aspects of sustainable development are addressed. Other key evidence includes forecasts by the Regional Economic Forecasting Panel and Equality and Health Impact assessments, all of which were crucial in finalising this document.

As the RES is subject to the Strategic Environmental Assessment (SEA) Directive, an independent Environment Report was produced on the draft RES to look at the potential impact of the policies proposed. This was subject to consultation and was updated in the light of the final RES and feedback received. The findings of the environmental report were used to produce the "Key Social and Environmental Outcomes" section within each chapter of the strategy. Annex G contains a schedule of all supporting evidence and assessments.

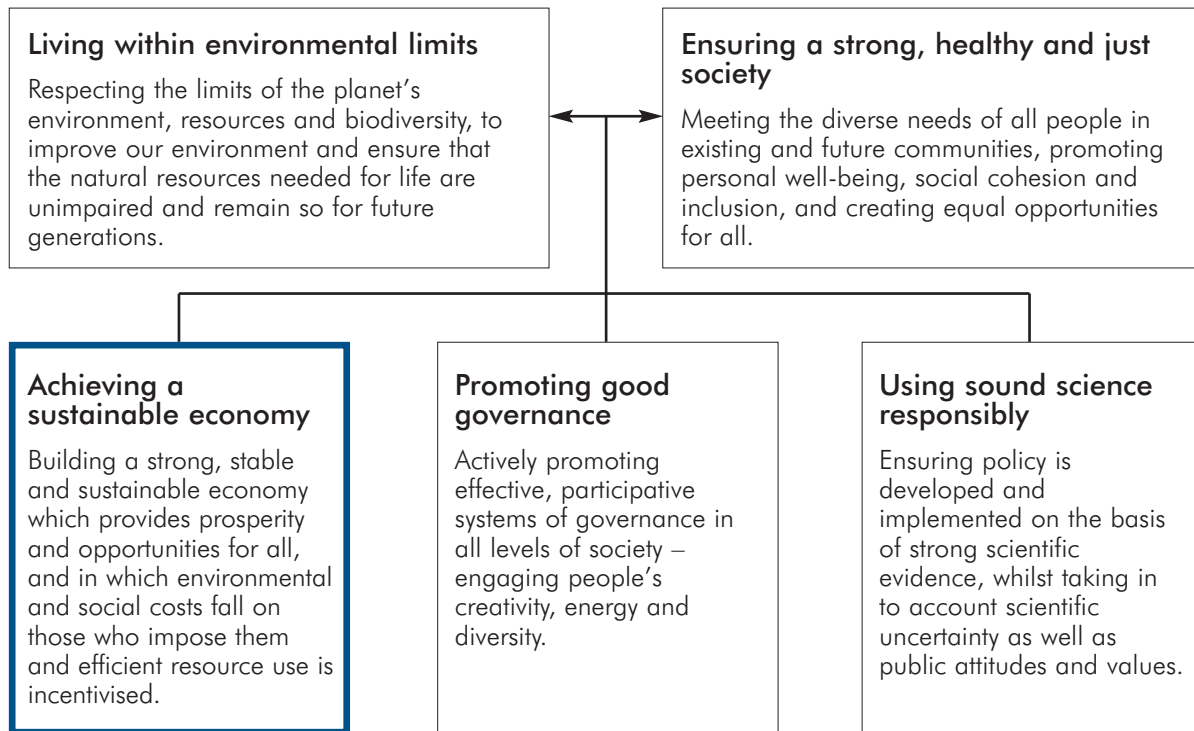
The region was fully engaged in the production of the RES. The RES Advisory Group of key regional partners worked with the NWDA from January 2005, acting as a link with a much wider range of partners. The Advisory Group was also closely involved in drafting the RES.

Three months of public consultation were undertaken on the draft document in summer 2005. Over 6000 copies were distributed, 90 presentations undertaken and nearly 250 written responses received, many of which were composite replies representing several hundred organisations. All information was placed on the NWDA's website, and was heavily accessed. There was a high quality, mature debate about the region's assets and opportunities, the nature of the challenges it is facing and the transformational actions necessary to achieve high levels of sustainable growth across the region.

As a result of the feedback received, significant changes were made to the draft. These are reflected in this final version. In particular, the vision has been amended to be more motivational, regionally-specific and focused on the transformational agenda. Similarly, the actions have been tightened, made more specific and focused on sustaining success, as well as tackling need. The title of the third chapter has been changed from "Regeneration" to "People and Jobs", not only to more accurately reflect its content, but also to recognise that regeneration covers aspects of all chapters. In effect, "Regeneration" is a summation of the entire RES.

Sustainable Development

At the heart of the RES is the concept of achieving Sustainable Development. This will be achieved through adherence to the shared UK Guiding Principles for Sustainable Development*:



* "Securing the Future – Delivering UK Sustainable Development Strategy" HM Government 2005

The new UK Sustainable Development Strategy identifies four priorities for UK Action:

- Sustainable Consumption and Production.
- Climate Change and Energy.
- Natural Resource Protection and Environmental Enhancement.
- Sustainable Communities.

Each chapter concludes with an assessment of the "Key Social and Environmental Outcomes", which assesses how the RES will assist in delivering these priorities.




The European, National and Regional Policy Context

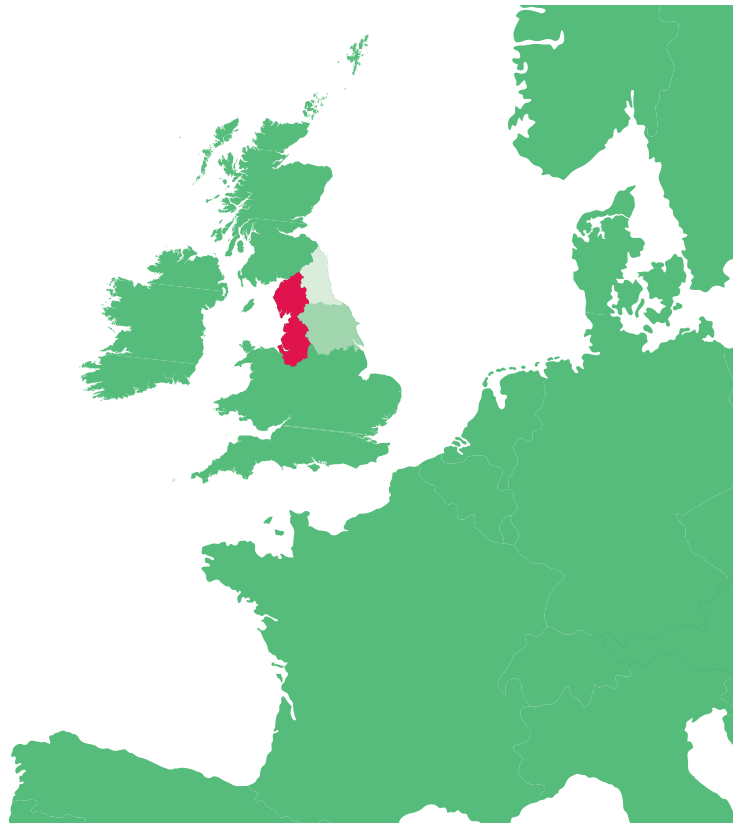
The RES is linked to the other policy frameworks which help determine the future of the Northwest. It is important that it not only reflects these frameworks, but also helps to shape their development to support RES priorities.

In particular, the RES:

- Sets out how the region will progress the “Lisbon Agenda” (the current policy context for the European Union) and provides the framework for the implementation of new EU programmes post-2006.
- Takes forward key government policies and initiatives and also helps to shape the future development of those policies.
- Reflects the strong economic links with neighbouring regions, particularly in the context of the Northern Way Growth Strategy. This is led by the three Northern RDAs, with the support of government, and sets out how the North can unlock the potential for faster economic growth and close the £30 billion output gap with the England average (£13 billion of which is in the Northwest).
- Aligns with other major regional strategies, including the Regional Housing Strategy and the Regional Spatial Strategy (which includes the Regional Transport Strategy) and identifies the key points that need to be reflected in those strategies in order to deliver the RES.
- Reflects other significant regional frameworks, including Action for Sustainability, the Regional Equality and Diversity Strategy, the Regional Skills Partnership Priorities, the emerging Regional Rural Delivery framework and the Regional Health Improvement Plan.
- Identifies key sub-regional issues essential to the delivery of the RES which need to be reflected and progressed in sub-regional strategies and action plans.

Northern Way Regions

-  **Northwest**
-  **Yorkshire and the Humber**
-  **North East**



The Northwest Economy

Regional Performance

A full account of the economy of the Northwest is given within the Northwest Economic Baseline Report, which provides the main context and rationale for the policies in the RES. The Northwest is a £98 billion economy (GVA or Gross Value Added, 2003) with approximately 6.8 million people and 230,000 firms. It is a large area with a diverse population and economy. Historically, it has under-performed compared to the UK economy, but in recent years (2000-2003) the Northwest has been growing faster than the England average:

- 18% GVA growth (compared to the England average of 16%).
- 5% growth in number of firms (compared to the England average of 3%).
- 5% growth in number of employees (compared to the England average of 2%).
- 3% growth in employment rate (compared to the England average of 0%).

In the last four years, the Northwest has created a net additional 150,000 new jobs, but many of these have been low paid, often part-time jobs, with many in the service sector. The GVA per head of the Northwest is still 12% lower than the England average – resulting in an output gap of £13 billion.

Although comparisons with the England average are not the only important measure, they are useful to illustrate the performance of the economy. Other key “gaps” with the England average (based on the size of the population) include:

- 80,000 fewer people working.
- 120,000 more people with no qualifications.
- 80,000 fewer people with degree-level qualifications.
- 90,000 fewer people working in the “knowledge economy”.
- 38,000 fewer companies.

£3 billion of the total output gap is due to fewer people of working age and fewer people working than the England average. £10 billion is due to lower productivity (GVA per employee), which is partly a reflection of the nature of jobs in the region - an above average proportion of which are part-time.

In the past, large manufacturing companies dominated the Northwest economy and manufacturing is still vital to the Northwest and is very productive. The structure of the Northwest economy, however, is becoming increasingly similar to that of the UK as a whole and the majority of the region’s GVA gap is in the service sector, especially business and professional services (40% of the £10 billion gap).



Sub-Regional Performance

There have been substantial variations in the performance of the Northwest's five administrative sub-regions in recent years (2000-2003), illustrated in the table below:

Sub-Regional Shares of GVA, 2002

Sub-region	GVA total	GVA share
Greater Manchester	£36.5bn	39.5%
Lancashire	£18.1bn	19.6%
Merseyside	£17.0bn	18.5%
Cheshire	£15.2bn	16.4%
Cumbria	£5.5bn	6.0%

Source: ONS, NUTS2 data, basic GVA workplace based

Halton has been included with Merseyside based on estimate from Pion

These variations in performance are:

Greater Manchester

- continues to perform at around the regional average
- marked differences between the south (including Manchester City Centre), where growth has been rapid in both employment and GVA terms, and the north, where growth has been sluggish

Lancashire

- steady growth, with employment growth faster than GVA growth
- significant differences in the growth rates between parts of East Lancashire and the more dynamic area around Preston

Merseyside

- significant recovery, particularly in Liverpool where GVA and employment growth have been strong, to become one of the fastest growing parts of the region, albeit from a relatively low base
- substantial areas not participating in this new economic prosperity

Cheshire and Warrington

- continued growth in GVA, with the highest GVA per head in the region, but at a slower rate than in the recent past

Cumbria

- continued poor economic performance, exacerbated by contractions in large manufacturing sectors (shipbuilding and nuclear) and in agriculture, together with the impact of foot and mouth disease in 2001/2
- performance in job creation has been much stronger than in the previous period, although there is still the on-going threat of major job losses

Regional Assets and Opportunities

The Northwest has a rich variety of assets and opportunities which must be harnessed to address the economic challenges. Key strengths of the region include:

- The highest number of people with graduate level skills outside London and the South East.
- Above average levels of business R&D per head of population, driven by a core of world class companies.
- World class centres of excellence in our 14 Higher Education Institutions (87 Departments with 5 or 5* Research Assessment Exercise ratings, 11% of the England total).
- Internationally competitive sectors in biomedical, advanced engineering and materials (including aerospace, chemicals and automotive), energy and environmental technologies (including nuclear), food, creative and digital industries, business and professional services.
- The major cities of Manchester and Liverpool, and the emerging importance of Preston, as key drivers of city-regional growth.
- Significant growth opportunities around Crewe, Chester, Warrington, Lancaster and Carlisle.
- Major international gateways in Manchester and Liverpool John Lennon airports. These are projected to grow to 50 and 12 million passengers per year respectively.
- The Port of Liverpool - a major national deep sea gateway.
- A strong tourism industry - worth £3 billion and 18 million visits per year. This is based on distinctive assets in the cities; a beautiful natural environment, with nearly one third of the region designated as National Park (including The Lake District) or Areas of Outstanding Natural Beauty; a world famous golf, football and cultural offering; Britain's top seaside resort (Blackpool) and impressive Roman and industrial heritage.
- An important rural economy, which accounts for 23% of the region's GVA and 40% of all firms in the region.
- An environmental economy which contributes 2.7% of the region's GVA.

