



Single Investment Fund (SIF)  
(Round 1a)  
Skills Capital Prospectus  
2016-2019

14 December 2016

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## Foreword

Learners and employers are at the heart of the Liverpool City Region's plans for growth. Creating a more educated and flexible workforce depends on a skills offer that is focused on what employers in local communities need.

A Further Education (FE) and skills sector that provides high quality academic, technical and vocational education to meet the skills demand in our priority sectors is vital. Delivering the right balance and mix of high quality provision (including access to specialist centres) with good building conditions, efficient estates and up to date industry standard equipment and machinery that can better respond to employer demands is essential to unlocking economic potential and accelerating growth.

The Liverpool City Region has already invested (since the launch of the first Skills Capital Prospectus in February 2015) £21.5 million from the Local Growth Fund in skills capital projects. Clearly, this shows the value placed on skills as an enabler to drive productivity, increase competitiveness and stimulate the creation of new job opportunities. Meeting the skills needs of employers is a priority for economic growth and remains the most compelling argument for skills capital investments.

Moving forward, skills capital investments will fall under the umbrella of the Combined Authority's **Single Investment Fund (SIF)**.

Round 1a of the Fund invites investment proposals under a single theme: **Skills Capital**. This skills capital prospectus outlines the latest design framework for skills capital investments to enable us to create the 21<sup>st</sup> Century learning environments that we need to deliver long term prosperity.

## 1. Introduction

### 1.1 Purpose of this Prospectus

This Prospectus has been prepared to inform applicants about the Single Investment Fund (SIF) Round 1a, which has been opened to fund skills capital investments and aims to invest £15 - £20 million over the next five years (as part of the overall £250m SIF Fund).

The Prospectus describes what the SIF Skills Capital theme will fund, who is eligible to apply and the indicative levels of funding available. It also provides guidance on the application, appraisal and approval process and the criteria that will be used to assess projects.

SIF Skills Capital funding is available for three types of capital projects to:

- a) Support the **technical skills capabilities** of Liverpool City Region learners and workers through new facilities including public/private training investment;
- b) Improve the learning environment, particularly for Liverpool City Region **priority sector related provision**; and
- c) Support **diversity and the life chances** of Liverpool City Region residents to include the provision of high quality learning and pre-employment training environments for those furthest from the labour market.

The prospectus highlights the importance of projects that meet the needs of employers (including providing employability pathways). Applicants must demonstrate meaningful consultation has taken place during the development of their projects. This must specify in detail, the tools and techniques utilised, numbers and types of businesses engaged and provide evidence of how the project meets their identified needs. The Local Enterprise Partnership (LEP) will support the process of signposting to

employers / sector groups. Joint partnership applications between employers and further education providers are encouraged.

This Prospectus should be read in conjunction with the accompanying application paperwork and in conjunction with the Liverpool City Region Assurance Framework (see: [www.liverpoolcityregion-ca.gov.uk](http://www.liverpoolcityregion-ca.gov.uk)).

The closing date for submissions under Round 1a is: **noon on Wednesday 25 January 2017**. This Prospectus – Section 2 in particular – reflects the specific commissioning framework for Skills Capital. Following the election of the new Liverpool City Region Mayor in May 2017, this Prospectus will be comprehensively reviewed.

### 1.2 Eligibility

The SIF Skills Capital theme is open to applications from the following organisations:

- General FE Colleges;
- Sixth Form Colleges;
- Employer Providers who offer apprenticeships and other training provision to staff and supply chains (including SME's) through their own provision;
- Group Training Associations (providers led by a board of employers);
- Universities (who deliver or plan to deliver Higher and Degree Apprenticeships as a key part of their project);
- Skills Funding Agency (SFA) registered voluntary and community sector training organisations and social enterprises; (via the Register of training organisations or Register of Apprenticeship training providers)
- SFA registered Community learning providers including Local Authorities; and
- Other Skills Funding Agency approved training providers.

The SIF will fund projects requesting a minimum of **£250,000**, smaller projects can be combined to form packages or programmes and **preference will be given to proposals that have match funding** and lever additional private sector investment into the Liverpool City Region.

For groups of smaller scale projects, relevant training provider sector bodies or individual local authorities may wish to act as leads for consortia applications to be brought forward (N.B. dependent on being able to meet the SIF eligibility criteria).

Applications should clearly state the lead applicant on behalf of any consortia/ partnership bids and the organisation must be able to enter into a contract on behalf of all the named partners.

