



**WIRRAL  
INTELLIGENCE  
SERVICE**

**This is Wirral**

**Economy, Business and Skills**

**Wirral Intelligence Service  
(December 2019)**

## This is Wirral

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## Background to This is Wirral

This is Wirral is a collected set of evidence about Wirral.

It includes information about the Wirral population including their current and future health and wellbeing needs and the borough including information about the economy, housing, environment and transport.

The insight is collected into a number of sections to allow ease of access for the reader.

Each section contains detailed content including the key messages from the analysis and insight on main issues and is underpinned by detailed information.

The information forms our Joint Strategic Needs Assessment (JSNA) providing a detailed picture of the borough.

It is used to enable effective strategic planning to determine what actions local authorities and other partners need to take to meet resident needs and to address the wider determinants that impact on health and wellbeing.

### **How can you help?**

If you have ideas or any suggestions about these issues or topics then please email us at [wirralintelligenceservice@wirral.gov.uk](mailto:wirralintelligenceservice@wirral.gov.uk) or go to <https://www.wirralintelligenceservice.org/>

Version Number	Date	Authors
1.0	December 2019	Nicole Hawitt, Performance Management Officer and Carl Gurnell, Business Intelligence Manager for Wirral Council

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### Economic Activity & Employment

- Wirral's economy provides 116,000 jobs for 156,000 economically active residents aged 16-64. This means there is a surplus of 40,000 people who cannot be supported by the local economy.
- Wirral has the second lowest proportion of working age population (60%) in comparison to LCR average (63.2%), Northwest (62.5%) and National (62.9%) averages, which creates barriers in terms of labour supply.
- Wirral has an ageing population. Numbers of residents aged over 65 years is expected to increase by around 32% over the next 20 years alongside a 6% contraction in the 16 – 64 age group. Although this is typically classified as the 'working age' range, it is noteworthy that nationally there is a continued trend of an ageing workforce.
- Wirral has a healthy rate of employment with the highest rate (74.8%) in the LCR and is above that of the North West (73.5%) and only slightly lower than National average (75.0%).
- There is a significantly smaller gap between the rates of male and females employed in Wirral (4.6%) compared to Northwest (8.2%) and National (9.3%).
- Wirral's worklessness rate between 2015-2018 has consistently been below the LCR and North West averages, but above the national average. However, in 2019 Wirral has surpassed the North West average for worklessness. The roll out of Universal Credit (UC) in Wirral has impacted on this.

### Deprivation

- The Index of Multiple Deprivation (IMD) score shows that there is a significant gap between the most and least deprived wards in Wirral; 52 percentage points between the most affluent ward's score (Heswall) and the most deprived ward's (Birkenhead & Tranmere). Those wards in the west of the peninsula are generally more affluent than those in the east.
- The four Wards of Birkenhead & Tranmere, Rock Ferry, Bidston & St James and Seacombe, consistently featuring in the bottom performing wards for "No Qualifications", "Participation in Higher Education", "Healthy Life Expectancy at Birth", "Out of Work Benefit Claimants" and "Net Household Income"
- There is a strong correlation between the most deprived areas of Wirral and those with the least favorable economic indicators:
  - 22.6% more people are claiming out of work benefits in Birkenhead & Tranmere ward (east) than Heswall (West)
  - There is a difference of £17,741 in the estimated net household income between most affluent Heswall ward and least Affluent Bidston & St James
  - 49% fewer young people participate in higher education in Birkenhead & Tranmere than in Heswall.

## Training & Skills

- Recent business surveys, [Wirral Employer Survey 2015 & 2017 and LCR Employer skills survey 2017] have indicated that Wirral Businesses are reporting a reduction in the skills gap.
- The Employer Skills Survey for the Liverpool City Region indicates that Wirral businesses suffer more from shortages in 'General Employability', 'Work Readiness' and 'Interpersonal Skills' in comparison to LCR.
- 70% of Wirral employers expected a need for new skills in the next 12 months. This was the 2<sup>nd</sup> highest in LCR behind Sefton (73%) with Northwest and national figures both at 62%.
- All districts of the LCR saw reductions in 16 to 18-Year-old apprenticeships started since 2013. Wirral saw a 6% reduction in 2017/18 compared to 2016/17, a smaller fall than many of the other LCR Authorities, with Knowsley's apprenticeship starts dropping by 21% during the same period and Liverpool & Halton's by 19% respectively.
- Nationally there has been a 25% reduction in apprenticeship starts in 2017-18 compared to 2016/17 as the apprenticeship reforms have rolled out. The impact of the reforms has been more significant in the North West with a 28% reduction. In the Liverpool City Region, the picture is starker with a net reduction reported of 35%.
- The biggest reduction in Wirral 2017/18 resident apprenticeship starts has been in the 19 to 24 group with a reduction of 34% followed by a 16% reduction in 16 to 18 starts.
- 2018/19 quarter 2 data illustrate that across the LCR apprenticeship starts have started to increase in all age groups with the exception of young people aged 16 to 18. Apprenticeship starts for the 16 to 18 cohort have further declined by 11%. The downward trend in 16 to 18 apprenticeship participation is a big concern and appears to be manifesting itself in a reduced entry point level 2 intermediate apprenticeship offer.
- The headline Wirral schools Key Stage 4 attainment 8 score is above the national and regional averages. At a locality level there exists significant geographical variations to Wirral's attainment 8 performance with a higher proportion of key stage 4 children in schools in the South and West Wirral achieving the attainment 8 measure compared to those children in the less affluent North and East ward areas.
- For Key Stage 4 (at age 16) Wirral achieved a 95% 'positive destination rates which is 1% better than the national average with just 5 percent of its young people not sustaining their destination which is equal to the national average.
- For Key Stage 5 (at age 18) Wirral achieved a 92% 'positive destination rates which is 2% better than the national average and 6% of young people did not sustain their destination, equal to the national average.

## Economic Sectors

- Wirral's economy has continued to restructure with the largest growth in the logistics, comms, health and property sectors; although of these growth areas, only the health industry remains over-represented in comparison to the Northwest region. Wirral's geographical location makes it an attractive option for logistics with Ferry terminal access and the M53 corridor.
- Employment within Public administration, automotive repair/retail and manufacturing sectors have decreased relatively significantly. With other significant industries in Wirral such as business admin, finance and the arts also seeing a decline. *[Note that automotive repair, retail and wholesale are grouped together by [Nomis](#) under standard classification group G]*
- Health is Wirral's largest sector; employing 24.3% of the entire workforce, this has seen a 15.8% increase (between 2010 - 2017)
- High value and growth sectors (as identified in the LCR Growth Strategy) are currently under-represented in Wirral.
- The public sector retrenchment has been a challenge and the local labour market is responding with growth of private sector jobs.

## Business Demographics & Enterprise

- Business Growth in Wirral has increased since 2010 by 1,945 enterprises to the latest position of 8,705, employing around 150,200 people.
- Most businesses in Wirral are classified as micro enterprises [1 – 9 employees] (88.65%) with the second highest being small enterprises [10 – 49 employees] (9.53%)
- Wirral has a job density of 0.60 which means that for every 10 residents between the age of 16 – 64 there are 6 jobs available; as such Wirral is behind the regional average of 0.82 and the national average of 0.85.
- In Wirral 26.4% of all jobs are provided by the public sector, this is in line with the LCR (26.2%) and ahead of the Northwest average of 22.4%
- Business start-up levels in Wirral have increased by 19 per 10,000 population since 2010 to its current level of 47; despite this, levels are still behind the Northwest rate of 81 and the Liverpool City Region rate of 61; (although this is skewed by Liverpool's high rate (92).

## Business Rates, Gross Value Added (GVA) & Competitiveness

- Wirral's economy generated £4.66 Billion during 2015, providing around 16% of the total GVA generated by the Liverpool City Region (LCR). Although on an upward trajectory since 2012, GVA per head in Wirral remains the lowest within the LCR.
- The UK competitiveness Index shows Wirral ranked 312 out of 379 local Authorities nationally and is the second lowest place Authority within the LCR, just one position above Sefton.
- When assessing Wirral's position in relation to Non-Domestic Property Counts it is interesting to see that Wirral has a high number of total non-domestic properties compared to the wider LCR Group, with only Liverpool ahead of Wirral. This high enterprise unit count however, does not equate to performance in rate receipts which suggests Wirral is not maximising its business demography for income.
- Wirral had the second highest Non-Domestic Rate (NDR) net collectable yield in the LCR group in 2016-17. This is just slightly higher than Sefton which has a similar business profile – a high number of micro businesses and a low number of large businesses
- Wirral's collection rate for 2016/17 sat at 97.56% behind Sefton which had the highest rate of collection at 99.26%. All boroughs however show good rates of collection and differences are marginal which suggests little room for improvement in this area.

# This is Wirral: Economy, Business and Skills

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## Infographics

### ECONOMY



EMPLOYMENT RATE

**74.8%**

HIGHEST IN LIVERPOOL CITY REGION

NORTH WEST 73.5%  
NATIONAL 75.0%



**34%<sup>DOWN</sup>**

APPRENTICESHIPS (19-24)

2017/2018



**89%**

WIRRAL BUSINESSES ARE  
CONSIDERED MICRO-BUSINESSES  
(1-9 EMPLOYEES)

2017



**312 OF 379**

WIRRAL'S POSITION OF  
LOCAL AUTHORITIES ON  
UK COMPETITIVENESS INDEX

2016



**24%**

OF ENTIRE WIRRAL WORKFORCE ARE  
IN HEALTH RELATED EMPLOYMENT

2017



### Introduction

A strong, diverse and engaged business base coupled with a healthy culture of innovation and enterprise will provide the ideal ecosystem for growth and investment. To support this, it is vital that the population has the required skills and qualifications to meet the needs of employers.

A well skilled population will increase employment opportunities, earning potential and general wellbeing. Key measures here will explore the current make-up of Wirral's labour supply, employment trends and skill level. It is also important to consider measures for Wirral's business landscape including current demography, key sectors, employers, business rateable value profile and Gross Value Added.

As the ongoing public sector retrenchment takes hold, the Wirral economy has continued to rebalance with recent growth in private sector jobs (Including self-employment), supported through local and regional business growth initiatives. GVA and competitiveness however remain relatively low within the area and this has been typical of the Wirral Economy for some time. Movement to a high growth economy requires the realisation of key earmarked sites.

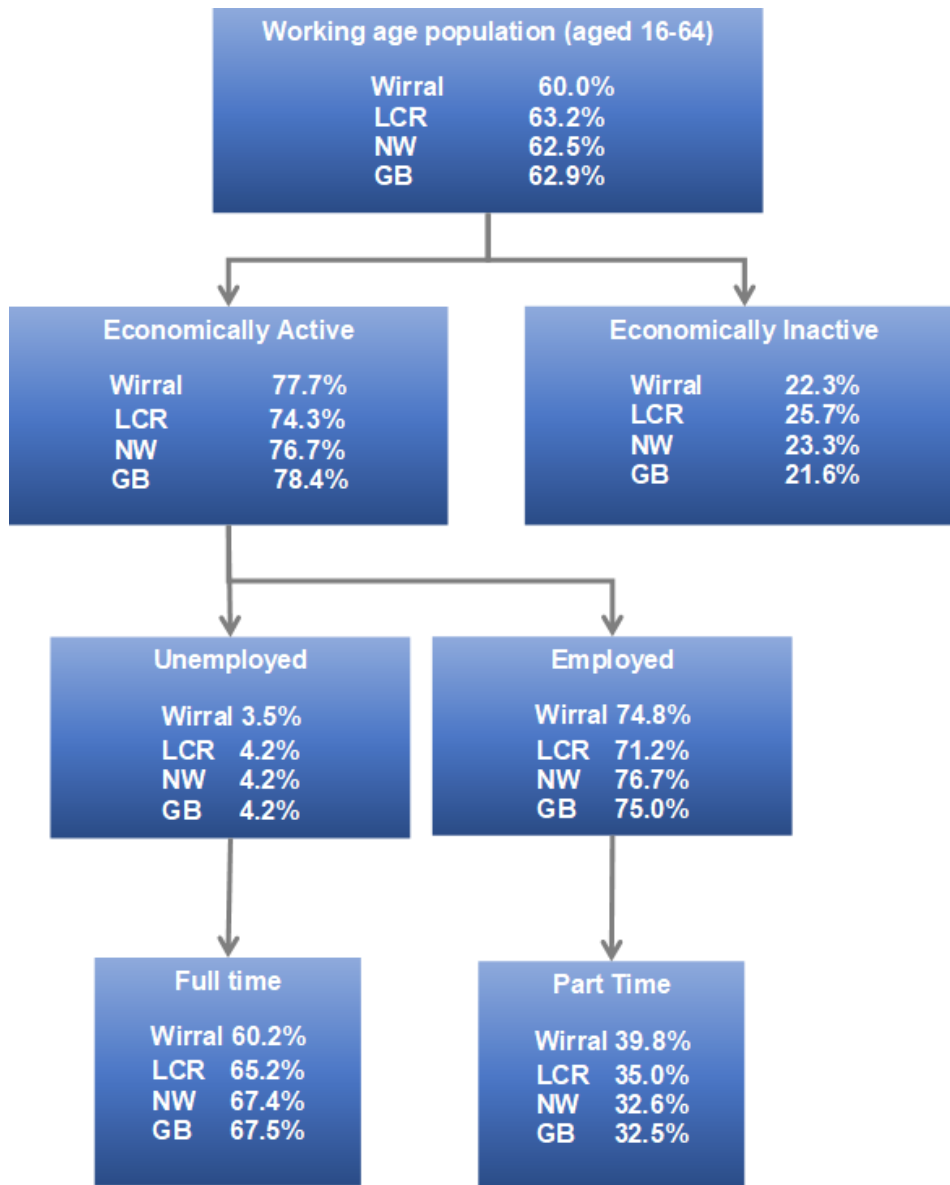
Working with developers including Muse Developments and Peel Holdings will unlock the vast potential for retained investment and create a more diverse employment offer.

Traditionally, Wirral has had a limited labour supply in terms of working age population and has also seen a large net outflow of labour to nearby regions. As a result, larger employers in Wirral, requiring specific skill sets are potentially limited in the workforce they can recruit from the Borough. Typically, a high level of economic activity and a well skilled workforce will demonstrate that a high proportion of the population will be willing and able to supply their labour.

The challenge for Wirral is to create an environment where the right opportunities exist for the workforce as well as maintaining the appropriate supply side components through educational pathways and training opportunities.

Figure 1 below illustrates how Wirral's labour market breaks down into its major parts.

Figure 1: Wirral's Labour Market compared to Liverpool City Region, North West & Great Britain



Source: [ONS – Labour Market Profile Wirral & LCR - Annual Population Survey](#) 2018

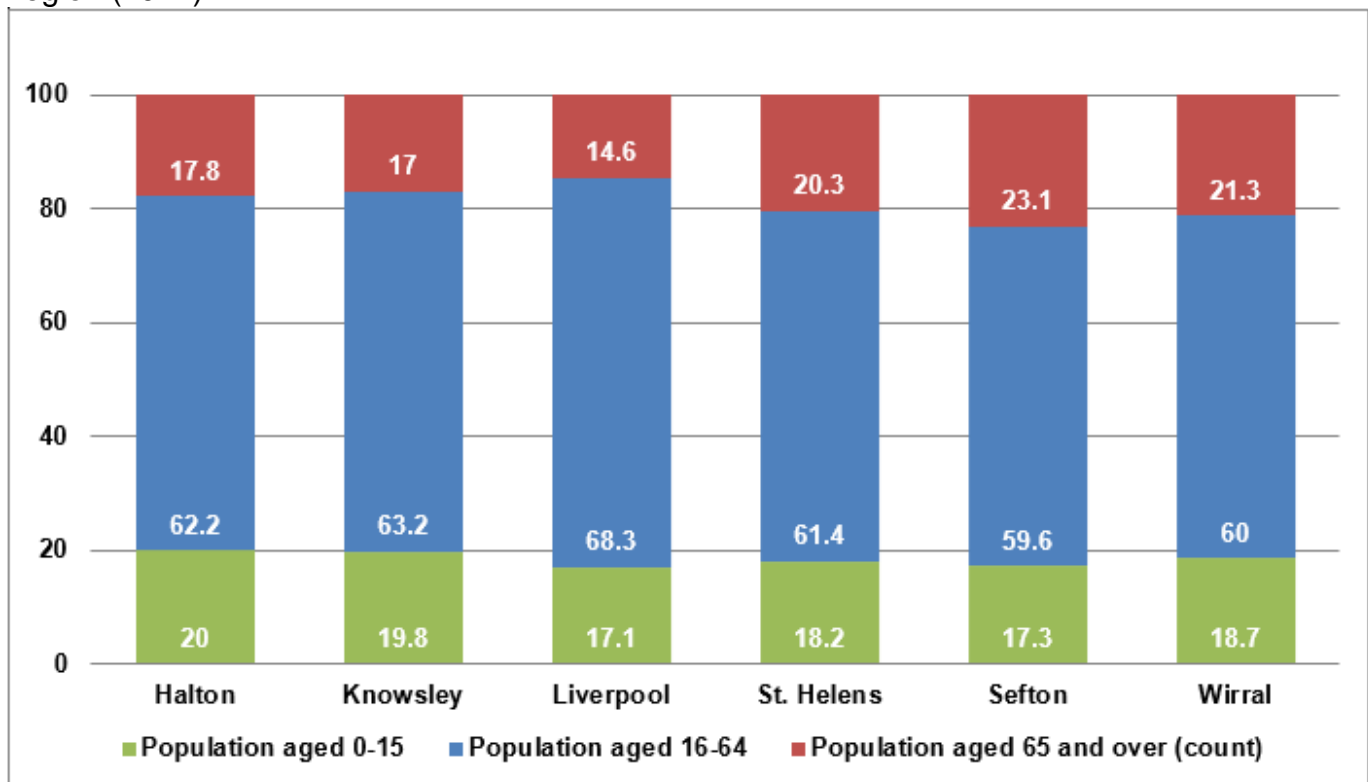
Wirral is home to 156,000 residents aged 16-64 classed as economically active. Economically inactive are defined as people who are not in employment or unemployed. There are many reasons why an individual may be inactive, for example, they might be studying, looking after family or long-term sick, Wirral's economy provides approximately 116,000<sup>1</sup> jobs, including for non-residents.

Therefore, there is a surplus of 40,000 people who cannot at present be supported by the local economy.

The below chart (**figure 2**) illustrates population age breakdown grouped as a percentage (%) of the total population across the City Region.

<sup>1</sup> Source: NOMIS Local Area Report, Wirral

**Figure 2:** Proportion of working age population of Wirral residents compared to Liverpool City Region (2017)



Source: ONS Population Estimates for England and Wales 2017

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates>

Wirral has the second lowest working age population (60%) in the Liverpool City Region (LCR), just behind Sefton (59.6%) (see Table 1). This is a significant barrier to labour supply for existing local employers as well as potential new investors who may be forced to re-locate elsewhere in order to ensure an appropriate pool of labour to recruit from.

**Table 1:** Proportion of working age population compared to Liverpool City Region (2017)

Authority	Population Group		
	0-15	16-64	65+
Halton	20.0%	62.2%	17.8%
	25,519	79,364	22,712
Knowsley	19.8%	63.2%	17.0%
	29,415	93,890	25,255
Liverpool	17.1%	68.3%	14.6%
	84,047	335,695	71,759
St. Helens	18.2%	61.4%	20.3%
	32,638	110,109	36,404
Sefton	17.3%	59.6%	23.1%
	47,504	163,655	63,430
Wirral	18.7%	60.0%	21.3%
	60,309	193,665	68,822

Source: [ONS Population Estimates for England and Wales](https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates) (2017)

Office for National Statistics (ONS) sub-national population projections for Wirral, based on mid – 2018 data suggest that we may see a 6% decrease in the working age population in the next 20 years (**figure 3**). At the same time, Wirral’s population aged over 65 years is expected to increase by around 32%, meaning that Wirral has an aging population.

**Figure 3:** Wirral Projected population change by age category Mid 2018 – Mid 2038\*<sup>2</sup>

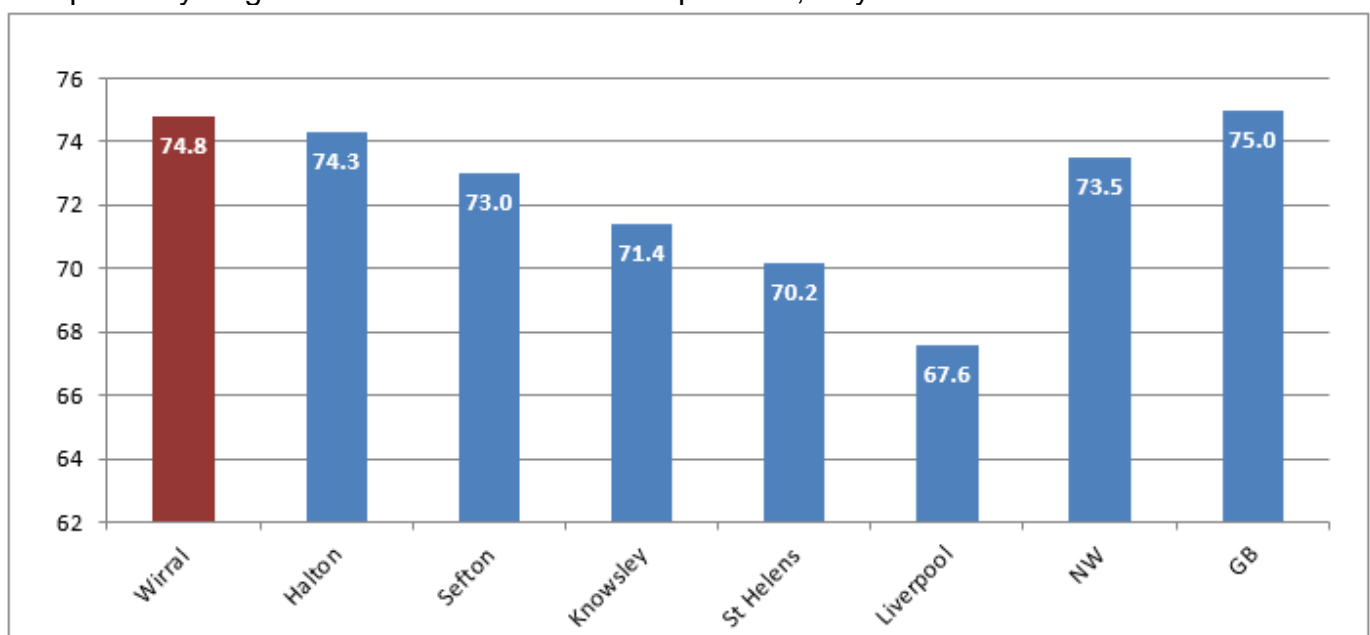
Age Group	2018	2023	2028	2033	2038	% Change 2018 to 2038
0-15	57,200	57,300	55,700	53,900	52,900	-8%
16 - 64	195,800	193,200	189,900	185,600	183,100	-6%
65+	69,700	74,600	81,700	88,100	92,300	32%
<b>All ages</b>	<b>323,000</b>	<b>325,200</b>	<b>326,900</b>	<b>327,800</b>	<b>328,300</b>	<b>2%</b>

Source: [ONS Resident Population Projections by Age Group \(Persons\) mid 2018 – mid 2038](#) (2016)

## Employment Rate

High levels of employment are a key indication that an economy is in good health. In **figure 4** it suggests that Wirral has a healthy rate of employment with the highest rate (74.8%) in the Liverpool City Region (LCR) and is above that of the North West (73.5%) and only slightly lower than that of Great Britain (75.0%).

**Figure 4:** Wirral Employment Rate for Working Age Population between 16 – 64 years, by Liverpool City Region Authorities and other comparators, July 2017 – June 2018



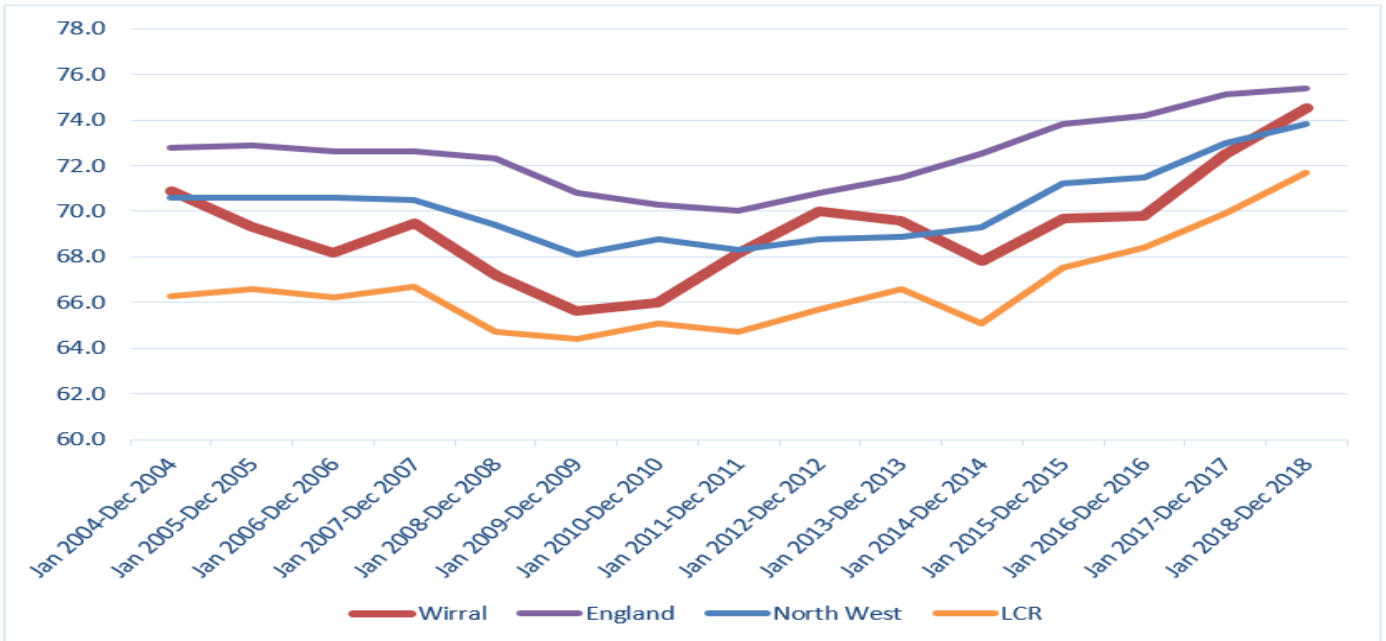
Source: [Annual Population Survey Official Labour Market Statistics](#) (Oct 2018)<sup>3</sup>

It is only since April 2017 that Wirral’s employment rate has overtaken that of the North West (**figure 5**). Apart from a spike in 2011 – 2012, Wirral’s employment rate has consistently been below that of the North West. Rates started to increase in 2014 and but made a marked steady upwards climb from October 2016.

<sup>2</sup> ONS population estimates are presented in thousands and have been rounded to the nearest hundred for presentation purposes.

<sup>3</sup> As the Annual Population Survey (APS) is a sample survey, it provides estimates of population characteristics rather than exact measures\*. Confidence intervals are used to present the sampling variability. At 95% confidence intervals the variations on the 16 – 64 working age population figures above are +/- 3.1% for Wirral, +/- 0.6% for North West and +/- 0.2% for Great Britain.

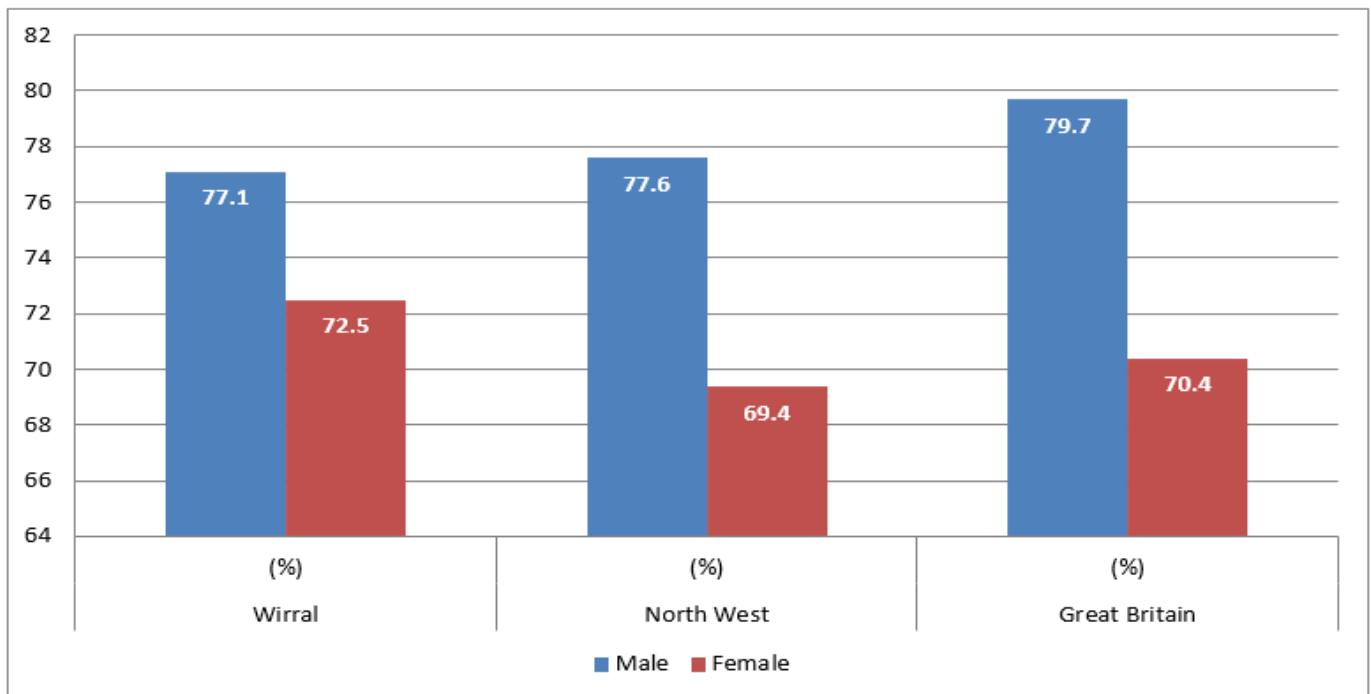
**Figure 5:** Employment Rate, working age population 16-64years Wirral compared to Liverpool City Region, North West and England since 2004 to 2018



Source: [Annual Population Survey Official Labour Market Statistics](#) (Oct 2018)<sup>4</sup>

Compared to men, women are less likely to work, particularly on a full-time basis, 55% of females in Wirral work full time compared to 81% of males (figure 7) which reflects the National and Regional trend. However, the proportion of females employed in Wirral is higher than that of both the Northwest and National rate (figure 6). There is also a smaller gap between the rates of male and female employment in Wirral (figure 7).