City-Regions and Cumbria

As part of the development of the RES and the Northern Way Growth Strategy, we have sought to understand better the functioning of the economies in the region. These are based primarily on the three City-Regions of Central Lancashire, Liverpool and Manchester, together with Cumbria. The City-Regions are recognised as the key drivers of regional economic growth. They do not accord with administrative boundaries, although for the purposes of analysis and development local authority districts have been used (see tables overleaf). These broad areas of economic influence cover most of the region's population, key assets and opportunities. It is here that most of the region's economic growth will occur. They have a strong relationship with adjacent rural areas. They also contain many of the region's most severe economic challenges. The cores of the City-Regions closely relate to the sub-regional geographies of Lancashire, Greater Manchester and Merseyside, but extend beyond them. In the case of Liverpool and Manchester City-Regions, they embrace most of Cheshire and Warrington. They overlap, are very different in character and also have significant connections to other parts of the region and into adjacent regions (see table).

The Sub-Regional Partnerships have led the preparation of City-Regional Development Programmes. These are being further developed to understand and prioritise transformational activities around the drivers for growth of each City-Region, based on their specific assets and opportunities. Understanding how the region's key economic drivers function and relate to each other, to the rest of the region and to key growth drivers in adjacent regions, is a critically important piece of developmental work which will be pursued during this RES period.

City Regions and Cumbria (cont.)

Manchester City Region Economy (GVA c£45bn)

Includes Manchester, Salford, Bolton, Wigan, Bury, Rochdale, Oldham, Tameside, Stockport, Trafford, Warrington, Macclesfield, Vale Royal, Congleton, and High Peak; and has significant connections to Crewe and Nantwich, Liverpool, Central Lancashire, Leeds and Sheffield City regions.

Key Assets and Opportunities

North's greatest concentrations of high value activity in manufacturing, financial and professional services, media, creative and cultural industries.

Strong potential for growth in life sciences, ICT/digital and communications.

Manchester Airport's role as the key international gateway to the North.

Highest performing research and teaching institutions outside the Golden Triangle.

Critical mass of cultural assets.

Regional Media Hub - the planned relocation of the BBC will establish its status as the premier broadcasting/commissioning centre outside London.

Dynamic private sector in Manchester - recognised as the only UK city outside London in the top 20 European business locations.

Key business tourism destination.

Key Challenges

High concentrations of economically inactive people.

High concentrations of those with low levels of qualifications.

Improving connections to and within the city-region including the expansion of Manchester Airport, improvements to the Manchester Rail Hub and Trans-Pennine Rail Network, and completion of the planned extensions of Metrolink.

Provision of the appropriate housing to support economic growth.

Ensure the high performance in the south of the city-region benefits the north.

Liverpool City Region Economy (GVA c£27bn)

Includes Liverpool, Knowsley, St Helens, Sefton, Wirral, Halton, Ellesmere Port, West Lancashire, Warrington, Chester, and Flintshire and Denbighshire in North Wales; and has significant connections to Manchester City region and Cheshire

Key Assets and Opportunities

Strong concentrations of high added-value activity in life sciences, digital/media, advanced engineering (including automotive), and chemical sectors.

Other key clusters including maritime and tourism.

Quality business locations.

Significant knowledge assets in life sciences and health research.

Key gateway for trade and people into the North through the Port of Liverpool, and Liverpool John Lennon Airport.

Mersey Rail network and inter-city rail and motorway connections.

Critical mass of culture, sporting, heritage, leisure, natural environment and retail assets.

European Capital of Culture 2008 status as a key catalyst for the region and UK.

Key business tourism destination.

Key Challenges

Need to continue to accelerate economic recovery and urban renaissance given a continuing gap in underlying economic performance.

High concentrations of economically inactive people.

High concentrations of those with low levels of qualifications.

Delivery of major transport and infrastructure investments, including the Second Mersey Crossing.

Need to drive up productivity - including accelerated actions on skills and business formation.

Imperative of balancing growth with creation of sustainable communities.

Central Lancashire City Region Economy (GVA c£15bn)

Includes Preston, Blackpool, Blackburn, Burnley, South Ribble, Chorley, Fylde, Wyre, Pendle, Hyndburn, Ribble Valley and Rossendale; and has significant connections to Lancaster, West Lancashire and Manchester City region.

Key Assets and Opportunities

A world class concentration of aerospace and defence manufacturing (most important centre of high technology manufacturing outside South East).

Strong concentrations in advanced manufacturing in chemicals, rubber and plastics, electronics and optical equipment, food and drink, paper and printing and recorded media.

Opportunity for growth in environmental technologies and biotechnology.

Preston – key location for knowledge-based employment, with fast growth in creative, ICT and new media occupations.

Blackpool - the UK's most visited tourist destination aiming to become a world-class resort destination by securing the regional casino, leisure investment and improvements to Blackpool Airport.

Blackburn - strategic gateway to East Lancashire and Enterprise Capital of the Northwest 2005.

Key Challenges

Increasing economic activity rates in areas such as East Lancashire and Blackpool.

Improving basic and higher level skills and qualification levels.

Stimulating enterprise.

Accelerating transition to higher value advanced manufacturing.

Improve productivity of service sector businesses.

Improving intra- and inter- city region connectivity.

Developing regionally significant, high quality locations for business.

Expanding the role of higher education in the city region.

Cumbria Economy (GVA c£5.5bn)

Includes Allerdale, Barrow, Carlisle, Copeland, Eden and South Lakeland

Key Assets and Opportunities

Tourism, Food and unique Nuclear sectors provide prospects for growth.

The Lake District - a world famous visitor destination.

Broad rural economy.

New University for Cumbria.

Prospect of growth in indigenous enterprises, maritime and creative industries.

Excellent broadband infrastructure.

Key Challenges

Slowest growth rate of all UK sub-regions.

Over-dependence on public services, distribution, manufacturing and agriculture which makes the economy vulnerable to market change.

Low wage economy.

Low levels of skills and qualifications.

Very high proportion of small firms (83% employ fewer than 10 people).

Few jobs in the business and financial services sector.

Poor connectivity.

Low concentrations of population.

Remoteness from areas of growth – especially West Cumbria.

High concentrations of economically inactive people in Barrow.



Implementing the Strategy

Regional Commitment

Regional engagement in developing the RES has been vital. All public, private, voluntary, community, faith and trade union partners have a critical role to play in delivering the actions in the RES to realise the vision. Its successful delivery requires committed leadership at all levels throughout the region, as well as the support of government.

Lead Partners

Each action in the RES has a lead organisation (or in a few cases, organisations). The lead organisation has responsibility to collaborate with a wide variety of other partners to ensure that the action is effectively delivered.

All the lead organisations have key strategies and action plans which are either being developed or reviewed over the RES period. It is these strategies and plans which the RES has to influence to be successful, ensuring that the individual strategies reflect the overall priorities of the RES. All partners will also need to consider the broader impact of their activities on issues such as sustainable development, equality and diversity, and rural issues.

The role of NWDA, Sub-Regional Partnerships and the Private Sector

The NWDA, as the strategic leader of the economic development of the region, led the development of the RES. It has overall responsibility for ensuring that the RES is delivered, monitored and evaluated. On some actions, the NWDA itself is the lead organisation. It will also work with the other lead organisations to ensure that appropriate action is taken, the relevant partners involved and resources identified to ensure effective implementation. In addition, the NWDA will evaluate progress on the RES and prepare an annual monitoring report.

The five Sub-Regional Partnerships have a dual role in implementation. One is in regard to the specific actions on which they are the lead organisation. The other is in drawing up Sub-Regional Action Plans which include all the key actions in the RES which relate to their sub-region. The Sub-Regional Action Plans also need to embrace the City-Region Development Programmes. In the case of Liverpool and Manchester, this will require continued collaboration between the Merseyside, Greater Manchester and Cheshire and Warrington Sub-Regional Partnerships. The Sub-Regional Action Plans are also likely to include other sub-regionally significant actions as identified in the respective sub-regional strategies.

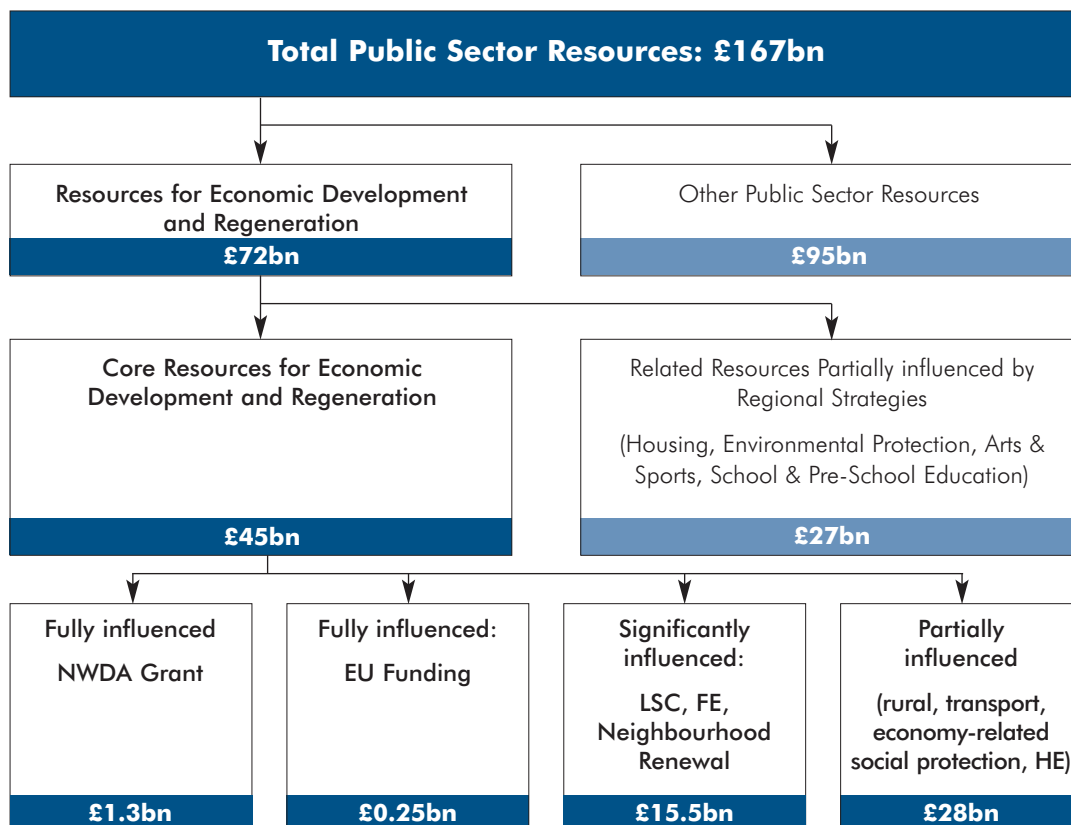
The role of the private sector – the region's wealth creator - is fundamental to the delivery of the RES. Although some actions have the private sector as the lead, the sector's role pervades most actions. Consequently, it is critical that the private sector is fully involved in their development, either as individual companies or through bodies such as the Chamber of Commerce, CBI, Institute of Directors, Northwest Business Leadership Team and the Private Sector Partners. Where the RES identifies 'employers' as the lead organisation for an action, it refers to these employer bodies.

Resources

Successful delivery of the RES will only be accomplished if we achieve the twin objectives of maximising available resources and ensuring that all resources are focused on delivering RES objectives.

We estimate that over the three-year RES period the region will receive £167 billion of public resource. Around £72 billion of this is for economic development and regeneration and therefore falls within the broad scope of influence of the RES. £45 billion falls explicitly within the scope of the RES. Namely, the budgets of the NWDA, Learning and Skills Council (LSC), Higher and Further Education, Neighbourhood Renewal, rural, transport and economy-related social protection budgets, as set out in the table overleaf.

Estimated Public Sector Resources for the Northwest: 2006/7 to 2008/9



The implementation of the RES not only needs to influence this public sector expenditure, but it must also ensure that substantially more private sector investment is attracted in to the region. This includes specific actions, such as producing appropriate evidence to engage government and secure public policy change and investment, focused on the key actions required to achieve transformational change (developing a robust case for the Comprehensive Spending Review in 2007 and subsequent spending rounds, for example). It also includes influencing future European spending in the region and creating the conditions and opportunities for increased levels of private sector investment.

Only through these measures, and with the continued support of partners in the region and government, can we ensure that the Northwest economy fulfils its potential and contributes even more effectively to national economic performance.

Business



Manufacturing excellence at Jaguar, Speke

ACHIEVING THE VISION

To achieve the vision, the region needs to focus on seven key factors:

- 1 Developing new **Enterprise** and growing existing companies.
- 2 Developing higher added-value activity in **Regional Sectors**.
- 3 **Innovation** to improve productivity in all companies and exploit the Higher Education base of the region.
- 4 Exploiting the **Science/Research and Development** base of the region.
- 5 Improving **International Competitiveness**.
- 6 Using **ICT** more effectively and efficiently.
- 7 Focusing on **Sustainable Consumption and Production**.

These factors are expanded into specific objectives in the tables on pages 22 to 25. The tables list the key actions required to achieve these objectives, with the transformational actions highlighted. Some actions elsewhere in the RES closely relate to specific objectives in this chapter. These actions are shown as colour-coded numbered links.

NORTHWEST CONTEXT

Global factors determine much of the rate and direction of business growth in the Northwest. It is one of only three regions to contribute positively to the UK balance of trade, with exports dominated by organic chemicals and pharmaceuticals. Recent inward investment has created 23,000 jobs, with a broadly equal split between services and manufacturing.

The economy has performed well in recent years, with a net 150,000 jobs created. Manufacturing is highly productive, exceeding the England average. Advanced manufacturing is crucial to the region and its future success.

However, there is still a lot more to do. Much of the recent job growth has been in part-time lower paid jobs. 96% of Northwest firms are still not registered as trading overseas. The region has 38,000 fewer businesses than the England average.