### 1.3 What is the Single Investment Fund?

The SIF has been established by the Combined Authority to unlock the economic potential of the Liverpool City Region. It comprises the Devolution Deal Investment Fund allocation of £30 million per annum and other local and national funding sources. The level of SIF funding available for the first three years is expected to be approximately £150 million, at a minimum to meet all investment themes including skills capital.

The SIF will fund activities that deliver economic growth, as measured by Gross Value Added (GVA) and jobs, and that contribute to the delivery of the Liverpool City Region Growth Strategy '[Building Our Future](#)'.

A summary of the Liverpool City Region Growth Strategy including the outcome targets is available at Annex A.

A key guiding principle underpinning the SIF relates to 'Gain Share'. Where possible therefore, the SIF fund will be invested in projects that generate a return, so that resources can be recycled to achieve further growth. This includes investment in assets that generate a revenue or capital receipt.

## 2. [What the SIF will fund: Skills Capital Investments](#)

### 2.1 Round 1a: Skills Capital Strategic Context

SIF investment available: £15-20 million (2017-2019) <sup>1</sup>

The Combined Authority's agreed design principles for skills capital are that it will support the ambition and skills priorities outlined in the recently published Growth Strategy 'Building Our Future' and specifically investments that:

- a) Support the **technical skills capabilities** of Liverpool City Region learners and workers through new or significant refurbishments to existing buildings to fill gaps in existing provision or where appropriate to create specialist centres;
- b) Improve the learning environment, particularly for Liverpool City Region **priority sector related provision**; and
- c) Support **diversity and life chances** of Liverpool City Region residents to include the provision of high quality learning and pre-employment training environments for those furthest from the labour market.

### 2.2 Technical Skills Capabilities - Large Capital Investments

To support the **technical skills capabilities** of Liverpool City Region learners and workers at Level 3 (roughly A-Level equivalent) and above through new facilities including public/private training investments by significant refurbishment of (or new build) facilities to offer industry standard learning environments for the following:-

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<sup>1</sup> Note: excludes anticipated Adult Education Budget from 2018/19 which will be commissioned separately in the form of Delivery Agreements with providers. These agreements will be developed through negotiated arrangements or open call (as appropriate) from early autumn 2017 onwards.

- **Manufacturing and Maintenance Technology Centre;**
- **Catapult Centre Model(s)** e.g. to support sensor and low carbon engineering technologies to be accelerated within businesses;
- **Construction Technology Centre** – to support new build construction technologies and industry specialists; and
- **Aviation College** – to include pilot training, aviation management, air traffic control, fire and rescue and ground operations (aligned to local Airport needs) and expansion of links with other growth sectors e.g. visitor economy.

The above represent specialisation opportunities for skills capital investment in the City Region based on identified gaps and potential jobs growth listed in the Single Growth Strategy including latent demand evidenced through previous skills initiatives locally.

Single or consortia applications are welcomed for the above areas of capital investment from existing or new providers to the area (subject to meeting the general eligibility criteria set out at Section 3). For consortia applications a clear lead applicant must be identified within the application and must be capable of entering into contract on behalf of all other partners. A capital project application can be made for a single site or across multiple sites within the City Region.

As a guide, the City Region is looking to approve one application per sector subject area (e.g. one Construction Technology Centre, one Aviation College) and reserves the right not to progress any sector specialisation projects if the case for investment is not sufficiently compelling.

All projects must clearly set out how their proposal will **add value and is complementary** to the existing training provision offered locally and provide genuine specialisation in response to the identified market need.

Applicants should demonstrate clearly how they have **worked with employers** and other stakeholders to develop their proposals specifying in detail the tools and techniques used, numbers and types of businesses engaged and provide evidence of how the project meets their identified needs. Joint partnership applications between employers and further education providers are encouraged.

Proposals for new institutions must evidence how they are complementary to existing provision and provide compelling evidence of consultation and support from a wide range of partners.