**Figure 6:** Wirral Employment Rate by gender, working age population 16 – 64 years for Wirral and comparators July 2017 – June 2018

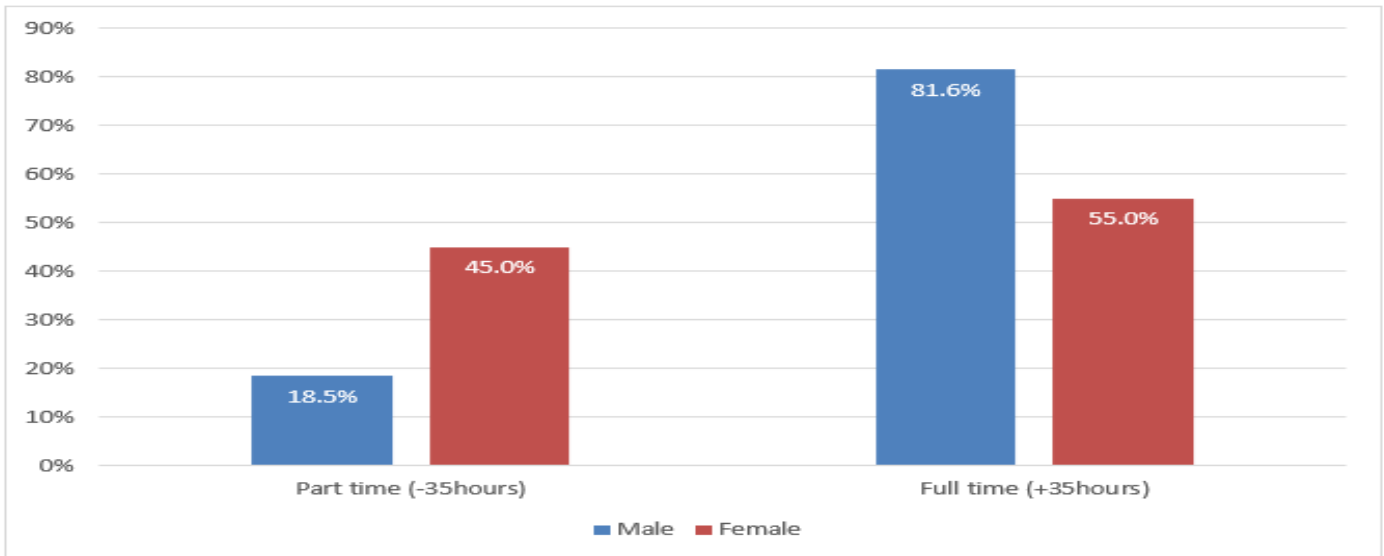


Source: [Annual Population Survey Official Labour Market Statistics](#) (Oct 2018)<sup>5</sup>

<sup>4</sup> As the Annual Population Survey (APS) is a sample survey, it provides estimates of population characteristics rather than exact measures\*. Confidence intervals are used to present the sampling variability. At 95% confidence intervals the variations on the 16 – 64 working age population figures above are +/- 3.1% for Wirral, +/- 0.6% for North West and +/- 0.2% for Great Britain.

<sup>5</sup> As the Annual Population Survey (APS) is a sample survey, it provides estimates of population characteristics rather than exact measures\*. Confidence intervals are used to present the sampling variability. At 95% confidence intervals the variations on the 16 – 64 working age population figures above are +/- 3.1% for Wirral, +/- 0.6% for North West and +/- 0.2% for Great Britain.

**Figure 7:** Proportion of males and Females in Wirral in Full and Part Time Employment 2017 – 2018



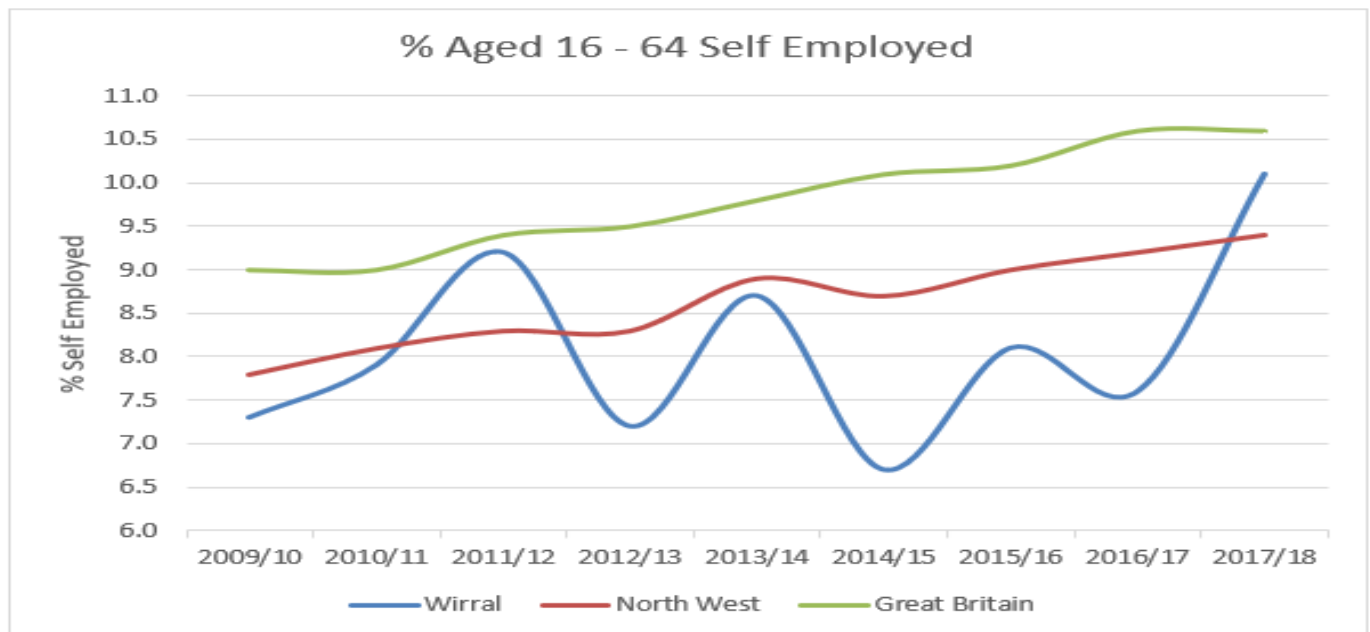
Source: [Annual Population Survey Official Labour Market Statistics](#) (Oct 2018)<sup>6</sup>

## Self-Employment

Levels of self-employment can provide an indicative guide to levels of individual enterprise.

Wirral has a higher proportion of self-employed residents (10.1%) compared to the Northwest (9.4%) but is slightly less than Great Britain as a whole (10.6%) (**figure 8**).

**Figure 8:** Percentage of working age Population that are Self Employed in Wirral compared to North West and Great Britain 2009/10 – 2017/18<sup>7</sup>



Source: [Annual Population Survey Official Labour Market Statistics](#) (Oct 2018)<sup>8</sup>

<sup>6</sup> As the Annual Population Survey (APS) is a sample survey, it provides estimates of population characteristics rather than exact measures\*. Confidence intervals are used to present the sampling variability. At 95% confidence intervals the variations on the 16 – 64 working age population figures above are +/- 3.1% for Wirral, +/- 0.6% for North West and +/- 0.2% for Great Britain.

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<sup>8</sup> As the Annual Population Survey (APS) is a sample survey, it provides estimates of population characteristics rather than exact measures\*. Confidence intervals are used to present the sampling variability.

Levels of self-employment in Wirral have increased overall since 2009/10, as have Northwest and National levels.

There has been a relatively large increase from 2016-17 to 2017-18, bringing us closer to the national level and above that of the Northwest (**figure 8**).

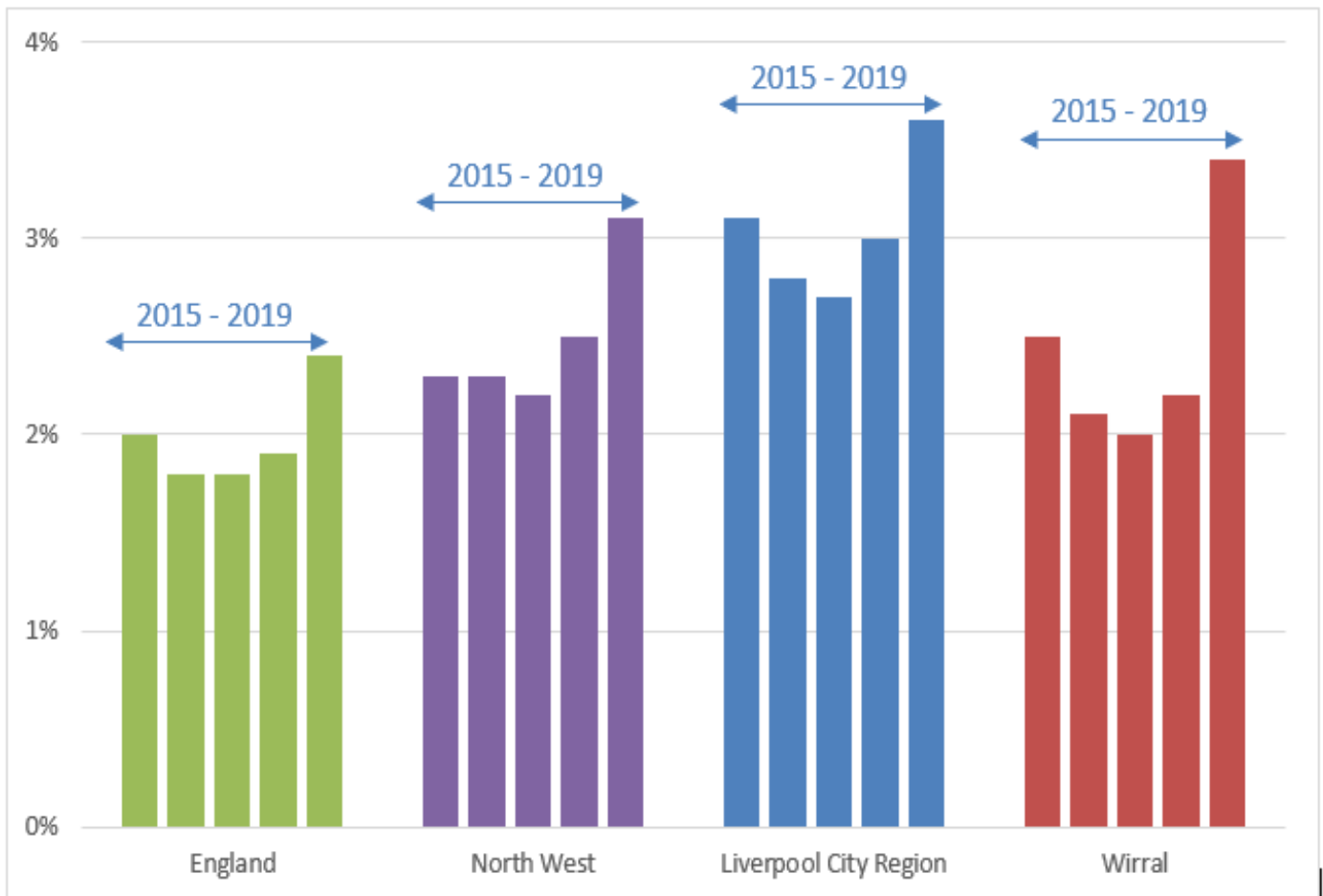
## Worklessness

A 2019 Public Health England Report<sup>9</sup> estimated the annual cost of worklessness and absence through sickness to be £100billion to the economy, with every person moving from worklessness to employment saving its local Authority £540. Taking effective measures to combat worklessness is therefore a fundamental requirement for ensuring a productive local economy.

**Figure 9** below compares out of work claimants from 2015 to 2019 for Wirral to National, Regional and Liverpool City Region rates. It is important to note that under Universal Credit, a broader span of claimants is required to look for work than under Jobseeker's Allowance.

As Universal Credit full service is rolled out, the number of people recorded as being on the claimant count is therefore likely to rise. This is evident in figure 9 below.

**Figure 9:** Percentage of Wirral all residents over 16 years of age, claiming out-of-work benefits, Wirral and comparators between January 2015 and January 2019



Source: [Annual Population Survey Official Labour Market Statistics](#) (Oct 2018)<sup>10</sup>

<sup>9</sup> <https://www.gov.uk/government/publications/health-matters-health-and-work/health-matters-health-and-work>

<sup>10</sup> As the Annual Population Survey (APS) is a sample survey, it provides estimates of population characteristics rather than exact measures\*. Confidence intervals are used to present the sampling variability. At 95% confidence intervals the variations on the 16 – 64 working age population figures above are +/- 3.1% for Wirral, +/- 0.6% for North West and +/- 0.2% for Great Britain.

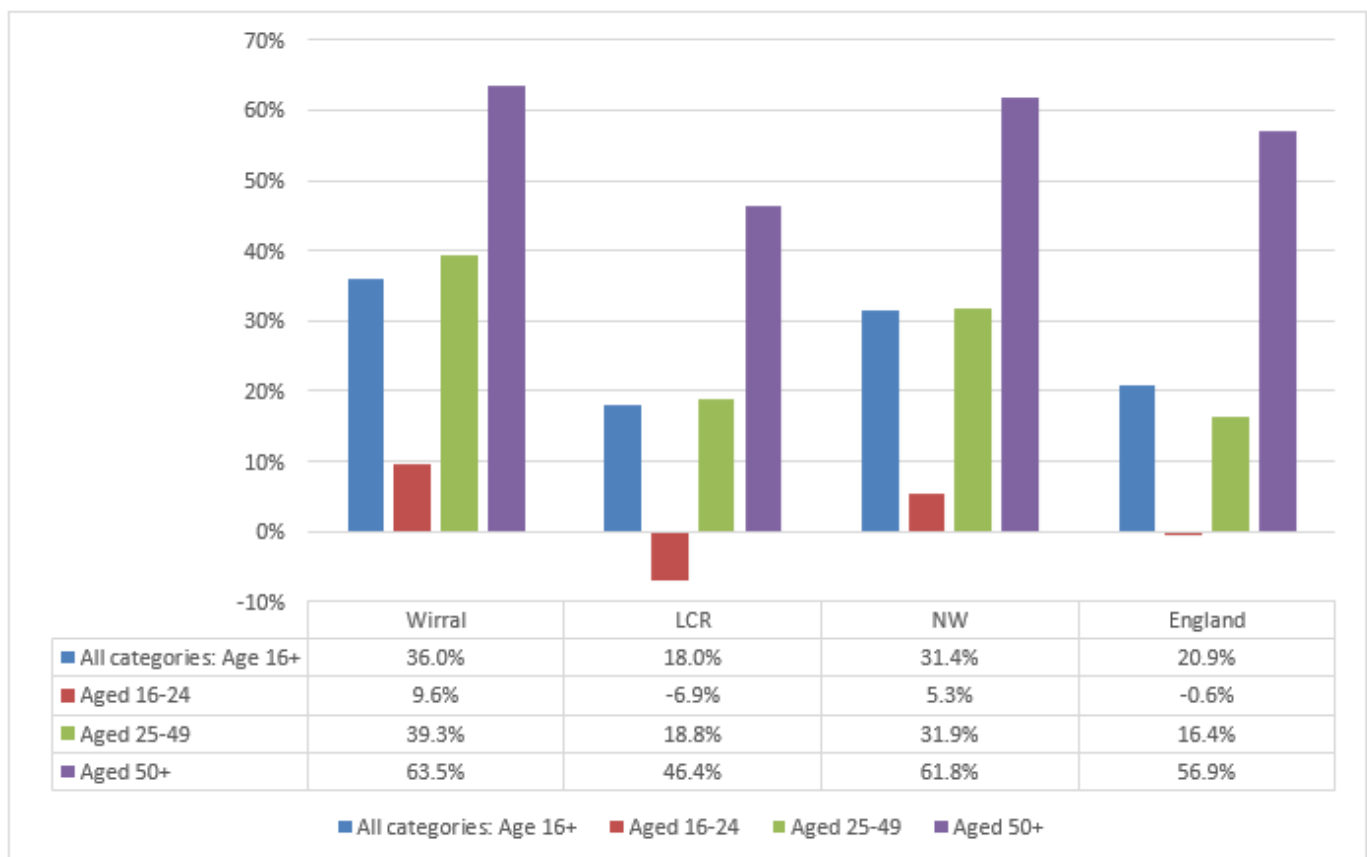
**Figure 9** above also suggests that from 2015 to 2019, Wirral has consistently remained below the Liverpool City Region (LCR) average although 2019 figures show Wirral's rate has risen above the Northwest average for the first time since 2015. Wirral has consistently been higher than the national average with 2019 seeing the largest differential between the two; a full 1% higher which again is likely due to the roll out of Universal Credit which has taken place in Wirral.

**Figure 10** below illustrates the growth / decline in out of work benefit claimants for the different age profiles from 2015 to 2019. Wirral has seen a 36% increase during this period with the over 50's seeing by far the biggest increase (63.5%).

It is interesting to note that whilst the LCR has seen a 6.9% reduction in out of work claimants for the age group 16 – 24, Wirral has seen a 9.6% increase. It should be noted that Universal Credit is being rolled out in a phased approach with full roll out in Wirral since November 2017.

Wirral will therefore be impacted in terms of increased volumes of claimants which could result in a disproportionate rise when compared with other areas.

**Figure 10:** Percentage change in range of age groups claiming out-of-work benefits, Wirral and comparators between January 2015 and January 2019



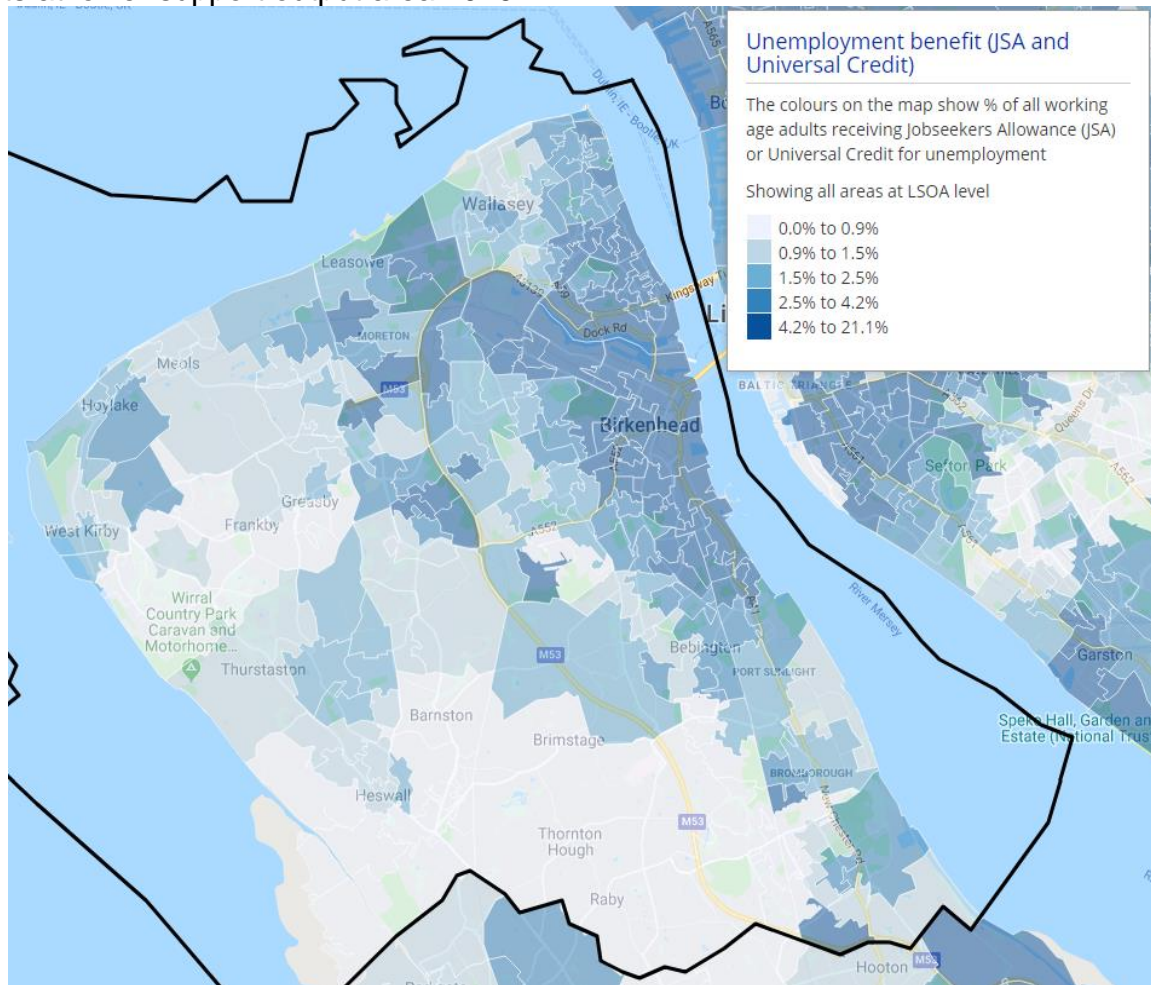
Source: [Annual Population Survey Official Labour Market Statistics](#) (Oct 2018)<sup>11</sup>

<sup>11</sup> As the Annual Population Survey (APS) is a sample survey, it provides estimates of population characteristics rather than exact measures\*. Confidence intervals are used to present the sampling variability. At 95% confidence intervals the variations on the 16 – 64 working age population figures above are +/- 3.1% for Wirral, +/- 0.6% for North West and +/- 0.2% for Great Britain.



**Figure 11** illustrates the stark contrast in Wirral for those wards claiming out of work benefit.

**Figure 11:** Wirral data for distribution of unemployment benefit (JSA & Universal Credit) claimants at lower support output area 2019.

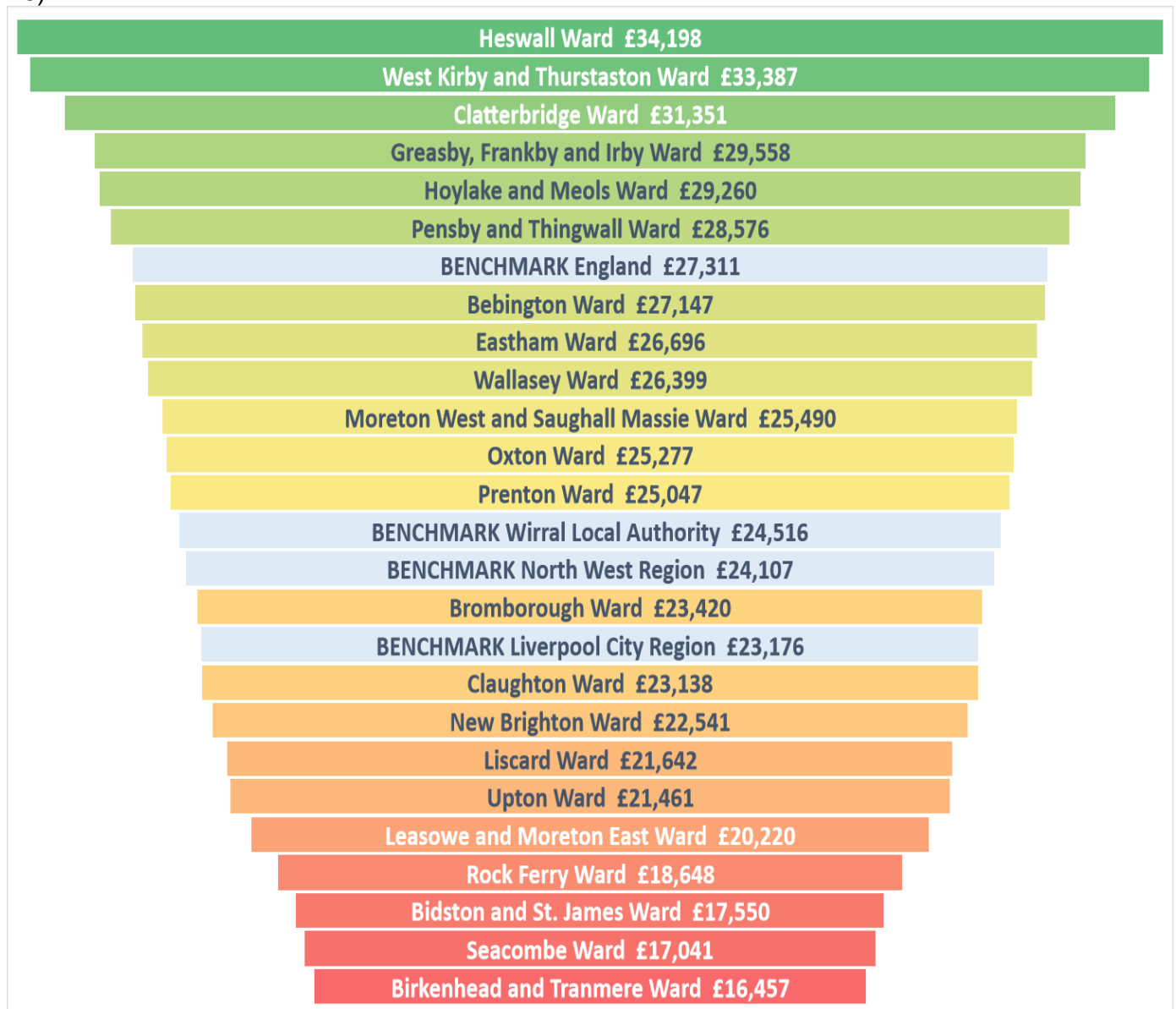


Source: [Wirral Intelligence Service: Local Insight tool](#) (2019)

As is often the case in Wirral, there is a strong disparity between levels of unemployment benefit claimants on the East side of the Borough compared to the West, which as previously mentioned correlates to the deprivation profile of the area (**figure 11**).

The below chart (**figure 12**) illustrates that this disparity is correlated in household incomes. The wards with the highest average net annual income also tend to be those with the lowest percentage of out of work benefit claimants, and vice versa.

**Figure 12:** Net annual household income estimates for Wirral after housing costs by ward (2015-16)



Source: [Wirral Intelligence Service: Local Insight tool](#) (2019)

Notes: Extracted data from Dashboard and Reports

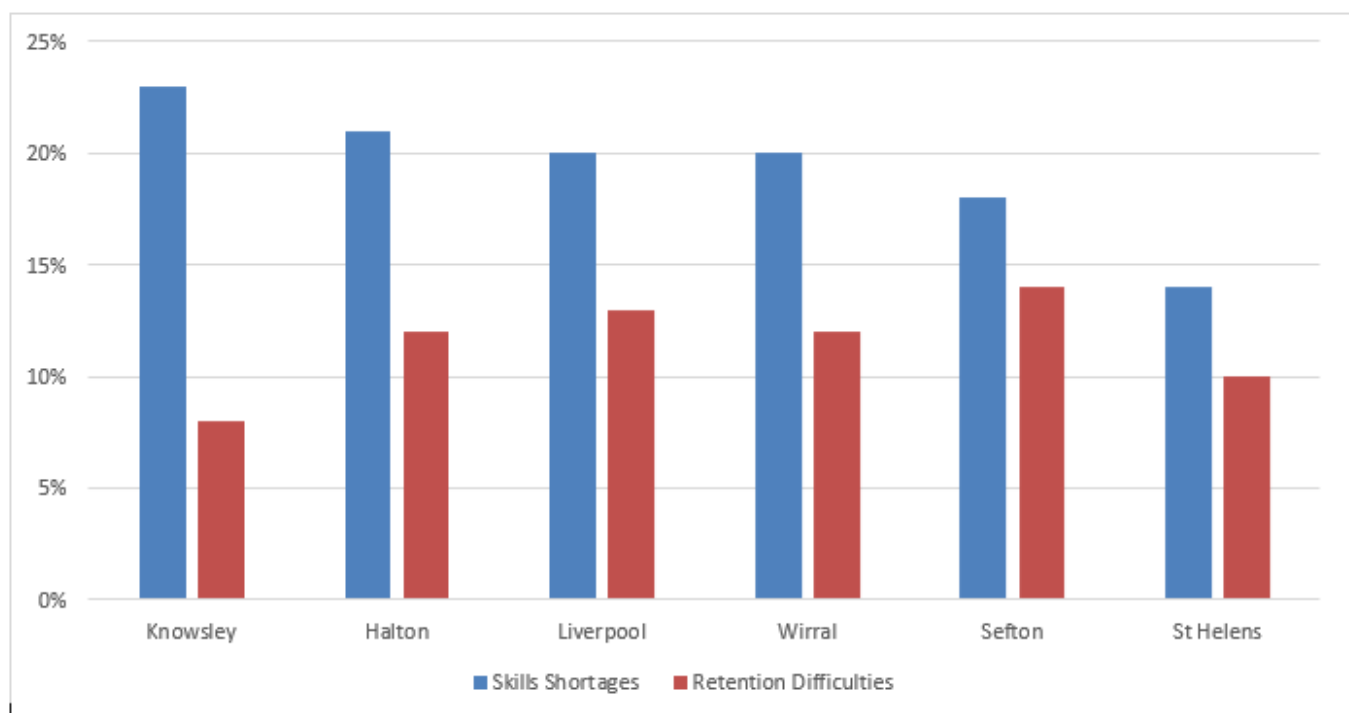
## Training and Skills

Having an appropriate supply of skilled labour is an important contributor to local economic health and is vital to retain and attract business investment. If existing employers can't find people with the appropriate skills locally then it could hinder growth and even lead to them needing to re-locate to another area.

In addition to this, if a prospective inward investor does not view the local skill base as sufficient, it could be a barrier to their investment into the area in the first place. The devolution of the Adult Education Budget from Government to the Combined Authority in 2019/2020 aims to support the development of skills, providing greater local direction over employment and skills provision across the City Region.

Wavehill Consulting conducted the Employer Skills survey of 1,856 employers in the Liverpool City Region from June to September 2017; this survey aimed to look at the Skills Gap and understand to what extent businesses in the Liverpool City Region (LCR) are experiencing its effects. The skills gap is *'the mismatch between the needs of employers for skilled talent, and the skills possessed by the available workforce'*.

**Figure 13:** Percentage of surveyed businesses experiencing skills shortages and staff retention difficulties, across Liverpool City Region, between June and September 2017



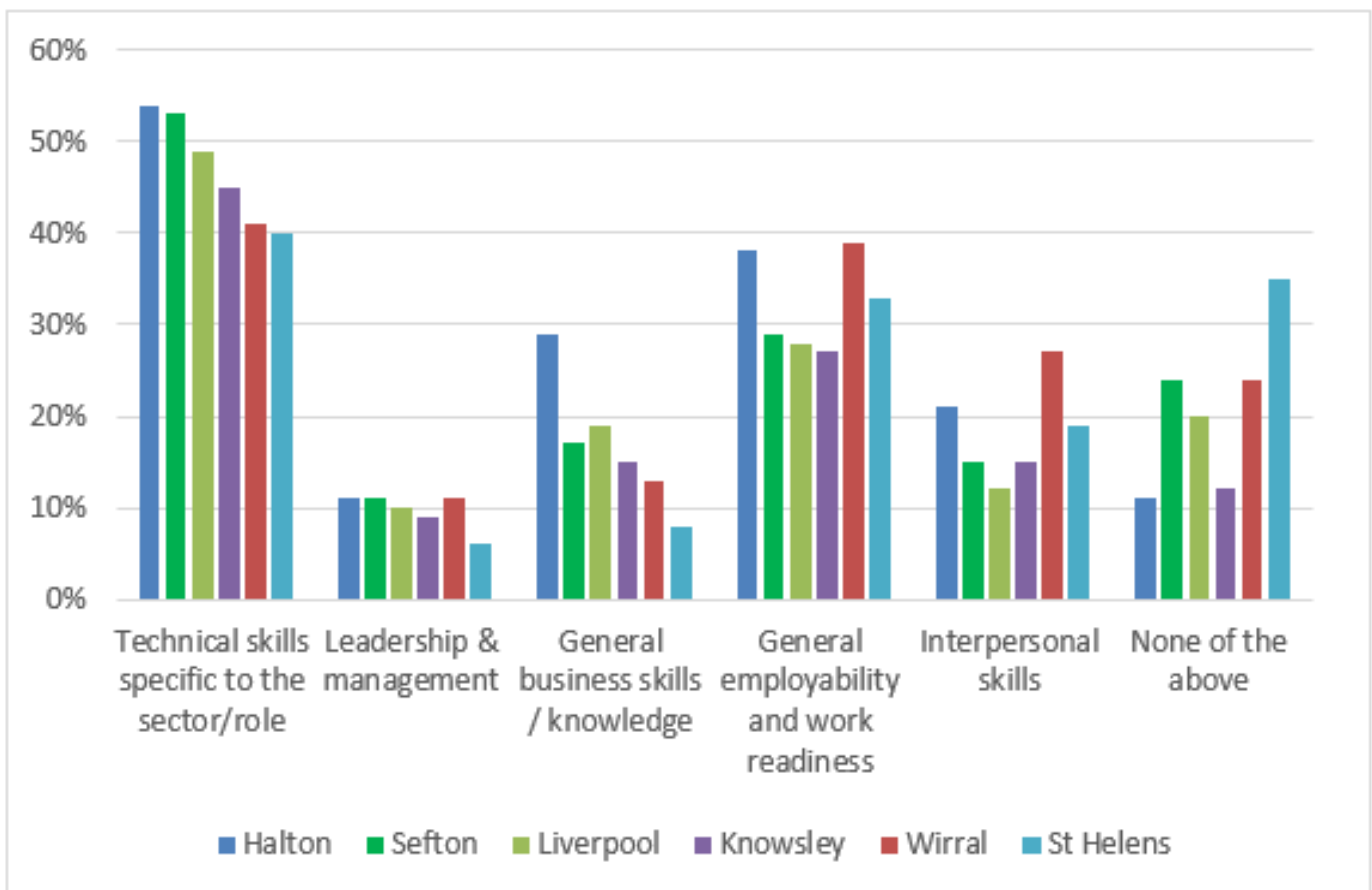
**Source:** Employer Skills Survey for the Liverpool City Region Geographical analysis, Wavehill Consulting (2017)

**Figure 13** above illustrates how 20% of Wirral businesses surveyed stated they had Skills Gaps within the workforce, and 12% stated they had staff retention difficulties. (There is little correlation between the retention difficulties experienced and skills shortages).