£10 billion of the GVA gap is caused by lower productivity compared to the England average, with the highest productivity gap in the service sector. Despite major employment growth in this sector, much work is needed to ensure that service sector companies improve their productivity and exhibit similar productivity characteristics to the manufacturing sector.

The region tends to have less owner-managed businesses, partly due to the historic dominance of large manufacturing companies. It is therefore vulnerable to head office decisions made outside the region. Research & Development spend is concentrated in just a few large companies, with a significant number of companies investing little in this area. To improve productivity, there is a need to encourage all companies to understand and get involved in innovation in its widest sense, not just in R&D.

The nature of the rural economy continues to change, with a decreasing reliance on agriculture and some significant growth in other sectors.

The region has substantial variations and concentrations in economic performance, geographically, sectorally and within various communities. The RES identifies those sectors that are regionally significant.

Northwest facts

- The region has 18% fewer businesses (per 10,000 adults) than the England average.
- Employment in knowledge-based occupations stands at 36.4%, compared to an England average of 41.8%.
- The Northwest attracts 12.7% of total business R&D, but less than 4% of government (non Higher Education Institutions) R&D.
- Rural businesses account for 40% of the business stock, 23% of regional GVA and 25% of employment. Agriculture accounts for just 3% of rural GVA and the service sector 63%.
- Foreign Direct Investment accounts for 16% of the Northwest economy.
- 10% of small and medium sized enterprises are ethnic minority businesses.

ACTIONS	REASON	LEAD
Enterprise		
Improve the formation, survival and growth rates of enterprises:		
1. Transform Business Link to become a key enabler of high productivity and enterprise in the region, and integrate skills brokerage with this service	Reduces customer confusion arising from duplication of services, by ensuring easy access to coherent and integrated public and private sector business and skills support	NWDA LSC
2. Promote enterprise as a career choice and consider creating a Northwest Enterprise Forum	Encourages more people to start businesses and use the skills of existing entrepreneurs to support them	NWDA
3. Ensure that business start-up and survival provision is targeted at the following under-performing sectors of the region: <ul style="list-style-type: none"> ➤ High growth knowledge based start ups ➤ Women, BME Communities, Disabled Entrepreneurs and Social Enterprise ➤ Barrow, Blackpool, Knowsley, St. Helens and Wirral 	Improves start up rates: knowledge-based start-ups are more innovative and internationally competitive; groups with specialist needs currently have low enterprise rates but huge potential; areas identified by OPDM as significantly lacking in enterprise growth need additional support, including support via the Local Enterprise Growth initiative	Business Link Local Authorities
4. Review business support needs of, and focus support on: <ul style="list-style-type: none"> ➤ Priority sectors ➤ Potential high growth knowledge based companies ➤ Medium sized companies (M-businesses) ➤ Businesses in the rural economy 	Knowledge-based businesses are more innovative and internationally competitive and can exploit growth conditions in key sectors and locations. M-businesses account for a major proportion of the workforce and have high growth potential and distinct structures, motivations and characteristics. The rural economy is undergoing many changes and support is needed to manage this change	Business Link
Improve availability of business finance:		
5. Target the existing investment readiness, business angel activity and portfolio of seed and venture capital funds at growth potential companies, and ensure ongoing finance availability (up to £500,000)	The availability of business finance is a key growth issue for companies	NWDA
6. Address key business finance gaps (small loans to micro-businesses and £0.5-£2million loans and equity for other businesses)	There are key gaps in the finance market identified by UK government, EU and through consultation with the private sector	NWDA
Influence government policy on small business regulation:		
7. Highlight the impact of central government and local authority regulation on the growth potential of business, in line with the government's commitment to better regulation	Regulations can be a barrier to business start-up and growth. Appropriate regulation and compliance, however, is important for successful business. Work will therefore include helping regulators to provide better advice and raise awareness	Employers

ACTIONS	REASON	LEAD
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Regional Sectors (Other sectors are also important to particular sub-regions but not included in the RES)

Develop key internationally competitive sectors:

27

8. Undertake cluster programmes in priority sectors to develop higher value activity, improve productivity and identify future growth opportunities from converging markets/technologies: <ul style="list-style-type: none"> ► Biomedical: <i>biotechnology, pharmaceuticals and medical devices</i> ► Energy and Environmental Technologies ► Advanced Engineering and Materials: <i>Chemicals, Aerospace, Automotive, Advanced Flexible Materials</i> ► Food and Drink ► Digital and Creative Industries ► Business and Professional Services 	These sectors account for 55% of the Northwest GVA. They are knowledge based, widely traded and have international growth potential. Business Services accounts for 40% of the Northwest GVA gap	Regional Cluster Organisations/ NWDA
9. Develop plans to exploit the opportunities for the region from the creation of a Media Enterprise Zone linked to the BBC relocation	Offers opportunities for the development of Greater Manchester as the regional media hub and for the whole region to benefit from the supply chain and the growth of the digital sector, including developing the range/value of film and TV programming in the region	NWDA
10. Develop growth and innovation in the tourism sector through the continued implementation of the Regional Tourism Strategy	The tourism sector is a growing part of the economy and one that impacts disproportionately on the experiences of visitors, residents and businesses	Regional Tourism Forum Tourist Boards

Develop sectors with large and widespread employment:

31 45 52

11. Develop skills and procurement initiatives, connect jobs with people and influence government policy to support: <ul style="list-style-type: none"> ► Maritime, Distribution, Aviation: <i>logistics</i> ► Construction: <i>design, building construction, civil engineering and maintenance</i> ► Visitor Economy ► Retail ► Public sector ► Care/Healthcare 	These sectors account for 52% of Northwest employment, have a widespread local presence and a large impact on growth across the region. There are key opportunities via the public sector from the Gershon/Lyons reviews and from its procurement and investment decisions. Care opportunities arise from reform of the NHS, childcare and an ageing population	SRPs SSPAs
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Innovation

Develop higher added value activity through innovation:

33

12. Enable businesses to understand and implement business process and product/service innovation, both internally and through their supply chains	Innovation is regarded as scientific/technical. However, productivity can be raised by companies working 'smarter'/more efficiently. Key issues include widely-traded business services, where much of the productivity gap lies, and recognising the value of progressive HR practices to promoting an innovative culture	NWDA
Support knowledge transfer:		
13. Enhance Business/Higher Education Institution (HEI) collaboration and knowledge transfer	Increases innovation and enables businesses to benefit from the knowledge, research and expertise in the region's HEIs	NWUA
14. Investigate providing Higher Education Innovation Funding (HEIF) type incentives to businesses to work with HEIs	Offering incentives to businesses, not HEIs, would increase the number of businesses working with the knowledge base	NWDA

ACTIONS	REASON	LEAD
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Science/Research and Development (R&D)		
Exploit the science base and R&D:		
15. Implement the Northwest Science Strategy with a focus on: ➤ Developing the capability in the region to attract a larger share of non HEI government funding ➤ Promotion of science ➤ Support for science based clusters/sectors	Enhances the knowledge base and increases HEI/business interaction, including supporting the three Northern Science and Industry Councils to establish priorities and joint research centres (as part of the Northern Way)	Northwest Science Council
16. Support the development of major research concentrations and knowledge nuclei, including the 4th Generation Light Source project at Daresbury	Provides opportunities to develop knowledge businesses in the region and attract inward investment. Major research concentrations include: Manchester Knowledge Capital/ Science City, Daresbury, Alderley Park, Liverpool Science Park, Lancaster Infolab21 and Environment Centre and NHS research programmes	NWDA SRPs

International Competitiveness		
Maximise opportunities from globalisation and emerging markets:		
17. Raise companies' awareness about global opportunities/risks to assist them in competing internationally and develop a new Internationalisation Strategy	Globalisation, particularly developments in India and China, bring new business opportunities and threats. The Northwest has a strong international tradition with extensive linkages to exploit	International Business Forum
Realise opportunities from international trade:		
18. Provide specialist business support to improve the region's exporting performance with an emphasis on helping more companies export	Companies trading internationally are typically more competitive, innovative and have higher levels of profit and employment	UKTI
Realise opportunities from inward investment:		
19. Focus the region's inward investment, domestic relocation and aftercare activity to support the region's knowledge base and complement, support and strengthen priority sectors	There is a need to attract new companies to fill supply chain gaps in priority sectors, leading edge companies/technologies and corporate decision making activities, as well as future investment opportunities from existing overseas companies in the region	NWDA Sub regional inward investment agencies

ICT		
Support ICT usage and digital content development:		
20. Support companies to use and harness the benefits of ICT and digital technologies, and the development of digital content	Businesses are not maximising the potential of ICT. There is a need to raise awareness of the potential economic impact of ICT and digital technologies in line with the regional ICT strategy – a particular challenge and opportunity for rural areas	Digital Development Agencies
21. Encourage homeworking and mobile working via ICT usage	Enables people anywhere to access work, without travel barriers. Helps to reduce congestion and CO2 emissions	Employers
Develop ICT infrastructure:		
22. Continue to grow and develop the ICT infrastructure, especially in rural areas	Need to invest in suitable bandwidth for future business needs, especially for Creative/Digital and Tourism industries	Telecoms Providers Digital Development Agencies

ACTIONS	REASON	LEAD
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Sustainable Consumption and Production		
Develop resource efficiency, sustainable procurement and corporate social responsibility:		35 91
23. Improve Business Resource Efficiency and Waste minimisation (BREW) support to business, including: <ul style="list-style-type: none"> ➤ Sustainable procurement ➤ Overcoming barriers to new energy and waste technologies ➤ Reuse and recycling of materials 	Increases productivity through improved efficiency and environmental benefit of reduced resource use, in support of the Regional Waste Strategy and waste reduction targets	NWDA
24. Develop and implement a Regional Climate Change Action Plan	Maximises the positive impact on and from environmental change. Highlights potential risks/opportunities to business	NWDA
25. Embed corporate social responsibility within businesses through delivery of the Responsibility Northwest programme	Encourages sustainable business development, building on and co-ordinating existing good practice	Sustainability Northwest

KEY SOCIAL AND ENVIRONMENTAL OUTCOMES

According to independent assessment, implementation of the actions above is likely to lead to the following outcomes when measured against the UK Priorities for Sustainable Development.

a) Sustainable Consumption and Production

Actions to support Sustainable Consumption and Production, including Resource Efficiency, Corporate Social Responsibility and Sustainable Procurement, will improve resource efficiency. Support for greater ICT usage will improve accessibility to services and reduce the need for business travel. Economic growth is likely to increase the total amount of waste generated, although actions on waste minimisation, treatment and recycling technologies will mitigate this. Economic growth will also increase the use of natural resources, although the move towards a higher added-value economy should reduce business resource usage in the region.

b) Climate Change and Energy

Support for the development of energy and environmental technologies should include support for business opportunities to reduce energy use, particularly that generated by fossil fuels. Increased internationalisation and support for logistics, particularly aviation and maritime, is likely to increase emissions of carbon dioxide, a major contributor to climate change. The commitment to develop the Regional Climate Change Action Plan will provide opportunities to reduce that impact.

c) Natural Resource Protection and Environmental Enhancement

The move towards a higher added-value economy and continued reduction in the amount of heavy industry in the region should lead to fewer pollution incidents. The regeneration of former industrial sites may include opportunities for environmental enhancement.

d) Sustainable Communities

A growing economy, underpinned by actions to provide support for business start-ups and for groups with diverse and specialist needs, will provide opportunities for communities to play an active role in the economy. Support for the public sector, including NHS research programmes, will improve the quality of service that it provides to communities and improve health. The focus on the development of the food and drink sector, together with support for logistics, should aim to enhance access to affordable, fresh and nutritious foods, especially for deprived communities, rather than support operations that generate high food miles. The commitment to Corporate Social Responsibility and sustainable procurement should encourage sustainable business development and improve the delivery of energy efficient buildings, thereby reducing fuel costs.

Skills and Education



Students join the digital revolution at Lancashire Digital Technology Centre

ACHIEVING THE VISION

To achieve the vision, the region needs to focus on five key objectives:

- 1 **Tackle the lack of basic skills and qualifications** to improve employability and reduce worklessness.
- 2 **Meet the skills needs of sectors and growth opportunities** - essential to support expansion.
- 3 **Invest in workforce development** - the development of intermediate and higher level skills in the current workforce is a key driver of productivity and economic growth.
- 4 **Develop leadership, management and enterprise skills** - crucial to company survival, innovation and productivity improvement.
- 5 **Develop the educational infrastructure and skills of the future workforce** - ensuring young people are developing the skills they need for employment and progression to Higher Education.

These objectives are expanded on in the tables on pages 28 to 30. The tables list the key actions required, with the transformational actions highlighted. Some actions elsewhere in the RES closely relate to specific objectives in this chapter. These actions are shown as colour-coded numbered links.

NORTHWEST CONTEXT

The skills base of the workforce is critical to the economic development of the region. The Northwest has a skilled population and the number of people with Level 2 and 3 skills is comparable with the rest of England. However, we have a larger proportion of people with no qualifications. This issue is strongly linked to worklessness and concentrated in just nine districts.

Level 4 and 5 skills are required for growth in the knowledge economy. However, the region has fewer people with Level 4 skills than the England average. Although the training of new graduates and their retention in the region is high, the proportion of the existing workforce with the higher level skills required for the knowledge economy is inadequate.

The working population of the future will be made up of more older people and fewer younger people due to demographic change. This has implications for the kind of skills development required. The focus needs to be on getting inactive people into work to ensure a sufficient labour supply.