### 2.3 Priority Sector Training Equipment / Facility Improvements

To improve the vocational learning environment, particularly for Liverpool City Region **priority and other high volume employment sector** (see Annex B for details) related provision by purchasing equipment for learner use or improvements to premises to include the following:

- Specialist high cost equipment to ensure that training meets industry standards for **Science, Technology, Engineering and Mathematics (STEM)**;
- Refurbishment of **existing** learning environments to raise the quality of learner pathways onto further learning or employment;
- **Specialist high cost equipment** to ensure that training meets industry standards for priority growth and high volume employment sectors (See Annex B for details);
- **Equipment to train learners on new low carbon technologies** including the building energy management of learning facilities;
- Capital support to enable greater volumes of learners and a broader curriculum of **Higher Education (HE) within Further Education (FE)** environments for priority sectors – providing recognised HE Learning Centres within FE Colleges; and

- Capital support to enable an **expansion of learner pathways into priority sectors for 14-19 year olds** (including investment in real workshop environments) linked to the national Post-16 Skills Plan.

Investment applications can include projects that refurbish existing priority key employment sector training facilities to reflect identified industry needs. The aim is primarily to extend and improve the existing quality of learner pathways (onto further learning and relevant employment) rather than to enable providers to enter into completely new areas of provision.

Successful projects will **evidence** they can provide the skills employers need but can't currently obtain in sufficient quantity/quality and evidence - with use of examples - how the capital investment proposed will unlock genuine curriculum innovation (e.g. in the use of 'real work' environments for the successful retention and application of vocational skills by learners).

Proposals should not be for general maintenance or improvement to the Further Education or other applicant's estate (other than to reduce the carbon footprint) or be for generic improvements across a wide range of sector subject areas.

## 2.4 Improving Learner Opportunity (adaptation / equipment)

To support **diversity and the life chances** of Liverpool City Region residents to include the provision of high quality learning and pre-employment training environments for those furthest from the labour market by adaption of premises or purchase of equipment to support an expansion and improve the quality of the learning experience for the following:

- Improvements to training facilities and equipment focused on supporting **Not in Education Employment or Training (NEET) groups, Black And Minority Ethnic (BAME) groups and those learners with learning difficulties and disabilities (LLDD)**;

- Equipment and improvements to facilities for **Special Educational Needs (SEN)**;
- **English, Maths and Digital learning upgrades** to centres to deliver excellence in teaching and learning;
- **Equipment to improve the building energy management of learning facilities** (including for energy generation/storage); and
- Facilities to **widen the accessibility and quality of employment provision** to include equipment and improvements to create integrated real work classroom environments to meet sector and industry requirements.

Under this priority, the City Region is looking to invest in proposals that support the development of high quality provision for specific groups of publicly funded learners. Proposals should demonstrate how the investment will make community or niche specialist learning more accessible (in the case of premises adaptation) and effective in reducing low carbon impacts within sites and premises used for adult learning.

This priority is likely to result in a particularly high volume of applications and project sponsors are reminded of the need for all SIF applications to be for a **minimum of £250,000** of SIF investment.

For groups of smaller scale projects, relevant training provider sector bodies or individual local authorities may wish to act as leads for consortia applications to be brought forward (N.B. dependent on being able to meet the SIF eligibility criteria).

Projects can be to address one or more of the criteria listed, so for example it is acceptable to bring forward a proposal that focused solely on one specific group of learners (e.g. NEETs) or one type of intervention (e.g. specialist equipment provision). Equally, a project could be to benefit multiple groups of learners and/or across multiple sites.

In supporting **NEET, BAME, LLDD and SEN groups**, projects will need to clearly demonstrate how they will improve curriculum quality and increase learner volumes with reference to local area need. Reference should be

made to the demographic profile of the local community in setting benchmark outputs for the application.

Projects with a **building energy management** focus should improve energy management in order to reduce running costs and integrate low carbon technologies into curriculum development and the learner experience in an innovative way. Please evidence this with reference to relevant measurements (e.g. energy reduced per m<sup>2</sup> of estate and tonnes of CO<sup>2</sup> avoided) and include the proposed payback period for the intervention.

Where other sources of funding are available for low carbon investments (e.g. Salix) the City Region would expect project applicants to have explored use of this funding in the first instance.

### 3. What funding is available and who is eligible to apply?

#### 3.1 Funding available

The overall SIF combines various funding sources into a 'single pot', which will be distributed through a series of calls.

For Round 1a: Skills Capital we are inviting eligible organisations to submit a Stage 1 Strategic Outline Case (SOC) submission for skills capital project ideas that respond to the requirements set out in this prospectus. Successful applicants would then be asked to process to Stage 2 and (if applicable > £3m) Stage 3 (see Section 4 for details).