Wirral businesses rank somewhere in the middle of the LCR for both skills shortages and retention difficulties.

To drill further into the skills shortage findings, **figure 14** below reports the various areas of skills in which the business reported the shortage.

**Figure 14:** Skills Gaps by Skill Type, Liverpool City Region District June to September 2017



**Source:** Employer Skills Survey for the Liverpool City Region Geographical analysis, Wavehill Consulting (2017)

All local authority areas cited their main skills shortages as being in ‘Technical Skills Specific to the Sector/Role’ followed by ‘General Employability and Work Readiness’.

The Survey information tells us that Wirral businesses suffer more from shortages in ‘General Employability and Work Readiness’ and ‘Interpersonal Skills’ than the other Liverpool City Region (LCR) areas. Skills shortage vacancy, or SSV, is a type of vacancy caused by a shortage of skills or experience the employer looks for (**figure 15**).

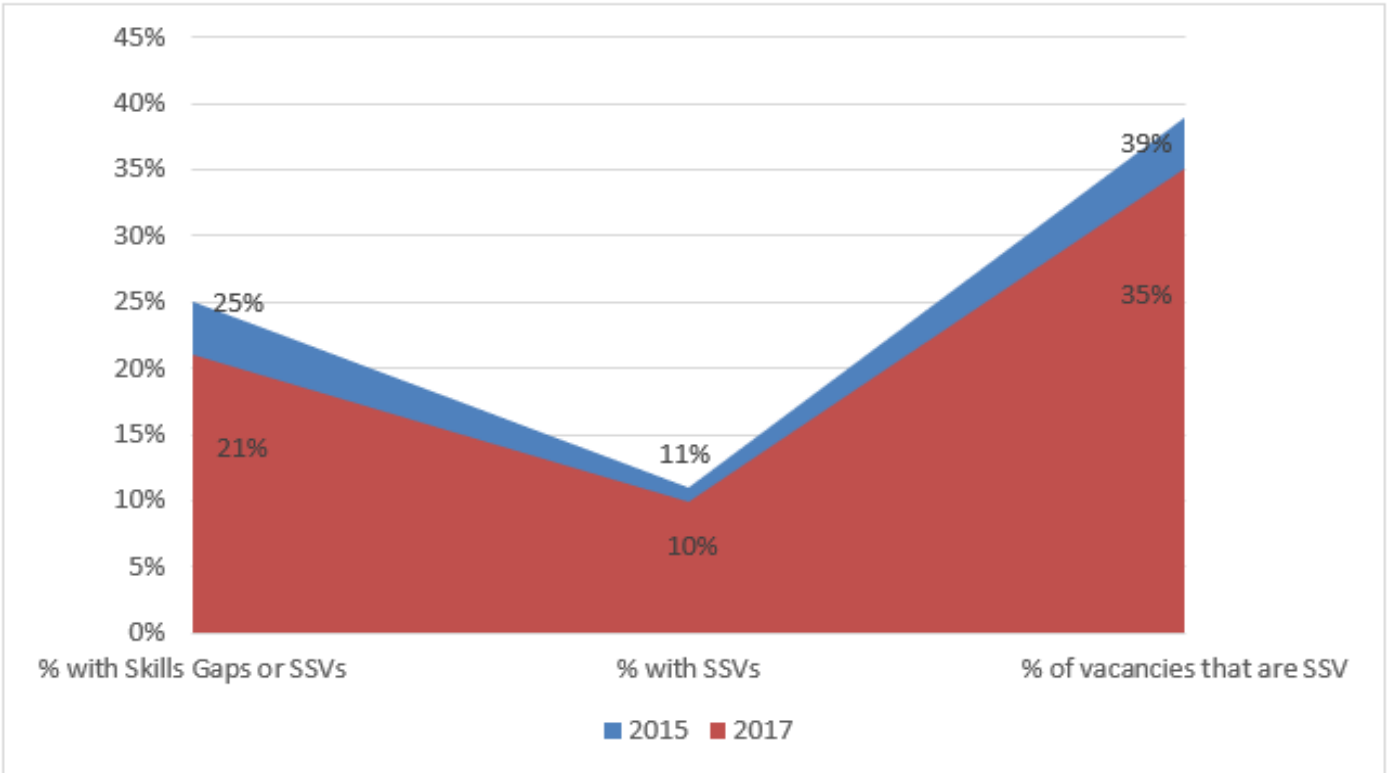
The difference to a skills gap is that skills gaps are problems with skills inside the business – a problem with the existing employees. SSVs are problems with employers not being able to find the right skills outside the business.

The results of the 2017 Employer Skills Survey, released in August 2018, reveal that the situation had improved little since 2015.

The biggest improvements were 4% reductions in the percentage of vacancies that were SSV, and the percentage of businesses with Skills Gap or SSVs (**figure 15**).

This measure is also reported as part of the Wirral 2020 Plan through the Growth Pledges.

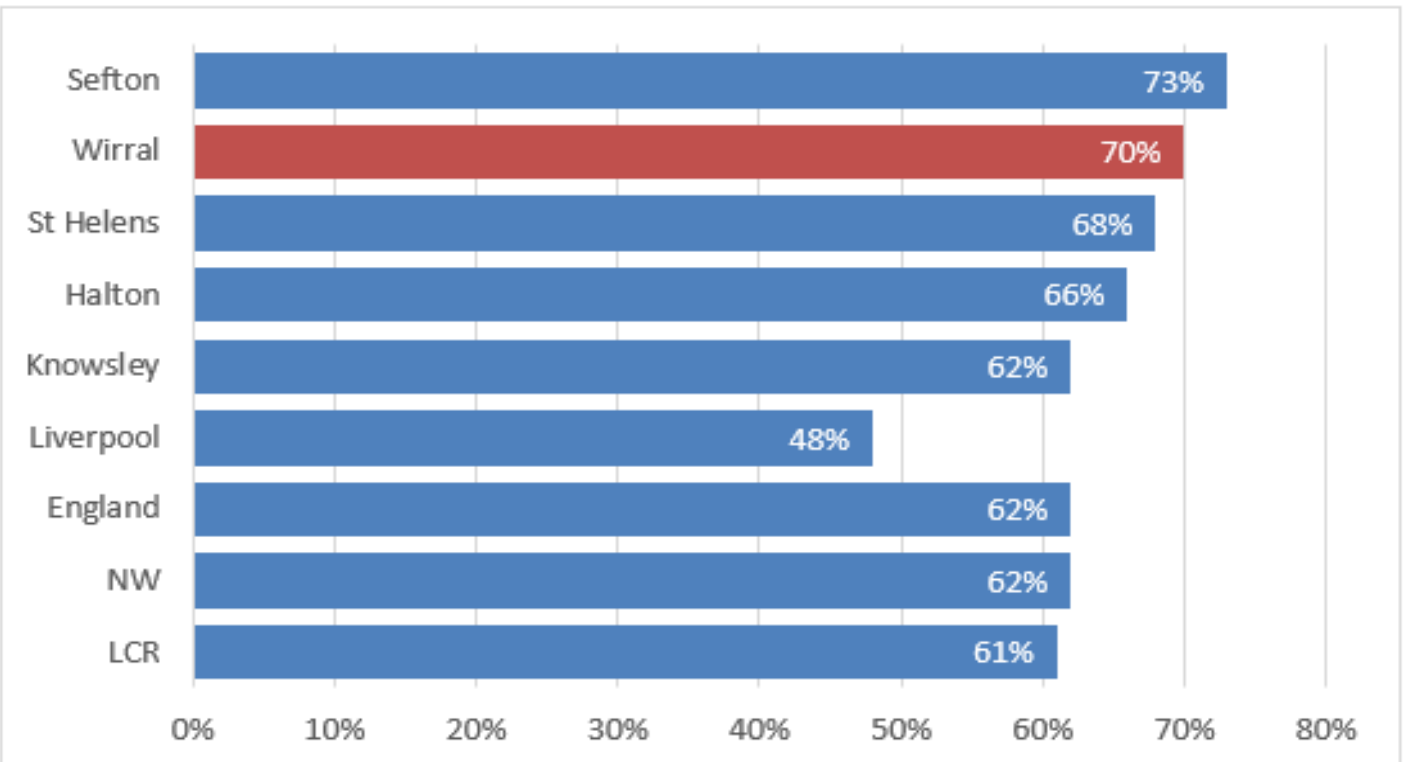
**Figure 15:** Percentage change in skills shortage vacancy and skills gaps in Wirral 2015 to 2017



Source: [Employer Skills Survey Wirral 2015 to 2017](#)

In today’s ever-changing working environment, employers and employees are having to adapt to new ways of working, be it through cultural shifts such as agile working or technological changes impacting on traditional working practices. Such change necessitates an adaptable and upskilled workforce. The chart below (**figure 16**) measures the expectation from employers that their workforce will require new skills within the next 12 months.

**Figure 16:** Percentage of employers that expect a need for new skills in the 12 months following survey comparing Wirral with other comparator areas (2015 to 2017)



Source: [Employer Skills Survey Wirral 2015 to 2017](#)

A figure of 70% of Wirral employers (**figure 16**) expected a need for new skills in the 12 months following the survey, the second highest in the Liverpool City Region only behind Sefton. However, the percentage of Wirral employers training staff on or off the job has decreased since 2015 (**figure 17**).

**Figure 17:** Training Days per Employee at surveyed Establishments, Wirral, 2015 compared to 2017

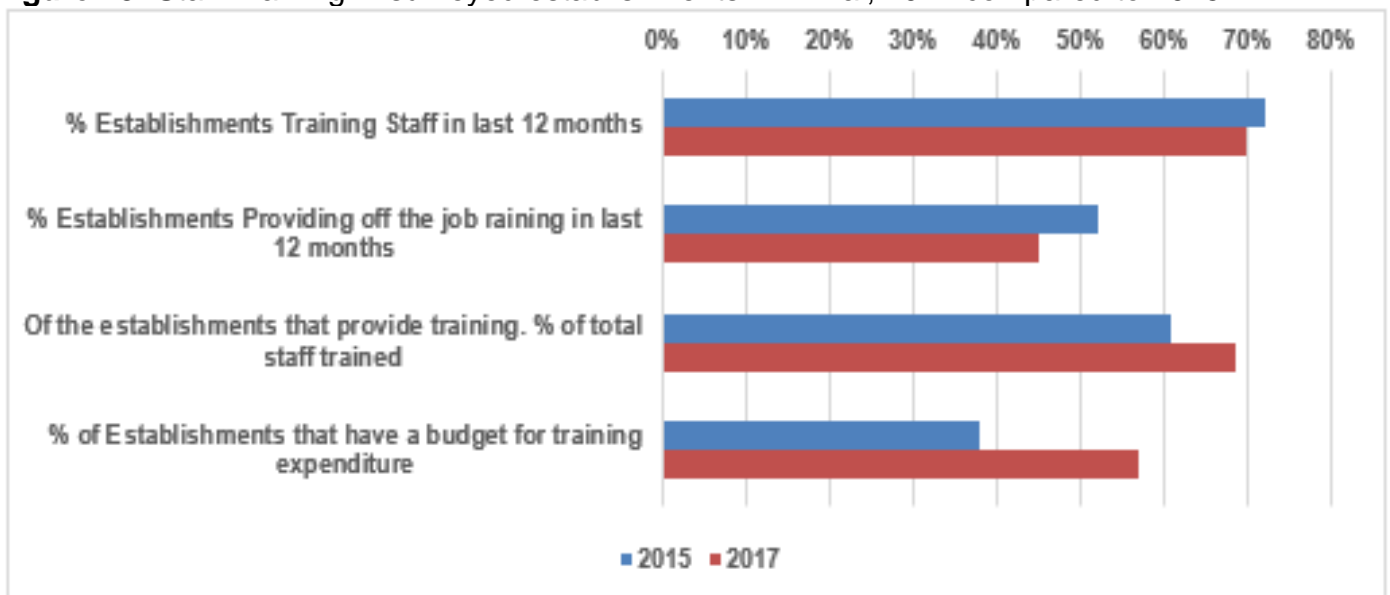
### Training Days Per Employee (2015-17)



Source: [Employer Skills Survey Wirral 2015 to 2017](#)

The percentage of Wirral employers training staff on or off the job has also decreased since 2015 as total number of days spent training, both overall and per employee. This is despite that fact that 57% of employers stated that they had a budget for training, an increase of 19% from 2015 (**figure 18**).

**Figure 18:** Staff Training in surveyed establishments in Wirral, 2017 compared to 2015.



Source: [Employer Skills Survey Wirral 2015 to 2017](#)

Local Skills Gap intelligence is being developed through work with Wirral Chamber of Commerce. Quarterly Sector Forum Groups take place which cover key sector areas, namely, Manufacturing, Construction, Financial/Professional, Digital, Visitor Economy and Energy & Environment.

Through these forums intelligence gathering is taking place to help inform the key areas of focus for specific industry skill requirements.

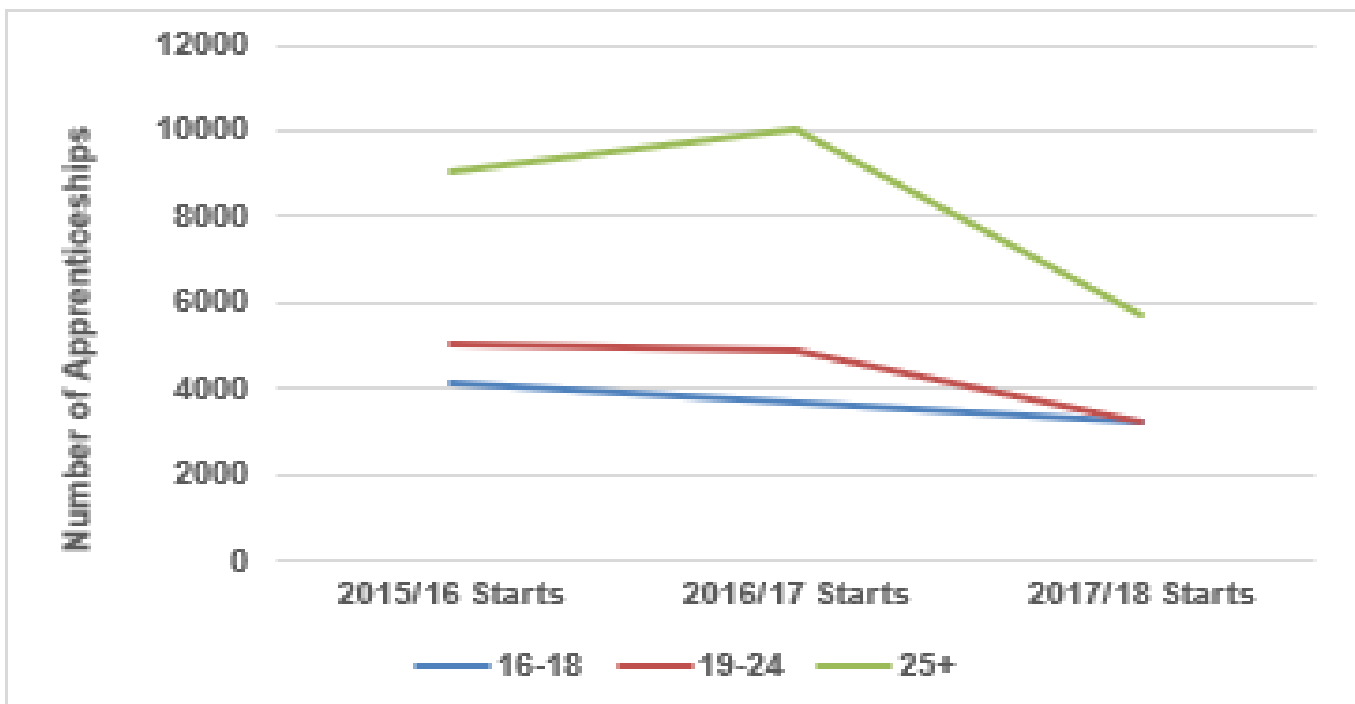
## Apprenticeships

An apprenticeship is a job that combines work with training, focusing on the development of the knowledge, skills and behaviours required for employees within their workplace. Apprentices can be new or existing employees and are open to people over the age of 16. A range of levels, from GCSE-equivalent (level 2) to degree-equivalent (levels 6 and 7) can be undertaken but it must last for at least 12 months with at least 20% of the learning allocated to off-the-job training. The Government contributes to the cost of apprenticeship training and assessment.

Since 2017/18 and the introduction of the apprenticeship levy, [*payable by employers whose wage bill is greater than £3 million per annum (0.5% of all payroll)*], focus for apprenticeships has shifted towards quality and employers' needs, with a more holistic approach to assessing the benefits of the programme. However, nationally, the period after the levy was introduced continued to see a drop off in apprenticeship starts.

The [National Audit Office \(NAO\) report \(March 2019\) on the apprenticeships programme](#) found that employers have made only limited use of the available Apprenticeship Levy funds to support new placements, and that the period after the Levy was introduced saw a large drop in apprenticeship starts. The NAO report suggests that there are risks that the programme is subsidising training that would have happened without government funding, and that the Department for Education (DfE) has not set out clearly how it is measuring the impact of the programme. The report concludes that the DfE has some way to go before it can demonstrate that the programme is achieving value for money and that resources are being used to best effect.

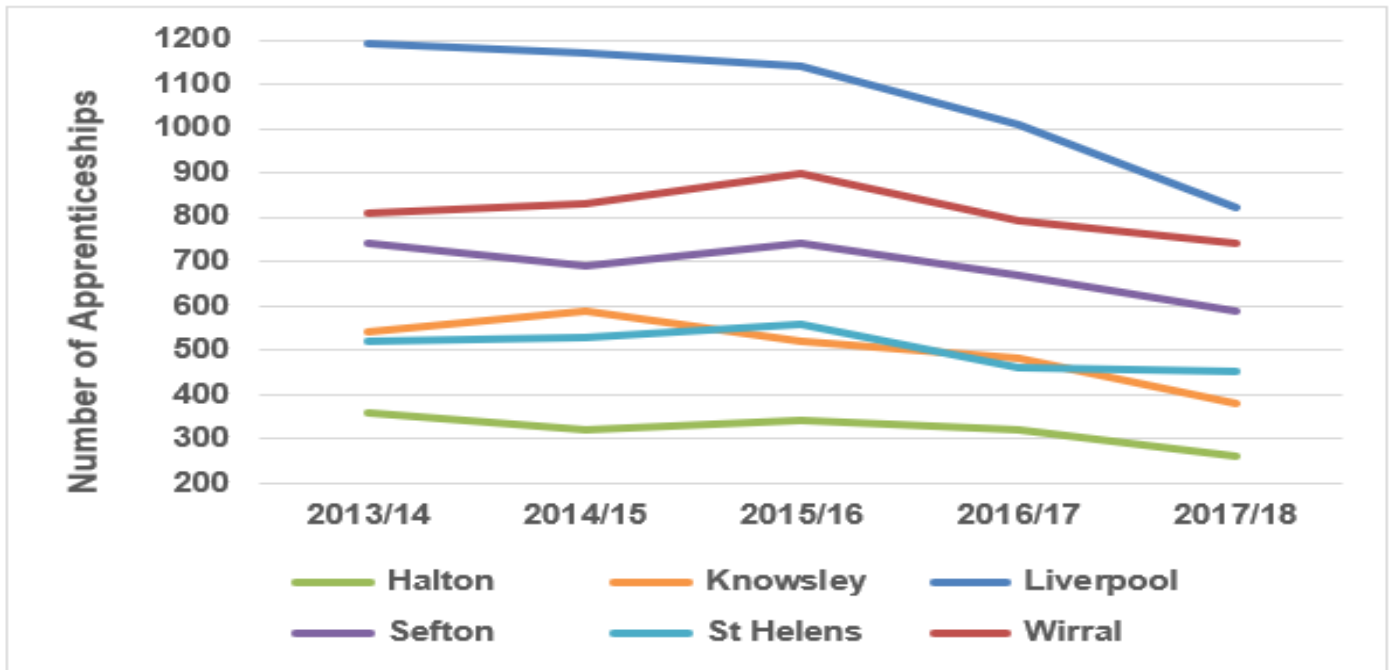
**Figure 19:** Number of Liverpool City Region Apprenticeship Starts by age group (2015/16 – 2017/18)



Source: [Liverpool City Region Combined Authority 2017/18 Apprenticeship Programme Performance Report](#)

The age profile of apprenticeship starts across the Liverpool City Region has changed and the trend of 25+ growth witnessed over the last 5 years has halted (**figure 19**). In contrast, during 2017/18, 25+ starts have seen the largest decline. This pattern is also reflected at a local level for 16 – 18 year olds as can be illustrated in **figure 20** below.

**Figure 20:** Number of 16-18 year old Apprenticeship Starts within the Districts of Liverpool City Region (2013/14 – 2014/15)

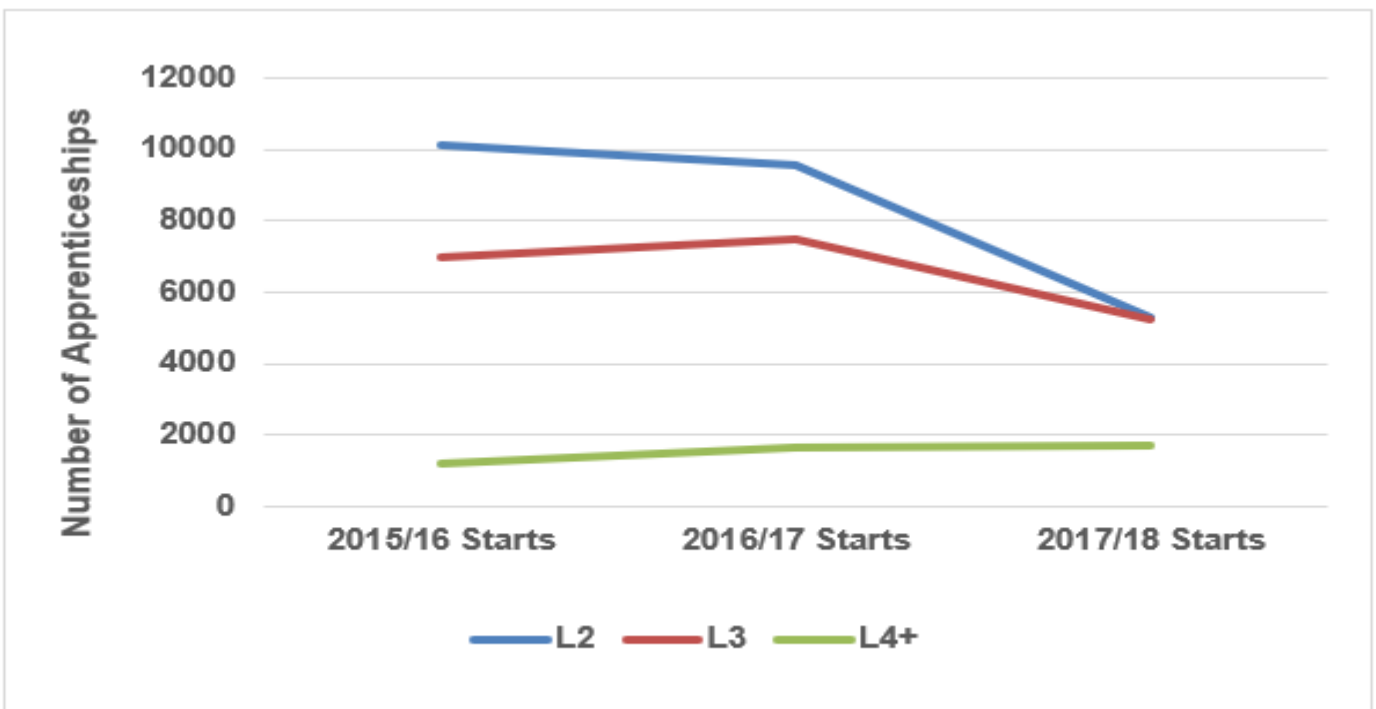


Source: Liverpool City Region Combined Authority 2017/18 Apprenticeship Programme Performance Report.

All districts of the Liverpool City Region (LCR) have seen reductions in the numbers of 16-18 year old apprenticeships started since 2013. Wirral saw a 6% reduction in 2017/18 compared to 2016/17, a smaller drop than many of the other LCR, with Knowsley’s apprenticeship starts dropping by 21% during the same period and Liverpool and Halton by 19% each.

In **figure 21** below the continued shift in delivery away from Level 2 programmes to advanced and higher-level apprenticeships in line with government and local ambitions. However, the scale of reduction is significant with over 4,200 fewer apprenticeship starts at Level 2 across the City Region in 2017/18.

**Figure 21:** Number of Liverpool City Region Apprenticeship Starts by Level (2015/16 – 2017/18)

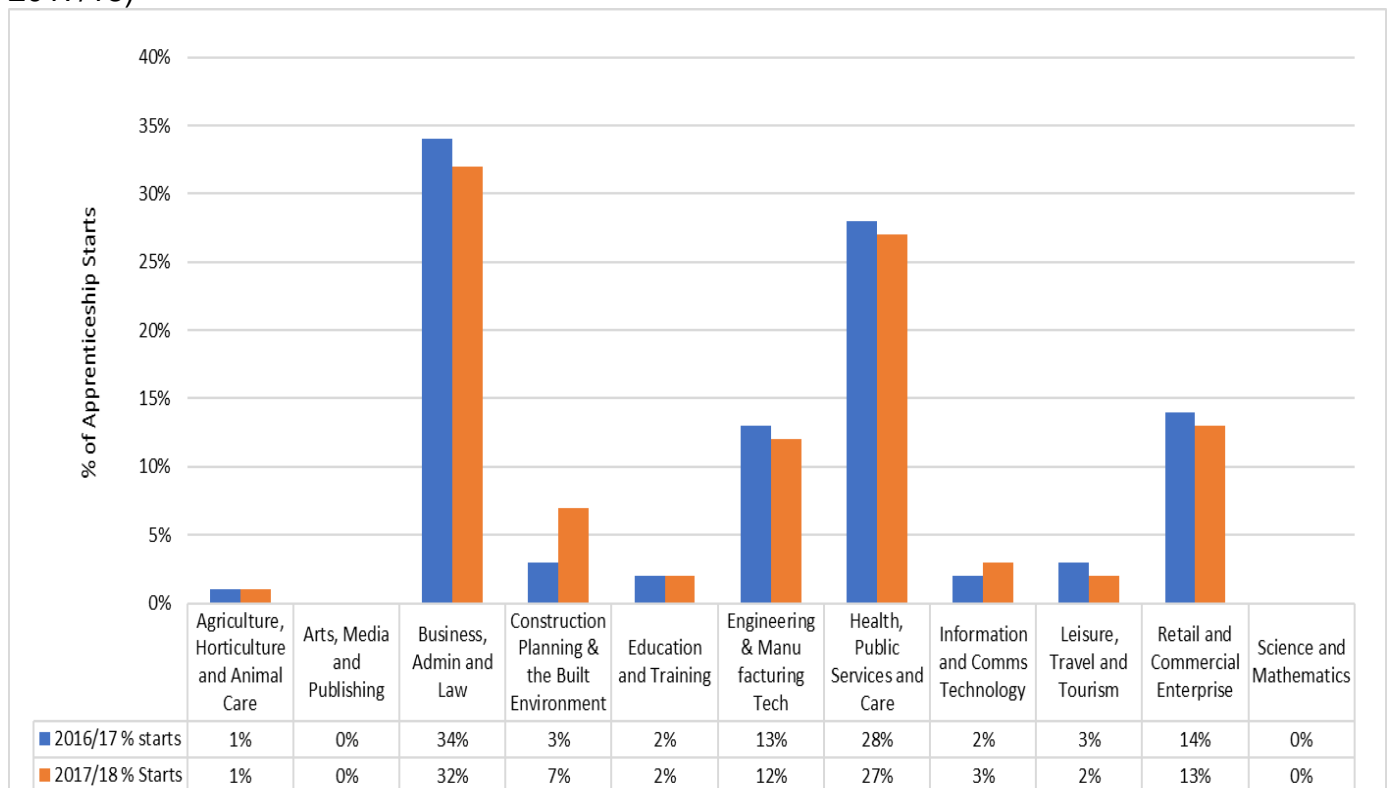


Source: [Liverpool City Region Combined Authority 2017/18 Apprenticeship Programme Performance Report](#)



The sectoral make up of apprenticeship starts is shifting, with proportional and actual growth in ICT and construction, planning and the built environment. There has however been a significant fall in volumes in Business, Administration & Law as well as Health, Public Services and Care. Starts in these two sector subject areas still account for 59% of all starts (**figure 22**).

**Figure 22:** Percentage of Liverpool City Region Apprenticeship starts by Subject (2016/17 – 2017/18)



Source: [Liverpool City Region Combined Authority 2017/18 Apprenticeship Programme Performance Report](#).

In 2017/18 the age profile of apprenticeship starts across the Liverpool City Region changed and the trend of 25+ growth witnessed over the last 5 years halted. In contrast, during the first half of 2018/19 growth is once again coming from 19-24 and 25+ learners; the volume of starts aged 16-18 has fallen compared to 2017/18 (**Table 2**).

**Table 2:** Apprenticeship Starts for Liverpool City Region Combined Authority, by age-group (2016/17 – 2018/19)

Year	2016/17		2017/18		2017/18 Q.2		2018/19 Q.2	
Age	Starts	%	Starts	%	Starts	%	Starts	%
16-18	3,720	20%	3,240	26%	1,990	33%	1,770	27%
19-24	4,940	27%	3,250	27%	1,630	27%	1,850	28%
25+	10,000	54%	5,750	47%	2,450	40%	3,030	46%
<b>Total</b>	<b>18,630</b>		<b>12,240</b>		<b>6,070</b>		<b>6,650</b>	

Source: [Liverpool City Region Combined Authority Quarter 2 2018/19 Apprenticeship Report](#)

Overall there have been just over 220 fewer 16-18 starts locally (from 1,990 2017/18 Qt.2 to 1,770 2018/19 Qt.2). Volumes have fallen across all local authority areas, with the exception of Halton, which has remained static (**table 3**).