Employers are less likely to train staff than elsewhere in the UK. In addition, there is evidence of lower levels of entrepreneurial skills and poorer management skills. There is also some evidence that people do not acquire skills because employers do not demand them.

A key influence on skills development is the Regional Skills Partnership (RSP), established as part of the Skills White Paper in 2003 to have strategic oversight for the Northwest. It is responsible for ensuring that learning provision enables people to gain the skills that employers need. Members of the RSP are the NWDA, employer organisations, the Learning and Skills Council, Job Centre Plus, Skills for Business (the Sector Skills Councils), Local Authorities, Higher Education and the Trades Union Congress.

Skills Levels	
Below Level 1 Basic Level	Basic Skills in Literacy, Language, Numeracy and I.T
Level 1 Entry Level	Equivalent to 1 GCSE Grade D or below
Level 2 Foundation Level	Equivalent to 5 GCSEs Grades A-C
Level 3 Intermediate Level	Equivalent to 2 A Levels or Craft/Advanced Technician skills
Level 4 Higher	Graduate qualifications or equivalent
Level 5 Higher	Post Graduate or Professional Qualifications

Northwest facts

- The Northwest would need to reduce the number of people with no qualifications by 16% (120,000) to match the England average.
- Liverpool and Manchester account for half of this figure.
- Approximately half of school leavers at 16 lack a Level 2 qualification.
- Graduates are under-represented in the workforce. 26.9% of those active in the labour market are qualified to Level 4, compared to an England average of 28.3% - a gap of 80,000 people.
- Population projections show a 12% drop in the number of young people in the region compared to an England average of 7%.

ACTIONS	REASON	LEAD
Skills And Education (The Regional Skills Partnership has been asked to take an overview of delivery against all the actions in this chapter)		
Tackle lack of basic skills/qualifications: 43 44		
26. Deliver the basic skills required by employers for those individuals without qualifications with emphasis on the districts of Liverpool, Manchester, Knowsley, Oldham, Tameside, St. Helens, Salford, Halton and Blackpool	All sectors report a lack of the basic skills required to work, amongst some people, as a major barrier to growth. The districts listed have the highest rates of working age population without qualifications	LSC Jobcentre Plus
Meet skills needs of sectors and growth opportunities: 8		
27. Deliver the skills required by priority sectors, including: <ul style="list-style-type: none"> ➤ Energy and Environmental Technologies: <i>deliver the National Nuclear Skills Academy</i> ➤ Advanced Engineering & Materials: <i>extend "Grow Your Future Workforce" which delivers more science and engineering skills</i> ➤ Digital and Creative Industries: <i>digital content development skills to support the Media Enterprise Zone, linked to the BBC relocation</i> ➤ Business and Professional Services: <i>support the development of the regional arm of the Financial Services National Skills Academy</i> 	Developing appropriate skills for priority sectors is essential to support growth	Sector Skills Councils
28. Deliver the skills required to maximise the economic impact of key growth opportunities, including: <ul style="list-style-type: none"> ➤ Liverpool European Capital of Culture: <i>event management and skills of freelance workers in creative industries</i> ➤ Ports/Airports: <i>skills to support the growth of these key regional assets</i> ➤ Strategic Regional Sites: <i>skills to link local people, many in deprived areas, to new employment sites</i> 	Exploiting growth, including supply chain opportunities, will be crucial to the future of the region. Appropriate skills are essential to future growth	Sub-Regional Partnerships
29. Develop programmes to enable workers in sectors undergoing significant structural change to move into growth sectors, including supporting second vocationally relevant qualifications	The region needs to support people in adapting to structural change in the economy	LSC
30. Develop a skilled workforce in rural areas to enable business to diversify and expand	Business change in rural areas is a key issue to be addressed and must be supported by appropriate skills development	Sub-Regional Partnerships

ACTIONS	REASON	LEAD
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Skills And Education (continued)

Invest in workforce development:

1 11 45

31. Develop skills in the current workforce focused on: <ul style="list-style-type: none"> ► Intermediate level skills: <i>including stimulating employer investment and the further development of apprenticeships</i> ► Higher level skills: <i>including further development of foundation degrees</i> ► Linkages to backfill vacancies, created as people progress to higher level jobs, from workless people 	Intermediate and higher level skills for knowledge economy jobs are key drivers of productivity, economic growth and GVA. Skills need developing in the existing workforce, including vocational progression routes into HE aligned to sectoral priorities. This will also ease recruitment and congestion, as employers are currently recruiting from ever greater distances. Linkages to workless people will help tackle worklessness	RSP Employers
32. Support the roll-out of the National Employer Training Programme ("Train to Gain") to deliver basic through to intermediate level skills, and a skills brokerage	Investment in learning provision to meet employer needs will boost recruitment and lead to lifelong learning, reducing long-term skills issues	LSC
33. Support key developments in business with appropriate skills: <ul style="list-style-type: none"> ► Language skills (<i>to compete internationally</i>) ► IT and digital technologies skills (<i>including developing delivery of the ITQ - the e-skills Information Technology qualification</i>) ► Business Improvement Techniques (<i>to deliver process and product/service innovation</i>) 	<p>The global market requires more people to have language skills, which are currently under-developed in the region</p> <p>IT skills will help companies maximise the benefits of IT, in line with the Northwest ICT Strategy, and help ensure no "digital divide"</p> <p>Business Improvement Techniques (identified by Sector Skills Councils) will support innovation in its widest sense - a key driver for productivity growth</p>	LSC
34. Develop provision to overcome skills disparities experienced by: <ul style="list-style-type: none"> ► BME communities ► Women ► Disabled people ► The over 50s 	There is considerable potential economic gain for the region by enabling people from these groups to (re-)enter and progress in the labour market. It will also expand the size of the workforce	Regional Skills Partnership

ACTIONS	REASON	LEAD
Skills And Education (continued)		
Develop leadership, management and enterprise skills:		
35. Develop world class management/leadership and corporate social responsibility/environmental management skills, by: <ul style="list-style-type: none"> ➤ Focusing support on managers of companies looking to grow and 1st line management/supervisory staff with no formal management training ➤ Developing the Northern Leadership Academy, strengthening the network of Leadership Centres and Development Programmes, and developing mentoring opportunities 	Research shows management/leadership and "work organisation" skills are crucial for companies, ensuring the skills/ideas of the whole workforce are used effectively. Key issues include developing the demand for leadership skills and considering making leadership development a condition of taking up business support grants	<ul style="list-style-type: none"> ➤ Skills for Business ➤ NWDA
36. Develop enterprise skills: <ul style="list-style-type: none"> ➤ In schools, FE and HE, <i>including the Northern Enterprise in Education Initiative</i> ➤ For people considering starting businesses 	Enhancing entrepreneurship and knowledge-based business start-up, particularly among young people, is essential to future growth. Key issues are skills support and support to FE and HE to embed enterprise into the curriculum	<ul style="list-style-type: none"> ➤ Local Authorities/ AOC/NWUA ➤ Business Link
Develop education infrastructure, and skills of the future workforce:		
37. Develop educational attainment, vocational and workplace learning opportunities, progression routes between school/FE/HE, and high quality careers information, focused on the skills of 14-19 year olds	Ensures young people are getting the skills they need to work and to progress to HE, securing the future workforce. Key issues include areas of low achievement at 16 and development/delivery of area learner entitlements	LSC/ Local Authorities
38. Develop the role of HE in contributing to the transformation of the economy by: <ul style="list-style-type: none"> ➤ developing the University for Cumbria ➤ ensuring provision of HE opportunities in East Lancashire as part of a wider lifelong learning investment 	Limited HE provision in Cumbria is a particular issue in retaining people and moving the economy to higher value-added employment. HE opportunities in East Lancashire help tackle the low wage, low skills economy and the currently limited HE presence	HEFCE
39. Increase the number of people studying higher level skills in science, engineering and technology (especially from state schools)	Innovation in technology and process development is key for competitive capability. The number of people from state schools progressing to higher level study in these subjects remains low	AOC/ NWUA
40. Support providers of post 16 learning to deliver higher quality provision and a "kite-mark" to recognise providers responsive to employer needs	Quality improvements will deliver more satisfied customers and the kite-mark will help employers more easily source the provision they need	LSC

KEY SOCIAL AND ENVIRONMENTAL OUTCOMES

According to independent assessment, implementation of the actions above is likely to lead to the following outcomes when measured against the UK Priorities for Sustainable Development.

a) Sustainable Consumption and Production

The commitment to raising basic skills and qualification levels, combined with the emphasis on those areas of the region with the greatest under-performance, should provide greater opportunities for all communities to take an active role in the economy. These actions should be co-ordinated with improvements to environmental and social conditions to encourage people to remain in their communities once retrained (see People and Jobs chapter). Skills support in leadership, enterprise and management should increase awareness of sustainable procurement and environmental management issues.

b) Climate Change and Energy

Improving the skills of the local workforce will allow them to take advantage of new economic opportunities within or close to their neighbourhoods. This will reduce the need for travel and minimise the corresponding increase in carbon dioxide emissions.

c) Natural Resource Protection and Environmental Enhancement

Actions to develop skills in environmental management should enable business managers to better identify the negative impacts of their activities on the environment, including those contributing to climate change. At the same time, it should raise awareness of the opportunities for reducing those negative impacts.

d) Sustainable Communities

Actions to deliver a better educated and trained workforce should provide all communities with greater access to employment opportunities. Training should be provided prior to, or in tandem with, specific economic development opportunities so that commuting from other parts of the region is discouraged and accessibility for the local workforce maximised. A better educated workforce should also be healthier one. The proposed University of Cumbria, and the aim to improve Higher Education provision in East Lancashire, will provide better access to higher education opportunities in areas of the region where provision is currently lacking.

People and Jobs



ACHIEVING THE VISION

To achieve the vision, the region needs to focus on four key factors:

- 1 Developing **Job Linkages** between people without work and employers with vacancies.
- 2 Growing **Local Employment** – in areas remote from growth as well as already successful areas.
- 3 Improving the **Health** of the current and potential workforce – particularly focusing on reducing the number of incapacity benefit claimants.
- 4 Responding to **Population Change** and the impacts of an older population.

These factors are expanded into specific objectives in the tables on pages 34 to 36. The tables list the key actions required to achieve these objectives, with the transformational actions highlighted. Some actions elsewhere in the RES closely relate to specific objectives in this chapter. These actions are shown as colour-coded numbered links.

NORTHWEST CONTEXT

The three City-Regions of Manchester, Liverpool and Central Lancashire are the key growth drivers of the Northwest, with the potential to lift the long term economic growth of the region. They are also areas with acute needs. Significant cities/towns with economic potential include Crewe, Chester, Warrington, Lancaster and Carlisle.

The Northwest has significant concentrations of worklessness. £3 billion of the GVA gap is caused by fewer people working than the England average. Recent employment rates for men have fallen, yet those for women have risen, although there remains significant gender disparities in employment. Five of the six districts where this worklessness is concentrated are within or close to areas of job growth in Liverpool, Manchester and Cheshire/Warrington. There are a number of areas with few or virtually no economic drivers. Barrow is the one district with high concentrations of worklessness remote from areas of major growth.

Despite recent improvements, there are still major concentrations of deprivation and poor conditions restricting economic growth, closely associated with health inequalities and high crime.

There is a lack of strategic alignment between public and private investment and delivery mechanisms at all levels. People living in more deprived communities often do not have the skills, education, health and transport to access employment.

There is a failure to unlock the economic potential of the region's diverse but currently disadvantaged communities, as well as discrimination within the labour market itself.

The changing age structure of the population means that older people will comprise a greater proportion of a shrinking workforce, which in turn emphasises the need to attract and retain more skilled people.

Northwest facts

- The Northwest employment rate is 73%, 2% behind the England average. The Northwest would need 80,000 more people in work to bridge the gap.
- 90% of the gap is in six districts – Liverpool, Manchester, Knowsley, Halton, Salford and Barrow.
- Disadvantaged groups also fare significantly worse – the employment rate for disabled people is 28% (England average 34%), and for some black and minority ethnic communities 40% (England average 48%).
- 9% of the working age population is on Incapacity Benefit – at 400,000 this is the largest number of any region.
- 40% of unemployment in the region is in the 10 districts with the best record for recent employment growth.