Within the (circa £250m) of total SIF funding, £15-20m is available to support skills capital investments dependent on the quality of submissions received within the skills capital theme and across other themes.

Where possible, other funding sources will be aligned with the SIF to ensure that an integrated, comprehensive and strategic approach is adopted to promoting growth within the City Region. These will in particular include the European Structural and Investment Fund (ESIF) and Chrysalis funding from 2017/18. These sources will have their own separate application processes.

#### 3.2 Funding parameters

SIF funding will be provided in the most appropriate form for each project based on the results of a robust appraisal. This could include:

- loan;
- grant;
- equity investment; or
- guarantee.

The amount of funding available for each project will be based on an assessment of the minimum level of finance needed to unlock the project's delivery. The SIF will fund projects requesting a minimum of £250,000 but projects can be combined to form packages or programmes and **preference will be given to proposals that have match funding** and lever additional private sector investment into the City Region.

Where possible the SIF fund will be invested so that resources can be recycled including in assets that generate a revenue or capital receipt. Preference will therefore be given to support in the form of loans or investments that generate a return.

### 3.3 Who can apply?

Under the SIF Skills Capital theme the following organisations based in the City Region are eligible to apply:

- General FE Colleges;
- Sixth Form Colleges;
- Employer Providers who offer apprenticeships and other training provision for the market place including supply chains (including SME's);
- Group Training Associations (providers led by a board of employers);
- Universities (who deliver or plan to deliver Higher and Degree Apprenticeships as a key part of their project);
- Skills Funding Agency (SFA) registered voluntary and community sector training organisations and social enterprises; (via the Register of training organisations or Register of Apprenticeship training providers)
- SFA Community learning providers including Local Authorities; and
- Other Skills Funding Agency approved training providers (including sub-contractors on the Register of Training Organisations).

Where the applicant is applying to improve a site or premises, the SIF fund will take a risk based approach in determining whether investment represents good value for money, considering the likelihood that the public investment in learning facilities can be safeguarded in the medium term. Specifically:

- For large capital investments, reflecting the potential level of SIF funding on offer, the City Region would normally expect to see a minimum of 99 years remaining on the leasehold or that the freehold to the site/premises is held by the applicant; and

- For training equipment and learner opportunity projects, the City Region would normally expect the applicant to have a minimum 5 year leasehold agreement remaining on the site/premises to which the application relates.

In addition, the following criteria will be applied to submissions:

- the organisation must be able to enter into legal contracts;
- lead organisations must be able to demonstrate the capacity and ability to deliver;
- grants will not fund 'business as usual' activities; and
- the SIF fund will reserve the right to audit any invoices in relation to funds provided and will require evidence that they have been spent as proposed.

The lead applicant for each project will enter into a contract with the Liverpool City Region Combined Authority as the Accountable Body for the SIF funding. Funding will be released in arrears once milestones have been reached, as set out in the project's contract agreement.

## 4. [Application and assessment](#)

### 4.1 [Preparing your submission](#)

#### **Business case stages and proportionality**

The application and appraisal process for SIF project funding will apply the principle of proportionality – with more detailed information being required for large or complex projects.

For all projects applying for more than £3m of SIF funding the process will involve three stages, as follows:

- **Stage 1: Initial proposal/Strategic Outline Case (SOC)** – will provide the underlying justification for the project and will be appraised against the



criteria set out below in Section 4.3. Successful applicants will be asked to complete an Outline Business Case;

- **Stage 2: Outline Business Case (OBC)** – this will identify the preferred option for delivery from a shortlist of options, and will include a detailed Business Case for the project which will need to be developed to a level where it is capable of being given approval in principle. If the Outline Business Case is endorsed the applicant will be requested to submit a Full Business Case; and
- **Stage 3: Full Business Case (FBC)** – this will augment the Outline Business Case by adding in particular details of contractual and delivery arrangements, along with confirmation of costs and benefits.

Each business case submission will build upon and augment the previous stage to avoid duplication and unnecessary effort.

For smaller projects (less than £3m SIF support) the Outline Business Case and Full Business Case stages may be combined depending on the level and quality of information provided and in keeping with the principle of proportionality. Projects requesting less than £3m will still need to submit a Strategic Outline Case for appraisal.

**Under SIF Skills Capital (Round 1a) the City Region is inviting proposals for Stage 1 Strategic Outline Cases only and the application form for the initial proposal (SOC) is available to download from the website below.**

<http://www.liverpoolcityregion-ca.gov.uk/>.

