

REPORT TO: Employment, Learning and Skills and
Community Policy and Performance Board

DATE: 8 February 2021

REPORTING OFFICER: Strategic Director Enterprise, Community
and Resources

PORTFOLIO: Economic Development

SUBJECT: Policy Update

WARDS: Borough wide

1.0 PUPOSE OF THE REPORT

To inform the Board of key recent policy announcements relevant to employment, learning and skills.

2.0 RECOMMENDATION: That the contents of this report are noted.

3.0 SUPPORTING INFORMATION

3.1 The Government's Ten Point Plan for a Green Industrial Revolution

3.2 Tackling climate change is a key priority for the Government, not least bringing forward the date for ending the sale of new petrol and diesel cars and vans to 2030. With the United Nations Climate Change Conference (COP 26) due to take place later this year, it is expected that there will be a continued emphasis on environmental measures. This has placed the adoption of hydrogen firmly at the centre of both industrial policy ('Building a Britain Fit for the Future' 2017) and environmental policy ('Leading the Way to a Low Carbon Future' 2017).

3.3 The Government's commitment to the development of a UK net zero and sustainable economy was restated with the publication in November 2020, of a document 'The Ten Point Plan for a Green Industrial Revolution'. This plan is significant in that it marks a shift in government thinking about the economy and climate change. Principally, this is because it is a critical component of the government's plan for a post-Brexit Britain, as leaving the European Union requires making long-term decisions about Britain's economic future.

3.4 The plan focuses on increasing ambition in the following 10 key areas:

1. advancing offshore wind

2. driving the growth of low carbon hydrogen
3. delivering new and advanced nuclear power
4. accelerating the shift to zero emission vehicles
5. green public transport, cycling and walking
6. 'jet zero' and green ships
7. greener buildings
8. investing in carbon capture, usage and storage
9. protecting our natural environment
10. green finance and innovation

Prominent in the plan, is confirmation of a new wave of offshore wind and nuclear development. There is also the promise of more research and development support for green aviation and shipping. This demonstrates that the government appears to be serious about tackling hard to abate emissions and creating new Zero Carbon Clusters.

Implications for Halton

Halton has a number of locational advantages and economic characteristics that mean that some of these announcements are an opportunity to benefit people and businesses in the Borough. These locational advantages and economic characteristics can be summarised as:

- Halton is a large and significant centre of manufacturing industry;
- The area is an established centre for hydrogen production;
- We are a maritime location with proximity to abundant 'low carbon' off shore energy;
- Close to Hamilton Gas Field in the Irish Sea, that can be repurposed as a location for use in Carbon Capture and Storage.

3.5 Within the 10 point plan the government has placed the expansion of the hydrogen economy firmly at the centre of both industrial policy. It sets out to:

- Create a £240 million 'Net Zero Hydrogen Fund' to finalise a 'hydrogen business model' in 2022;
- Establish 1GW of low carbon hydrogen production capacity by 2025, rising to 5GW by 2030;
- Commence 'local neighbourhood' 20% hydrogen blend trials by 2023 expanding to a 'large village' by 2025 and a 'hydrogen town' by the end of the decade;
- £20m for hydrogen freight, £15m for aviation and £20m maritime development;
- Create a number of industrial '*SuperPlaces*' integrating green hydrogen production, Carbon Capture Storage and Use, and renewables;
- The UK 'indicative' hydrogen funding pot is now around £1bn.

- 3.6 Halton has abundant existing hydrogen assets. Hydrogen has been produced in bulk in Runcorn for well over 100 years. Locally, we have a workforce that is highly skilled and experienced in the manufacture, safe storage and distribution of hydrogen. This is a huge advantage compared to other locations. In addition, Alstom, based in Widnes, have the skills technology and capacity to manufacture hydrogen trains.

Halton is well placed to be at the forefront of a transition to a green hydrogen economy that will bring jobs and investment in new technologies.

It will be necessary to develop proactive strategies and campaigns to optimise opportunities and further proposals will be brought to Members, as soon as it is practical to do so.

- 3.7 In coming months, the Council will be working with partners to consider how we can capitalise on assets in the Borough and align them with policy to seek optimum advantage for our businesses and communities.

In conclusion, the Economy, Enterprise and Property Department is currently involved in driving our economy forward, providing essential business support and infrastructure development to promote local growth. A key element going forward will be the promotion of more sustainable technology and solutions. The services provided will in the future need to adapt and change to suit the changing economic environment, including preparing a Sustainability Action Plan for the Borough.

3.8 **Liverpool City Region Marketing and Investment Strategy**

The Liverpool City Region has been through a period of transition over the last 12 months and has revised the way it attracts investors to the area. It has been through an internal restructuring to balance investments aspirations with operations on the ground in response to Covid-19.

Members will acknowledge that the basic principle of marketing is to put customers at the centre of decision making supported by processes and communications that will influence behaviour.

The City Region has attracted approximately £1.4bn inward investment over the last 5 years, this includes the key sectors of manufacturing, health & life sciences and digital. The City Region also has recognised strengths in logistics, port access, professional services and low carbon/renewable energy.

The City Region has an Internationalisation Strategy and has been successful with attracting inward investment. This has been due in no small part to the strength of

the City Region's major prime industries in creating supply chain opportunities, as well as its proximity to customers and export markets through the Port of Liverpool/Free Port.

Priorities

The priorities of the Liverpool City Region are:

Priority 1: Delivering Sector Specific Campaigns – Capitalising on the City Region's sector strengths by delivering inbound and outbound marketing activity that are effective in building leads and nurturing investment enquiries through to conversion.