ACTIONS	REASON	LEAD
Job Linkages		
Tackle barriers to work:		25 26 60 62 79
41. Promote employment/recruitment practices with employers to recognise the value of diversity and tackle discrimination in the labour market	There is a strong business case for eliminating discrimination in employment practices. This also reduces barriers to some groups accessing the job market, eases labour market pressures and promotes social cohesion	Jobcentre Plus ACAS
42. Develop childcare initiatives and raise the importance of childcare with employers	Overcomes childcare as a barrier to employment/training and supports DfES 2008 childcare targets, including promotion of the childcare tax credit schemes	Local Authorities Jobcentre Plus
Link workless people and vacancies to improve employment rates:		11 26 52 57
43. Deliver support to improve peoples' prospects of getting a job (employability activities) and reduce the high level of Incapacity Benefit claimants, focused on: ➤ HMR and URC areas ➤ Halton and Knowsley	These areas have the lowest employment rates, so maximum impact can be made. Key issues include delivery of enhanced Pathways to Work Pilots (Northern Way) and evaluation of the most effective approaches to tackling worklessness	Jobcentre Plus/ LSC SRPs
44. Develop and deliver intensive support for those groups with low employment rates compared to England: ➤ Disabled people ➤ BME communities ➤ Lone parents ➤ Ex-offenders ➤ Over 50's	Improving the employment rate of these specific groups will have a major impact on overall employment rates and on realising economic potential	Jobcentre Plus/ LSC
45. Develop job brokerage to link employers with vacancies and workless individuals	Targeted support to employers is needed to ensure vacancies are accessible to people from disadvantaged locations/communities. Intensive work with these individuals is needed to ensure they are aware of and have the skills to access those jobs (including work trials/pre-employment training). Large employment sectors and opportunities in Cheshire/Warrington, Manchester and Liverpool offer good opportunities to make linkages. The public sector has a key role in its locational and employment decisions	Jobcentre Plus/ LSC
46. Develop innovative approaches, including intermediate labour market activities, to engage and motivate people in work/training	Many people need appropriate support to develop their confidence and the core, transferable and advanced skills to re-enter work at appropriate levels. This will help tackle persistent pockets of low skills attainment and aspiration. Key issues include seamless delivery between the public and voluntary sector and the use of sport and culture to motivate people	Voluntary Sector/ Jobcentre Plus

ACTIONS	REASON	LEAD
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Local Employment

Stimulate economic activity in areas remote from growth:

Linked to many other actions

47. Develop and implement an integrated economic plan for East Lancashire including support for advanced manufacturing and improved accessibility to growth in Preston and Manchester	East Lancashire is a regional/national HMR priority. Central to creating sustainable communities is the need to restructure the area's very low performing economic base	Lancashire Economic Partnership
48. Implement the Blackpool Masterplan, including Blackpool as the priority location for regional casino development in the UK	Blackpool is a key regional/national tourism asset, but with major concentrations of economic and social need. Regeneration is needed if it is to compete in the international market place for visitors and investment	Re Blackpool Lancashire Economic Partnership
49. Develop and implement the Barrow Masterplan, including support for marine & leisure developments	There are major opportunities to diversify the area's economic base, to help to close the gap in economic performance	Cumbria Vision West Lakes Renaissance
50. Develop and implement an integrated economic plan for West Cumbria, including support for nuclear decommissioning activity	Nuclear decommissioning offers opportunities of regional/national significance, important to improving the fragile economic prospects of the area, as well as developing a strategic regional response to the issue	Cumbria Vision West Cumbria Task Force
51. Diversify the economic base and support sectors with growth potential in the rural economy, focusing on the lagging rural areas of Allerdale, Copeland, Lancaster and West Lancashire	These are areas with a significant rural population, where there has been consistent under-performance and where there is disadvantage recognised by DEFRA	Rural Development Partnerships SRPs

Develop local employment and business start-up opportunities in areas remote from growth and areas with low employment rates:

3 11

52. Develop and encourage employment creation in or near deprived areas, focused on: <ul style="list-style-type: none"> ➤ HMR areas ➤ URC areas ➤ Halton and Knowsley 	Part of the solution to the problems of deprived areas is to encourage employment into those areas. These areas are either remote from growth or with low employment rates. Large employment sectors offer good opportunities due to their widespread local presence	<ul style="list-style-type: none"> ➤ Local Authorities ➤ URCs ➤ Local Authorities
53. Develop business start up and support services focused on: <ul style="list-style-type: none"> ➤ HMR and URC areas ➤ Halton and Knowsley 	These areas are either remote from growth or with low employment rates where business start-up can support employment and delivery of quality local services. Key issues include support to social enterprises and voluntary/community sector activities with the potential to become sustainable enterprises	Business Link Local Authorities/ Voluntary Sector

ACTIONS	REASON	LEAD
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Local Employment (continued)

Support and sustain conditions for growth in areas with strong economic drivers:

Linked to many other actions

54. Capitalise on the strengths and key assets of the cities of Manchester, Liverpool and Preston as key drivers for city regional growth	These three cities have major strengths and their success is essential to city-regional growth, the potential of which is being further explored in the City-Region Development Programmes	Sub-Regional Partnerships
55. Develop plans to capitalise on ongoing private sector investment around Crewe, Chester, Warrington, Lancaster and Carlisle	These areas are already successful and this needs to be maintained for the benefit of the regional economy. They have particular opportunities on which to build, including the development of a critical mass of knowledge-based business	Sub-Regional Partnerships
56. Implement plans to ensure ongoing growth in the rural economy as part of the Regional Rural Delivery Framework	While the rural economy contributes significantly to the prosperity of the region, considerable change and support is needed to secure sustainable growth in the future	Sub-Regional Partnerships

Health

Improve the health of (potential) workers and reduce the number of incapacity benefit claimants:

43 112

57. Identify, and contribute to minimising or removing, the major causes of ill-health in the region, including tackling issues around mental ill-health and reducing the level of incapacity benefit claimants	Ill health is a significant cost to businesses and reduces the region's potential workforce. Key issues to tackle include the promotion of smoke-free policies, access to healthy food, reducing the effect of alcohol and cooperation with the medical profession to reduce sickness absence	SHAs/ Jobcentre Plus NIMHE
58. Encourage organisations to develop healthy workplaces and become health promoting organisations	Healthy workplaces are vital to tackling days lost through ill health and sickness. Key issues include the development of a Northwest Healthy Workplace Strategy and access to Occupational Health services	Workplace Health Direct Employers
59. Promote access to sport and physical activity to improve health, employee fitness and increase productivity	Encouraging more active communities leads to wider social benefits. Physical activity and sports programmes contribute to a range of agendas, including crime reduction, social inclusion and urban regeneration	Sport England

Population Change

Retain and attract people to the region:

95

60. Develop transitional programmes (including English for Speakers of Other Languages) for migrant workers and promote best practice in their employment	Many people who have skills to offer the Northwest are unable to utilise them due to barriers such as the transition of qualifications and basic English skills	LSC
61. Promote the quality employment opportunities available in the region to attract and retain people, especially young people	The region needs to attract and retain more skilled people to increase the size of the workforce, innovate and drive business forward. In-migration is a key opportunity	Employers LSC
Respond to an older workforce and fewer young people:		34 44
62. Promote the benefits of older workers to business and raise awareness of the impact of an ageing workforce and fewer young people	Companies need to understand the role/needs/benefits of older people in a shrinking workforce and the different product demands of an older population	5050 Vision

KEY SOCIAL AND ENVIRONMENTAL OUTCOMES

According to independent assessment, implementation of the actions above is likely to lead to the following outcomes when measured against the UK Priorities for Sustainable Development.

a) Sustainable Consumption and Production

The emphasis upon improving employment opportunities in areas of deprivation and/or low economic growth should reduce disparities of economic performance within the region. Improved employment opportunities in areas of deprivation should also deliver indirect social and health benefits and improve the image of parts of the region. In-migration to the region provides the opportunity to enhance regional culture and support employment growth. The impact of population increases in areas remote from economic growth, including rural areas, should provide those communities with a more sustainable future. However, it may also increase pressure on environmental resources and existing infrastructure.

b) Climate Change and Energy

Providing employment opportunities in areas suffering from deprivation, together with proposed supporting actions on skills and infrastructure, should improve accessibility for local communities and reduce their need to travel.

c) Natural Resource Protection and Environmental Enhancement

The emphasis on improving economic activity in areas with strong economic drivers as well as in areas remote from growth, including locations important to the rural economy, will improve accessibility to job opportunities for local communities. However, the corresponding economic growth may exacerbate existing environmental problems within strongly performing areas such as city centres, without appropriate mitigation measures. For example, the impact on air and water quality. In the more remote parts of the region, growth should sustain local needs without undue impact on the natural environment.

d) Sustainable Communities

A number of actions will enable wider sections of the community to access employment and also enhance social development. For example, tackling barriers to work and providing improved support networks. Actions addressing worklessness and support for improvements in the health of workers, workplaces, and a promotion of access to sport and physical activity, will address issues associated with health and health inequalities. The development of a regional casino in Blackpool may lead to some adverse social and health impacts although steps are being taken to mitigate these and ensure that the wider community benefits.

Infrastructure



Manchester Airport, a major gateway to the region

ACHIEVING THE VISION

To achieve the vision, the region needs to focus on six key factors:

- 1 Developing our **Transport** infrastructure to connect the region internally and with the rest of the world and using it more effectively.
- 2 Ensuring appropriate **Land Use** – both in terms of brownfield land and new employment sites.
- 3 Developing **Housing** to facilitate growth.
- 4 Ensuring **Planning** supports sustainable growth.
- 5 Developing appropriate use and supply of **Energy**.
- 6 Encouraging public and private **Investment**.

These factors are expanded into specific objectives in the tables on pages 40 to 43. The tables list the key actions required to achieve these objectives, with the transformational actions highlighted. Some actions elsewhere in the RES closely relate to specific objectives in this chapter. These actions are shown as colour-coded numbered links.

NORTHWEST CONTEXT

The infrastructure required for sustainable economic growth includes not only the necessary transport and communications provision. It also includes the provision of appropriate employment and housing sites through an effective planning system, as well as mechanisms to provide the necessary investment.

The Northwest has important cross border economic linkages, e.g. with North Wales, North Midlands, West Yorkshire and Scotland, as well as with Ireland, London, the South East and into Europe. The region has one of the largest motorway networks in the UK, but demands on this network can often lead to traffic congestion, particularly at peak hours.

The region has an extensive public transport network in many places, but there are a number of opportunities to improve the capacity and quality of mass transit, particularly in terms of enhancing accessibility to jobs. The regional rail network would benefit from better linkages between the city-regions, additional capacity at peak periods and investment in the Manchester Rail Hub.

Enhanced air and rail links with other parts of the UK and internationally offer opportunities for growing inbound tourism and improving business competitiveness. Manchester Airport is a key driver for regional growth in the globalised economy and Liverpool John Lennon

Airport is a driver for job creation and growth on Merseyside.

An adequate portfolio of regional and sub-regional employment sites will be needed to cater for indigenous growth and inward investment in knowledge-based industries, manufacturing and distribution. Concentrations of housing market failure are constraining the economic growth potential of certain areas, impacting adversely on economic performance. Much of the housing stock is unattractive to high value workers and there is a shortage of affordable housing in parts of the region.

Appropriate employment and housing land provision, as well as utilities infrastructure, will depend upon an effective planning system which recognises the importance of economic growth for sustainable development. Action to ensure future energy requirements, as well as co-ordination of public and private investment, are also essential components of a sustainable future.

Northwest facts

- The Northwest has the highest trunk road congestion of any region outside London.
- Between 1995/96 and 2004/05 Northwest rail patronage grew by 52%.
- Manchester Airport handled more than 19.5 million passengers in 2003 and is home to 95 airlines serving over 180 destinations worldwide.
- The Northwest has 8,420 hectares of previously developed vacant and derelict land, representing 24% of the total for England.
- Of the nine Housing Market Renewal Areas in England, four are in the Northwest (Manchester – Salford, Merseyside, Oldham – Rochdale and East Lancashire).
- Between 2000 – 2006, the Northwest will receive £2.1 billion from European Structural Funds.

ACTIONS	REASON	LEAD
Transport (These priorities from an economic perspective will help inform regional transport priorities)		
Improve and better manage the road and rail infrastructure:		
63. Deliver demand management and capacity/ infrastructure improvements on the Greater Manchester and Cheshire/Warrington motorway network (including the A556 link between the M6 and M56)	These roads provide key access to the region, Manchester Airport and Manchester City-Region, but suffer from high levels of congestion. Delivery of this action offers opportunities to grow Manchester, Liverpool, Chester, Warrington and Crewe	Highways Agency
64. Improve road access to Liverpool City Centre	Supports the growth of the heart of the Liverpool City-Region, supports two strategic regional sites and improves the city's image	The Mersey Partnership
65. Develop the second Mersey crossing working with the private sector	Relieves congestion, supports two strategic regional sites, improves reliability of access to Liverpool Airport and improves linkages within the Liverpool City-Region	The Mersey Partnership
66. Reduce levels of congestion by increasing use of public transport and reducing peak traffic volumes	Improves sustainability and reduces the growth of road travel. Many problems only occur at peak times. More car parking provision at stations, staggering working times, home and mobile working, green transport plans, better public transport information, cross border ticketing and timetabling will all help	PTEs Employers
67. Identify and deliver necessary capacity improvements to the Manchester Rail Hub	Enables growth through improvements to rail services within and beyond the Manchester City-Region	GMPT
68. Enhance road access to Barrow and the Furness Peninsula	Helps to realise the economic potential of these areas remote from growth	Department for Transport Cumbria Vision
69. Enhance public transport services between Liverpool/Manchester/Central Lancashire/Leeds/Sheffield	Improves links between the five Northern City-Regions to develop a critical mass of activity; supports growth of key sectors and widens the labour markets in the city centres	PTEs SRPs
70. Complete the West Coast Mainline upgrade, particularly in Cumbria	Enables growth through the provision of fast and reliable rail services from Cumbria and the City-Regions to London and the South East	Network Rail
71. Develop proposals for new high speed rail line options from the Northwest to London	Establishes the regional economic benefits from better links to London and forms a basis for further investment	Network Rail
Develop airports and ports:		
72. Grow Manchester and Liverpool John Lennon Airports as set out in the Future of Air Transport White Paper. In support, deliver the Manchester Airport Link Road and the Stockport Relief Road	Manchester and Liverpool Airports act as a driver for the knowledge-based economy and tourism, support the city centres and improve the region's image	Airport owners SRPs

ACTIONS	REASON	LEAD
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Transport (continued) (These priorities from an economic perspective will help inform regional transport priorities)

Develop airports and ports (continued):