Please see **Section 5.1** for how to submit your applications and the deadline date for submissions.

Your completed Stage 1 Strategic Outline Case should clearly explain what it is you intend to do, how it supports the Liverpool City Region Growth Strategy objectives and ambitions, your projected level of outputs and outcomes and why public sector investment is required.

Applicants should demonstrate good design and careful implementation.

The competition for funding is expected to be high so applicants are encouraged to spend their time on one excellent submission.

There is no limit on the number of projects that make up each application – comprehensive programmes – where constituent projects are eligible. However, we envisage that the majority of projects are likely to focus on only one of the suggested sub-themes outlined in Section 2.

If you require any further information, clarification or have any queries please refer to the contact arrangements provided in Section 5.2.

Good preparation helps make a good proposal and ultimately a successful application. We encourage applicants to read the Prospectus and accompanying paperwork carefully.

#### 4.2 How the application will be assessed

All SIF Skills Capital applications should be submitted to the SIF Investment Team who will be responsible for the Stage 1 Strategic Outline Case (SOC) assessment. We anticipate that a decision on whether to invite SOC applicants to proceed to make an OBC or combined OBC/FBC would be in **March 2017**. A final decision on OBC/FBC projects would be expected **June 2017** for projects to start from **Summer 2017 onwards**. N.B. this indicative timescale is dependent on the volume and type of submissions received.

The time taken to assess projects thereafter will depend on the nature and complexity of the proposal. The key SIF assessment stages are set out below in Figure 1.

Figure 1: Key SIF Assessment Stages



### 4.3 Appraisal criteria

The Strategic Outline Case (SOC) will be assessed on the basis of Core Selection criteria, relating to:

**Table 1: Core selection criteria**

- Fit with SIF Prospectus/Growth Strategy/other relevant strategies – the proposed intervention contributes to the objectives set out in the Growth Strategy/SIF Prospectus and other relevant strategies
- Gross Value Added and jobs – clear case that the investment will deliver relevant activities and outputs that lead to GVA and direct jobs:
- Additionality of the project – clear case that the intervention would not otherwise take place, would be smaller, happen later or be of a lower quality in the absence of SIF support
- Value for money – the project offers value for money in line with or above benchmarks
- ‘Gain Share’ - clear case (where applicable) that the investment is expected to result in the repayment of SIF funding
- Educational case – clear case that the intervention supports Liverpool City Region skills priorities and fully meets the requirements of the prospectus and that the learning provision offered is viable in the longer term

For each criterion, the project will be given a score of 0 to 4. The Benefit Cost Ratios of projects in terms of Gross Value Added will be compared with benchmarks and other projects.

An assessment of the project will also be carried out against a set of Hurdle Criteria which will be assessed as either satisfactory or unsatisfactory with

successful projects expected to achieve a satisfactory rating across all criteria.

**Table 2: Hurdle criteria**

- Need/demand for project – is there clear evidence of need or demand for the project
- Wider benefits – clear case that the investment will deliver relevant activities and outputs that lead to wider benefits
- Need for Investment Fund support – is there clear evidence that the project requires support from the SIF for example due to a funding gap
- Availability of match funding – are appropriate arrangements in place to secure the required level of match funding
- Management and delivery arrangements – details of the appropriate expertise, capacity, capability and systems to deliver the intervention successfully
- Capability to meet the financial requirements and liabilities that flow from receipt of SIF support
- Evidence that the intervention is deliverable having regard to risks and dependencies
- Compliance with necessary regulations and requirements

For all subsequent business case stage appraisals (Outline Business Case (OBC)/ Full Business Case (FBC) / Combined OBC/FBC) will also be assessed using Core Selection and Hurdle Criteria. The types of information that will be required for completion of these businesses cases can be found on the [website](#).

The SIF will be applying a charging policy to applicants. This is yet to be finalised but is likely to include an upfront and non-refundable fee on

submission of any OBC/FBC to cover due diligence charges e.g. appraisal costs, legal and financial advice.

In line with industry practice, further fees may be charged to successful applicants to meet the cost of setting up the investment support in respect of arrangement fees, monitoring and management.

#### 4.4 Outputs and Outcomes

Applicants will need to identify the expected outputs and outcomes that their project will deliver. Successful applicants will be required to deliver specific outputs and outcomes as detailed in their application or negotiated through the application process.