**Table 3:** 16-18 Apprenticeship Starts by Liverpool City Region Local Authority (2013/14 – 2018/19)

16-18 Apprenticeship Starts - All Level								
LA/Region/England	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18 Q.2	2018/19 Q.1	2018/19 Q.2
Halton	360	320	340	320	260	160	110	160
Knowsley	540	590	520	480	380	240	160	240
Liverpool	1,190	1,170	1,140	1,010	820	480	290	460
Sefton	740	690	740	670	590	360	220	290
St Helens	520	530	560	460	450	290	140	220
Wirral	810	830	900	790	740	460	280	400
<b>Total LCR</b>	<b>4,160</b>	<b>4,130</b>	<b>4,200</b>	<b>3,730</b>	<b>3,240</b>	<b>1,990</b>	<b>1,200</b>	<b>1,770</b>
North West	19,710	20,030	20,650	19,310	16,800	10,750	6,930	9,920
England	118,200	124,300	129,800	119,700	106,570	69,600	45,780	66,030

Source: [Liverpool City Region Combined Authority Quarter 2 2018/19 Apprenticeship Report](#)

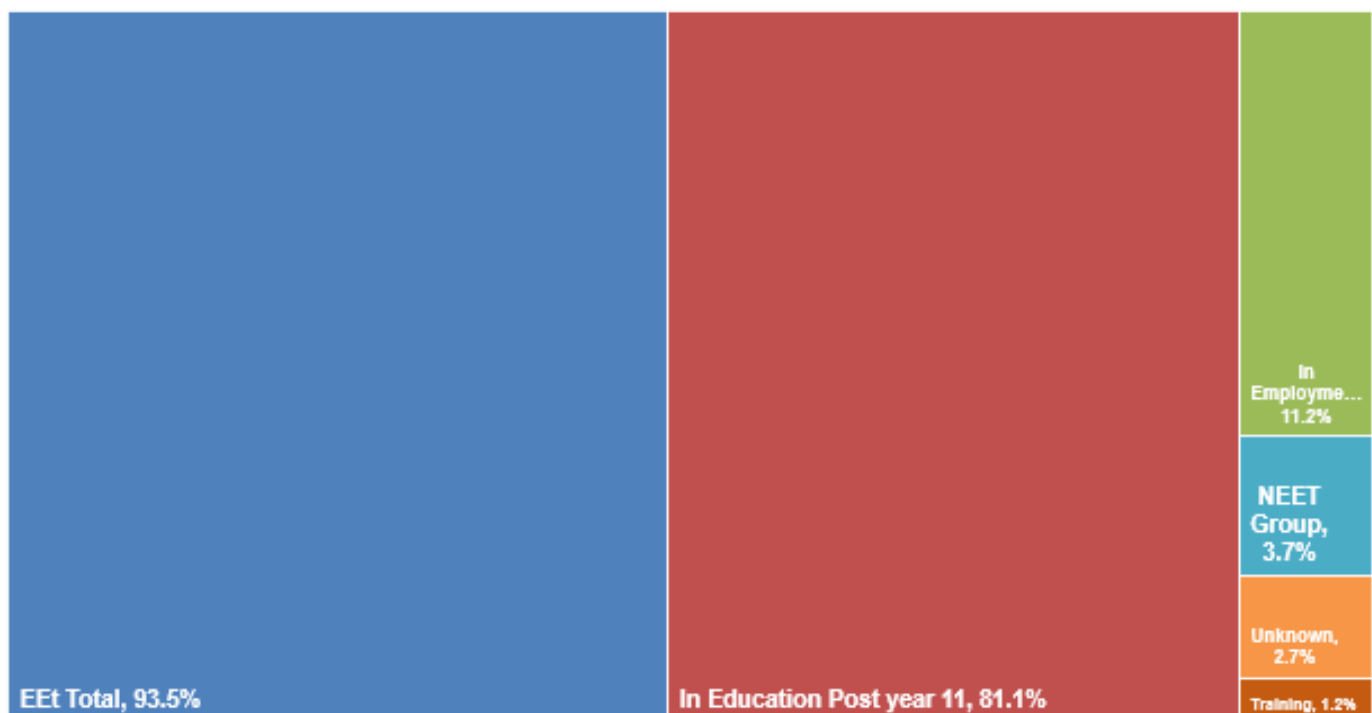
## 16 – 19 Education and Training Provision

It is important to understand local education and training participation levels for young people as well as the subsequent pathway into further education and employment. Wirral has a complex post 16 education and learning landscape with several options including, school sixth form, further education and Apprenticeships.

Post 16 opportunities are accessible locally however young people may choose to travel for specialist learning to a neighbouring local authority or beyond.

The below tree map (**figure 23**) is taken from the department for education figures and shows the current participation of Wirral's 16-19 cohort in employment education and training.

**Figure 23:** Percentage participation of Wirral's 16-19 cohort in employment education and training, Wirral, September 2018<sup>12</sup>



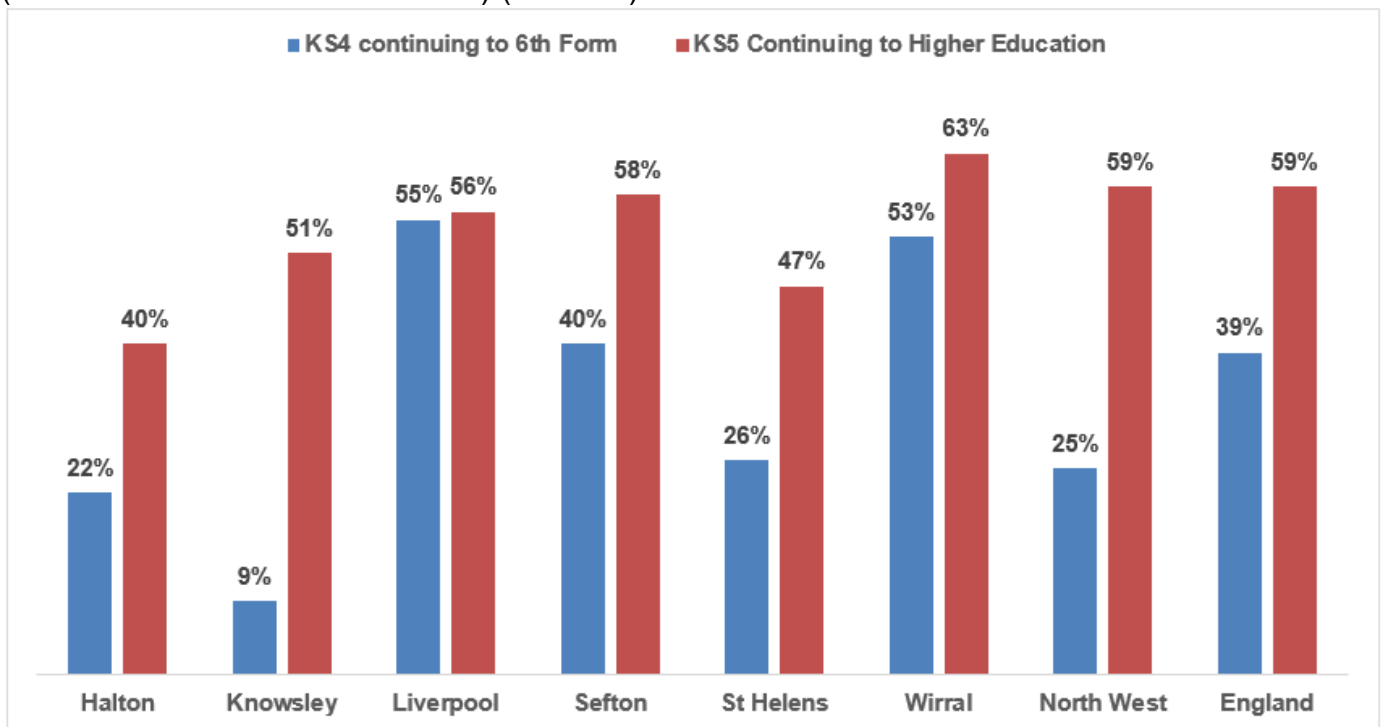
Source: [Department for Education, Participation in Education and Training by Local Authority](#) (September 2018)

<sup>12</sup> The 11% in employment, 7.1% relates to those on Apprenticeships and of the 1.2% training, 0.9% is EFA funded work based learning.

**Figure 23** above illustrates the high participation rates of Wirral’s 16 – 19 cohort, with just 4% identified as not being in employment education or training. Young people’s participation rates in the borough are currently at or above sub regional and regional average, however improvements need to be made to reach participation levels of those experienced nationally. Northwest NEET average was 3.4 percent and 3.1 percent unknown.

Annually the Department for Education tracks and publishes data relating to the relevant proportions of young people that successfully transition in to post 16 destinations at an institution and local authority level. This measure forms one the key performance indicators used by Ofsted in determining the quality careers guidance provided by schools / academies plus a measure of performance in respect of education and training provision at key stage 4 and 5. **Figure 24** below illustrates how Wirral compares to national performance.

**Figure 24:** Percentage of Key Stage 4 & Key Stage 5 pupils continuing to Higher Education (state funded mainstream schools) (2016-17)



Source: [Department of Education, Destinations of Key Stage 4 & Key Stage 5 pupils.](#)

### Key Stage 4 (at age 16) Key findings

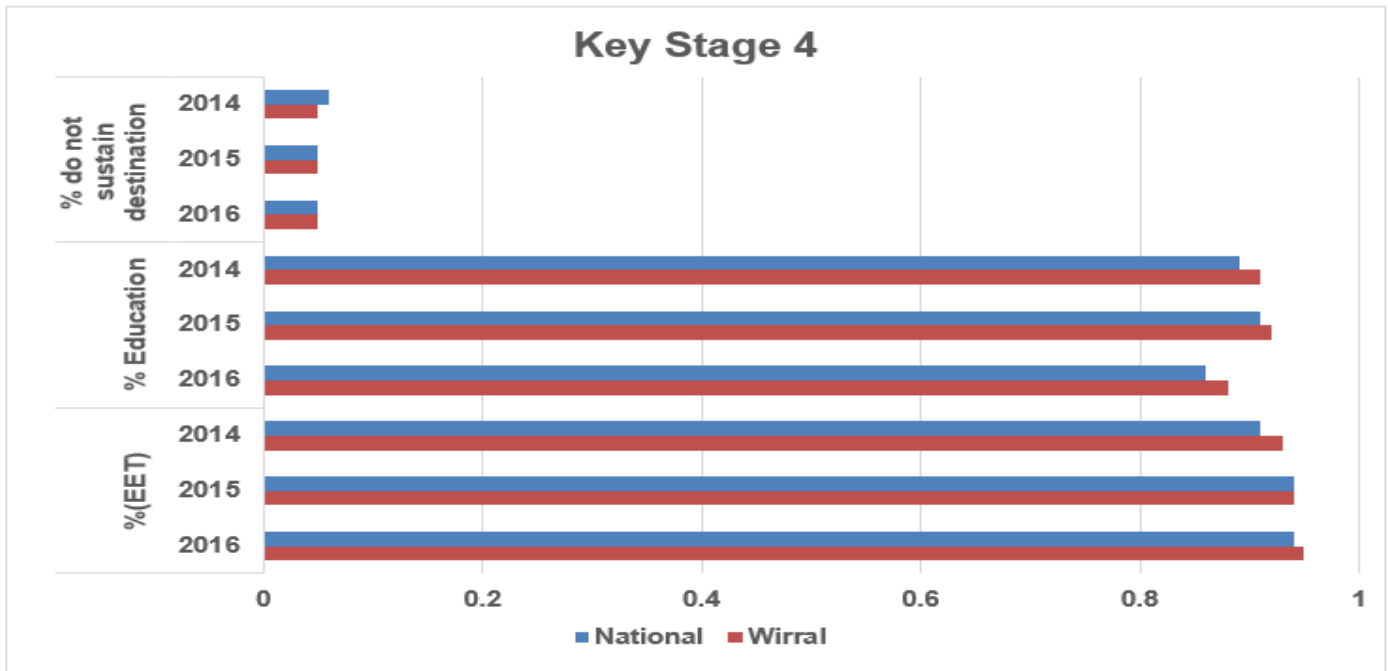
As **figure 25 below** illustrates, Wirral achieved a 95% ‘positive destination rate which is 1% better than the national average.

Additionally, Wirral has a significantly higher proportion of young people stay on in sixth form provision 53% Wirral vs 39% national and 25% regional.

Sixth Form College and Apprenticeships destinations are similar to national at 15% and 4% respectively although the proportion of young people transitioning to the Further Education (FE) College is much less than national average (19% vs 34%).

Wirral has 5 percent of its young people for whom their destination is not sustained which is equal to the national average.

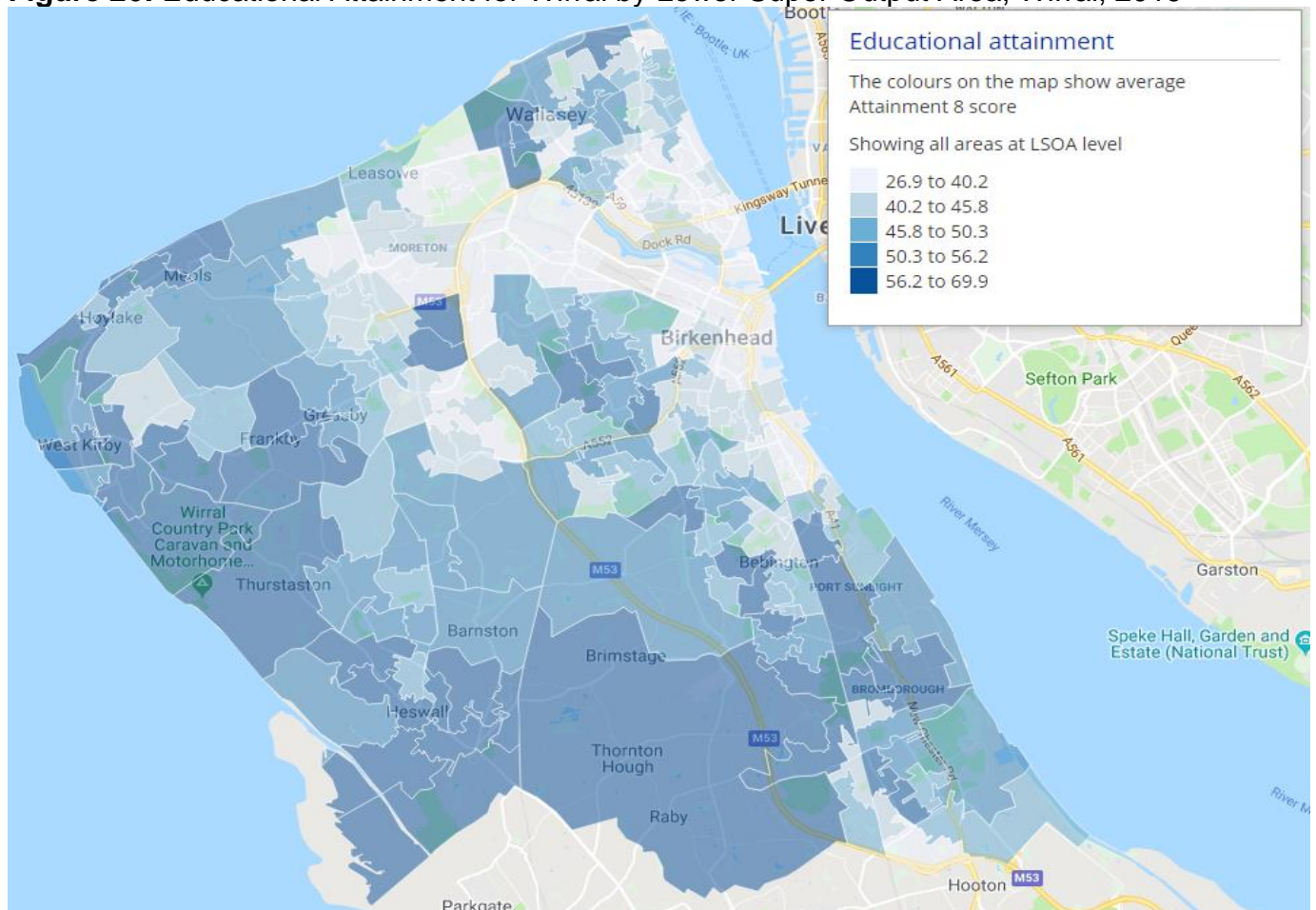
**Figure 25:** Key Stage 4 (KS4) Learning Destinations, Wirral compared to National results (2014 – 2016)



Source: [Department for Education, Participation in Education and Training by Local Authority](#) (September 2018)

A ward breakdown of KS4 attainment illustrates the difference in attainment across the Wirral. Again, there is a clear disparity between the more affluent areas in West & South Wirral, compared to West Wirral (**figure 26**).

**Figure 26:** Educational Attainment for Wirral by Lower Super Output Area, Wirral, 2019

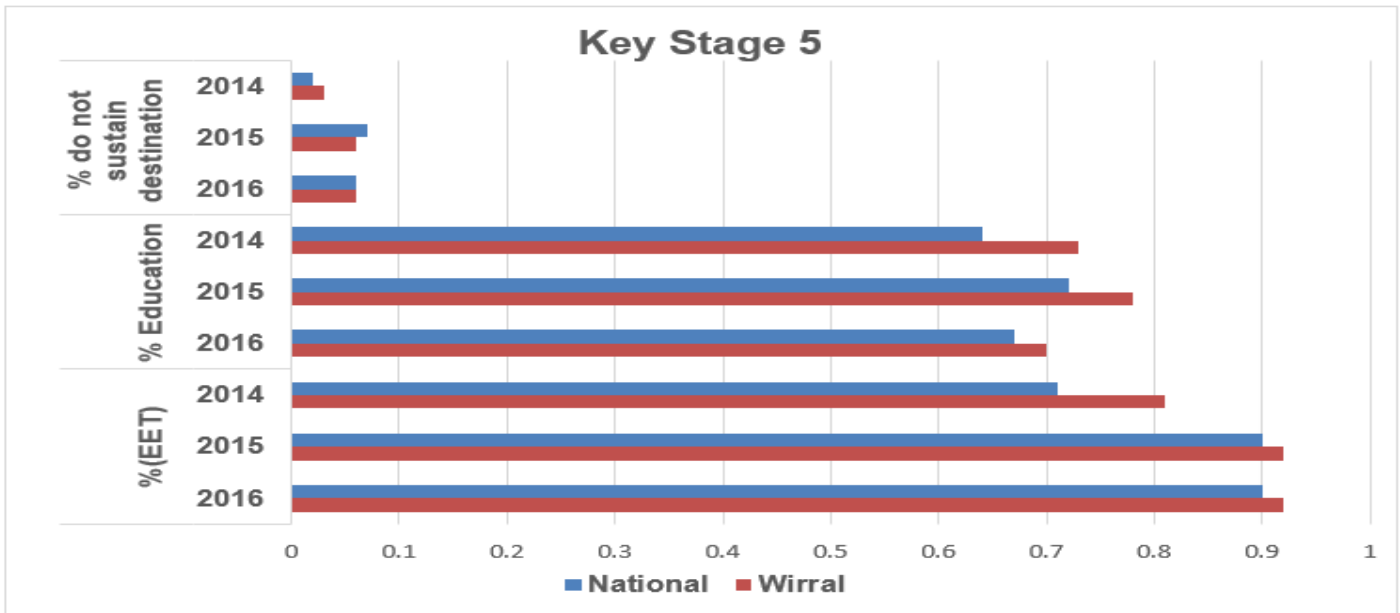


Source: [Wirral Intelligence Service: Local Insight tool](#) (2019)

## Key Stage 5 (at age 18)

**Figure 27** illustrates, Wirral achieved a 92% 'positive destination rate', which is 2% better than the national average with a higher proportion of learners post key stage 5 going into the higher education (**Figure 24**: 63% versus 59% nationally). 28 % of young people get in to the top third of Higher Education Institutes (HEI's), higher than national and North West. With 6% of young people not sustaining their destination, equal to the national average.

**Figure 27:** Key Stage 4 Learning Destinations, Wirral compared to National results (2014 – 2016)



Source: [Department for Education, Participation in Education and Training by Local Authority](#) (September 2018)

The below (**Table 4**) illustrates the destination of Wirral's Key Stage 4 (KS4) & Key Stage 5 (KS5) pupils

**Table 4:** Young People's Participation in Education by destination and age. (March 2019)

Young Persons Status	Year 12	Year 13	Totals	Overall Destination %
<b>Cohort Number</b>	3,410	3,534	6,944	N/A
<b>Cohort in Employment, Education, Training</b>	3,283	3,258	6,541	94.2%
<b>School Sixth Form</b>	1,550	1,474	3,024	43.5%
<b>Sixth Form College</b>	652	550	1,202	17.3%
<b>FE College</b>	857	824	1,681	24.2%
<b>Other Education</b>	*	*	*	*
<b>Apprenticeship</b>	130	206	336	4.8%
<b>Employment</b>	46	145	191	2.8%
<b>Study Programme</b>	31	40	71	1.0%
<b>Other Training</b>	11	12	23	0.3%
<b>Not Known</b>	38	118	156	2.2%
<b>Active NEET (Seeking)</b>	82	114	196	2.8%
<b>Inactive NEET (Ill Health, Pregnancy, Expired etc)</b>	7	40	47	0.7%

Source: Cognissoft IO March 2019 (14-19 Service) (Internal Source)

## Progress 8

A school's Progress 8 score is usually between -1 and +1. A score of +1 means that pupils in that school achieve one grade higher in each qualification than other similar pupils nationally. A score of -1 means they achieve one grade lower. The average Progress 8 score of all secondary schools nationally is 0.03

As **Table 5** below illustrates, the overall Progress 8 measure for Wirral increased slightly to 0.04 and is above the national average of -0.03. Unsourced information suggests that the North West average is -0.16 and for 2018 that Wirral ranked 2nd in the North West for Progress 8 measure.

**Table 5:** Progress 8 Score comparison – Wirral / National (Overall) (2016-2018)

<b>Progress 8</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Wirral	-0.4	0	0.04
National	0	0	-0.03

Source: [Children and Families Overview and Scrutiny Committee Thursday, 24 January 2019: Summary of Standards Provisional Outcomes for Key Stage 4 and Key Stage 5 \(2019\)](#)

In Wirral progress in both English and mathematics improved. English is above the national average. In contrast mathematics is below the national average. **(Table 6 below)**

**Table 6:** Progress 8 Score comparison – Wirral / National (Maths & English) (2016-2018)

<b>Progress 8</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
English	0.01	-0.05	-0.01
English National	-0.04	-0.03	-0.03
Maths	-0.19	-0.18	-0.11
Maths National	-0.02	-0.02	-0.02

Source: [Children and Families Overview and Scrutiny Committee Thursday, 24 January 2019; Summary of Standards Provisional Outcomes for Key Stage 4 and Key Stage 5](#) (2019)

**Figure 28** show the ranked progress 8 score of Wirral's Secondary Schools.

**Figure 28:** Wirral Secondary Schools Ranked by Key Stage 4 Progress 8 Score (2018)

<b>School Name</b>	<b>Progress 8 Score</b>
<b>Upton Hall School FCJ</b>	0.88
<b>Wirral Grammar School for Girls</b>	0.77
<b>West Kirby Grammar School</b>	0.73
<b>Calday Grange Grammar School</b>	0.59
<b>St John Plessington Catholic College</b>	0.39
<b>Prenton High School for Girls</b>	0.27
<b>St Anselm's College</b>	0.26
<b>Birkenhead High School Academy</b>	0.24
<b>Pensby High School</b>	0.18
<b>Weatherhead High School</b>	0.15
<b>Wirral Grammar School for Boys</b>	0.14
<b>Wirral</b>	0.03
<b>Woodchurch High School</b>	0.02
<b>South Wirral High School</b>	-0.02
<b>England</b>	-0.02
<b>Ridgeway High School</b>	-0.23
<b>The Kingsway Academy</b>	-0.27
<b>Hilbre High School</b>	-0.41
<b>Clare Mount Specialist Sports College</b>	-0.45
<b>St Mary's Catholic College, A Voluntary Academy</b>	-0.46
<b>Birkenhead Park School</b>	-0.62
<b>Bebington High Sports College</b>	-0.67
<b>The Oldershaw Academy</b>	-0.68
<b>The Mosslands School</b>	-0.9

Source: [DfE Compare-School-Performance Service, Secondary Performance Overall Performance at end of key stage 4 in 2018 - all pupils, Progress 8 Score.](#)

**Figure 29** shows Wirral's primary schools ranked by % of pupils reaching the expected standard in Reading, Writing & Mathematics (RWM).

**Figure 29:** Percentage of Wirral Key Stage 2 pupils reaching expected standard in Reading, Writing and Mathematics (2018)

% reaching expected standard in RWM			
School Name	%	School Name	%
Thornton Hough Primary School	91%	Pensby Primary School	61%
Brookhurst Primary School	91%	Wirral	60%
Our Lady of Pity Catholic Primary School	90%	Lingham Primary School	59%
Barnston Primary School	88%	Woodchurch Road Primary School	59%
Mersey Park Primary School	85%	St John's Catholic Junior School	59%
St Andrew's CofE Aided Primary School	85%	Devonshire Park Primary School	58%
Liscard Primary School	84%	Heygarth Primary School	58%
Great Meols Primary School	84%	Overchurch Junior School	57%
Ss Peter and Paul Catholic Primary School	83%	St Joseph's Catholic Primary School, Wallasey	57%
West Kirby Primary School	82%	Grove Street Primary School	56%
West Kirby St Bridget's CofE Primary School	82%	Brackenwood Junior School	56%
Greenleas Primary School	80%	Portland Primary School	56%
Irby Primary School	79%	Rock Ferry Primary School	56%
Heswall St Peter's CofE Primary School	79%	Holy Spirit Catholic and Church of England Primary School	56%
Brookdale Primary School	76%	St George's Primary School	55%
Thurstaston Dawpool CofE Primary School	75%	Black Horse Hill Junior School	55%
Christ The King Catholic Primary School	75%	Hillside Primary School	54%
Raeburn Primary School	74%	Birkenhead Christ Church CofE Primary School	54%
Gayton Primary School	74%	St Joseph's Catholic Primary School Upton	54%
Oxton St Saviour's CofE Aided Primary School	74%	Somerville Primary School	53%
Thingwall Primary School	73%	Sandbrook Primary School	53%
Kingsway Primary School	71%	St Alban's Catholic Primary School	50%
Higher Bebington Junior School	71%	Woodlands Primary School	48%
Heswall Primary School	71%	Woodchurch CofE Primary School	48%
Ladymount Catholic Primary School	71%	The Priory Parish CofE Primary School	48%
St Michael and All Angels Catholic Primary School	71%	St Anne's Catholic Primary School	48%
Birkenhead High School Academy	70%	Bedford Drive Primary School	47%
Prenton Primary School	69%	Sacred Heart Catholic Primary School	47%
Woodslee Primary School	68%	St Werburgh's Catholic Primary School	44%
Townfield Primary School	68%	Cathcart Street Primary School	43%
St Joseph's Catholic Primary School, Birkenhead	68%	Holy Cross Catholic Primary School	43%
Hoylake Holy Trinity CofE Primary School	67%	Mendell Primary School	42%
Church Drive Primary School	66%	Bidston Village CofE (Controlled) Primary School	41%
Our Lady and St Edward's Catholic Primary School	65%	Moreton Christ Church CofE Primary School	39%
Riverside Primary School	64%	St Peter's Catholic Primary School	35%
Poulton Lancelyn Primary School	64%	Castleway Primary School	32%
Bidston Avenue Primary School	64%	Fender Primary School	31%
England	64%	Manor Primary School	31%
Stanton Road Primary School	63%	Eastway Primary School	29%
Greasby Junior School	63%	Egremont Primary School	28%
New Brighton Primary School	62%	St Paul's Catholic Primary School	22%
Park Primary School	62%	Millfields Church of England (Controlled) Primary School	22%
Mount Primary School	61%	Well Lane Primary School	14%
		Leasowe Primary School	4%

**Source:** [DfE Compare-School-Performance Service. Primary Performance Overall Performance at end of key stage 4 in 2018 - all pupils. Reading Writing Mathematics \(RWM\).](#)



## Attainment 8

The Attainment 8 score measures the achievement of a pupil across eight different subjects. The Progress 8 score shows how they have improved during secondary school, compared to other pupils who were at the same level when they finished primary school.

As **table 7** below demonstrates, attainment 8 for all Wirral pupils increased by 0.7 and remains above the national average. Three localities improved; Birkenhead and West Wirral by 1.1 and Wallasey by 0.5.

**Table 7:** Attainment 8 Comparison pupils, Wirral and other comparators (2016, 2017, 2018)

<b>Attainment 8</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Wirral	51.8	47.9	48.6
National	48.5	44.2	46.5
Birkenhead	48.7	45.3	46.4
South Wirral	56.8	52.6	52.4
Wallasey	44.6	39.9	40.4
West Wirral	55.4	53.5	54.6

**Source:** [Children and Families Overview and Scrutiny Committee Thursday, 24 January 2019; Summary of Standards Provisional Outcomes for Key Stage 4 and Key Stage 5 \(2019\)](#)

Attainment 8 for disadvantaged pupils increased three localities (**table 8**). The biggest increase was in West Wirral (2.3%), followed by Birkenhead (1.9%) and Wallasey (0.7%). Attainment 8 in South Wirral decreased by 3.6% to 39.2%.

**Table 8:** Attainment 8: Disadvantaged pupils, Wirral and other comparators (2016, 2017, 2018)

<b>Attainment 8 for Disadvantaged Pupils</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Wirral	51.8	48.7	48.6
National avg disadvantaged	41.1	37.1	N/A
Wirral disadvantaged	41.3	38	38.6
Birkenhead	39.9	36.5	38.4
South Wirral	45.5	42.8	39.2
Wallasey	39.1	35.2	35.9
West Wirral	42.9	42.9	45.2

**Source:** [Children and Families Overview and Scrutiny Committee Thursday, 24 January 2019; Summary of Standards Provisional Outcomes for Key Stage 4 and Key Stage 5 \(2019\)](#)

Developing a picture of long-term jobs and skill requirements is critical for policymakers as they navigate complex and uncertain shifts in the economy and society. Key areas from curriculum development, careers guidance, apprenticeships and training rely on accurate labour market information to ensure that economies adapt to change and are fit for the future.

In the evolving economic climate, the future requirements for skills is uncertain. Research is available that postulates how employment is likely to change in the future and the implications for the skills required.

Nesta<sup>13</sup> (2017) illustrate how the future of work is influenced by a range of factors including, technological change, automation, demographic change, environmental sustainability, urbanisation and political uncertainty. Findings from the analysis are broad in range but key areas include that around one-tenth of the workforce are in occupations that are likely to grow as a percentage of the workforce and round one-fifth are in occupations that will likely shrink.

Education, healthcare, and wider public sector occupations are likely to grow while some low-skilled jobs, in fields like construction and agriculture, are less likely to suffer poor labour market outcomes than has been assumed in the past. Skills that are likely to be in greater demand in the future include interpersonal skills, higher-order cognitive skills, and systems skills.

The World Economic Forum (2018)<sup>14</sup> reports on the skills in greatest demand and need, with the top three growing skills required for 2022 were identified as analytical thinking and innovation, active learning and learning strategies and creativity, originality and initiative. LinkedIn report<sup>15</sup> the most in-demand 'soft skill' for 2019 is Creativity – the first time that this skill has been recognised on LinkedIn's list.

Identifying the bundles of skills, abilities, and knowledge that are most likely to be important in the future, as well as the skills investments that will have the greatest impact on occupational demand, will provide information that educators, businesses, and governments can use for strategic and policymaking purposes to better prepare people and places for the future.

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<sup>13</sup> P. Schneider & H Bakhshi, 'The future of skills: Employment in 2010', *Nesta.org.uk*, September 2017 <https://www.nesta.org.uk/report/the-future-of-skills-employment-in-2030/> (accessed July 2019).

