



Liverpool City Region Metro Mayor

Three Policy Priorities for 2021

Introduction

In May, voters in Liverpool City Region will return to the polls to elect their second metro mayor. After a four-year first term extended by the pandemic, the mayor will be elected for a three-year term before the cycle returns to four-yearly elections in 2024.

Introduced for the first time in 2017, this new institution has significant executive powers and funding to make strategic decisions over the city region, allowing for policy to be better tailored to the local economy. In recent polling by Savanta ComRes for Centre for Cities, 84 per cent of voters were aware there was a mayor, and 22 per cent of voters could correctly identify Steve Rotheram as the current city region mayor.

Figure 1: The Liverpool City Region



Liverpool City Region covers the local authorities shown in Figure 1. Data on the Liverpool City Region's economy and how it ranks compared to other metro mayor areas can be found in the [factsheet](#), and data for the primary urban areas of Liverpool and Birkenhead is available in [City Monitor](#), the [High Street Tracker](#), and the [UK Unemployment Tracker](#).

This policy briefing sets out three policy priorities for the metro mayor. The city region entered the Covid-19 pandemic with high levels of unemployment, and the number of people claiming unemployment-related benefits has increased by a further 34,000 since March 2020. While Centre for Cities expects the bounce back from Covid-19 to be swift, the city region's challenges pre-pandemic will continue to be an issue post-pandemic. And so the priorities set out in this briefing focus on tackling these challenges.

They are to **create jobs to lift Liverpool City Region up to the national average for employment; prepare young people for the labour market; and make urban travel easier without cars by reducing congestion and improving the buses.**

Policy priority 1: Raise employment rate and participation in the labour market up to the national average

- **Establish a 'skills compact' for adult education, and undertake an audit to trace how much money is spent on adult education in the area.** The mayor should bring together education providers, businesses and other stakeholders to improve take-up of adult education and address skills needs. And they should work out how much is spent on adult education as a first step to identifying how it can be better targeted.
- **Support people that are economically inactive to be work-ready.** The specific barriers behind individuals' lack of participation in the labour market should be identified and resolved.
- **Launch a Working Well programme.** This would be similar to Greater Manchester's initiative, which supports people that are long-term unemployed to be work-ready by integrating health and employment services.

Getting more people into work is a key priority for the city region, even before considering the impacts of the pandemic. The area has seen fast job growth in recent years, but this is yet to be fully reflected in employment and wage opportunities for its residents. At 72.9 per cent before the pandemic, the city region's employment rate was 2.7 percentage points below the national average, and a worker in the city region earned £48 less a week than the average UK worker.

Solving this requires further improvements to adult education within Liverpool City Region. Despite significant progress over the past decade, the city region (and Knowsley in particular) still has one of the largest shares of the population with no qualifications across the country. To reverse this trend, the mayor should use their convening powers and public profile to create a skills compact. Such a skills compact has been launched by Boston in the United States, and doing so in Liverpool City Region would join various central government strategies on skills provision with local providers and employers. This would for instance build on Liverpool City Region's Digital Skills for the Workplace programme with the Department for Education.¹ A skills compact would develop an understanding of the broader challenges to take-up and demand for adult education, and create a stronger local culture of lifelong learning.²

1 <https://www.liverpoolcityregion-ca.gov.uk/digital-skills-for-the-workplace/>

2 Magrini E. & Clayton N. (2018), 'Can cities outsmart the robots?', London: Centre for Cities

The mayor should also use their legitimacy to do an audit on how much is spent on adult education and by which institutions. A great deal of money is spent on skills policy each year, but there is little coordination between the various bodies of how this is spent. While this issue affects all parts of the country, mayors in areas that have them are well placed to tackle this problem. Mapping this spend would be the first step for the Liverpool City Region mayor to make better use of it to improve skills attainment.

In addition, some particular groups will need additional support to be work-ready. Previous research by Centre for Cities and the OECD revealed that Liverpool³ has the highest share of ‘missing workers’ of any UK large cities and towns, and over 100,000 people in Liverpool City Region were economically inactive but could be work-ready if given adequate support (pre-pandemic).⁴ Identifying and tackling the complex barriers that prevent people from being in the labour market will have positive effects for individuals and will also contribute to addressing skills shortages in the city region.

The mayor should also work with national government to launch a Liverpool City Region version of the Greater Manchester Working Well programme.

Thanks to its devolution deal, Greater Manchester has greater control over health policies and has been using these powers to integrate employment and health support services to bring people on long-term unemployment back into work with a great success rate.⁵ This is a model that can be replicated in Liverpool City Region and that could be integrated with the existing ‘Households into Work’ initiative to help even more people gain access to work.⁶

Policy priority 2: Ensure young people are ready to enter the labour market

- **Support more young people to take up and complete apprenticeships.** The mayor should seek to improve support through mentoring programmes and introducing pre-apprenticeships opportunities.
- **Challenge schools that are underperforming and improve investment in education.** The mayor should use their profile to highlight the need for better schools in Liverpool City Region, and build a coalition between national and local government to improve them.
- **Champion take-up of extracurricular activities.** As the mayor does not have powers over formal children’s education, they should focus on access to extracurricular activities for disadvantaged children and on formally recognising participation in these activities.

The long-term success of the city region will not only depend on the skills of its current workforce, but also on how well prepared young people will be to enter the labour market. By combining vocational and classroom education, apprenticeships are a way to do this and have been top of the current mayor’s agenda. In the past four years the combined authority has introduced a number of resources – from a UCAS-style portal for apprenticeships to a support hub for businesses wishing to transfer the apprenticeships levy.