73. Grow the Port of Liverpool (including Birkenhead). In support, deliver deep water facilities, related development and transport links (M57-Seaforth link; Olive Mount Chord; and rail enhancement to Seaforth Docks)	Liverpool Port provides a global gateway for the regional and national economy and is well placed to benefit from the expansion of world trade, reducing reliance on congested southern ports	Port Owners The Mersey Partnership
74. Grow Blackpool Airport as set out in the Future of Air Transport White Paper	Growth at Blackpool airport will support the regeneration of Blackpool. Carlisle airport's operator should also investigate the potential for that airport's development	Airport owners Lancashire Economic Partnership
75. Support the development of more international business and inbound tourism routes serving the region's airports	Supports the growth of key sectors and the knowledge economy	Sub-Regional Partnerships Tourist Boards
76. Grow the port of Heysham. In support, deliver related development and transport links (Heysham-M6 link)	Supports efficient trading links for key sectors	Port Owners Lancashire Economic Partnership

Link areas of opportunity and need:

45 47 54 55

77. Develop Manchester Metrolink (Phase 3), and effective mass transit for Liverpool and within the Mersey Belt, including extending the Merseyrail network to Deeside and Wrexham	Encourages public transport use, widens labour markets, links deprived areas into job opportunities (including those in Chester/Deeside) and ensures the sustainable growth of two City-Regions	PTEs Sub-Regional Partnerships
78. Secure improved public transport links between East Lancashire and employment growth potential in Manchester and Preston	Links an area of need to growth opportunities in two City-Regions. Growth opportunities may also arise from the regional casino development in Blackpool	Lancashire Economic Partnership
79. Develop innovative transport solutions to link people and jobs	Innovative solutions tailored to individuals are often able to link people and jobs where mainstream public transport services cannot	Sub-Regional Partnerships

Land Use

Deliver high quality employment sites and premises:

8 28

80. Deliver the designated Strategic Regional Sites as regional investment sites, knowledge nuclei or intermodal freight terminals	These sites provide a portfolio of opportunities to support knowledge-based growth, key sectors, sustainable freight distribution and economic restructuring	NWDA
81. Identify and pursue reserve sites for major investment that would not otherwise take place in the Northwest in: ➤ Manufacturing ➤ Knowledge based industry, corporate headquarters and R&D	Evidence indicates potential future demand and a shortage of suitable sites	NWDA NWRA
82. Develop a portfolio of sub-regionally important employment sites	Sub-regional sites will complement the existing regional sites to generate employment growth, especially where they are accessible to areas of worklessness	Sub-Regional Partnerships

ACTIONS	REASON	LEAD
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Land Use (continued)

Secure new uses for brownfield land:

83. Invest in quality business accommodation/workspace focused on: <ul style="list-style-type: none"> ► HMR/URC areas ► Rural areas 	These areas need quality accommodation to stimulate demand/enable growth. In rural areas this includes examining the feasibility of establishing more Co-Located Office Hubs (COLOHs) which allow local access to multi-use workspace/hotdesks	<ul style="list-style-type: none"> ► HMRs/URCs ► Rural Development Partnerships
84. Develop new uses for brownfield land – including housing and the creation of new strategic greenspace	The region has the largest stock of brownfield land of any English region. Much of it will not find employment use again so new uses are needed to turn it into an asset	English Partnerships NWDA

Housing

Create a high quality and diverse housing stock:

47-51 54-56

85. Ensure new housing provision in locations which support wider regeneration or knowledge based economic growth	A diverse, stable and resource-efficient housing stock is crucial to achieving sustainable growth, attracting/retaining knowledge workers and reducing travel distances	Local Authorities Regional Housing Board
86. Secure housing which is affordable to local people, in key locations, where this is critical to future growth prospects	Often people working in local areas cannot afford to live in these areas due to house prices, which is unsustainable – a particular problem in rural economies and in areas of high economic growth such as South Manchester and Cheshire/Warrington	Regional Housing Board
Reduce areas of housing market failure:		43 52 53 83 119
87. Set Housing Market Renewal (HMR) within a strong economic context and ensure key strategies & investment plans align with HMR priorities	Ensures Pathfinders not only regenerate housing, but achieve economic renewal of areas	HMRs

Planning

Ensure planning supports sustainable growth:

93

88. Secure a positive physical planning framework which supports economic growth	Positive planning (including Local Development Frameworks, Local Transport Plans and other relevant plans/strategies) will help to deliver sustainable growth	Local Authorities
89. Deliver plans that support sustainable growth within and adjacent to The Lake District National Park	Diversifying and strengthening The Lake District's economic base is essential to secure a sustainable future	Cumbria Vision Lake District National Park Authority
Ensure appropriate utilities infrastructure:		91 93
90. Ensure forward planning and investment for sustainable growth by the utilities companies and the planning system	Utility infrastructure, especially electricity, could be a constraint on growth without appropriate planning and investment	Utilities Companies NWRA

ACTIONS	REASON	LEAD
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Energy

Develop appropriate energy policies and supplies:

8 23 27

91. Develop and implement the Northwest Energy Strategy with a focus on: <ul style="list-style-type: none"> ➤ Promotion of energy efficiency ➤ Energy as a market ➤ Alternative sources of energy 	Helps to ensure future energy requirements for sustainable growth	Northwest Energy Council
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Investment

Encourage, and make better use of, public and private investment in the region:

88 90

92. Influence EU policies and programmes post 2006 to assist delivery of RES objectives	Maximises the levels of European funding attracted to the region to achieve sustainable economic growth	NWDA NWRA
93. Better align investment and service delivery at regional, sub-regional and local levels	Aligned strategy and activity will secure more effective outcomes for the region	NWDA NWRA GONW
94. Explore new mechanisms to stimulate private sector investment, including the Northern Property Investment Fund	Stimulation of private investment is crucial to achieve overall RES targets	NWDA

KEY SOCIAL AND ENVIRONMENTAL OUTCOMES

According to independent assessment, implementation of the actions above is likely to lead to the following outcomes when measured against the UK Priorities for Sustainable Development.

a) Sustainable Consumption and Production

Actions seeking to reduce congestion will help to encourage inward investment and may improve the image of the region. Improved infrastructure should encourage greater retention of the regional population and attract new migrants, especially if it is combined with wider environmental improvements. Sufficient infrastructure, including utilities, will need to be in place to support economic growth. This is particularly relevant to waste, water and energy infrastructure and the emphasis must be upon better minimisation and recycling. To avoid unnecessary waste, sustainable construction techniques must be utilised for all major infrastructure projects.

b) Climate Change and Energy

Actions focused upon improving the efficiency of existing infrastructure, including public transport, will minimise growth in carbon emissions. However, some infrastructure proposals including support for airport growth, may also have a negative environmental impact. Reductions in congestion may make road travel more attractive, leading to increased carbon emissions. However, this should be mitigated by the actions to reduce congestion. These are focused on the increased use of public transport, home working and reducing growth in road travel, rather than a major building programme. A focus on energy efficiency, renewable energy production and resource efficient housing will also make a positive contribution to reducing climate change and energy use.

c) Natural Resource Protection and Environmental Enhancement

The development of the region's transport infrastructure and strategic regional sites could have some negative impacts upon natural resources and local environmental conditions, through direct land take and increased patterns of movement. However, increased public transport usage throughout the region should reduce vehicle emissions, improving air quality and road safety. The focus on re-using brownfield land will result in environmental improvement.

d) Sustainable Communities

Infrastructure improvements will improve accessibility to job opportunities, basic services and facilities. Actions for improving accessibility from areas of need into the major towns and cities may have the indirect effect of increasing commuting. Infrastructure improvements should therefore be required to deliver improved accessibility within, and between, communities so that access to local facilities, services and opportunities are improved. The creation of a high quality and diverse housing stock, including the provision of a strong economic context for Housing Market Renewal, will provide strong support for the sustainable communities agenda.

Quality Of Life



ACHIEVING THE VISION

To achieve the vision, the region needs to focus on three key factors:

- 1 Developing **Culture and Image**.
- 2 Developing the sense of **Community** in the Northwest – including community cohesion.
- 3 Improving the **Environment** – including capitalising on our natural assets, the quality of the visitor experience and the quality of the physical environment.

These factors are expanded into specific objectives in the tables on pages 46 to 49. These tables list the key actions required to achieve these objectives, with the transformational actions highlighted. Some actions elsewhere in the RES closely relate to specific objectives in this chapter. These actions are shown as colour-coded numbered links.

NORTHWEST CONTEXT

The Northwest has rich assets which make it an excellent place to live, work and visit, and in which to invest and study. It has vibrant, diverse towns and cities. It is rich in history and heritage. It has a strong and exciting cultural life and wonderful natural assets, including stunning countryside, coastline and areas of natural beauty. Together they provide a quality of life which is one of the region's strengths and which needs to be maintained and enhanced.

Despite these strengths, there is still work to be done on image. The region still has a relatively weak perception amongst UK business leaders and opinion formers. Negative, outdated perceptions persist and need to be addressed.

The visitor economy is a vital part of the wider economy of the region, with strengths in both rural and urban areas. The Northwest is well placed to take full advantage of the opportunities presented by the changing nature of the tourism market. The region offers visitors a distinctive and diverse range of experiences. These contribute to the quality of life for everyone and also present further opportunities for development.

The Northwest has been successful in winning major events. These contribute to an improved image of the region, as well as generating economic activity. There are significant opportunities to build further on key events, such as Liverpool Capital of Culture 2008, and much to do to ensure the region benefits from its success in winning such accolades.

One of the strengths of the region is its diversity, particularly of its communities. Future growth depends upon using the talents of all these communities. This requires cleaner and safer environments, as well as the full participation of the community and voluntary sectors.

The Northwest's natural and built heritage assets also contribute enormously to the quality of life in the region. The Lake District, the World Heritage Sites, its historic centres and Regional Parks are prime examples. Developing the economic potential of these, while retaining their environmental quality, should be a major objective.

Northwest facts

- 62% of business and opinion leaders from outside the region view the Northwest as a good business location, compared to 71% within the region.
- The visitor economy is worth some £7 billion per year to the region (7% of the economy), supporting an estimated 400,000 jobs.
- The Commonwealth Games generated an additional £18 million spend by visitors and supported over 7,000 full time equivalent jobs
- The cultural sector, broadly defined, contributes an estimated 12% of the region's GVA.
- Faith communities contribute over £90 million per annum to the regional economy through volunteers, provision of buildings and tourism.
- 18% of the total area of the Northwest is covered by National Park and 11% is classed as Areas of Outstanding Natural Beauty.

ACTIONS	REASON	LEAD
Culture & Image		
Promote the image of the region:		61
95. Develop and implement marketing programmes to promote a positive image of the benefits and diversity of the Northwest as a location for businesses, visitors, investors and as a place to live	Challenges outdated negative perceptions and promotes the environmental quality of the region to attract new businesses and in-migration to support growth	NWDA
Maximise cultural and major event opportunities:		28 54 55
96. Support Liverpool European Capital of Culture 2008 to maximise the full economic benefit through coordinated marketing, business and product development activity	Maximises the economic and legacy benefits to Liverpool, the Northwest and the rest of the UK	Liverpool Culture Company TMP
97. Develop the appeal, distinctiveness and diversity of the "Cultural Offer" in the Northwest focused on: <ul style="list-style-type: none"> ➤ Manchester and Liverpool ➤ Other Cities 	Improves the appeal of the region to visitors/residents and helps attract higher level workers. Creates vibrant cities, a high quality of life and social inclusion where diversity is embraced and celebrated. Faith communities are major custodians of the cultural and architectural heritage	Culture Northwest
98. Secure sports, business and cultural events and conferences for the region to host in line with the Major Events Strategy	Increases tourism and economic benefits to the whole region	NWDA
99. Develop supply chain, business and marketing opportunities linked to major events, including London 2012	Ensures that the maximum economic impact is gained by these major events	NWDA
100. Develop plans to exploit the predicted business opportunities in the growth of sport	Opportunities will grow due to the government's policy on physical activity and sport. The Northwest already has a strong sporting presence	NWDA
Develop the quality of the visitor experience:		10 11
101. Improve the product associated with the region's tourism 'attack brands' and 'signature projects' as identified in the Regional Tourism Strategy, in line with market demand	Essential to develop the product in these areas to grow the overall visitor economy. Current "attack brands" are Liverpool, Manchester, Chester and The Lake District. Current "signature projects" are Mersey Waterfront, Cruise Terminals, Chester Zoo, Blackpool's revival, Renaissance of The Lake District and Hadrian's Wall	Tourist Boards SRPs
102. Capitalise on the strengths and key assets of Southport as a "Classic Resort"	Southport has significant latent potential and is a key image asset for the Liverpool City Region	The Mersey Partnership
103. Implement a Business Tourism Strategy, to develop the quality and range of facilities within the region	Business tourism is a high value-added sector that is an underdeveloped market. It has clear links to growth sectors and inward investment	Regional Tourism Forum

ACTIONS	REASON	LEAD
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Culture & Image (continued)

Develop the quality of the visitor experience (continued):

104. Develop and implement a Visitor Information Strategy for the region	Improves the way we provide information to visitors before and during their visit, and links information to the quality experiences being promoted. Key issues include growing “real time” online availability and rationalising information provision	Regional Tourism Forum Tourist Boards
105. Support business development for tourism businesses through the region’s five Tourist Boards to grow the market share of domestic, overseas and business visitors	Supports the growth of visitor economy businesses and improvements in the quality of visitor focused products and services	Tourist Boards Regional Tourism Forum

Community

Support cleaner, safer, greener communities:

106. Deliver the following to support cleaner, safer and greener communities: <ul style="list-style-type: none"> ➤ Regional Reducing Re-offending Action Plan ➤ Initiatives to reduce the level of alcohol related crime and violence in towns and cities ➤ Support for masterplans and local businesses to incorporate “clean, safe, green” and “secure by design” principles ➤ Business Improvement Districts and Green Business Parks 	Promotes sustainable communities and a suitable environment to promote economic success, a high quality of life, and minimises the economic impact of crime and the fear of crime.	<ul style="list-style-type: none"> ➤ GONW ➤ Regional Alcohol Forum ➤ GONW ➤ Local Authorities
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Develop community cohesion:

107. Implement the Sustainable Communities Plan and develop the skills of regeneration professionals and leaders to support sustainable communities	Ensures a strategic regional approach to developing cohesive communities. Improves the quality of life and aspirations of people in the most deprived wards	GONW/RENEW Northwest
108. Promote the role of the Voluntary and Community Sector, Social Enterprise, Trade Unions and Faith Communities, in tackling social exclusion and improving community cohesion	These groups are crucial to an inclusive society and have a key role to play in integrated delivery. Key issues include exploring opportunities for the acquisition of shared community assets to increase levels of social capital and the role of Credit Unions in tackling financial exclusion	Voluntary Sector

Develop high quality local services:

109. Undertake capacity building activity of the Voluntary and Community Sector and Social Enterprise to enable delivery of high quality public services, including through the development of local and regional Compacts	Local services are vital to all communities. The role of the VCS and Social Enterprise in their delivery, as well as NHS modernisation, are large potential opportunities	North West Improvement Network Voluntary Sector/ GONW
110. Utilise Local Area Agreements to deliver improved access to high quality public services	Local Area Agreements offer an opportunity to improve both the quality of public services and access to them by all sections of society. Key issues include access for all via the internet, ensuring no “digital divide”	Local Authorities

ACTIONS	REASON	LEAD
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Community (continued)

Reduce health inequalities and social exclusion:

3 34 44 57

111. Deliver the Regional Equality and Diversity (RED) Strategy with a focus on: <ul style="list-style-type: none"> ➤ Economic participation for all ➤ Reducing hate crime and violence ➤ Promoting diversity as an asset 	Equality and Diversity are assets for the Northwest and, if correctly promoted, have huge potential economic benefits	GONW NWDA NWRA Local Authorities
112. Deliver the Investment for Health strategic plan with a focus on tackling health inequalities	Improves access to health services, improving social inclusion	Department of Health

Environment

Realise and nurture the natural and built heritage assets:

54 55 101

113. Develop the economic benefit of the region's natural environment through better alignment of environmental activities and economic gain	A key under-exploited economic resource for the region and part of our quality of life. It is important to nurture the natural resources of the region and to develop a strategy for green infrastructure and transport corridors	Natural Economy Northwest
114. Implement The Lake District Economic Futures Policy Statement to secure the renaissance of The Lake District's tourism offer and broaden its economic performance	Supports The Lake District Renaissance programme and is essential to broaden the economic base of The Lake District, to maintain its status as a key asset and to promote sustainable economic growth	Cumbria Vision Lake District National Park Authority
115. Deliver sustainable growth through use of the region's heritage environments and assets – especially World Heritage Sites, the cities of Chester, Lancaster and Carlisle and The Lake District	A key under-exploited economic resource for the region which delivers tourism, regeneration and image benefits. Current World Heritage Sites are Hadrian's Wall and Liverpool Waterfront	Sub-Regional Partnerships Tourist Boards
116. Create and manage the following Regional Parks: <ul style="list-style-type: none"> ➤ Mersey Waterfront ➤ East Lancashire ➤ Weaver Valley ➤ Ribble Estuary ➤ Northwest Coastal Trail ➤ Wigan Greenheart 	Delivers image and regeneration benefits. Proposals for regional parks at Croal Irwell, Morecambe Bay and West Cumbria should also be further developed	Regional Park Organisations Sub-Regional Partnerships
117. Implement the Regional Forestry Framework	Delivers image and regeneration benefits	Forestry Commission
118. Promote sustainable farming and food production and its role in the management of rural environmental assets	Recognises agriculture's role in shaping the physical landscape, which benefits tourism and quality of life	GONW Natural England

ACTIONS	REASON	LEAD
Environment (continued)		
Improve the physical environment:		47-50 54 56 101
119. Invest in quality public realm, green space and environmental quality focused on: <ul style="list-style-type: none"> ► The cities of Liverpool, Manchester and Preston ► Tourism “Attack Brand” and “Signature Project” locations and key arrival points ► HMR and URC areas ► Key Rural Service Centres 	A quality environment is essential for private investment, attracting knowledge workers and a high quality of life. The areas mentioned are key for future growth	<ul style="list-style-type: none"> ► SRPs ► Tourist Boards Local Authorities ► HMRS/URCs ► SRPs
120. Understand the economic case for, and promote, good design ensuring project developers and managers provide strong client leadership	Good design contributes to economic growth and regeneration	RENEW Northwest
121. “Future proof” physical development projects to ensure they meet the demands of future generations	All developments need to ensure they are contributing to the sustainable future of our region, reduce their resource use and incorporate high quality and sustainable construction techniques	Local Authorities
122. Protect existing areas of high economic value from flooding, to appropriate standards	Ensures key economic assets will be guarded against flood risk	Environment Agency

KEY SOCIAL AND ENVIRONMENTAL OUTCOMES

According to independent assessment, implementation of the actions above is likely to lead to the following outcomes when measured against the UK Priorities for Sustainable Development.

a) Sustainable Consumption and Production

Recognition of the environment as a key economic resource will support better management of resources. Support for cleaner, safer and greener communities will also complement actions concerned with resource efficient, future-proofed physical development projects.

b) Climate Change and Energy

Promotion of quality in design and construction, including environmental design, should reduce energy use. Protection of existing areas of high economic value from flooding should minimise the impacts of climate change. Recognition of the need to adopt ‘softer’ techniques to adapt to climate change should also be considered, including green infrastructure. Actions to increase additional visitors to the region could increase carbon dioxide emissions from transport, although the emphasis on the cultural offer of major towns and cities should ensure visitor development in the most accessible locations. Support for the Regional Forestry Framework should provide a ‘carbon sink’.

c) Natural Resource Protection and Environmental Enhancement

Actions that recognise natural and built heritage assets and the improvement of the physical environment will improve existing environmental resources. The creation and management of Regional Parks, together with the promotion of sustainable farming and food production, should promote better environmental management. Generic skills development for regeneration professionals should result in better identification and delivery of those elements that make for a healthy and well-managed environment.

d) Sustainable Communities

Delivery of the Sustainable Communities Plan, together with support for improvements to the physical environment and actions to reduce the fear of crime, increase equality. The promotion of sport, will improve health and social conditions, particularly in deprived areas. Actions to develop community cohesion will enable all sections of the community to benefit from economic growth. Enhancement of the built environment and achievement of a greater improvement in the quality of the design will bring greater community pride and community cohesion, especially when combined with support for the voluntary sector to engage communities in these activities.

ANNEX A

Transformational Actions linked to the Vision

The Transformational Actions were chosen by examining the main issues to be addressed to deliver each of the transformational outcomes in the vision. This analysis is summarised below. The colour coded numbers show the chapter and transformational action number that tackles this issue.

VISION	ISSUES	
Productivity and Enterprise levels are high, in a low carbon economy, driven by innovation, leadership excellence and high skills	Support new and existing businesses to develop productivity, enterprise, and skill levels	1
	Help businesses to work smarter and innovate	12
	Develop and exploit the science/HEI base	13 16
	Help companies respond to global opportunities/risks	17
	Support business to use resources efficiently, minimise waste and respond to climate change	23 24
	Recognise equality and diversity as an economic asset	111
	Develop intermediate/higher level skills and educational attainment	31 37
	Develop management/leadership and corporate social responsibility skills	35
	Reduce congestion and increase use of public transport	66
Manchester and Liverpool are vibrant European Cities and, with Preston, are key drivers of City Regional growth	Build on the strengths of the cities as drivers of city regional growth	54
	Develop higher value activity and improve productivity in key sectors	8
	Develop and exploit the science/HEI base	13 16
	Improve the product associated with key tourism assets	101
	Maximise economic opportunities from the BBC relocation and Liverpool European Capital of Culture 2008	9 96
	Recognise equality and diversity as an economic asset	111
	Encourage employment in deprived areas	52
	Deliver basic/intermediate and higher level skills required by employers and ensure linkages so that workless people can access vacancies	26 27 31 45
	Intensive support for those areas or groups with low employment rates	43 44
	Improve, and manage demand on, the Greater Manchester motorway network	63
	Improve road access to Liverpool City Centre and develop the second Mersey crossing	64 65
	Reduce congestion and increase use of public transport, including improving the Manchester Rail Hub, developing Manchester Metrolink and mass transit for Liverpool/Mersey Belt with links to Deeside	66 67 77
	Grow Manchester and Liverpool Airports and the Port of Liverpool	72 73
	Ensure new housing supports regeneration or knowledge based economic growth	85 87
	Invest in quality public realm/greenspace/environmental quality	119

VISION	ISSUES	
Growth opportunities around Crewe, Chester, Warrington, Lancaster and Carlisle are fully developed	Capitalise on ongoing private sector investment	55
	Develop higher value activity and improve productivity in key sectors	8
	Develop and exploit the science/HEI base	13 16
	Improve the product associated with key tourism assets	101
	Recognise equality and diversity as an economic asset	111
	Deliver intermediate and higher level skills required by employers and ensure linkages so that workless people nearby can access vacancies	27 31 45
	Intensive support for those groups with low employment rates	44
	Improve, and manage demand on, the Cheshire/Warrington motorway network	63
	Reduce congestion and increase use of public transport, including developing mass transit for the Mersey Belt with links to Deeside	66 77
	Ensure new housing supports regeneration or knowledge based economic growth	85
	Invest in quality public realm/greenspace/environmental quality	119
Key Growth Assets are fully utilised (Priority Sectors, the Higher Education and Science Base, Ports/Airports, Strategic Regional Sites, the Natural Environment, especially The Lake District, and the Rural Economy)	Develop higher value activity and improve productivity in priority sectors	8
	Develop and exploit the science/HEI base	13 15 16
	Grow Manchester and Liverpool Airports and the Port of Liverpool	72 73
	Deliver designated regional employment sites	80
	Develop the economic benefit of the region's natural environment, especially The Lake District	113 114
	Implement plans to ensure ongoing growth in the rural economy	56
	Deliver the skills required to maximise the economic potential of these growth assets	27 28
The economies of East Lancashire, Blackpool, Barrow and West Cumbria are regenerated	Develop and implement an integrated economic plans for these areas, building on the key opportunities which exist in each area	47 48 49 50
	Encourage employment into these areas	52
	Develop higher value activity and improve productivity in key sectors	8
	Recognise equality and diversity as an economic asset	111
	Develop the University for Cumbria and ensure provision of HE opportunities in East Lancashire	38
	Deliver basic/intermediate and higher level skills required by employers and ensure linkages so that workless people can access vacancies	26 27 31 45
	Intensive support for those areas or groups with low employment rates	43 44
	Ensure new housing supports regeneration or knowledge based economic growth	85 87
	Invest in quality public realm/greenspace/environmental quality and key tourism assets	101 119
Employment rates are high and concentrations of low employment are eliminated	Tackle the lack of basic skills in certain areas	26
	Intensive support for those areas or groups with low employment rates	43 44
	Job brokerage to link employers with vacancies to workless individuals, including ensuring that vacancies caused as people progress to higher level jobs are backfilled from workless people	31 45
	Recognise equality and diversity as an economic asset	111
	Encourage employment in or near deprived areas	52



ANNEX B

Sustainability Appraisal/Strategic Environmental Assessment Summary

An iterative sustainability appraisal (SA) and strategic environmental assessment (SEA) was undertaken by Entec UK during the preparation of the RES. This involved assessing the emerging drafts of the RES against a series of sustainability objectives and questions that were designed to cover the broad range of sustainability issues facing the region. Appraisal summaries of each section of the final RES are included at the end of the relevant themed chapter. The following provides a summary of the conclusions emerging from the full appraisal process, full details of which are provided within the Environmental Report.

The RES recognises and seeks to address in a coordinated and thorough manner many of the key sustainability issues that have been identified as important for the region. For example, areas of high employment, skills shortages, GVA productivity gap, and the impacts of climate change. Furthermore, the questions used to appraise the RES were worded so as to identify how it could improve regional sustainability performance. The majority of the effects were subsequently appraised as favourable.

The RES is particularly effective in integrating economic and social aspects. It contains a wide range of actions that seek to strengthen the economy by linking them to the need to promote regeneration, education and improved environmental conditions. The RES also places significant emphasis on improving the quality of life of the communities in the Northwest, including the physical environment. It contains numerous actions that aim to build the capacity of individuals and communities who are suffering from social exclusion.

The RES should significantly improve the economic performance of the region and support greater awareness among businesses of the environmental implications of their activities. However, the sustainability appraisal has also illustrated that economic development at the scale envisaged in the RES may have some significant negative effects on the environmental assets of the region.

The implementation of the RES will have some potentially adverse environmental implications, such as increased air emissions as a result of greater road and air traffic; increased volume of waste generation; increased loss of green-field land and an increased demand for energy. However, the RES has also identified a number of key mitigation measures that will help to offset these impacts as the region moves towards its aim of securing sustainable economic growth.