<sup>14</sup> World Economic Forum: Centre for the New Economy & Society, 'The Future of Jobs 2018' *weforum.org* September 2018 <https://www.weforum.org/reports/the-future-of-jobs-report-2018> (accessed July 2019).

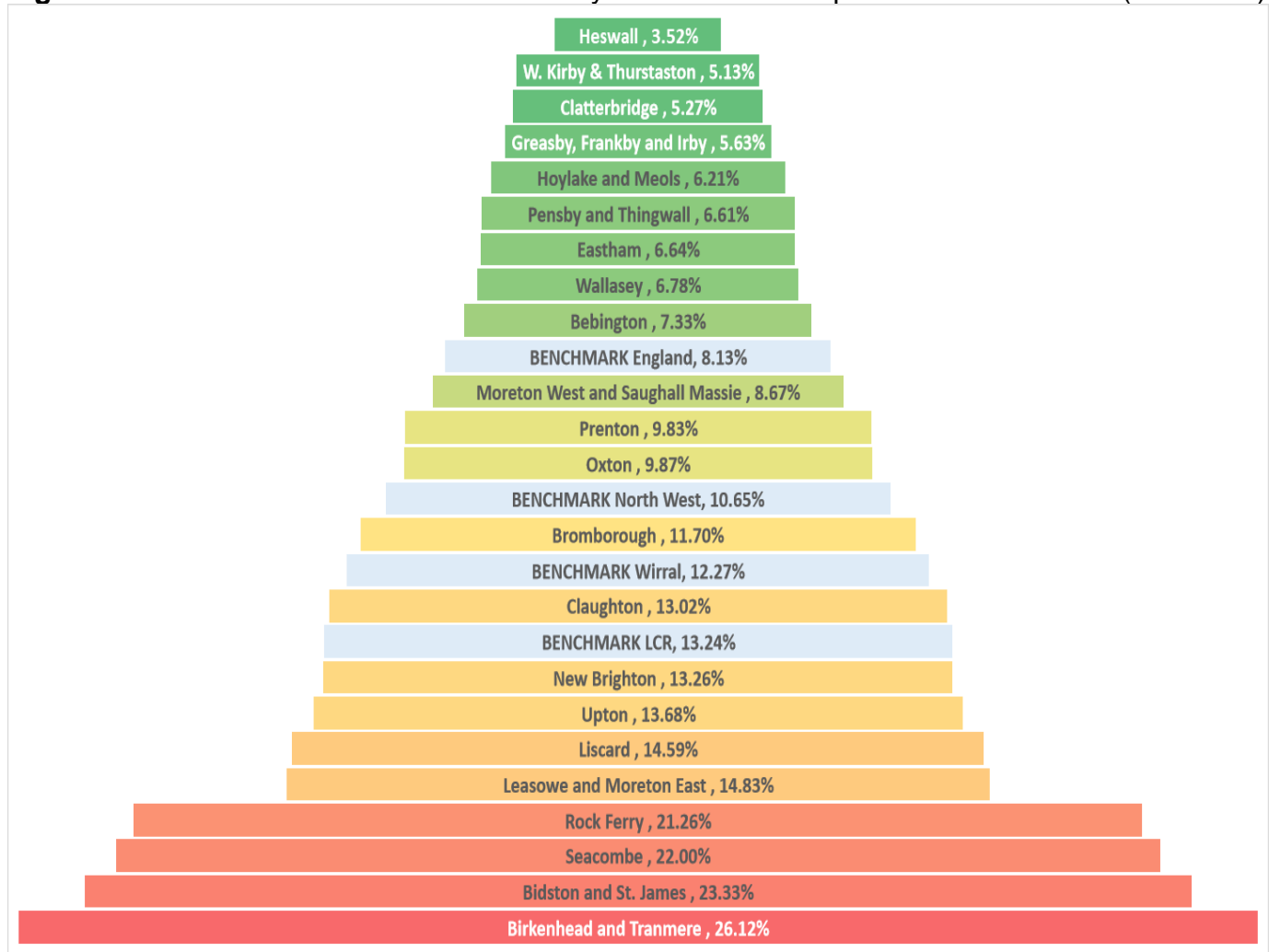
<sup>15</sup> G. Lewis, 'The most in demand hard and soft skills of 2019', *business.linkedin.com* January 2019 <https://business.linkedin.com/talent-solutions/blog/trends-and-research/2018/the-most-in-demand-hard-and-soft-skills-of-2018> (accessed July 2019)

## Inequality

This section looks at the differentials in educational attainment and qualifications gained in Wirral on a ward basis in the context of worklessness and life expectancy. The theme from the information identified below is that there is a correlation between those wards with lower life expectancy / lower employment and low levels of educational attainment.

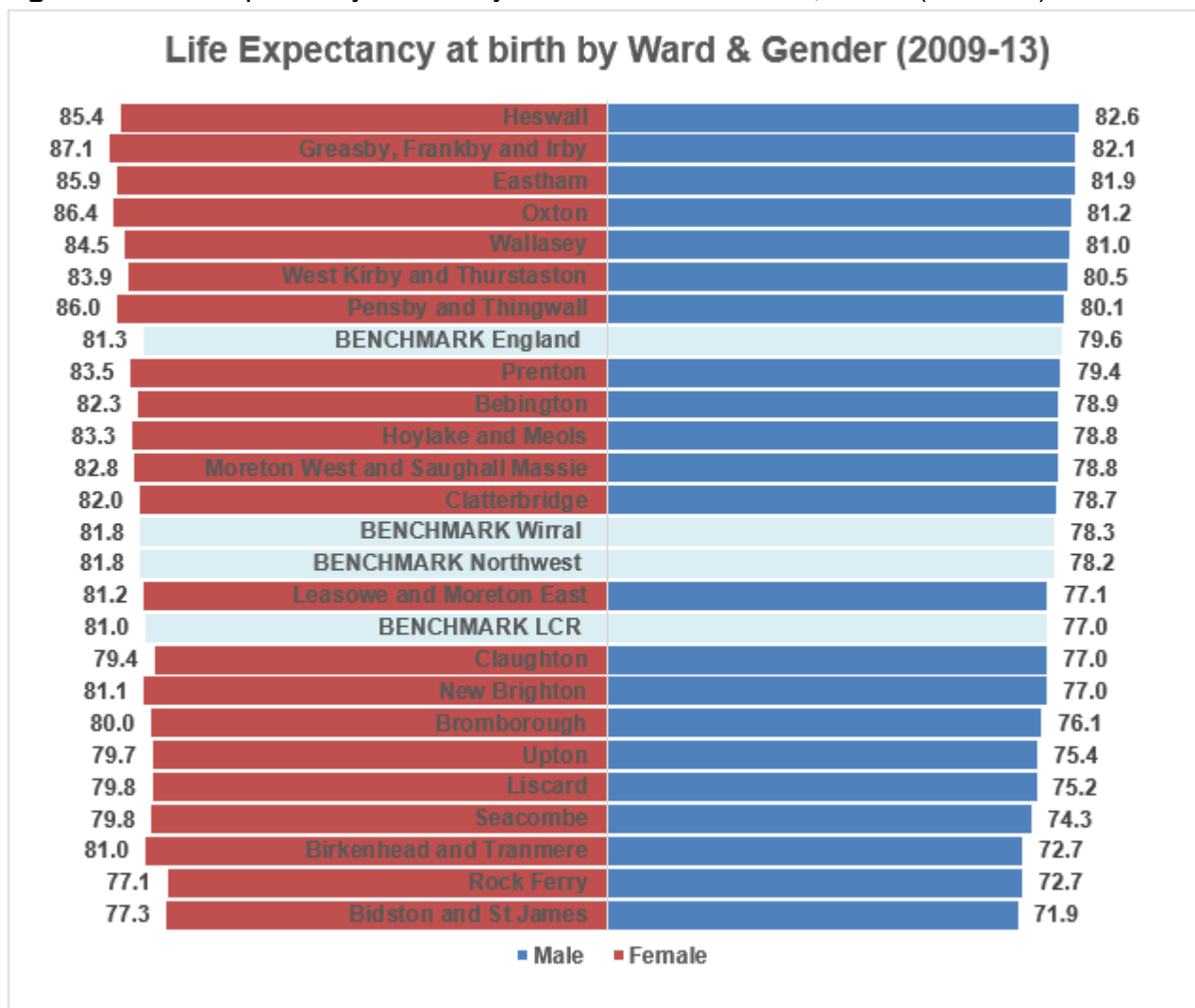
Birkenhead & Tranmere, Bidston & St James and Seacombe wards have the highest levels of Out of Work Benefit Claimants (**Figure 30**) and the lowest life expectancy (**Figure 31**), lowest healthy life expectancy (**Figure 32**) in the Borough as well as being amongst the lowest achievers in educational attainment and qualifications gained. Conversely, Heswall, West Kirby & Thurstaston wards are amongst the highest levels of employment and life expectancy rates in the Borough as well as being amongst the highest educational achievers (**Figure 33 & Figure 34**).

**Figure 30:** Out of Work Benefits Claimants by Wirral Ward compared to Benchmarks (Nov 2018)



Source: [Wirral Intelligence Service: Local Insight Tool](#) (2019)

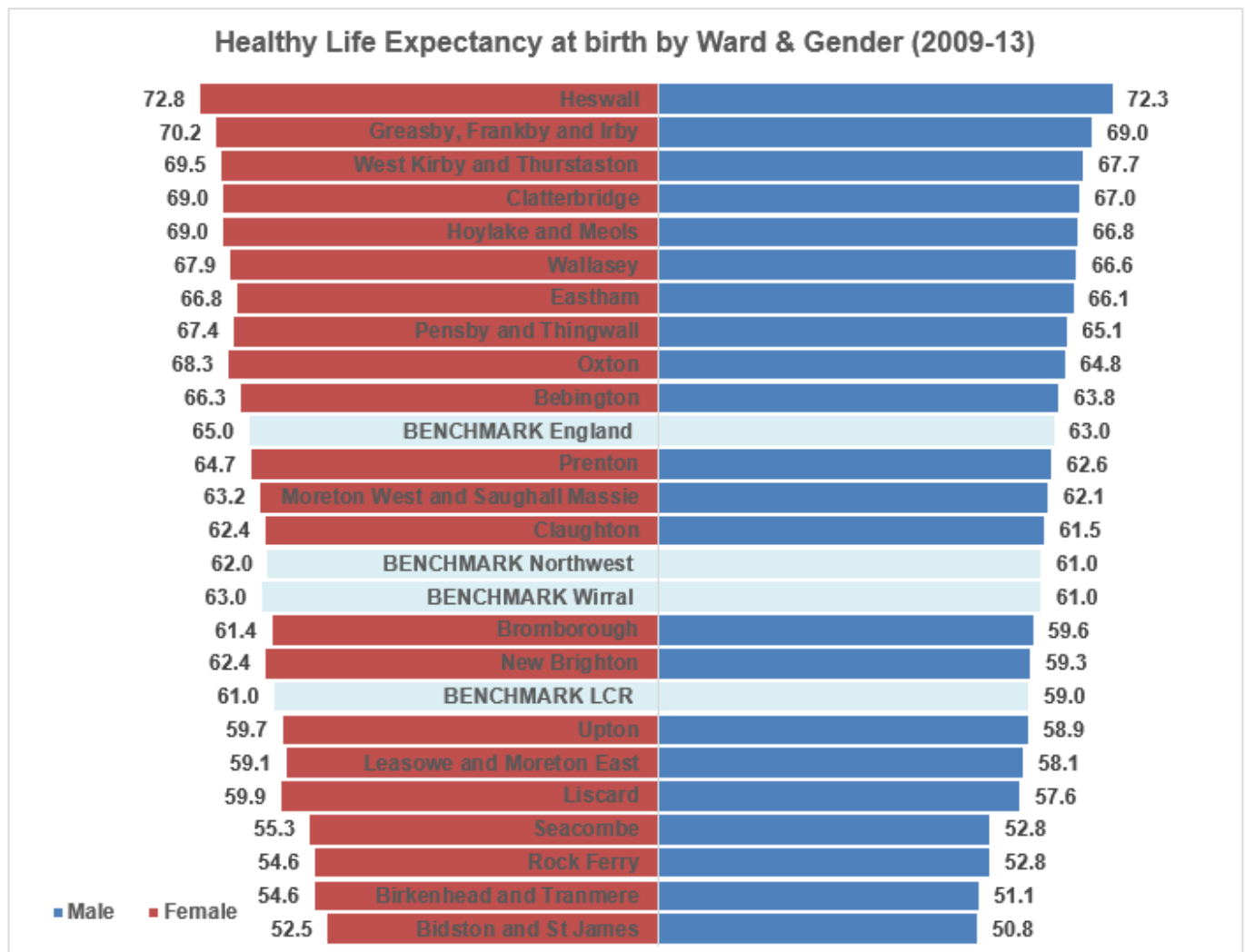
**Figure 31: Life Expectancy at birth by Wirral Ward & Gender, Wirral (2009-13)<sup>16</sup>**



Source: [Office for National Statistics: Local Health](#) (2018)

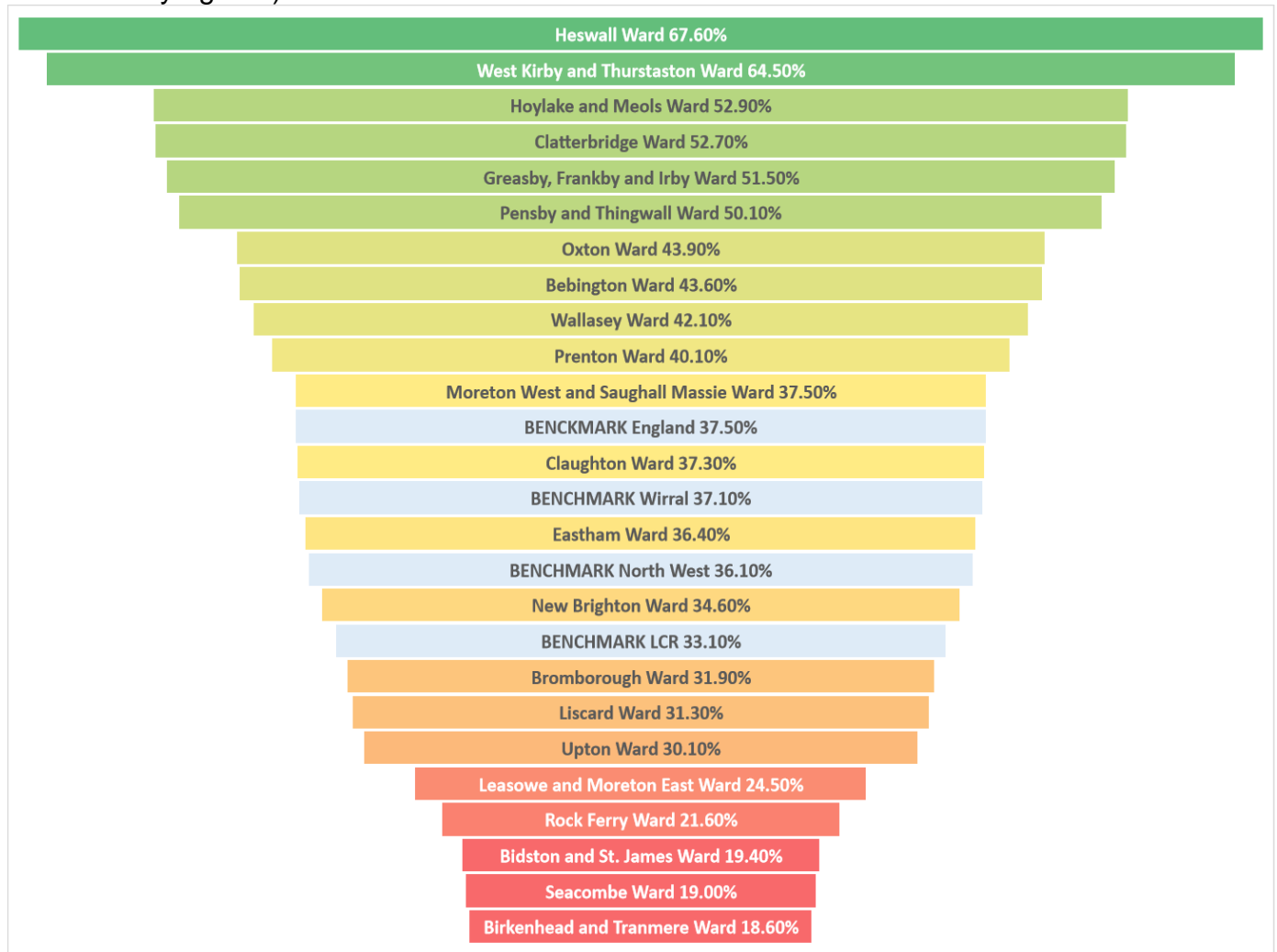
<sup>16</sup> Healthy life expectancy at birth is an estimate of the average number of years babies born would live in a state of 'good' general health if mortality levels at each age, and the level of good health at each age, remain constant in the future. The healthy life expectancy measure adds a 'quality of life' dimension to estimates of life expectancy by dividing it into time spent in different states of health. Public Health England, Research & Analysis. Life Expectancy & Healthy Life Expectancy: Definitions.

**Figure 32: Healthy Life Expectancy at birth by Wirral Ward & Gender, Wirral (2009-13)**



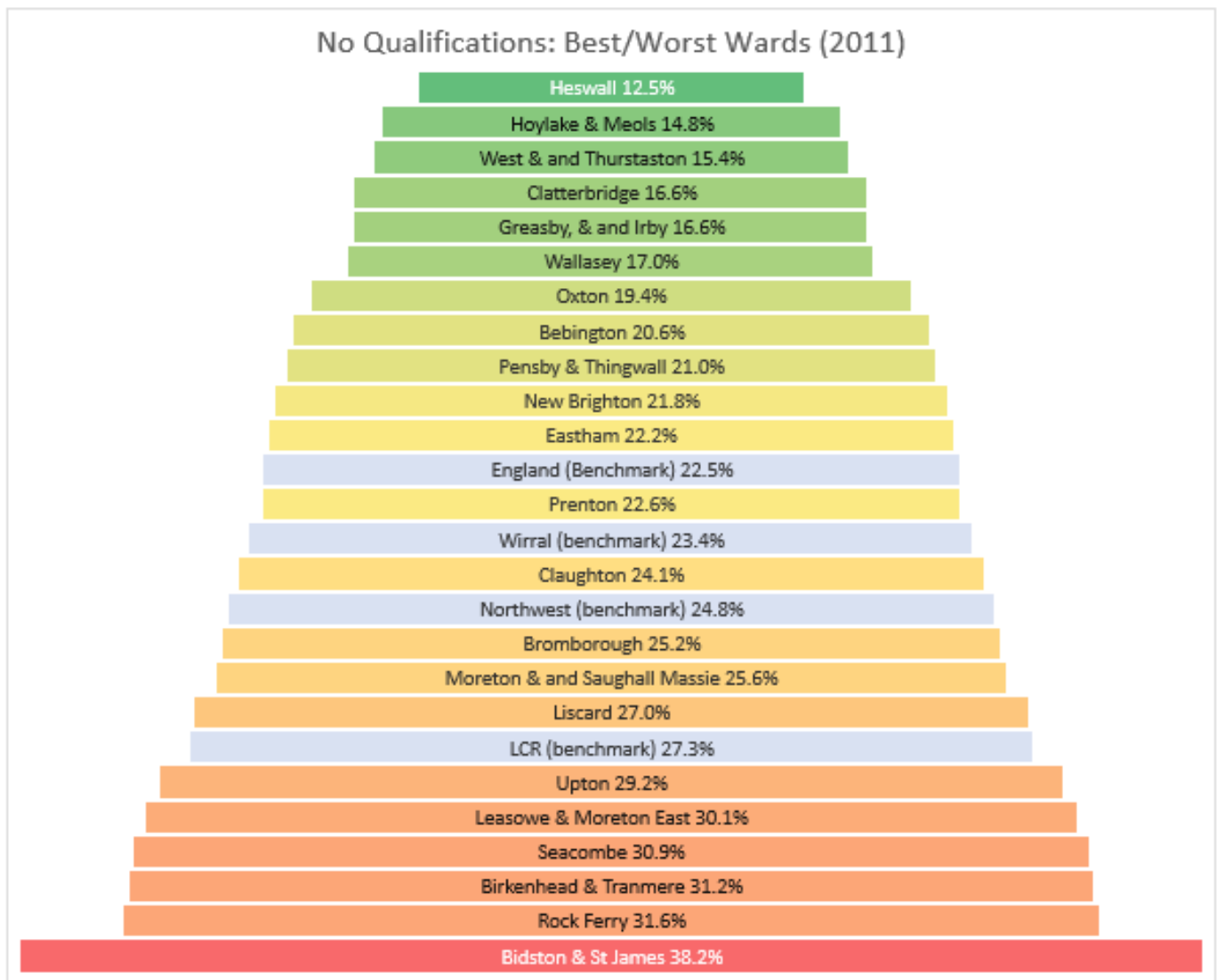
Source: [Office for National Statistics: Local Health](#) (2018)

**Figure 33:** Participation in higher education (Proportion of a young cohort that has entered higher education by age 19) 2009/10 to 2013/14 - 2010/11 to 2014/15



Source: [Wirral Intelligence Service: Local Insight Tool](#) (2019)

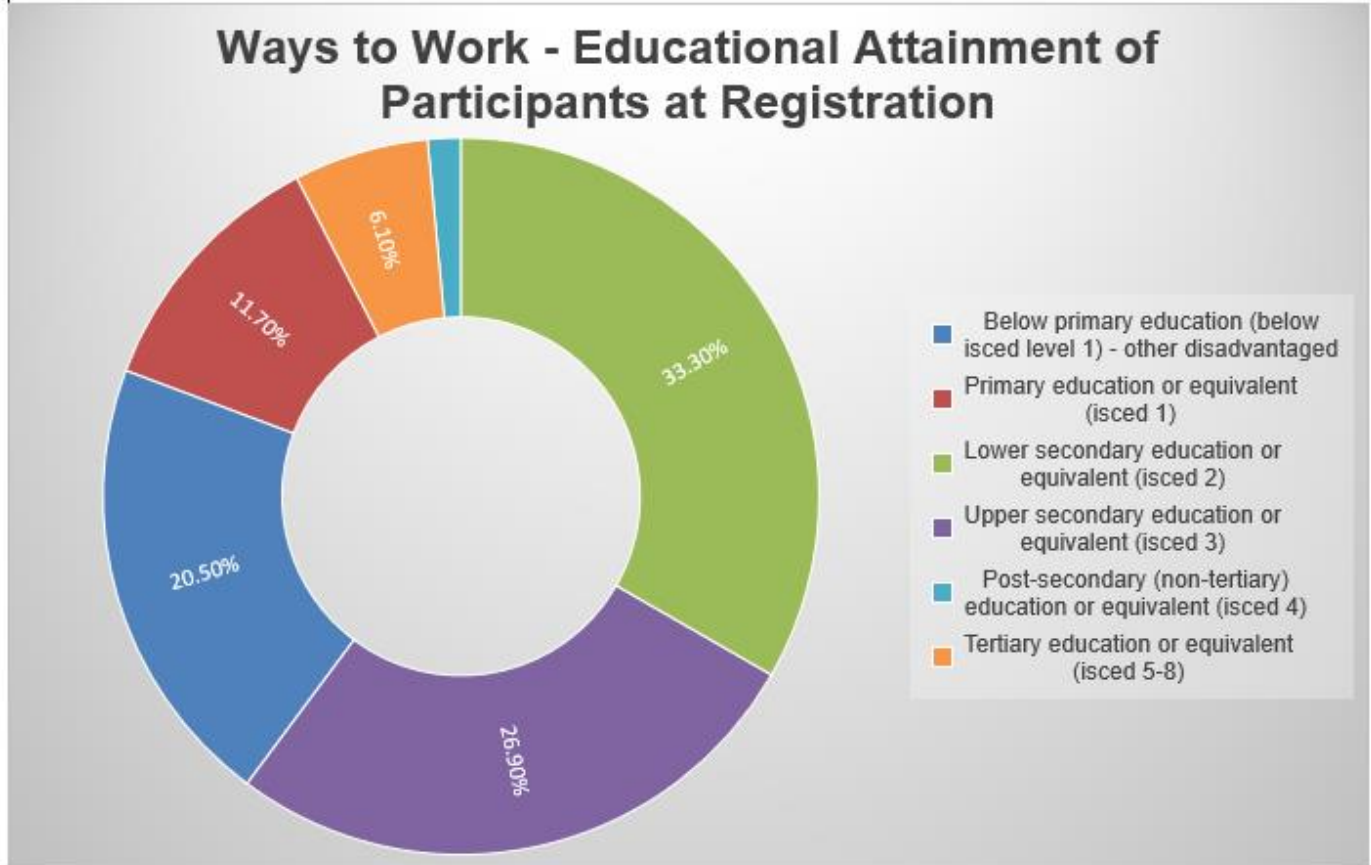
**Figure 34: No Qualifications by Wirral Ward: best and worst (2011)**



Source: [Wirral Intelligence Service: Local Insight Tool](#) (2019)

The Wirral Ways to Work Programme supports eligible workless young people and adults to move into education, employment and training. It is funded by the European Social Fund (ESF) and Youth Employment Initiative (YEI) and is part of the Liverpool City Region Combined Authority Ways to Work Programme. (*Attainment classified per ISCED*)\*

**Figure 35:** Wirral Ways to Work – Educational attainment at registration (2019)



**Source:** Wirral Council Ways to Work Team March 2019

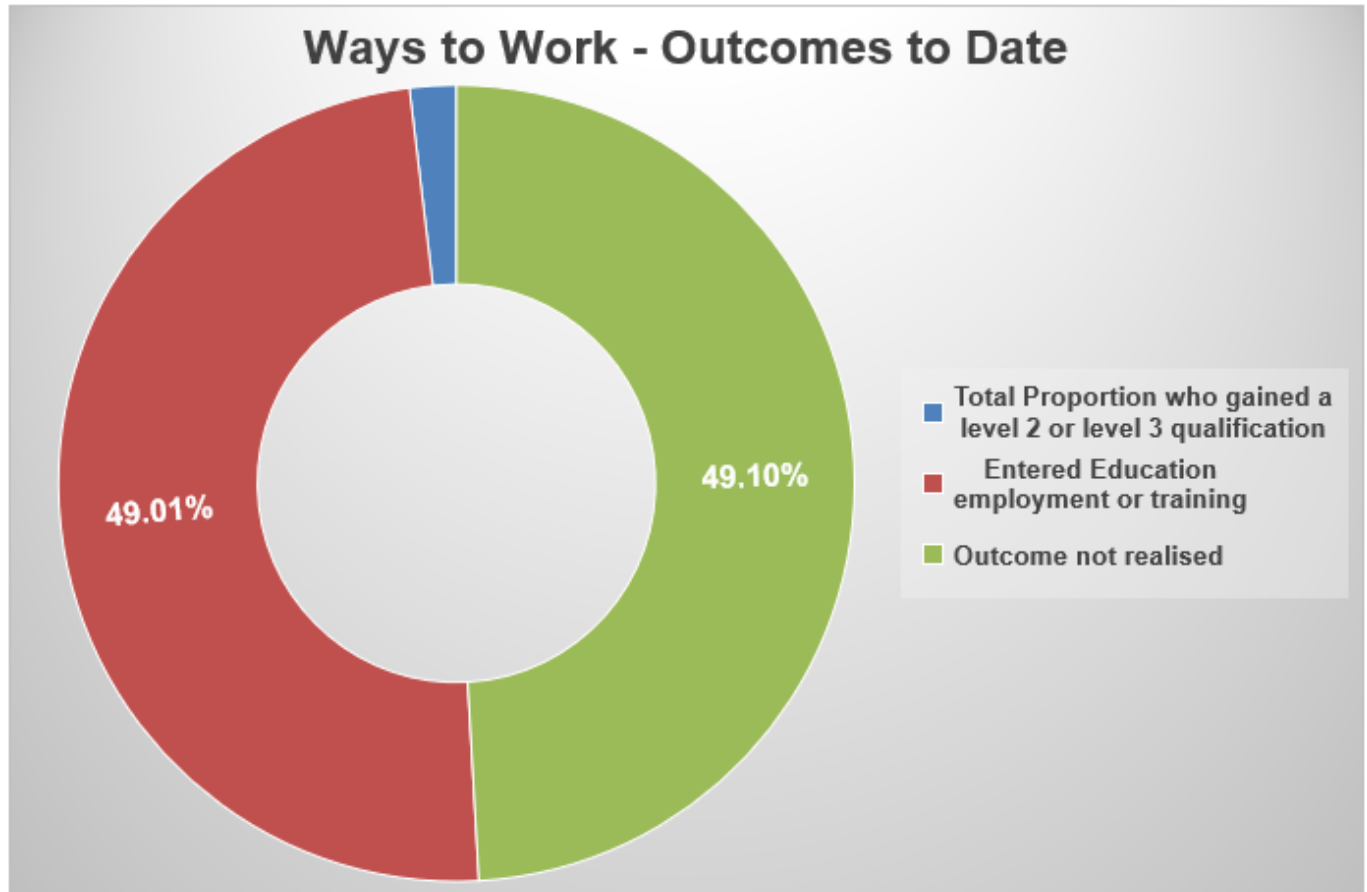
**Note:** The International Standard Classification of Education (ISCED 2011)\* provides a comprehensive framework for organising education programmes and qualification by applying uniform and internationally agreed definitions to facilitate comparisons of education systems across countries.

**Figure 35** above illustrates the educational attainment at time of entry for those who have participated on Wirral's Ways to Work programme.

Total participants from April 2016 to March 2019 stood at 5500, the majority of whom had been educated to either lower secondary or upper secondary education.



**Figure 36:** Ways to Work – participant outcomes, Wirral, 2019



Source: Wirral Council Ways to Work Team March 2019

In terms of outcomes, **figure 36** above illustrates the outcomes achieved to date. Where the outcome is not realised, this is a combination of those who have left with no positive outcome and those who are still participating on the course and therefore the outcome is yet to be determined.

## Gross Value Added (GVA)

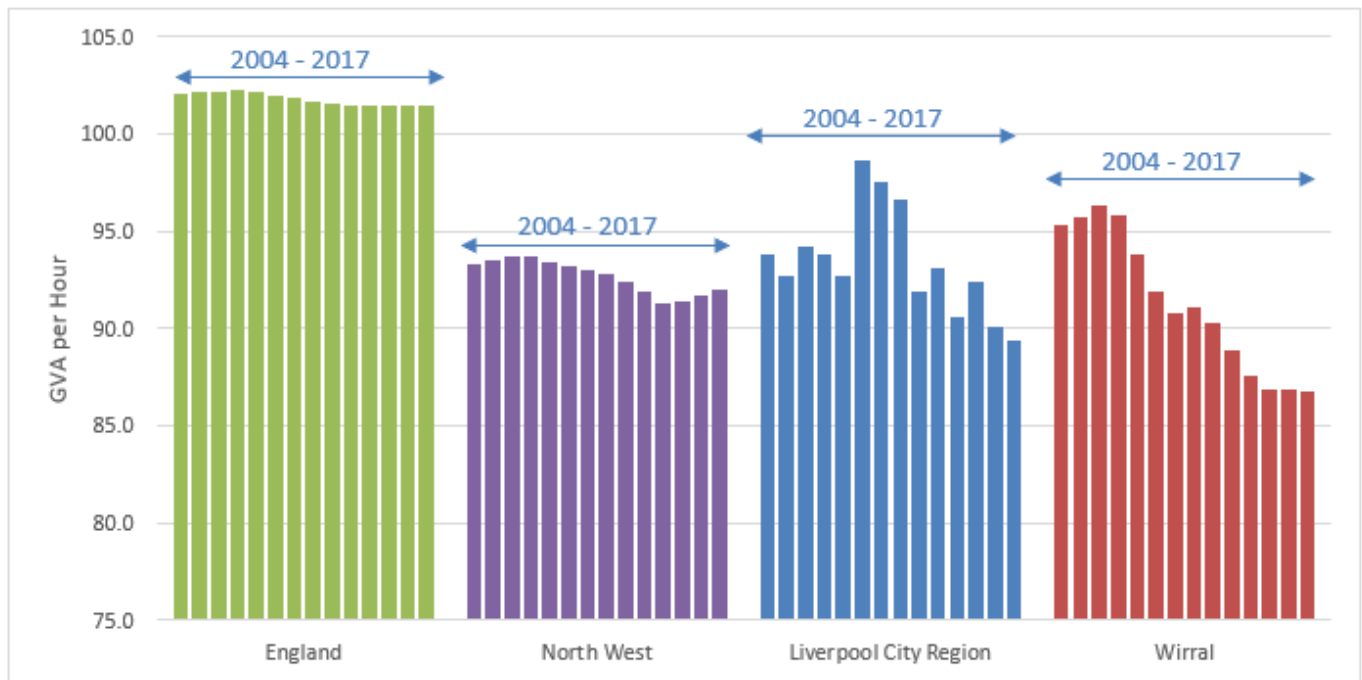
Gross Value Added or GVA per hour is the preferred measure of labour productivity.