³ Defined as the primary urban area of Liverpool and Knowsley.

⁴ Barr J, Magrini E & Mechnagi M (2019), ‘Trends in economic inactivity across the OECD: the importance of the local dimension and a spotlight on the United Kingdom’, Paris: OECD.

⁵ <https://www.greatermanchester-ca.gov.uk/what-we-do/work-and-skills/working-well/>

⁶ <https://www.liverpoolcityregion-ca.gov.uk/what-we-do/skills-apprenticeships/>

As a next step, Liverpool City Region should provide more mentoring and pre-apprenticeship support. While the progress made so far is welcome, research shows that only two-thirds of apprentices complete their course.⁷ Two tools identified by the What Works Centre for Local Economic Growth⁸ – mentoring and pre-apprenticeship support – will help improve completion in the city region, increasing the number of young people that are ‘work-ready’.

In addition, the mayor must champion schools and school improvement, despite not having direct control over schools and under-16 education.

Compared to the English average, Liverpool City Region’s attainment is lower than the national average (64 per cent) and the situation is particularly challenging in Knowsley where only 42 per cent of pupils in the last academic year achieved a pass, one of the lowest levels in the country.

Mayors’ profiles and visibility mean they can push their concerns up the Government’s agenda and secure funding for local priorities. This is what, for example, the current mayor has successfully done with regards to the challenges related to the Northern Rail franchise. In a similar fashion, the mayor should make improving schools in the city region their flagship policy, challenging schools that are underperforming and working with national government to improve investment in schools and education.

Alongside classroom education, the mayor should give greater attention and recognition to extracurricular activities. By helping children develop analytical and interpersonal skills such as negotiation, problem solving and critical thinking, extracurricular activities are a central part of education.⁹ Formally recognising participation in these activities by providing credits, as is the case in [Sheffield City Region’s Children’s University](#), which has been championed by its mayor, would help ensure every child has access to such activities by providing discounts for children from disadvantaged backgrounds. This should equip young people in the city region with the skills employers need while at the same time offering employers additional information about prospective candidates beyond academic qualifications.

Policy priority 3: Make it easier for people to move around the city region and get to the city centre

- **Introduce a congestion charge in Liverpool city centre.** Congestion is costly, and charging congestion will lead to more reliable journeys, reduced carbon emissions, increased turnover of car parking land for development, and support public transport investment.
- **Press ahead with progress on bus franchising.** Use these new revenues and the money unlocked by the recent National Bus Strategy to build a bus service that works for the entire city region.
- **Re-introduce bus lanes on key strategic roads.** This would ensure bus travel is rapid and efficient, helping people shift out of their cars and onto an improved public transport network.

⁷ <https://www.gov.uk/government/statistics/national-achievement-rates-tables-2016-to-2017>

⁸ <https://whatworksgrowth.org/policy-reviews/apprenticeships/>

⁹ Magrini E & Clayton N (2018) ‘Can cities outsmart the robots?’, London: Centre for Cities

Equipping people with the right skills for the labour market is important, but it means little if people are not able to connect with the opportunities the city region offers. Yet, as with many other large urban authorities, Liverpool local authority faces a challenge when it comes to congestion: at peak times, its city centre is one of the least accessible in the country, both by private and public transport.¹⁰

One proven way to quickly reduce congestion is to introduce a congestion charge for vehicles entering Liverpool city centre. Evidence suggests that cities where vehicles are asked to pay a congestion charge have seen considerable reductions in traffic: in London, traffic dropped by 21 per cent since the introduction of the charge,¹¹ and in Milan it dropped by 28 per cent.¹² In addition, a congestion charge will also help reduce pollution in the city region, and the money it raises can be used to invest in public transport infrastructure, increasing bus services and reducing fares.

To make the most of a congestion charge, the mayor should complete the progress made towards bus franchising. Over the past decade, there has been a 10 per cent reduction in bus passenger numbers in the city region,¹³ but thanks to the Bus Services Act 2017 the mayor has the powers to address these issues by taking control over bus services in the city region. The current mayor has already taken steps in this direction: he launched a consultation, and is currently working on the business case for franchising, which is the ‘leading option’. Bus franchising is also supported by the new National Bus Strategy, and would unlock millions of pounds of central funding for Liverpool City Region. The new mayor will now have to press ahead with these changes and introduce a city-wide service that connects people with opportunities.

Alongside taking control over the bus network, the mayor should push for the re-introduction of bus lanes on key strategic roads.¹⁴ Plans for bus priority lanes along ‘Green Route’ bus corridors should be accelerated and extended. This would ensure that buses are reliable, quick and efficient, making it easier for people to trust the bus to help them reach Liverpool city centre, especially at peak times. All of these options together would support and improve each other, help make public transport more useful and equitable, and improve the city region’s wider economy.

10 Jeffrey S & Enenkel K (2020) ‘Getting moving’, London: Centre for Cities

11 Clayton N, Breach A & Jeffrey S (2017) ‘Funding and finance for inclusive growth’, London: Centre for Cities

12 Bailly A (2018) ‘How can UK cities clean up the air we breathe?’, London: Centre for Cities

13 Jeffrey S (2019) ‘Delivering change: improving urban bus services’, London: Centre for Cities

14 The National Bus Strategy sets out plans to consult on giving metro mayors control over the Key Route Network in their area.

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About Centre for Cities

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