It is important to acknowledge that the RES is only one of a number of strategies that determine the extent towards which sustainability is achieved. Responsibility also lies with many of the region's key organisations and agencies identified in the RES. However, progress towards sustainable development will ultimately depend on the extent to which individuals and businesses in the region are prepared to change the way in which they live and work. The RES is supportive of this.

ANNEX C

Lead Organisations

Organisations/Group	
5050 Vision	Northwest Improvement Network
Advisory, Conciliation and Arbitration Service (ACAS)	Northwest Regional Assembly (NWRA)
Airport Owners	Northwest Regional Development Agency (NWDA)
Association of Colleges Northwest (AOC)	Northwest Science Council (NWSC)
Business Link	Northwest Universities Association (NWUA)
Cheshire and Warrington Economic Alliance (CWEA) (Cheshire/Warrington Sub-Regional Partnership)	ONE Northwest
Confederation of British Industry (CBI)	Passenger Transport Executives (PTEs)
Culture Northwest	Port Owners
Cumbria Vision (Cumbria Sub-Regional Partnership)	Private Sector Partners (PSP)
Department for Transport	Re-Blackpool
Department of Health	Regional Alcohol Forum
Digital Development Agencies	Regional Cluster Organisations
Employers – CBI, IOD, NWBLT, NW Chambers and PSP will lead on these actions	Regional Housing Board
English Partnerships	Regional Park Organisations
Environment Agency	Regional Skills Partnership (RSP)
Forestry Commission	Regional Tourism Forum
Government Office Northwest (GONW)	RENEW Northwest
Greater Manchester Forum (Greater Manchester Sub-Regional Partnership)	Rural Development Partnerships
Greater Manchester Passenger Transport Executive (GMPTE)	Sector Skills Councils (SSCs)
Higher Education Funding Council for England (HEFCE)	Sector Skills and Productivity Alliances (SSPAs)
Highways Agency	Skills for Business
Housing Market Renewal Pathfinders (HMRs)	Sport England
Institute of Directors (IOD)	Strategic Health Authorities (SHAs)
International Business Forum	Sub-Regional Inward Investment Agencies
Jobcentre Plus (JCP)	Sub-Regional Partnerships (SRPs)
Lake District National Park Authority (LDNPA)	Sustainability Northwest
Lancashire Economic Partnership (LEP) (Lancashire Sub-Regional Partnership)	Telecoms Providers
Learning and Skills Council (LSC)	The Mersey Partnership (TMP) (Merseyside Sub-Regional Partnership)
Liverpool Culture Company	Trades Union Congress (TUC)
Local Authorities	Tourist Boards
Manchester Enterprises (ME)	UK Trade & Investment (UKTI)
National Institute Mental Health England (NIMHE)	Urban Regeneration Companies (URCs)
Natural Economy Northwest	Utilities Companies
Natural England	Voluntary Sector - VSNW and other voluntary sector organisations will lead on these actions
Network Rail	Voluntary Sector Northwest (VSNW)
Northwest Business Leadership Team (NWBLT)	West Cumbria Task Force
Northwest Chambers of Commerce	West Lakes Renaissance
Northwest Energy Council	Workplace Health Direct

ANNEX D

Indicators for Monitoring

Indicator	Geography	RDA Tasking Framework Indicator	Related PSA Target
GVA Headline	Regional	Y	1
GVA per Head	Sub-regional	Y	1
GVA per Hour Worked	Regional, Sub-regional	Y	3
GVA By Sector	Regional, Sub-regional		
Full-time/Part-time Jobs Created	Regional, Sub-regional		
Male/Female Jobs Created	Regional, Sub-regional		
Employment Rates	Regional, Sub-regional		
Employment Rates for Disadvantaged Groups	Regional	Y	6
Self employment rates in deprived areas	Regional	Y	7
Incapacity Benefit Claimants as a % of working age population	Regional, Sub-regional		
Income Support Claimants as a % of working age population	Regional	Y	9
Sickness and Absence from work (hours lost)	Regional		
Working age people with no qualifications	Regional, Sub-regional		
Working age people with Level 2 qualifications	Regional, Sub-regional	Y	11
Working age people with Level 3 qualifications	Regional, Sub-regional, European/International	Y	11
Economically active working age people with Level 4+ qualifications	Regional, Sub-regional		
Adults with basic skills needs	Regional	Y	11
% of employers providing further training	Regional	Y	11
Management and enterprise skills	Regional		
VAT Registrations & Deregistrations	Regional, Sub-regional		
Stock of VAT-registered companies	Regional, Sub-regional		
Business Survival Rates	Regional, Sub-regional		
Number of exporters	Regional	Y	8
Foreign Direct Investment	Regional		
Innovation Rates	Regional		
R & D Spend (private and public) as a % of GVA	Regional	Y	10
Energy Consumption	Regional		
CO2 Emissions	Regional	Y	2
Waste Levels	Regional		
% of energy use from renewables	Regional		
Previously Developed Land	Regional		
English Index of Multiple Deprivation	Regional, Sub-regional		
Housing Affordability	Regional, Sub-regional		
Number of districts where house prices are substantially lower than national average	Sub-regional	Y	12
Average (Median) Wage Levels	Regional, Sub-regional		
Household Incomes (average, and households below average)	Regional		
Number of DEFRA "Lagging Districts"	Regional		
Mean taxpayer income earned by rural district	Sub-regional	Y	5
Population and population structure	Regional		
Net In-Migration	Regional, Sub-regional		
Net In-Migration, By Broad Age Group	Regional		
Public transport usage	Regional		

Indicators for Monitoring

Indicator	Geography	RDA Tasking Framework Indicator	Related PSA Target
Congestion	Regional		
ICT usage and take-up	Regional		
Crime Rates	Regional		
Perceptions of the Northwest as a place to live	Regional		
Perceptions of the Northwest as a place to do business	Regional		
Number of major events, and their economic impact	Regional		
International and domestic visitor numbers	Regional		
Tourism Expenditure	Regional	Y	4

ANNEX E

England's Northwest Guide to locations



RES Actions

KEY		
 Northwest Region boundary  Housing Market Renewal Pathfinder (HMR) Areas  Urban Regeneration Companies (URC) Areas  HMRs & URC Areas  Northwest Motorways  Airports  Key Ports  Key Towns and Cities  Lake District National Park  Hadrian's Wall	Strategic Regional Sites <ol style="list-style-type: none"> 1 Ashton Moss, Tameside 2 Basford, Crewe 3 Cuerden Regional Business Park, Preston/Leyland 4 Daresbury Park, Halton 5 Kingmoor, Carlisle 6 Kings Business Park, Knowsley 7 Kingsway, Rochdale 8 Omega South, Warrington 9 Royal Ordnance Factory, Chorley 10 The Estuary, Speke/Garston 11 Wirral International Business Park 12 Barton, Salford 13 Twelve Quays, Birkenhead 14 Whitebirk, Lancashire 15 Carrington, Trafford 16 Chester Business Park 17 Davenport Green, Trafford 18 Ditton, Widnes 19 Lancaster University/Bailrigg 20 Liverpool University Edge 21 Central Park, Manchester 22 Parkside Former Colliery, St Helens 23 Liverpool Science Park (Edge Lane) 24 Westlakes, Whitehaven 25 Alderley Park (Astra Zeneca), Macclesfield 	Other locations <ol style="list-style-type: none"> 1 Stockport Relief Road 2 Heysham Link Road 3 M57 to Seaforth Link 4 Manchester Airport Link Road 5 Olive Mount Chord 6 Second Mersey Crossing 7 Rail to Seaforth Docks 4 Daresbury Science Park, Halton 25 Alderley Park, Macclesfield
		Regional Parks <ol style="list-style-type: none"> 1 East Lancashire 2 Ribble Estuary 3 Wigan Greenheart 4 Mersey Waterfront 5 Weaver Valley <p>... Northwest Coastal Trail (location)</p>



Local Authority Areas

1. Macclesfield
2. Crewe and Nantwich
3. Chester
4. Ellesmere Port and Neston
5. Congleton
6. Vale Royal
7. Copeland
8. Carlisle
9. South Lakeland
10. Allerdale
11. Eden
12. Barrow-in-Furness
13. West Lancashire
14. Lancaster
15. Chorley
16. South Ribble
17. Rossendale
18. Fylde
19. Preston
20. Wyre
21. Pendle
22. Ribble Valley
23. Hyndburn
24. Burnley
25. Bolton
26. Bury
27. Knowsley
28. Liverpool
29. Manchester
30. Oldham
31. Rochdale
32. Salford
33. Sefton
34. Stockport
35. St. Helens
36. Tameside
37. Trafford
38. Wigan
39. Wirral
40. Blackburn with Darwen
41. Blackpool
42. Halton
43. Warrington



ANNEX F

Glossary of Terms

Term	Meaning
Biodiversity	Biological diversity - or biodiversity - is the term given to the variety of life on Earth and the natural patterns it forms. It forms the web of life of which we are an integral part and upon which we so fully depend.
Business Improvement Districts	A scheme by which businesses agree a local levy on their rates bill to fund a programme of improvements to their neighbourhood.
City-Regions	The areas of economic influence surrounding major cities within which most of the people and economic assets of the region lie (i.e. Central Lancashire, Liverpool and Manchester).
City-Region Development Programmes	Plans produced by the City-Region partners to show how their economic potential can be realised.
Cleaner Safer Greener Communities	A government initiative about creating quality spaces in which people want to live and can be proud of, and which others will respect.
Compacts	An agreement between government (or other statutory agencies) and the voluntary and community sector in England to improve their relationship for mutual advantage.
Corporate Social Responsibility	The commitment by business to behave ethically and contribute to economic development while improving the quality of life of the local community and society at large.
Future Proofing	Ensuring the resource needs of future generations are considered at the planning, design and construction phases of any physical development.
Green Business Parks	The Green Business Park concept aims to address the key sustainable development challenges facing business, through joint working initiatives. They bring together resident businesses in a specific area, such as an industrial estate, and local support organisations to increase environmental performance, improve the area's image, encourage further investment, and improve security and facilities.
GVA	Gross Value Added - the output (value added) of an area or region, measured in £s.
GVA per employee	The output of an area or region divided by the number of employees.
GVA per head	The output of an area or region divided by the number of people living in that area or region.
GVA per hour worked	The output of an area or region divided by total number of hours worked.
In-migrants	People who move into the region, whether from other parts of the UK or abroad.
Local Area Agreements	These are agreements between central government and local authorities and their partners. The aim is to agree on a set of outcomes to improve service delivery in return for simplified and more flexible funding arrangements.
National Employer Training Programmes/Train to Gain	The name of the service being offered to employers by the Learning and Skills Council to help them identify and fulfill the skills needs of the workforce. It consists of a brokerage service underpinned by subsidised training towards vocational qualifications.
Northern Way	A pan-regional initiative across the three Northern regions (Northwest, North East and Yorkshire & Humberside). The aims are to add value to the Regional Economic Strategies; to help the North fulfil its economic potential; and to close the £30 billion output gap with the England average.
Productivity	The amount of output per unit of input (labour, equipment and capital) of a company, area or region, usually expressed as output (value added) per employee or per hour worked.
Public Realm	Publicly and privately owned streets, rights-of-ways, parks and other publicly accessible open spaces. It also applies to civic buildings and facilities that all members of the public can access and utilise.
Regional Housing Strategy (RHS)	The Regional Housing Strategy identifies key housing priorities within the region and provides a basis on which decisions on housing capital investment can be made.
Regional Spatial Strategy (RSS)	The Regional Spatial Strategy incorporates the Regional Transport Strategy and provides a spatial framework to inform the preparation of Local Development Documents.



Term	Meaning
Rural Service Centres	Settlements which have the potential to act as service centres for surrounding villages and areas, providing a range of services which should include retail, leisure, community, civic, health and education facilities and financial and professional services.
Secure by Design	An initiative to promote good quality design while also reducing the susceptibility of property to crime.
Sustainable Communities	Creating economically, socially and environmentally viable communities in which people want to live, work, invest and visit.
Tourism 'Attack' Brands	The most well-known tourism destinations that will be most heavily promoted outside the region, identified in the Regional Tourism Strategy agreed by the Tourism Forum.
Tourism Signature Projects	Capital-intensive tourism projects that will have a major impact on the region's performance as a tourist destination, identified in the Regional Tourism Strategy agreed by the Tourism Forum.
Worklessness	People, or groups of people, of working age who are not currently working and who face barriers to re-entering employment, whether or not they are claiming unemployment or incapacity benefit.

ANNEX G

Supporting documents

The following documents were produced in the preparation of the RES and provide further detail on key topics, including the supporting evidence base:-

North West Economic Baseline Report, Regional Consultancy, July 2005

NW RES 2006. Social and Environmental Issues Analysis, Sustainability Northwest, April 2005

Strategic Environmental Assessment/Sustainability Appraisal of the North West RES-Environment Report, Entec, January 2006

Summary Equality Impact Assessment of the Northwest RES, NWDA, September 2005

A Desk Based Health Impact Assessment of the Northwest RES, Debbie Abrahams, October 2005

RES 2006 Evidence Summary, NWDA, January 2006

RES Targets-Methodology and Sources, NWDA, January 2006

RES 2006 Consultation Report, NWDA, November 2005

These can be downloaded on nwda.co.uk/strategy



“However beautiful the strategy you should occasionally look at the results.”

Winston Churchill

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此文件能以下列語言提供：孟加拉文、中文、古賈拉提文、索馬里文、烏爾都文、印地文。
請致電01925 400 100與營銷部聯絡。

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