Increasing productivity is essential for increasing economic growth. A high level of productivity means that a higher level of output is being produced per unit of labour input. GVA represents the income generated by economic activity within the economy.

GVA is calculated on a workplace basis and so does not include the income generated by Wirral residents who commute and work outside of the Borough.

GVA is also an important indicator of a healthy and dynamic economy.

**Figure 37:** Shift in Gross Value Added per hour Wirral compared to England, North West and Liverpool City Region (2004 – 2017)

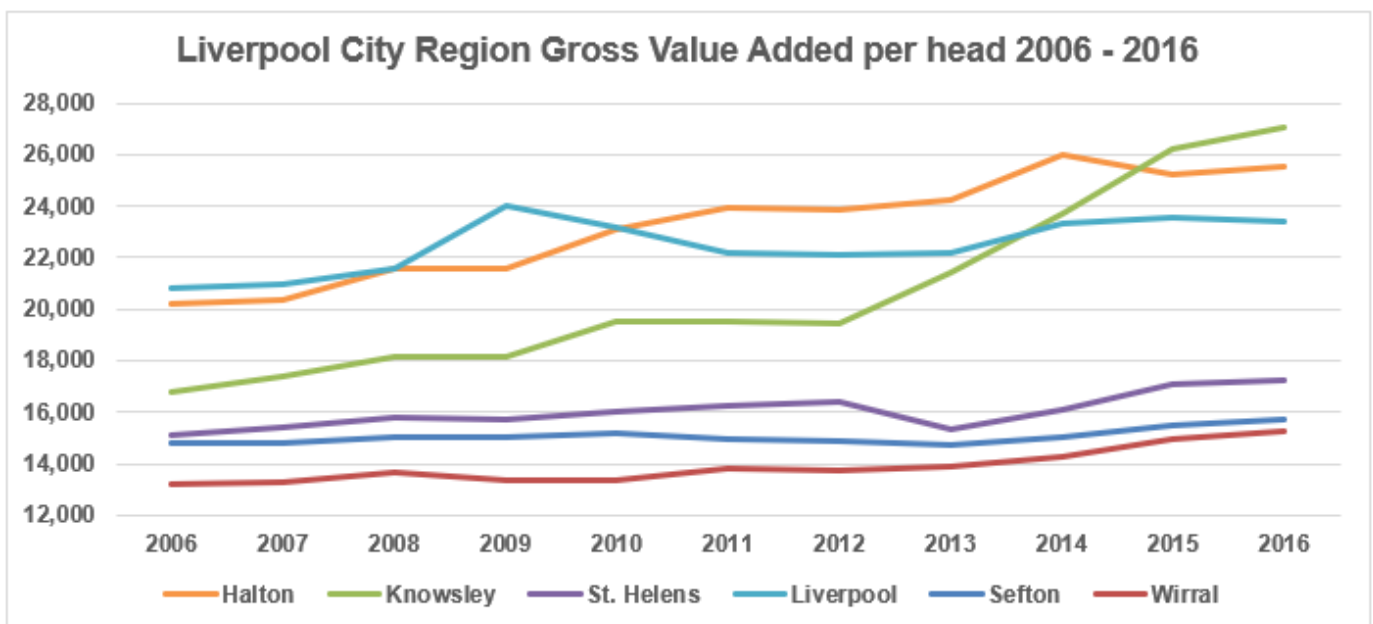


Source: [ONS: Sub-regional productivity: labour productivity indices by UK NUTS2 and NUTS3 subregions and Local Enterprise partnerships](#) (2019)

Since 2009 Gross Value Added (GVA) per hour in Wirral has dropped below the Northwest and has remained below this comparison group ever since. Levels have remained stagnated since 2014 (87.6) to its current level of 86.7. Although the LCR average comparison is skewed by Liverpool, there is no doubt that Wirral’s GVA per hour suffers through the volumes of exported labour to nearby regions (see figure 37).

Regional gross value added is the value generated by any unit engaged in the production of goods and services. GVA per head of population is a useful way of comparing regions of different sizes (i.e. providing a like for like comparison). It is not, however, a measure of regional productivity.

**Figure 38:** Wirral Gross Value Added per head 2006 – 2016 compared to Liverpool City Region Authorities

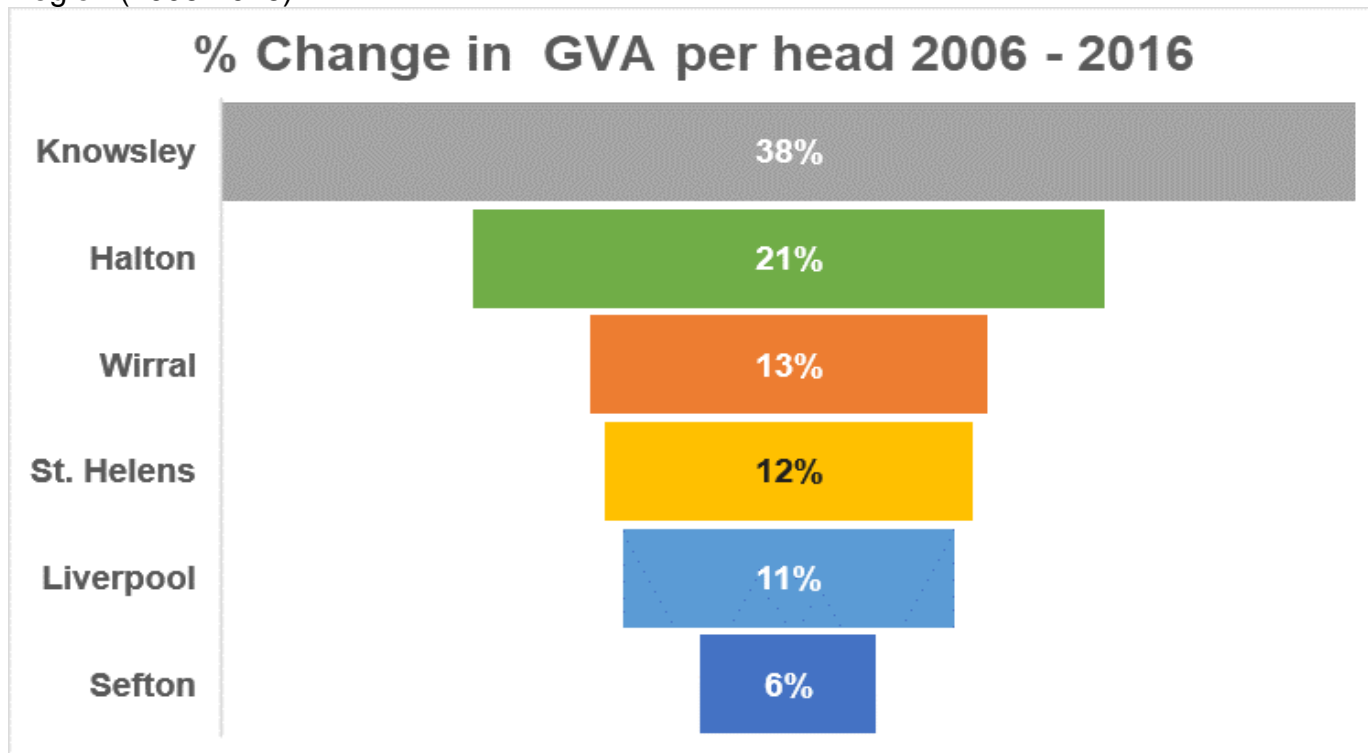


Source: [ONS Regional GVA\(I\) by Local Authority in the UK - Dec 2018 release](#)

There is a contrast in wealth creation across the region, with Wirral generating the least wealth per head across the Liverpool City Region (LCR). Increasing Wirral's GVA figure will require commitment to review and prioritise investment sites and infrastructure in the Borough (**figure 38**).

Wirral has seen economic growth since 2006 and GVA per head has increased by 13% since this time (**figure 39**), this is at a similar level to St Helen's and Liverpool's growth. Economic growth in Knowsley and Halton outstrips that of Wirral, and the rest of the LCR.

**Figure 39:** Percentage change in Gross Value Added per head population in Liverpool City Region (2006-2016)



Source: [ONS Regional GVA\(I\) by Local Authority in the UK - Dec 2018 release](#)

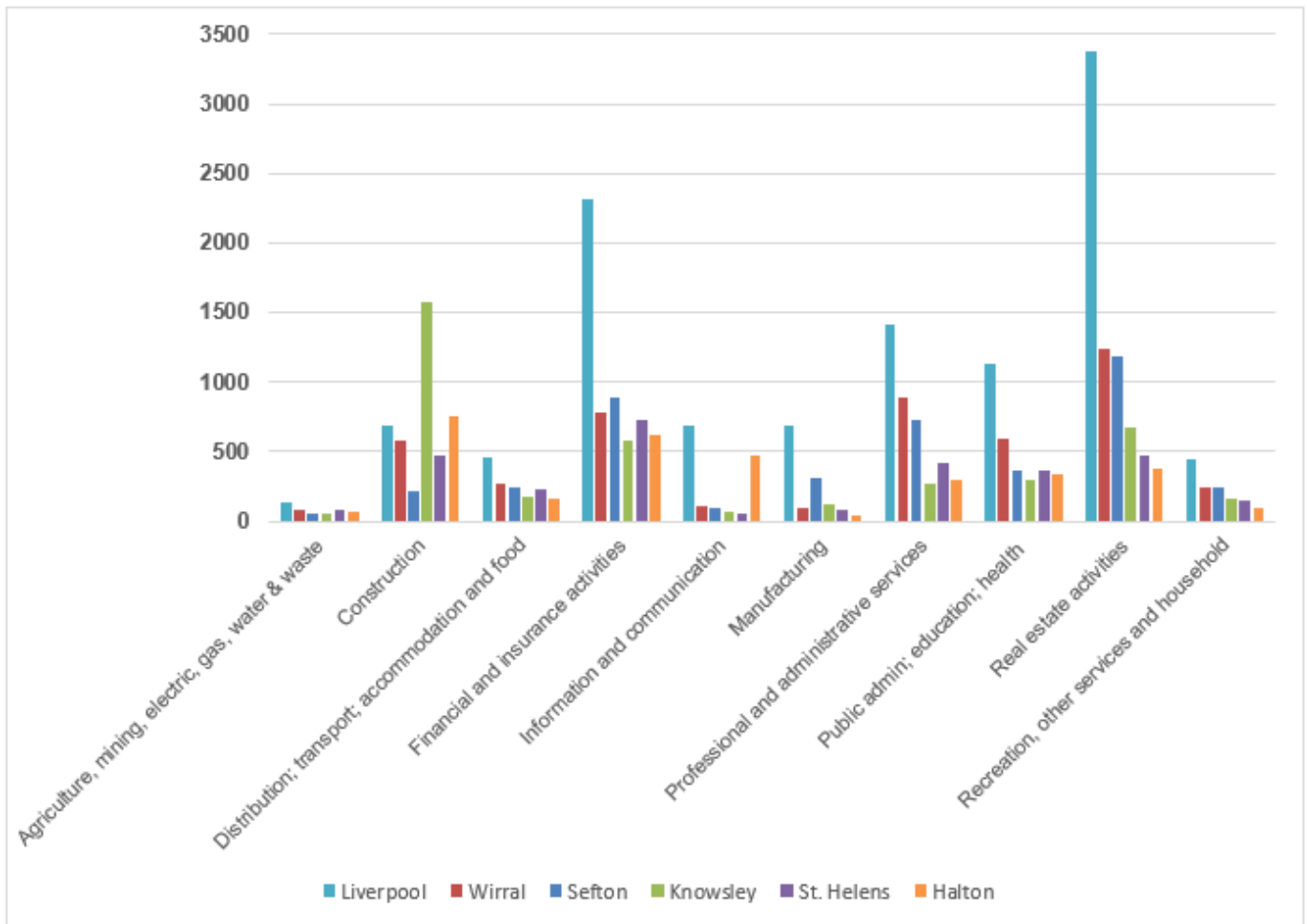
Wirral's biggest growth sectors have been in recreation, other services and household activities (35% increase since 2006) and Information and communication (29% increase) sectors. The biggest declines since 2006 have been in agriculture, mining, electricity, gas, water and waste (-35%) and Manufacturing (-11%).

**Figure 40** below demonstrates GVA on a sectorial basis across the City Region. By viewing GVA on a sector basis we can identify the main contributory industries. For Wirral, in 2016, public administration and real estate were the main GVA contributors.

As expected, Liverpool dominates the GVA sphere, with the exception of construction, (outstripped by Knowsley & Halton) (**figure 40**). Wirral is second only to Liverpool in the following sectors:

- Real estate.
- Professional and administrative services.
- Public administration, education and health.
- Distribution, transport, accommodation, food and recreation.
- Other services and household sectors.

**Figure 40: Gross Value Added by Sector across Liverpool City Region (2016)**

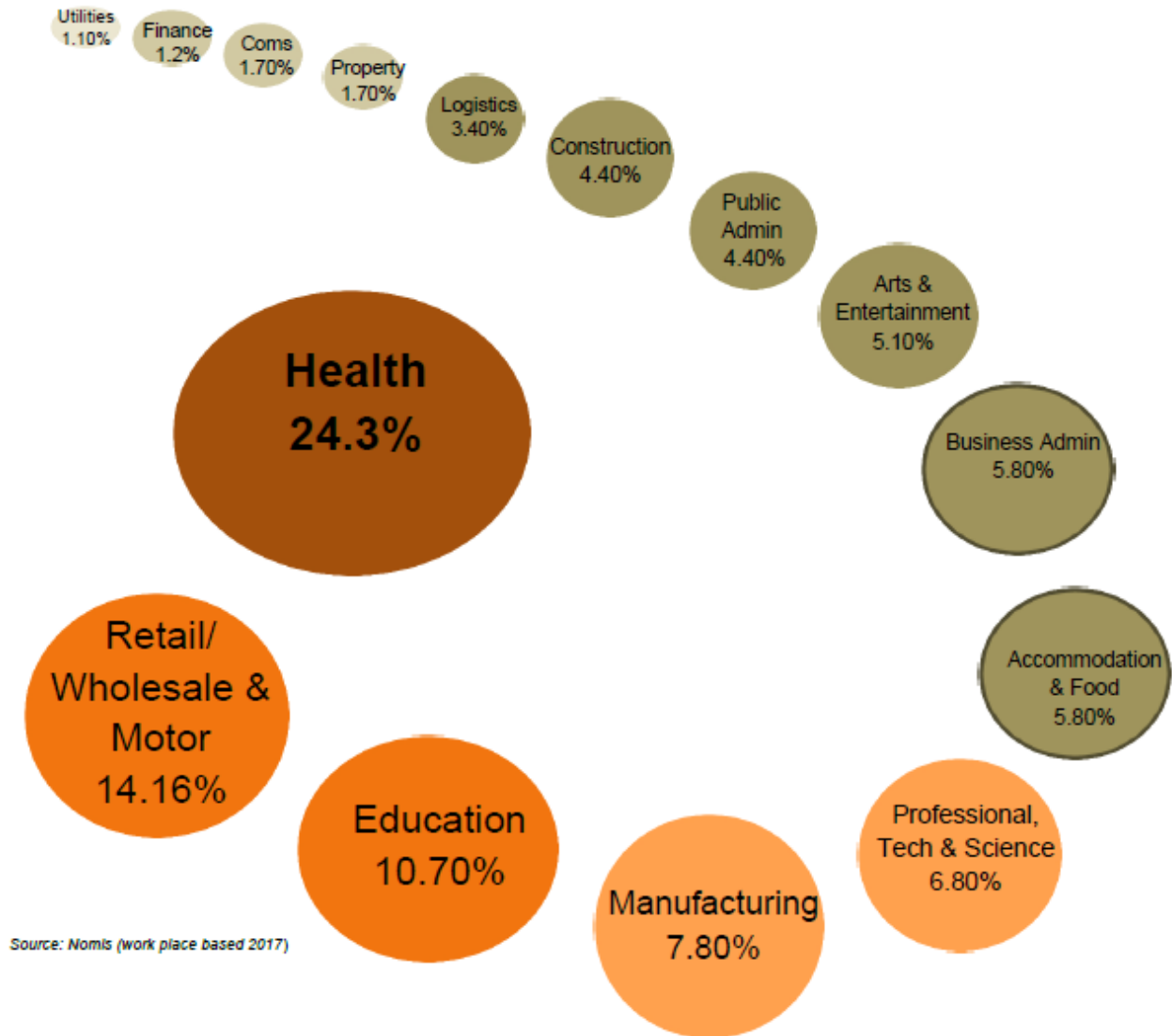


Source: [ONS Regional GVA\(I\) by Local Authority in the UK - Dec 2018 release](#)

## Employment Demography

Historically Wirral's main sources of employment were agriculture and latterly industrial work, with the docks, harbours and shipbuilding providing the bulk of employment to Wirral residents. In 2019 the health sector dominates Wirral's sectorial landscape, providing over 24% of Wirral's jobs (**see figure 41**). Health, along with 2 other sectors, (education & retail\*) account for over 48% of all employment in Wirral.

**Figure 41:** Wirral Employment Composition (workplace based 2017)



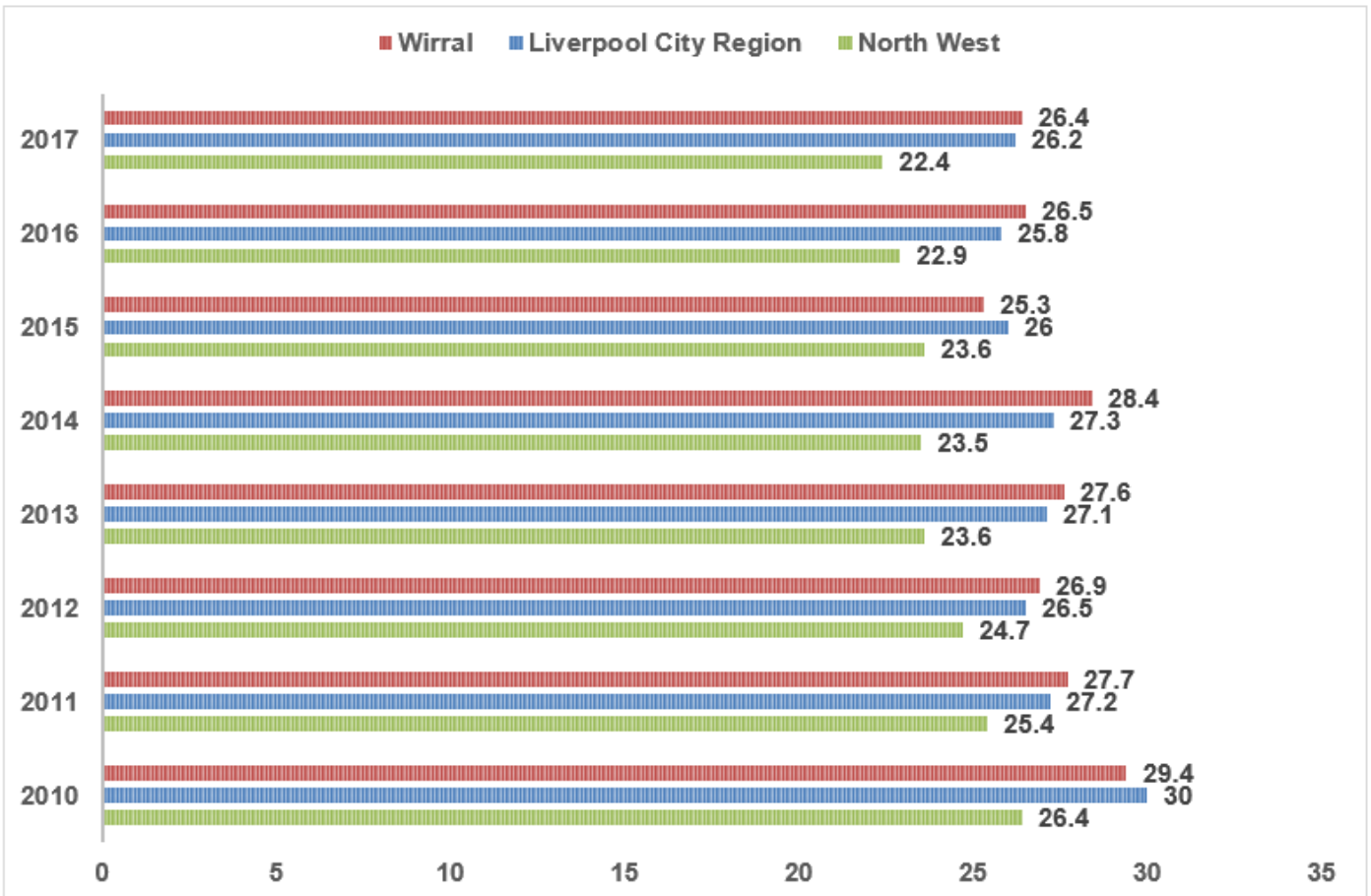
Source: [NOMIS report - Retail Employment Together with Wholesale and Motor Sector](#) (2018)

## Public and Private sector Employment

The public sector plays a fundamental role in Wirral's economy, employing a relatively large percentage of people.

In 2017 26.4% of all employment in the Borough is accounted for by the public sector. It is therefore important to look at employment growth on a public / private sector basis across the LCR, North West and at a National level (**figure 42**). Due to the large representation of public sector employment in Wirral, there is a particular vulnerability to the local economy.

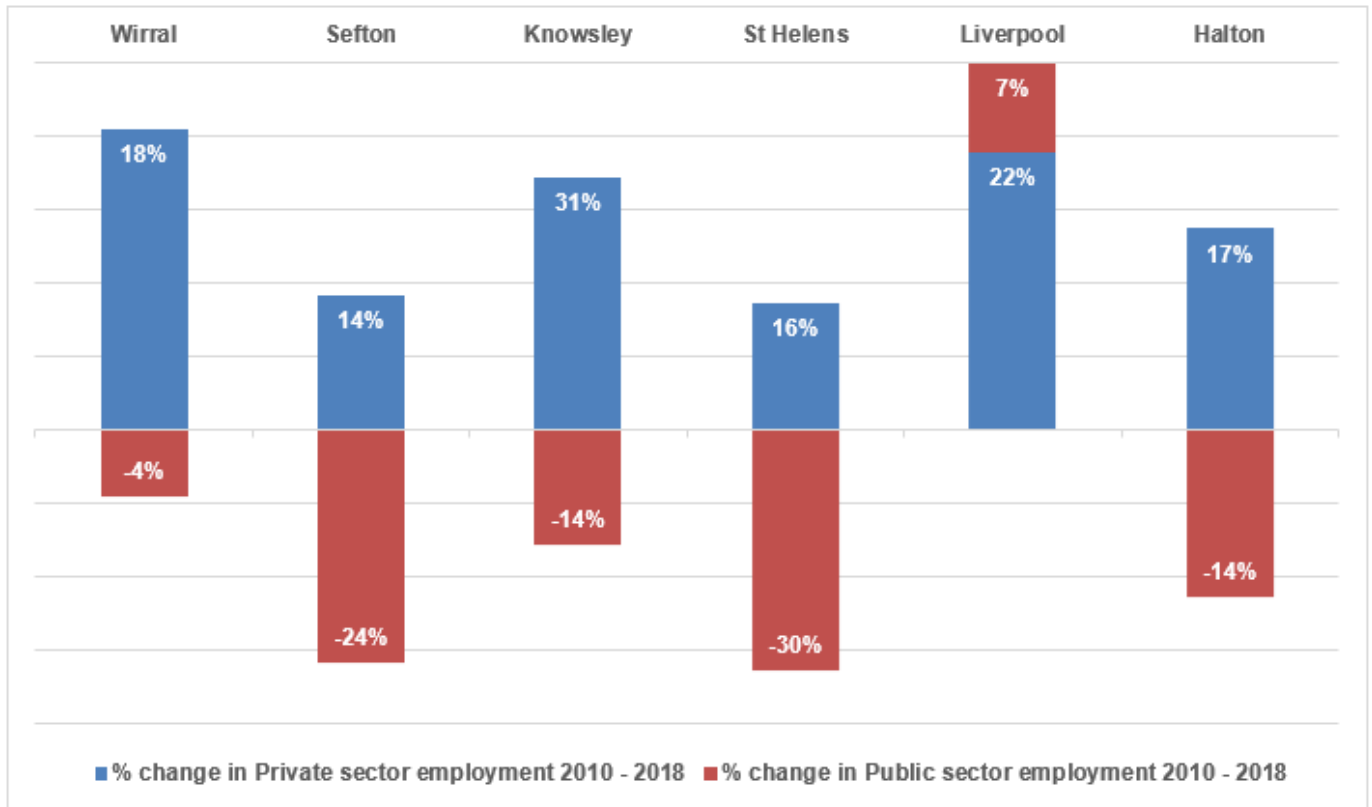
**Figure 42:** Percentage of employment in Public Sector by year, Wirral compared to Liverpool City Region and North West (2010 to 2017)



Source: [NOMIS: Percentage of public sector employment in local areas](#) (November 2017)

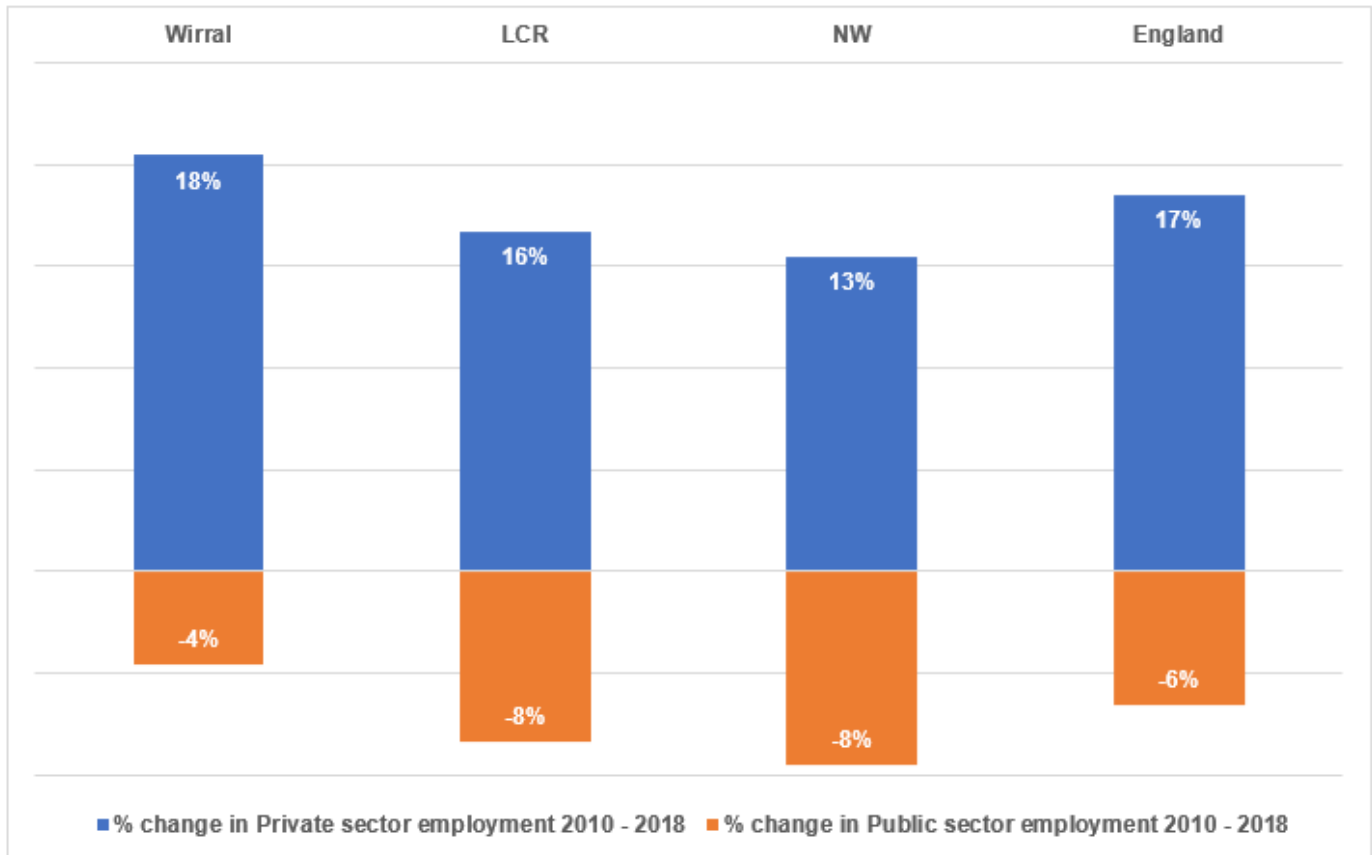
Whilst there has been a 4% drop in the total number of public sector jobs in Wirral between 2010 and 2018 (**figure 44**), public sector jobs in Wirral have diminished to a lesser extent than the region and the country (**figure 42**). When compared to the Liverpool City Region (LCR), only Liverpool has seen an increase (7%) in public sector jobs since 2010. The remaining LCR authorities have all seen decreases of 14% or more (**Figure 43**).