Applicants will also need to provide suitable baseline information or evidence that a strategy is in place to begin collecting data. This information will form an important part of the monitoring and evaluation processes.

If the application is successful, applicants will be required to evaluate the project at the end of the programme, to assess its impact and offer learning for future activity. Information and support for monitoring and evaluation will be provided as the project progresses.

## 5. Further Information

### 5.1 Key dates

To be considered for funding you must send your Stage 1 Strategic Outline Case application form with supporting information to the SIF Investment Team by:

**12 Noon on Wednesday 25 January 2017 via e-mail to:**  
[sif@liverpoolcityregion-ca.gov.uk](mailto:sif@liverpoolcityregion-ca.gov.uk).

**Applications received after this time and date will not be considered.**

Further skills capital prospectuses may be issued in the future inviting applications for specific types of project. This will depend on the level of submissions and progress against spend and targets which will be kept under review on an ongoing basis.

All forms can be downloaded from <http://www.liverpoolcityregion-ca.gov.uk/> and should be returned: [sif@liverpoolcityregion-ca.gov.uk](mailto:sif@liverpoolcityregion-ca.gov.uk)

### 5.2 Further information

A frequently asked questions section is available on the [website](#). If you require any further information, clarification or have any queries please contact us at: [sif@liverpoolcityregion-ca.gov.uk](mailto:sif@liverpoolcityregion-ca.gov.uk)

To download a copy of this document and to use the interactive forms go to: <http://www.liverpoolcityregion-ca.gov.uk/>.

## ANNEX A: Liverpool City Region Growth Strategy

The Liverpool City Region has a vision ‘to build on its core strengths and capacity for innovation to create a truly global and competitive City Region at the heart of the Northern Powerhouse’.

Within the Growth Strategy, partners have described their mission as being to:

- Start, attract and develop more businesses
- Nurture and grow the talent base
- Enhance and protect the distinctive quality of place
- Create more sustainable employment and high value jobs

To achieve this, the Strategy will:

- **Build on key assets** – including Liverpool City Region’s role as a unique global port and a world-leading centre for innovation and achievement in science, culture and civic life.
- **Focus on growth sectors** – the impact of investment will be maximised by strategically focusing on those sectors with the greatest potential.
- **Respond to challenges** – including long-established challenges regarding levels of wealth, business, jobs, worklessness, productivity, skills and spatially concentrated deprivation.

The Strategy’s aspirations are reflected in the three ‘pillars’ around which it is structured:

1. **Productivity** – focusing on businesses where the opportunity for growth is greatest
2. **People** – ensuring residents and workers are equipped with the right skills
3. **Place** – making the most of the City Region’s physical and cultural assets and infrastructure

The aspirations driving the Growth Strategy are bold and are reflected in the following ambitious target outcomes detailed in Table 1.

Table 1: LCR Outcomes targets to 2040	
<b>Productivity</b>	<ul style="list-style-type: none"> <li>• Create an additional 100,000 jobs</li> <li>• Increase the number of businesses by 20,000 and double the number of women-owned businesses</li> <li>• Increase GVA by £22 billion (2012 prices) to £50 billion</li> <li>• More than double the average productivity per worker</li> <li>• Achieve a substantial increase in the number of exporting businesses and the value of exports</li> <li>• Increase the commercialisation of R&amp;D</li> </ul>
<b>People</b>	<ul style="list-style-type: none"> <li>• Reduce unemployment and increase the resident employment rate of the 16 plus population to 58% by 2025</li> <li>• Increase the population by 83,000 to 1.6 million</li> <li>• Attract an additional 50,000 people to live in the City Region</li> </ul>
<b>Place</b>	<ul style="list-style-type: none"> <li>• Increased demand for public services such as health, education and public transport</li> <li>• Increase demand for housing</li> <li>• Rising house prices</li> </ul>

Partners have identified a series of ambitions and initiatives under each 'pillar' through which the Strategy's overall aims will be pursued:

### Productivity

- **Build an Enterprise Culture** – through schools and college programmes; supply of suitable business property; promotion of an enterprise culture.
- **Develop more businesses** – through mentoring and peer-to-peer support; local procurement and procurement-ready initiatives; a unified approach to inward investment.
- **Help businesses grow** – through a Local Growth Hub; market access support; access to finance; innovation support.
- **Develop the workforce** – through meeting the skills needs of growth businesses; business leadership skills support.
- **Focus on growth sectors** including:
  - Advanced Manufacturing and Manufacturing
  - Digital and Creative
  - Financial and Professional Services
  - Health and Life Sciences
  - Low Carbon Energy
  - Maritime and Logistics
  - Visitor Economy