Priority 2: Always On – Developing content marketing, PR and the quality of our sales materials to ensure the City Region is front of mind with its target markets.

Priority 3: Being brand led – Aligning investment marketing with the City Region's brand narrative and building the profile of Invest Liverpool with 'far' domestic and international markets.

Priority 4: Developing Strategic Marketing Partnerships – Building relationships with partners and intermediaries at local, regional and national level to amplify the City Region's investment proposition, extend the reach of investment marketing and increase content.

Priority 5: Competitive Value Propositions – Working with industry expertise to identify the core strengths of the region's business sectors and where it has competitive advantage.

Strategic Marketing Objectives

The Inward Investment Marketing Strategy has four key strategic objectives:

1. Contribute to increasing the Liverpool City Region's share of UK FDI projects from 1.5% to 2% within 3 years.
2. Deliver targeted inward investment marketing activity capable of generating 400 leads per annum (across all partners) of which 15%/60 leads will turn into bona fide enquiries and realistic targets for investment.
3. Through the deployment of effective sales enabling tools, support the City region's investment services teams to secure 15 investment projects per annum.
4. Increase the level of university spin outs setting up in the region by March 2023.

Delivery Objectives and Activity

In delivering the above the overarching aims of the strategy will be to:

1. Advance the competitiveness of the City Region through regular engagement with industry regarding its competitive value proposition(s).
2. Develop an account management approach to ensure the region can respond swiftly to potential movements of investors overseas and across the UK.
3. Build the international profile and reputation of Invest Liverpool through alignment with the City Region's brand narrative and content development programme
4. Maximising returns on inward investment through collaborative marketing where markets and channels are common

Activity will be detailed against these objectives and progress against the individual actions will be reported to Halton Council on an annual basis.

Liverpool City Region Employment, Learning and Skills Programmes

Members are advised of a number of policy initiatives and programmes that have been announced since the PPB last met. A summary is provided below.

Kickstart

6 month paid work placements for 18-24 year olds – DWP will cover national minimum wage for 25 hours per week.

Kickstart Intermediaries liaise with the DWP and the employer and can offer the wraparound support that is required. Massive backlog of intermediary applications. Halton People into Jobs has submitted an application, initially for 57 Kickstart jobs.

Youth Employment Task Force

If you have new events, courses or programmes taking place throughout December, January or even further in 2021 targeted at 18-24 year olds – please complete the attached Pro Forma Document and we can ensure that these will be integrated within the new website upon launch. The website, which is currently in its ongoing design stages, will also seek to offer a joined-up signposting system for the wide range of Physical LCR Youth Hubs beginning to take shape, some of which are already live.

Youth Hubs

Youth hubs are being rolled out across the Liverpool City Region and future sites in existing local authorities will continue to launch. The CA is continuing to work with partners internally and externally on a communications strategy

to highlight the fantastic work ongoing in many organisations and the LCR Youth Hubs as further young people access services and provision.

Support for 18 year olds

The CA and constituent Local Authorities are concerned about the position that many 18 year olds are now finding themselves in given their previous and current choices, and the options available to them in the labour market. The CA will be putting in the diary a round table in a couple of weeks to hear from partners as to how they see the position from their perspective, and then how the CA/partners might be able to work together on solutions to address this issue. In the meantime, if you have any data or insight, would you please forward it.

Sectoral Work

Members of the Liverpool City Region's Employment & Skills Board have established Multi-agency public/private sector working groups to understand the employment and skills issues for key employment and growth sectors listed below.

Sector
Visitor Economy (incl retail)
Professional and Business
Advanced Manufacturing
Health, Care and Life Sciences
Construction
Maritime and Logistics
Digital and Creative
Low Carbon and Energy

Liverpool City Region – Local Skills Report

The CA have to produce an updated Skills Report for Government. It will build on the existing LCR Skills Strategy and Skills Investment Statement, underpinned by consistent analytical evidence that facilitates comparative analysis; this will enable them to understand more completely the specific local priorities and actions required. There will be some consultation and engagement undertaken with partners.

Adult Education Budget

The funding allocated to the LCRCA for the second academic year was £53,414,896, however, an additional £2.17m was awarded by the DfE in September 2020 to respond to national priorities and support LCR residents age 19 to complete a second High Value qualification and to deliver additional Sector Work Academy Programmes (SWAPS).

Working in collaboration with Merseyside Colleges Association (MCA) who represent all the LCR based Colleges, the CA has developed and approved a number of new learning aims for delivery this academic year. MCA have identified a number of new skills programmes that focus on the needs of employers in specific sectors, including advanced manufacturing, health and social care, and digital.

4.0 POLICY IMPLICATIONS

There are no further policy implications associated with this report.

5.0 FINANCIAL IMPLICATIONS

None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton.

None.

6.2 Employment, Learning and Skills in Halton

As set out in the Ten Point Plan referenced above, transition to a zero emission economy will stimulate investment and create new jobs for local people. This will in turn require the learning of new skills and also require action to develop the existing workforce.

6.3 A Healthy Halton

Air quality is the largest environmental health risk in the UK. It shortens lives and contributes to chronic illness. A transition to zero emissions will improve air quality.

6.4 A Safer Halton

6.5 Halton's Urban Renewal

None.

7.0 RISK ANALYSIS

There are no risks identified.

8.0 EQUALITY AND DIVERSITY ISSUES

None identified.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.