**Figure 43:** Shift in sector as percentage change in employment for Wirral and Liverpool City Region (2010 – 2018)



Source: [Nomis Annual Population Survey: All Persons employed in public sector employment & All Persons employed in private sector employment](#) (2018)

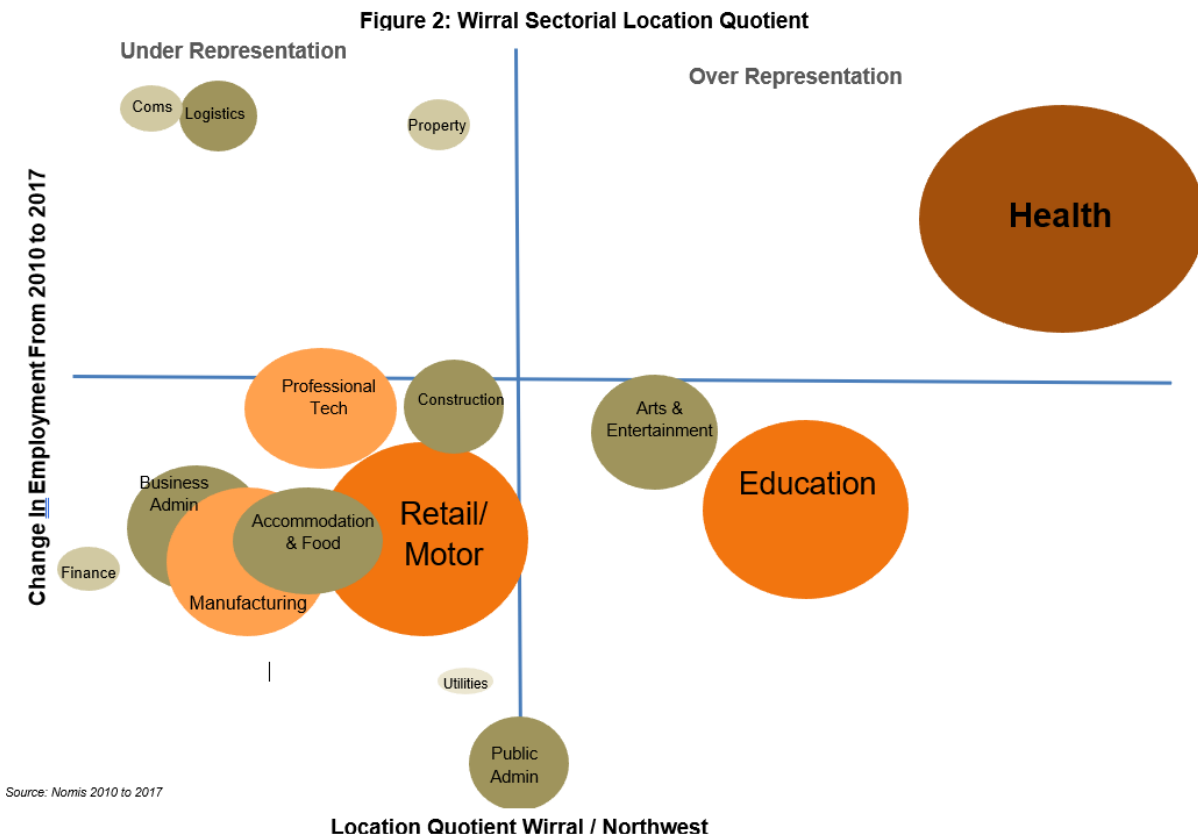
**Figure 44:** Shift in sector as percentage change in employment for Wirral, Liverpool City Region, North West Local Authorities and England (2010 – 2018)



Source: [Nomis Annual Population Survey: All Persons employed in public sector employment & All Persons employed in private sector employment](#) (2018)

It is important that any economy has a broad & varied business base that is not over reliant on any particular sector. A diverse economy is more resilient and provides greater opportunity for future growth. The chart below, **figure 45**, compares employment in Wirral (*by sector*) with that of the Northwest. The closer the bubble is to the point where the axes cross, the greater the similarity of Wirral's employment composition to that of the Northwest. The size of the bubble indicates the percentage of total employment in that sector during 2017.

**Figure 45:** Sectoral Location Quotient (2017)



Source: [Nomis](#) (2019)

Three main sectors are over-represented in Wirral, namely health, education, arts & entertainment. Health care and education jobs are primarily based within the public sector which places greater risk on employment within Wirral given the ongoing public sector retrenchment.

The main growth sectors for Wirral since 2010 are Information systems and communications [*identified as coms in the chart above*], logistics, health and property. Whilst it is encouraging to see growth in these sectors, they can often be low paid.

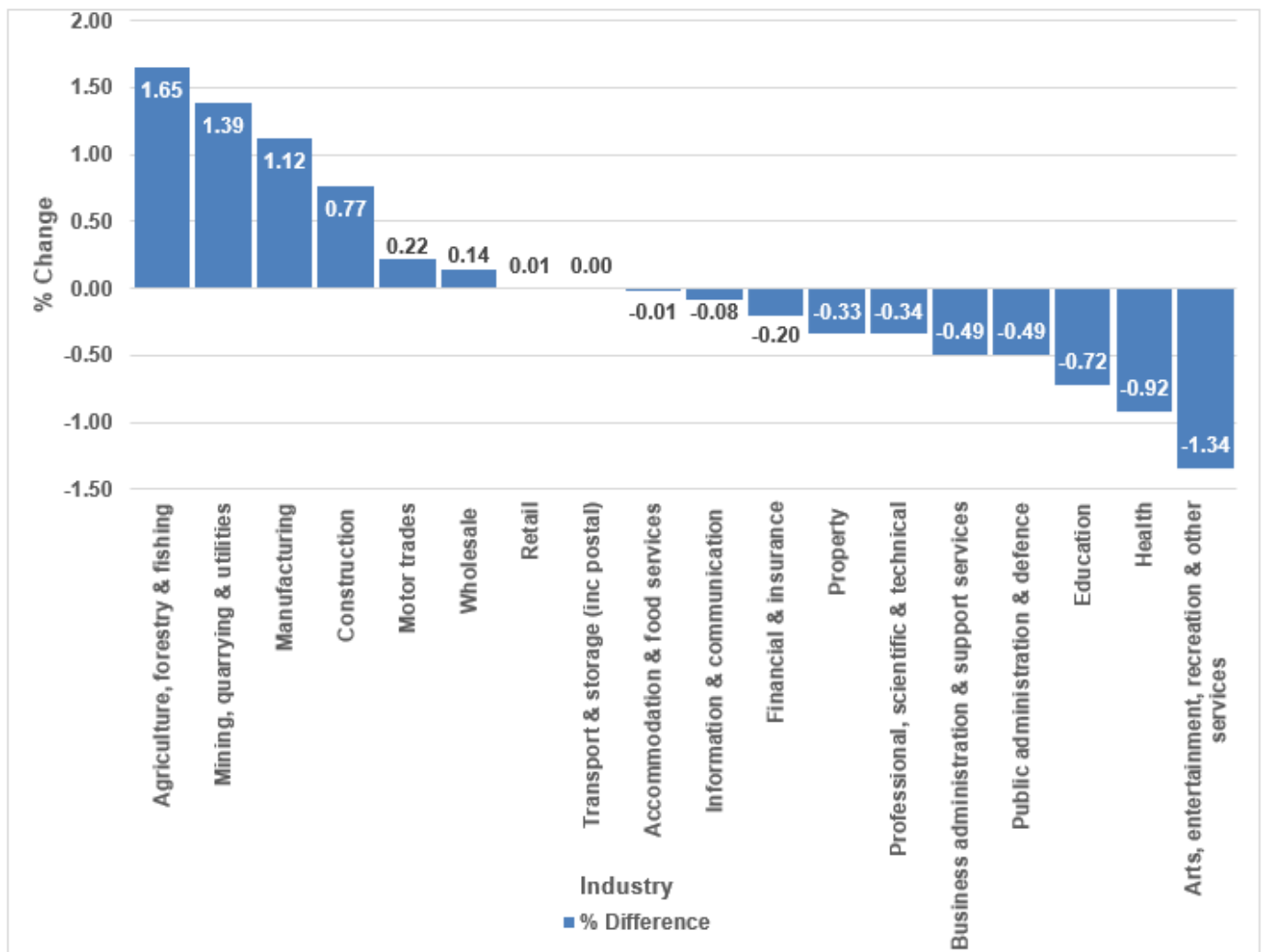
Meanwhile sectors that typically produce high value, well paid jobs, such as finance and professional tech are both underrepresented and experiencing stagnation in terms of growth. In fact, the illustration above shows most sectors in Wirral as a cluster within the bottom left quadrant meaning a lack of growth and representation.

It is vital that Wirral encourages growth in these high value sectors and shifts them towards the upper right quadrant to absorb the ongoing contraction of employment within the public sector and move away from an economy over reliant on low skilled/low wage employment.



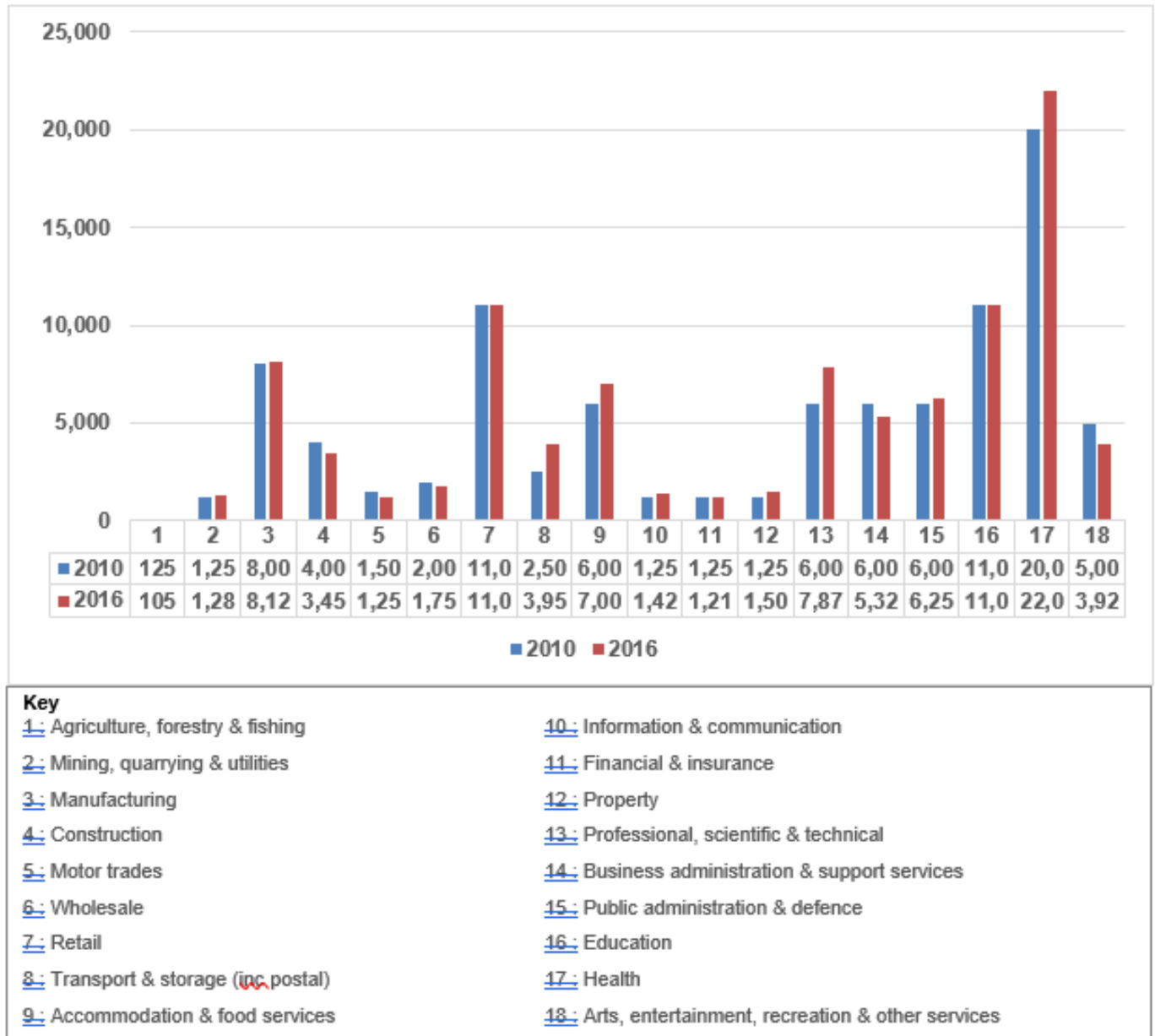
The below charts, **figures 46 and 47**, plot employment levels against the percentage shift in growth in each sector since 2010.

**Figure 46:** Wirral Highest Employing Industries and percentage change, between 2010 and 2016



Source: [Nomis Business Registrar & Employment Survey](#) (2018)

**Figure 47:** Number of employees by industry in Wirral, 2010 compared to 2016

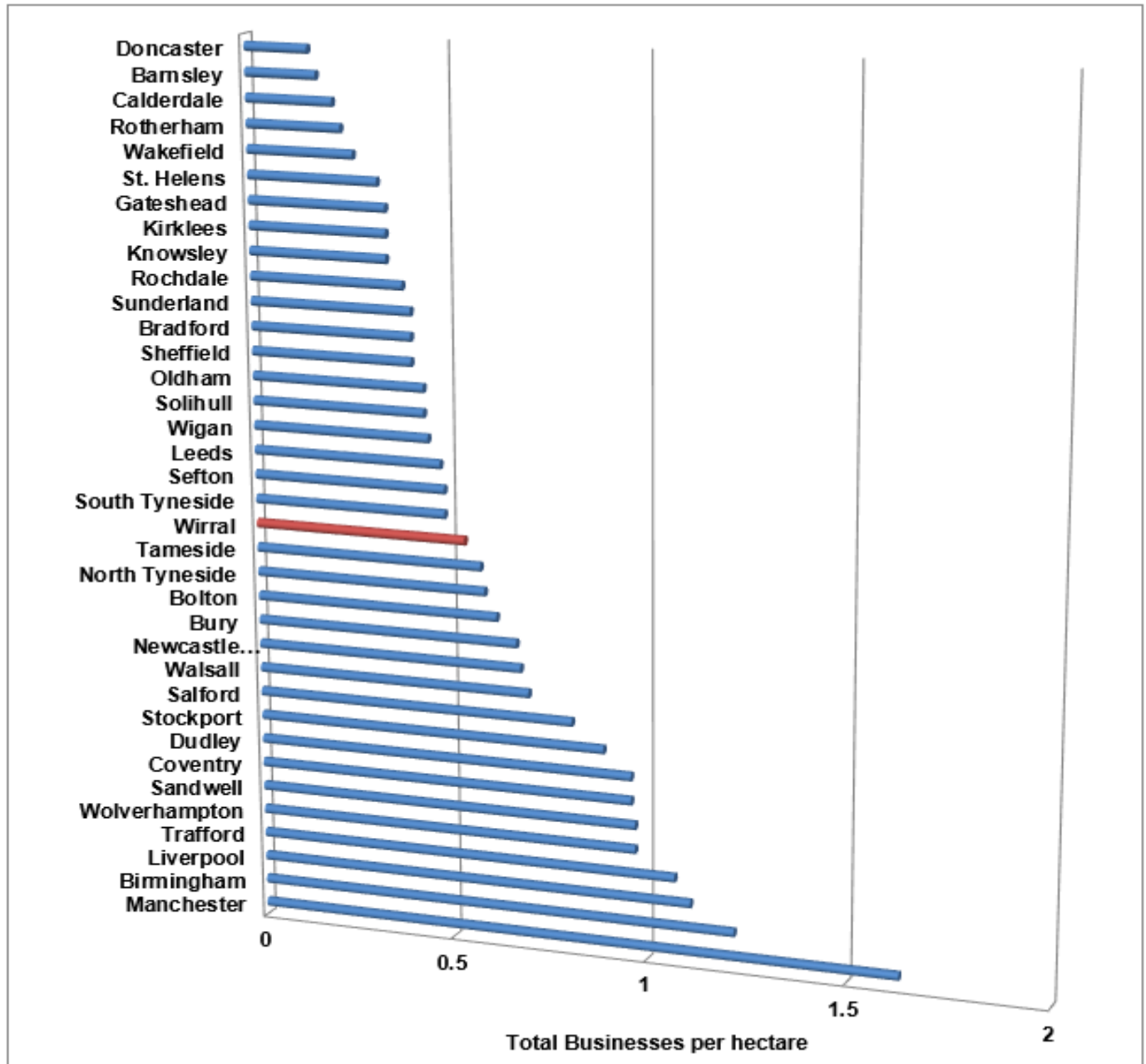


Source: [Nomis Business Registrar & Employment Survey](#) (2018)

## Labour Demand in Wirral

By looking at business density, it provides us with an indication of the employment opportunities available; the higher the business density, the higher the labour demand is likely to be within that area. Two illustrations have been used here to demonstrate the business density position in Wirral. **Figure 48** below looks at businesses in comparison to the geographical area of the Borough and **figure 49** portrays business density based on the number of private sector businesses in the UK per 10,000 adults population.

**Figure 48:** Labour Demand Business Density - Local Authority Area (2018)



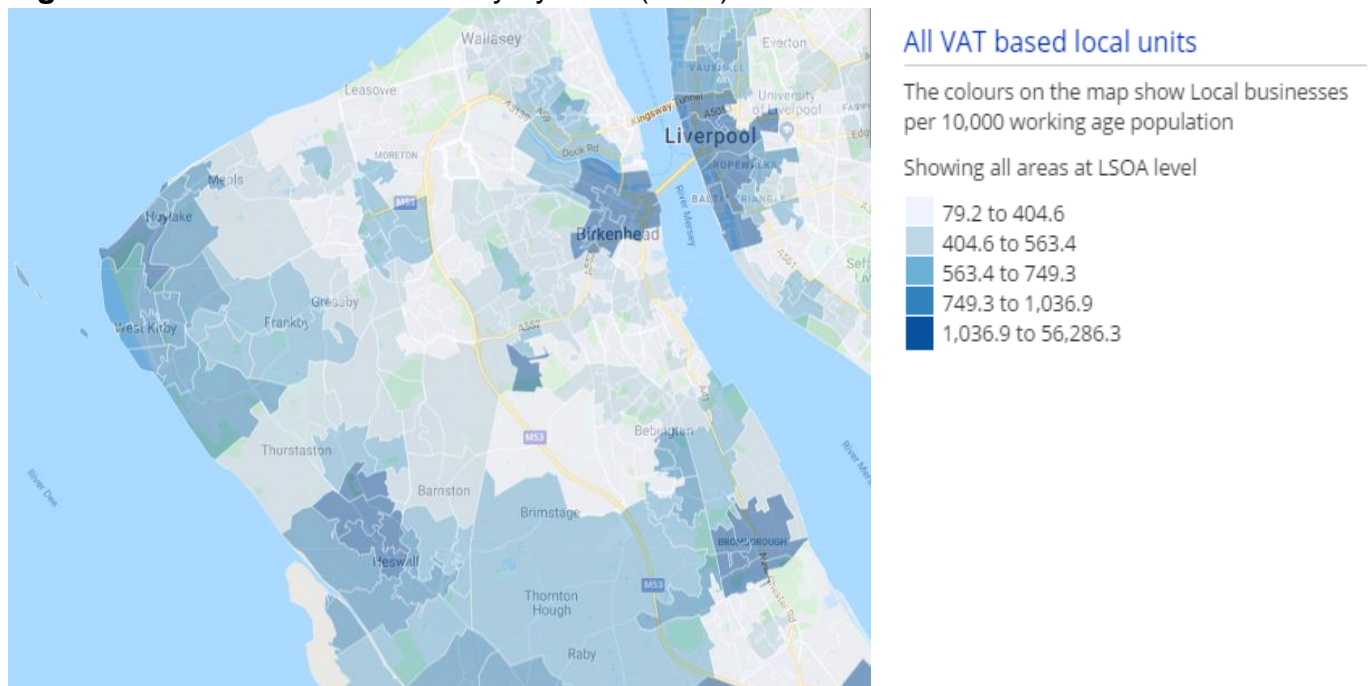
Source: [Nomis UK Business Counts](#) (2018)

In terms of the number of businesses per hectare, Wirral is relatively sparse, ranking 17<sup>th</sup> of the 36 Metropolitan Authorities with just over 0.5 businesses per hectare.

If a Borough has a low-level business density, it can create transport connectivity problems for employees both in terms of the sporadic concentrations of employers causing greater difficulty and increased travel time to commute as well as congestion around the more concentrated areas.

The below, **figure 49**, illustration details the concentration of business per 10,000 working age population:

**Figure 49:** Wirral Business Density by ward (2017)



**Source:** ONS, Business Register and Employment Survey (BRES) [sourced via Wirral Intelligence Service Local Insight Tool](#) (2019)

Businesses tend to be more numerous on the west side of the Borough, around Hoylake, West Kirby and Heswall, with the exception of a concentration in the region of Birkenhead town centre in the east.

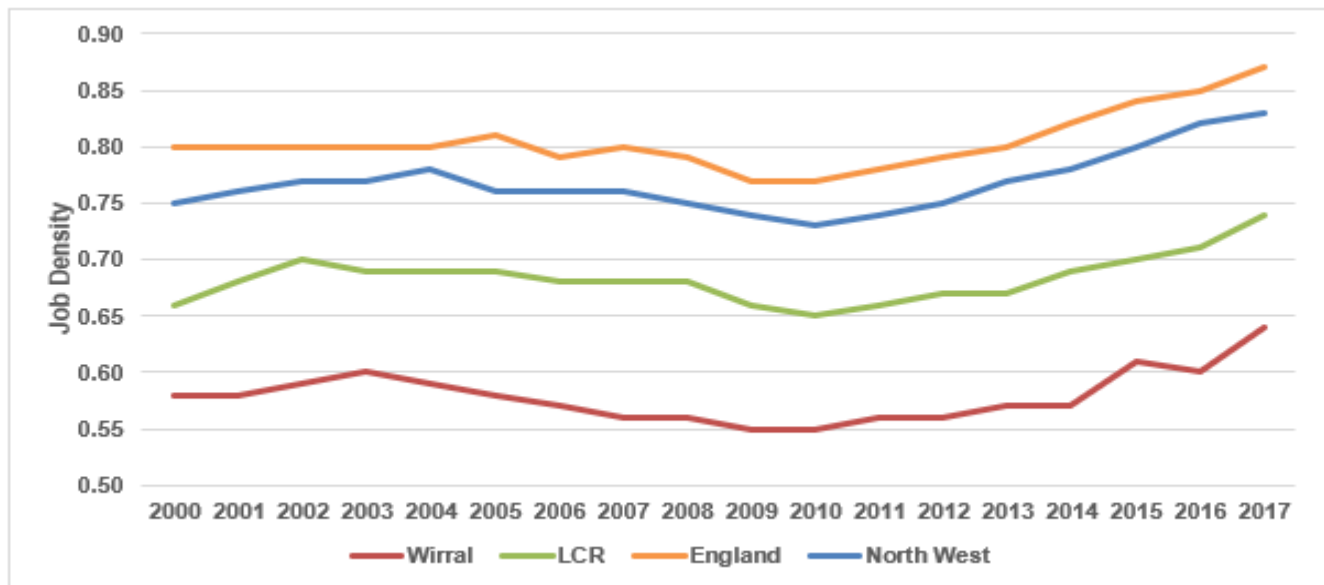
This is in line with the general prosperity distribution across the Authority, with the most deprived areas tending to be in the east, and the less deprived areas being in the west.

This east/west division is reflected in most aspects of the Borough's economic health. Business density within these areas are primarily linked to high concentrations of retail outlets.

The other main concentration of businesses is within Bromborough, home to Wirral's International Business Park and the Croft Retail site as well as other large industrial Business units along the riverside area. Job density represents the ratio of total jobs to working age population.

It is a very strong indication for labour demand within the area.

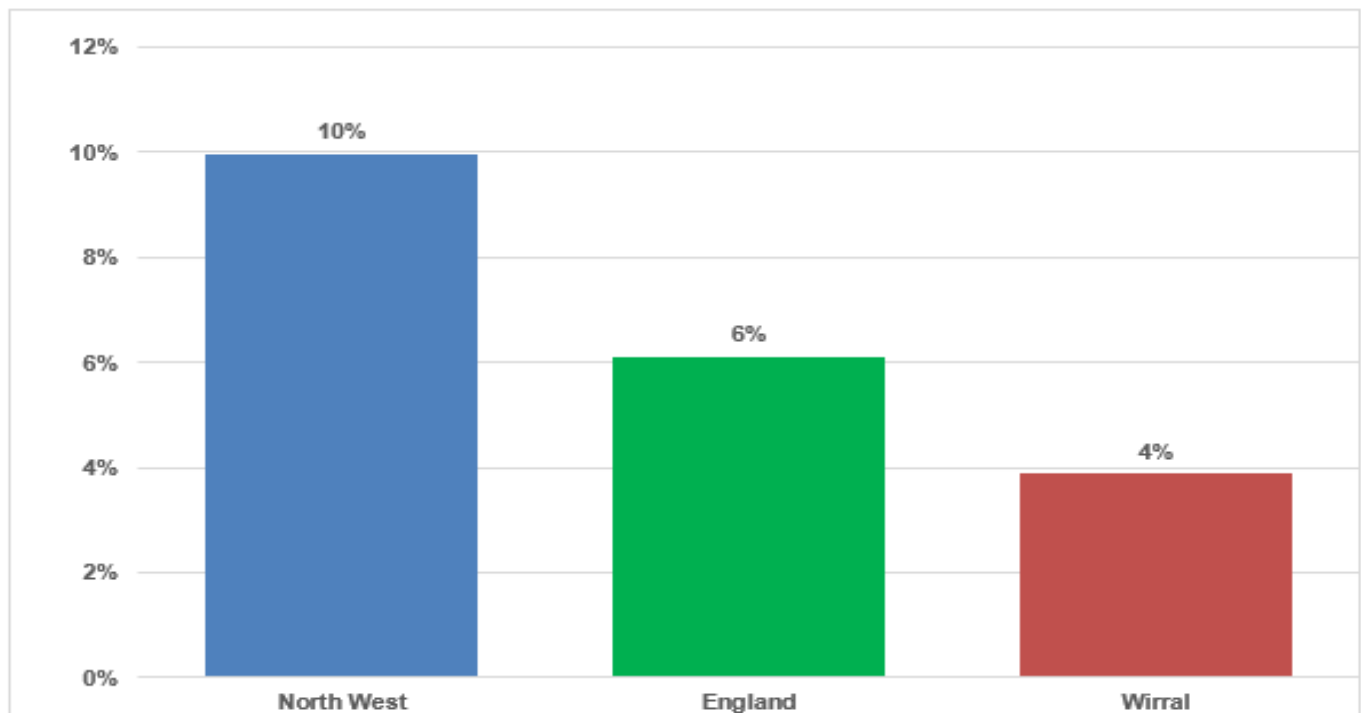
**Figure 50:** Job Density in Wirral Compared to Liverpool City Region, North West England and England (2000 – 2017)



Source: Labour Market Profile Wirral 2018  
<https://www.Nomisweb.co.uk/reports/lmp/la/1946157107/report.aspx?town=wirral#tabempocc>.

Wirral lags significantly behind England and the Northwest with just 6 jobs available for every 10 working age people (figure 50). To contextualise this however, it is known that in Wirral has a net outflow of labour to nearby Liverpool and Chester, plus a relatively large percentage (22%) of the working age population who are not economically active either due to taking early retirement, undertaking further education or out of work claimant. As a result, these factors ease the pressure on job demand.

**Figure 51:** Percentage change in job density for Wirral, North West and England (2000-2017)



Source: Labour Market Profile Wirral 2018  
<https://www.Nomisweb.co.uk/reports/lmp/la/1946157107/report.aspx?town=wirral#tabempocc>

Figure 51, above, demonstrates how Job density in Wirral has remained relatively static over the past 17 years, with just a 4% increase in this time. This is in comparison to the Northwest average which has seen an increase of 10% during the same period.

## Business Rateable Value

Business rates are a property tax based on the rateable (annual rental) value of non-domestic property. Rateable values are provided by the Valuation Office Agency (VOA) and are calculated according to methodologies and assumptions laid down in statute. The VOA is an Executive Agency of Her Majesty's Revenue and Customs (HMRC).

Each 'property' which is separately listed on the VOA's rating list is known as a hereditament. The term hereditament can apply to just part of a building, a whole building, or non-building such as car parks, hoardings, cash machines. Note that decisions on whether multiple spaces can be assessed as a single hereditament are determined by the VOA.

To calculate a bill for each 'property', a multiplier, which is set nationally, and index linked to Retail Price Index (RPI), is applied to the rateable value. For 2018-19 this is:

- Standard: 49.3 pence in the pound for properties with a rateable value above £51,000;
- Small Business: 48.0 pence in the pound for properties with a rateable value below £51,000.

The VOA regularly publishes data on Non-Domestic Rating: Business Floorspace by Local Authority. The most up-to-date information is based at 2016 and provides information on the number, floorspace and value of the stock of rateable hereditaments by sector and geographic location.

The VOA Non-Domestic Rating identifies average rateable values for the current 8,000+ Wirral businesses as detailed in **Table 9** below.

**Table 9:** Actual Average Rateable Value by Wirral Property Type (2016)

Type	Value
Office	£71 per sqm
Retail	£111 per sqm
Industrial	£30 per sqm

**Source:** VOA Non-Domestic Rating: Business Floorspace by Local Authority 2016<sup>17</sup>  
<https://www.gov.uk/government/statistics/non-domestic-rating-business-floorspace>

These averages are based on existing stock across the Borough; for forecasting purposes we therefore need to recalibrate potential averages which account for potential increases in rateable values associated with newly constructed properties. A benchmarking exercise has therefore been undertaken to produce new average values as shown in **Table 10**.

The benchmarking exercise revealed a wide variance in rateable values across Wirral dependent on location and nature of use. For office units, rates varied depending on location but averaged at £91sqm. For newly constructed Grade A office space, a potential rateable value of £140 could be achieved, based on comparable benchmarks across the Liverpool City Region. For retail units, large stores such as Aldi and Asda typically achieve between £150 and £300sqm, with shopping centres such as the Pyramids and Cherry Tree rating in excess of £300sqm.

For smaller retail units, the values ranged significantly depending on location, with values of £70sqm in Seacombe compared with over £350sqm in higher value areas such as West Kirby and Heswall. The rateable values for industrial uses are generally consistent, ranging from £30sqm in the areas surrounding the Birkenhead Docklands to £50-£60sqm for modern premises in Bromborough and around the A41.

<sup>17</sup> Note for public houses, the rateable value is based on the annual level of expected trade; and by bed-space for accommodation

**Table 10:** Forecast Average Rateable Value by Wirral Property Type <sup>18</sup>

Type	Value
Office (B1a)	£91 per sqm
Retail (A1, A2, A3)	£240* per sqm
Industrial (B1b/c)	£50 per sqm
Industrial (B2, B8)	£42 per sqm
Public Houses (A4)	£48,750 per unit
Hotels (C1)	£87,000 per unit
Leisure	£130,000 per unit

**Source:** Internal Benchmarking using data from Wirral Council Business Rates & Place and Investment Team (2018) using Analyse Local Dashboard.

In addition to the impact of multipliers, assignment of hereditaments and valuations as outlined above, there are numerous factors which impact on NDR yield for the Local Authority.

### Business Rate Reliefs

The total rate relief applied in Wirral is approximately £18.4m per annum (total rates charge 2017/18 was £90.8m and net collectable was £72.4m). Of this £18.4m, over half was for small business rate relief at £9.5m.

### Small Business Rate Relief

100% relief for properties with a rateable value of £12,000 or less. For properties with a rateable value of £12,001 to £15,000, the rate of relief is eligible to a gradual taper from 100% to 0%. Charities and some education providers (Further Education, Higher Education) receive 80% exemption relief.

In the Spring Budget 2017, the Chancellor confirmed an additional package of support to help businesses in England, including those facing the steepest increases in business rates following the revaluation. This includes:

- support to small businesses losing Small Business Rate Relief or rural rate relief meaning none of these businesses will face an increase in 2017/18 of greater than £600 a year or £50 a month;
- a discretionary fund to councils to support those most affected by the 2017 revaluation;
- £1,000 business rates discount for pubs who have a rateable value of less than £100,000;
- transitional relief to help with the revaluation capping and phasing in any rise in bills.

Wirral Council can reclaim local discounts from Government via Section 31 Grant refunded on a defrayal basis up to a maximum allocation which is tapering down over the next few years; currently standing at approx. £0.5m.

### Business Rate Exemptions

Business rates are generally not payable on:

- agricultural land and buildings, including fish farms;
- buildings used for training or welfare of disabled people, including nursing homes;
- buildings registered for public religious worship or church halls;
- Bed & Breakfast accommodation with less than 6 lettable bedrooms.

### Empty Properties

There are a number of 100% exemptions to payment.