### People (Skills)

- **Establish a Skills Commission** - to work with business to establish skills needs, provision and opportunities; to devolve responsibility and budgets from Government to the City Region.
- **Define skills 'pathway partnerships'** - to link business needs and skills provision from Key Stage 1 to board level, for the priorities set out in the sector based Skills for Growth Agreements.
- **Align public and private sector skills investment** – with a particular focus on Level 3 skills and advanced and higher level apprenticeships.
- **Improve diversity and linked productivity** across the skills and learning agendas.
- **Support employment and business growth** - in priority sectors through scholarship models, recruitment processes and pre-employment and employability training / support.
- **Develop common skills frameworks** - in priority sectors to enable workforce flex and improve overall sustainable employment.

### Place

- **Become the global logistics hub** - for Northern UK and Ireland
- **Link Liverpool Lime Street to HS2** - to create the start of an East-West Northern Powerhouse Rail link
- **Develop an integrated multi-modal transport system** - to deliver economic growth whilst reducing the City Region's carbon footprint.
- **Deliver a Green Bus Network** – that is efficient, accessible, affordable and environmentally friendly

- **Become the largest marine energy hub in Western Europe** - and a world-leading centre for research, education and training in low carbon technologies.
- **Construct a tidal power scheme** - harnessing the Mersey to provide green energy generation.
- **Develop a Hydrogen Gas Grid** - to provide competitive, low carbon heating.
- **Provide comprehensive ultra-fast broadband infrastructure** - and ensure digital connectivity is part of future strategic planning and built in to transport systems and new commercial and residential developments.
- **Explore the development of freely available public WiFi networks** – particularly to contribute to a vibrant visitor economy.
- Identify and **maximise new spaces** and places of potential economic opportunity.
- **Capitalise on existing spaces** of economic opportunity, particularly Mersey Waters Enterprise Zone.
- Make the **International Festival for Business** a permanent fixture in the City Region’s calendar.
- **Upgrade and rebalance** our housing offer.
- **Regenerate deprived communities** and **promote Health and Wellbeing** across the City Region.
- **Adopt a ‘whole place’ approach** to capture the full benefits of growth through local supply chains and public procurement for maximum social impact.

## ANNEX B: Priority Sector Information

**Sector development** – Round 1 of the SIF set out sector specific ideas for projects to consider. For all skills capital submissions, the Combined Authority would expect to see evidence of how project ideas would support the skills element of one (or more, if truly integral to the project idea) of these sectors:

- **Advanced Manufacturing and Manufacturing** – investment in automotive, Fast Moving Consumer Goods (FMCG), pharmaceuticals, chemicals and rail manufacture, with particular emphasis on smart manufacturing.
- **Digital and Creative** - support for the application of high performance and cognitive computing and sensor technology to revolutionise productivity across all sectors; and the provision of support to start, grow and scale up digital and creative businesses.
- **Financial and Professional Services** - develop professional services community with strengths in private clients, maritime and business services; greater engagement of small and medium sized enterprises (SMEs) to provide innovation, export, and finance support;
- **Health and Life Sciences** – investment to support world leading centres of excellence for precision medicine, infectious disease, children’s health, independent living and eHealth.
- **Low Carbon Energy** – provision of support to establish the generation of local, competitive and resilient low carbon energy.

- **Maritime and Logistics** – provision of support to establish Liverpool City Region as a Logistics Hub and a globally significant Maritime Knowledge Hub.
- **Visitor Economy** – advancing the priorities of the City Region’s visitor economy investment plan through the creation of sustainable funding mechanisms for destination marketing, business visits and events; and targeting investment in the assets, amenities and attractions that will help the sector penetrate new, high value markets.
- **Other High Volume Employment Sectors:** Health and Care, wider Services Sector, Sales Related Roles and IT Support roles.

The City Region also acknowledges the importance of on-going replacement demand within the wider economy and employer need for employability skills across all sectors (e.g. IT skills, communication, problem-solving and team working skills).

In addition to the above, SIF Round 1 set out the following in relation to Research and Development opportunities:

**R&D (including Centres of Excellence)** - investments to promote the increased commercialisation of R&D, in particular where this is linked to the Growth Sectors.