- Vacant Units – business rates are not payable on empty properties for 3 months. After this time, full liability returns so long as the property is classed as a habitable/useable space. Further to this some vacant units can get extended empty property relief: industrial premises (for example warehouses) are exempt for a further 3 months;

<sup>18</sup> Wide variance anticipated

listed buildings - until they're reoccupied;

- Buildings with a rateable value under £2,900 - until they're reoccupied;
- Properties owned by charities - if the next use is predominantly for charitable purposes;
- Community amateur sports clubs' buildings - if the next use is predominantly for sports.
- New Builds – eligible for up to 6 months grace period following completion of build until deemed occupied/useable space.

### **Collection Rates**

Local Authority collection rates clearly impact on Non-Domestic Rate yield. Wirral's annual collection rate is 'good' averaging at 97% over the last 8 years. Further comparator analysis on Wirral's collection rate is outlined in section 3 of this report. 99% of receipts are retained by Wirral Council, with 1% allocated to emergency services.

### **Revaluations**

The Valuation Office Agency (VOA) is responsible for valuation of properties with revaluation exercises typically occurring every 5 years. Where there is evidence of significant change, an organisation, be that the Local Authority or individual businesses, can submit a request for revaluation due to a change in circumstances, new buildings etc. Significant disruption to business over a prolonged period (typically 6+ months) can also trigger revaluations. This is particularly pertinent to our forecasting of impacts to yield for large scale re-development; for example, when ASDA was under construction in Birkenhead, the surrounding businesses received temporary reductions in their valuations. Typical temporary reductions are -7% for the immediate area and -3.5% for adjacent/surrounding areas.

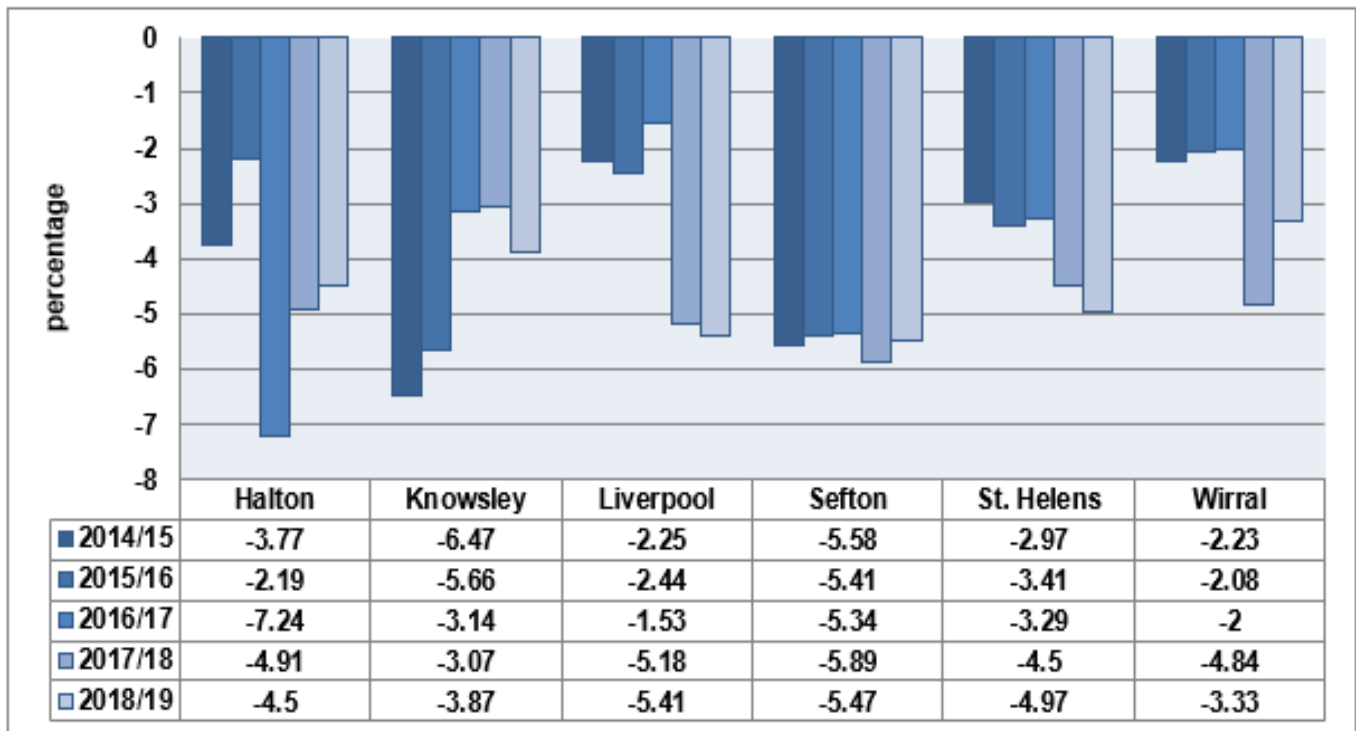
### **Appeals**

The business rates system allows for occupiers to appeal against the values assigned to their properties. The impact of appeals on business rate income is complex; appeals are often backlogged, take significant time to resolve and increase in scale following periodic revaluation exercises. Appeals are a major source of income uncertainty and exposure and form one of the most significant factors impacting on variability in yield.

This warrants further analysis to attempt to identify historic patterns to support assessment of future impact. As **Figure 52** shows, the majority of Wirral's appeals come following 5 yearly revaluations, as is the picture for authorities up and down, however the difference is particularly apparent when compared with the rest of the city region. Wirral's business rate appeals as a percentage of potential yield saw a marked change from -2% to -4.84% from 2016/17 to 2017/18 following revaluation.



**Figure 52:** Liverpool City Region Historic Business rates appeals as percentage of potential yield between 2014/15 and 2018/19<sup>19</sup>



Source: [Local Government Association Financial Sustainability Analysis](#) (2018/19)

Wirral's business rates appeal as a percentage of potential yield remained low compared to the other boroughs in the city region at around -2% up to 2016-17. The marked increase following revaluation illustrates the inconsistency in yield impacts, severely affecting the Council's ability to accurately forecast potential future losses.

The council are, however, required to independently assess and report annually how much should be set aside as provisions for appeals. For year 2018-19 Wirral's provision for appeals was set at -£638,008. The number of outstanding appeals currently with the Valuations Office stands at 538. This total has remained steady since March 2018, however spiked markedly from 108 to 538 in a 3 month period from January to March 2018.

In Wirral, large retail spaces, as the higher value hereditaments, account for the highest value appeals, Tesco and Asda to name a few. Another notable local example is the recent wastewater treatment works appeal resulting in revaluation and £6m impact on receipts.

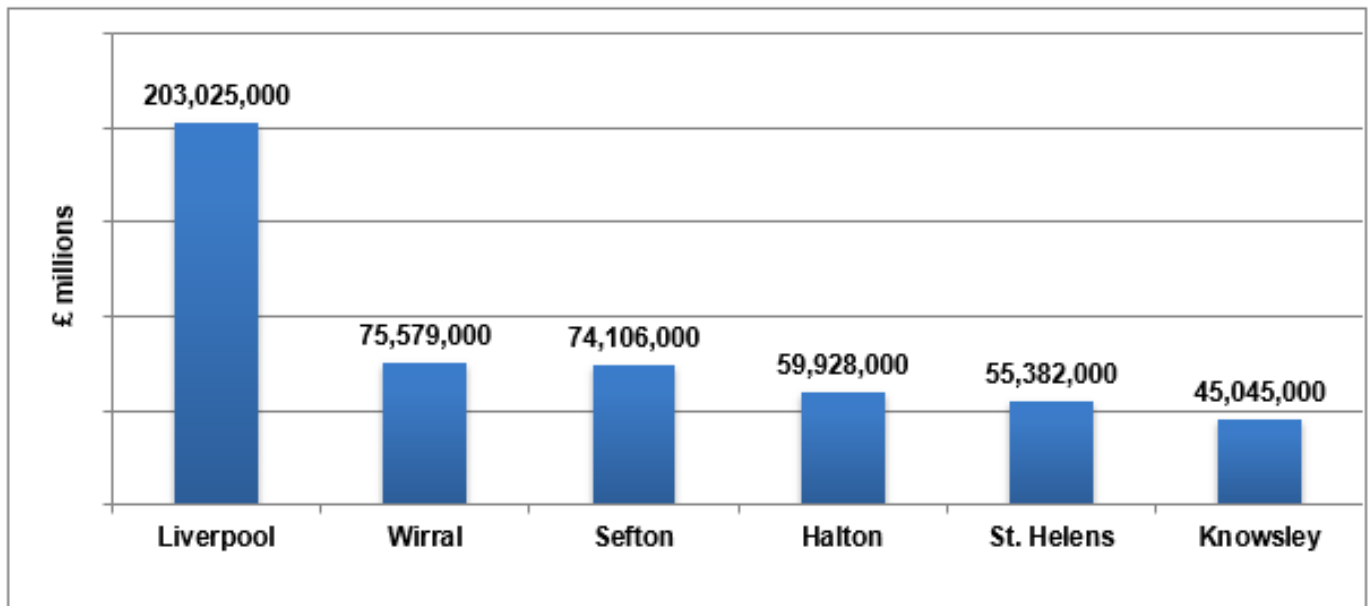
A number of key indicators have been assessed to provide a comparative analysis of Wirral's Non-Domestic Rate (NDR) yield performance. These include NDR net collectable debt, NDR collection rates and NDR total receipts. The comparator areas selected for this exercise are the Liverpool City Region Local Authorities and the Chartered Institute of Public Finance and Accountancy (CIPFA) benchmarking group currently used by the Council's business rates team.

### Liverpool City Region

As **Figure 53** shows, Wirral had the second highest NDR net collectable yield in the LCR group in 2016-17. This is just slightly higher than Sefton which has a similar business profile – a high number of micro businesses and a low number of large businesses.

<sup>19</sup> Local Government Association Financial Sustainability Analysis shows estimated business rates appeals as a share of total collectable business rates in an area. Calculated as ((Estimated repayments in respect of rates payable: Total) / (Net rates payable: Sum taking account of transitional adjustments: Total))\*100.

**Figure 53:** Liverpool City Region estimates in year Non-Domestic Rate net collectable debit (£000s) - 2016-17



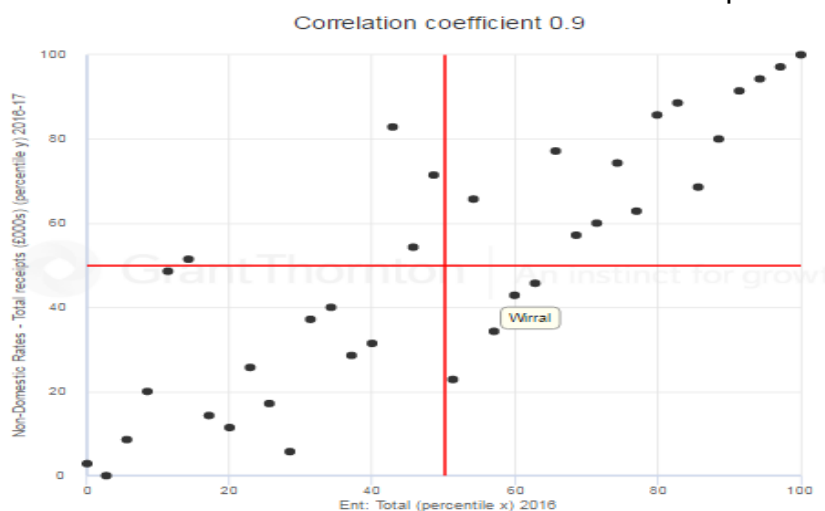
Source: [National non-domestic rates collected by councils in England](#) (2018)

It is also worth noting that in terms of the percentage NDR collection rate, Wirral sits fourth against the other Liverpool City Region (LCR) authorities. Wirral's collection rate for 2016/17 sat at 97.56% behind Sefton which had the highest rate of collection at 99.26%. All boroughs however show good rates of collection and differences are marginal which suggests little room for improvement in this area.

When assessing Wirral's position in relation to Non-Domestic Property Counts it is interesting to see that Wirral has a high number of total non-domestic properties compared to the wider LCR Group, with only Liverpool ahead of Wirral. This high enterprise unit count however, does not equate to performance in rate receipts which suggests Wirral is not maximising its business demography for income. The data shows that Wirral has a disproportionately low number of office units with high rateable values.

**Figure 54** illustrates this position. Wirral is placed in the lower right quadrant of the chart indicating a high proportion of Small and Medium Enterprises (SMEs), low number of larger/high value businesses and therefore relatively low value yield. Ideally Wirral would wish to place within the top right quadrant. This illustrates the complexities in Wirral's business rate make up. Although Wirral has a high number of businesses, they are only returning a low yield.

**Figure 54:** Correlation of Total Businesses to Total Business Rate Receipts in Wirral

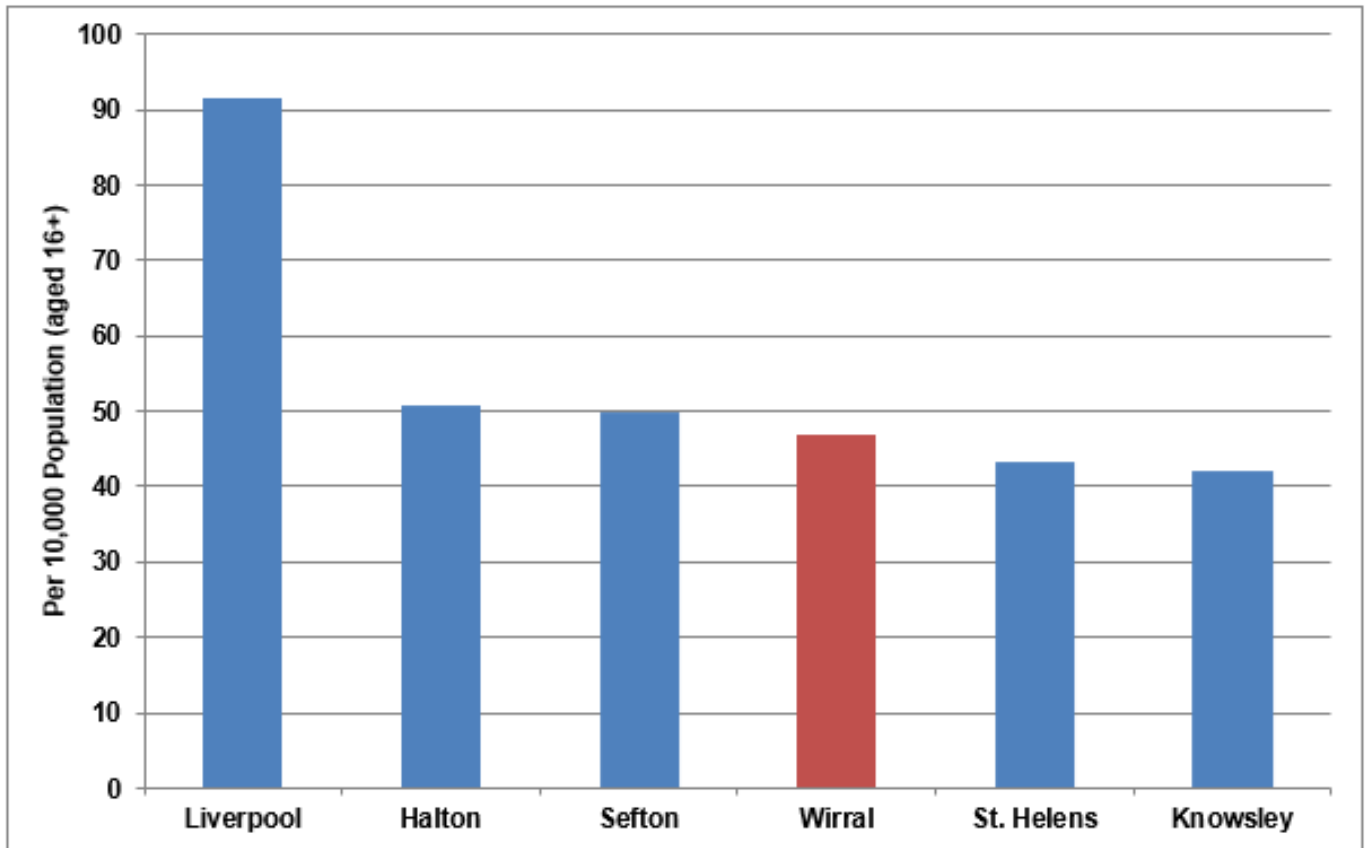


Source: Unknown (2019)

## Business Start-up Rates

New business enterprises are vital to the long-term health of the economy as economic growth and the businesses that drive it invariably start locally.

**Figure 55:** Rate of Births of new enterprises Liverpool City Region, 2017

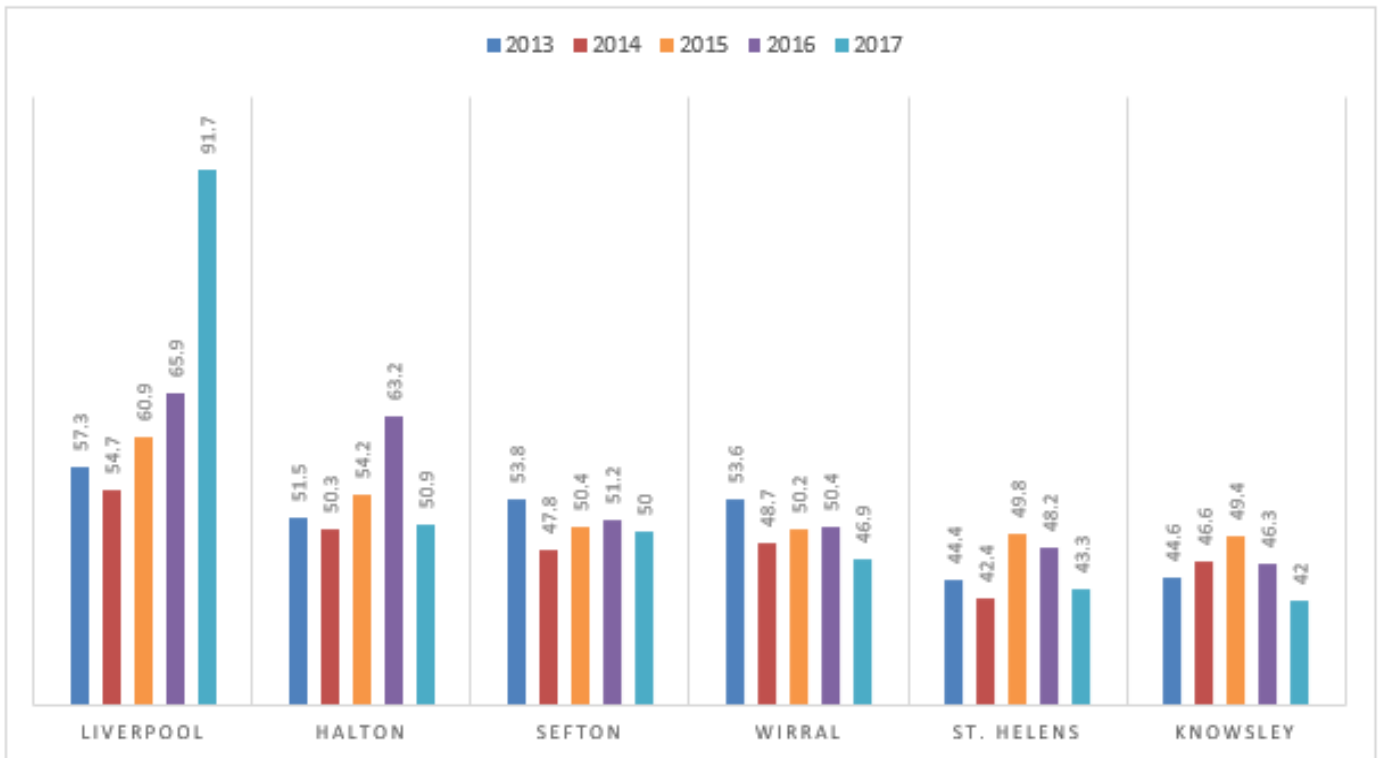


**Source:** [Interdepartmental Business Register \(IDBR\), Rate of births of new enterprises per 10,000 resident population aged 16 and above \(2017\)](#)

As expected, Liverpool has by far the highest rate of new businesses per 10,000 population in comparison to the rest of the Liverpool City Region (LCR). Wirral has the 4<sup>th</sup> highest but there is little between the rest of the LCR with the range from 50.9 to 42 businesses per 10,000 population (**figure 55**).

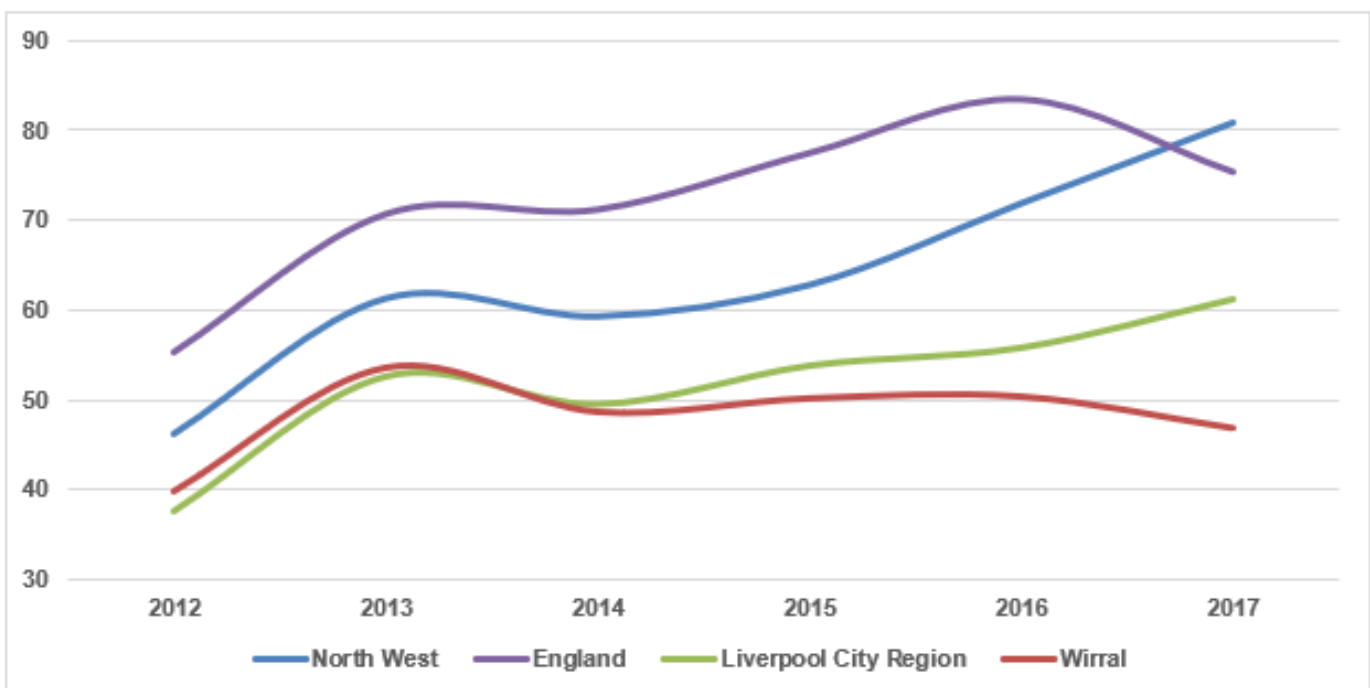
New Business start-up rates in Wirral have been relatively stagnant in the last 5 years and are on a downward trajectory (**Figure 56**). The picture is similar for other LCR Authorities; only Liverpool has shown any real growth with is accounting for the average increase across the LCR.

**Figure 56:** Rate of New Business Enterprises in Liverpool City Region, 2013 to 2017



Source: [Interdepartmental Business Register \(IDBR\), Rate of births of new enterprises per 10,000 resident population aged 16 and above](#) (2017)

**Figure 57:** Rate of Births of New Enterprises Wirral compared to Liverpool City Region, North West and England, 2012 to 2017



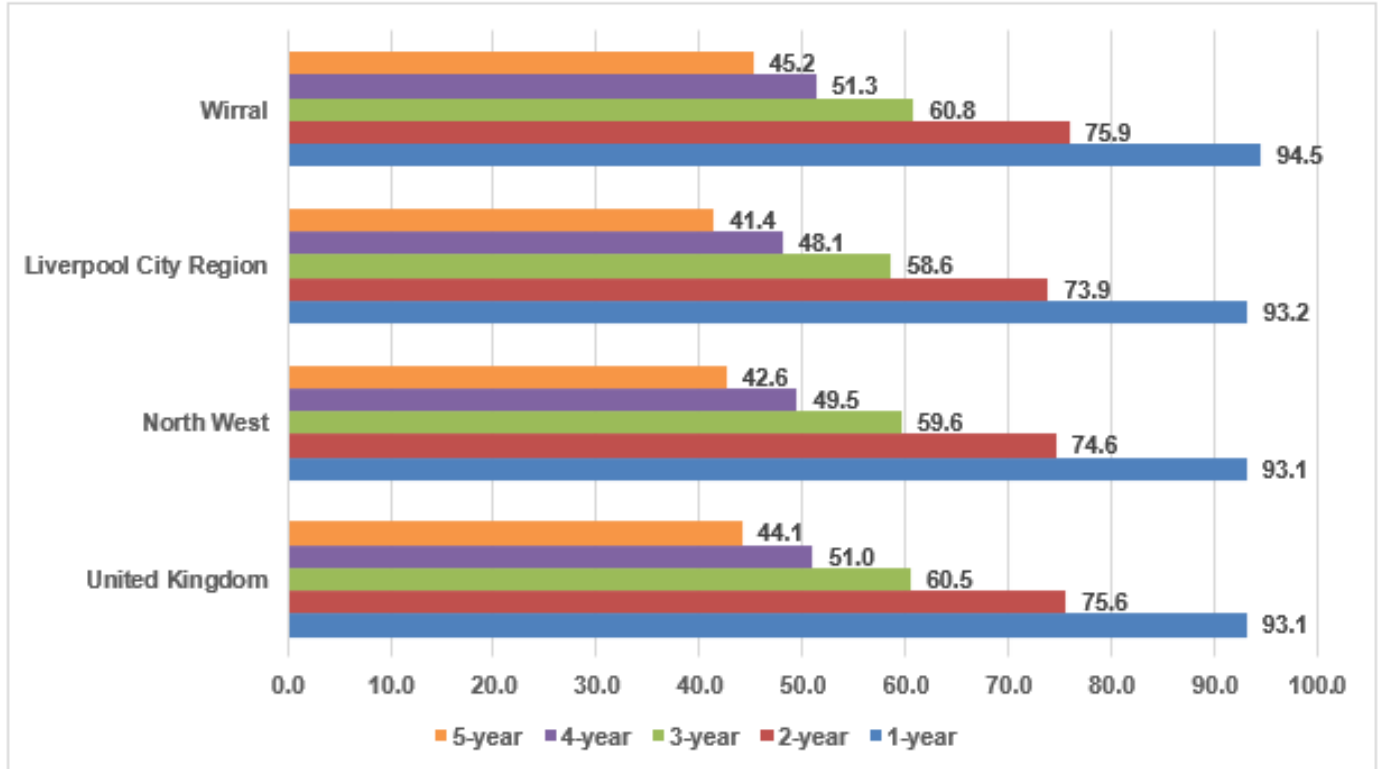
Source: [Interdepartmental Business Register \(IDBR\), Rate of births of new enterprises per 10,000 resident population aged 16 and above](#) (2017)

Despite the positive trajectory of business numbers in Wirral, rates of new business registration are lower than that of England and the Northwest (**figure 57**). They have been comparable to that of the Liverpool City Region (LCR), following the trend of comparison groups until 2015 and 2016, at which point Wirral's rate plateaued in comparison. Wirral is also amongst the lowest quartile of English Authorities for new business registration rates.

## Business Survival Rates

The below chart (**figure 58**), shows the proportion of new businesses created since 2011 that were still in business year upon year.

**Figure 58:** Wirral business survival rate (5 year) compared to Liverpool City Region, North West and United Kingdom (births 2011)



Source: [ONS Business Demography: Survival of Newly Born Enterprises](#) (2018).

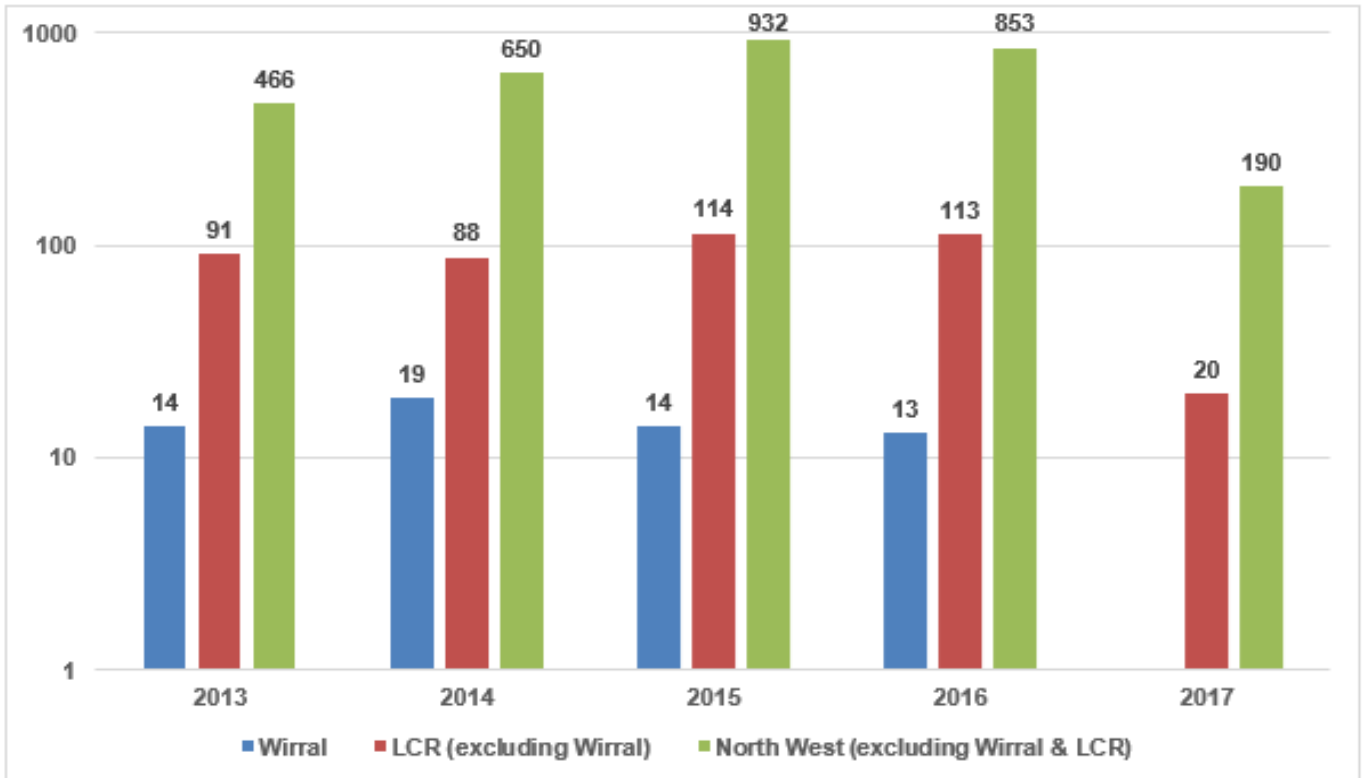
Figures for Wirral show that survival rates are marginally higher than the Liverpool City Region (LCR), Northwest and UK average. Business Survival Rates stood at 94.5% after 1 year in Wirral and 45.2% after 5 years.

In comparison, the Northwest had business survival rates of 93.1% after 1 year and 42.6% after 5 years.

## Patent Applications

Technology and knowledge are important factors for economic growth, the government have recognised this fact through offering tax relief on research & development projects to encourage innovation. By monitoring patent applications, it provides a better understanding of the representation of innovation within an area.

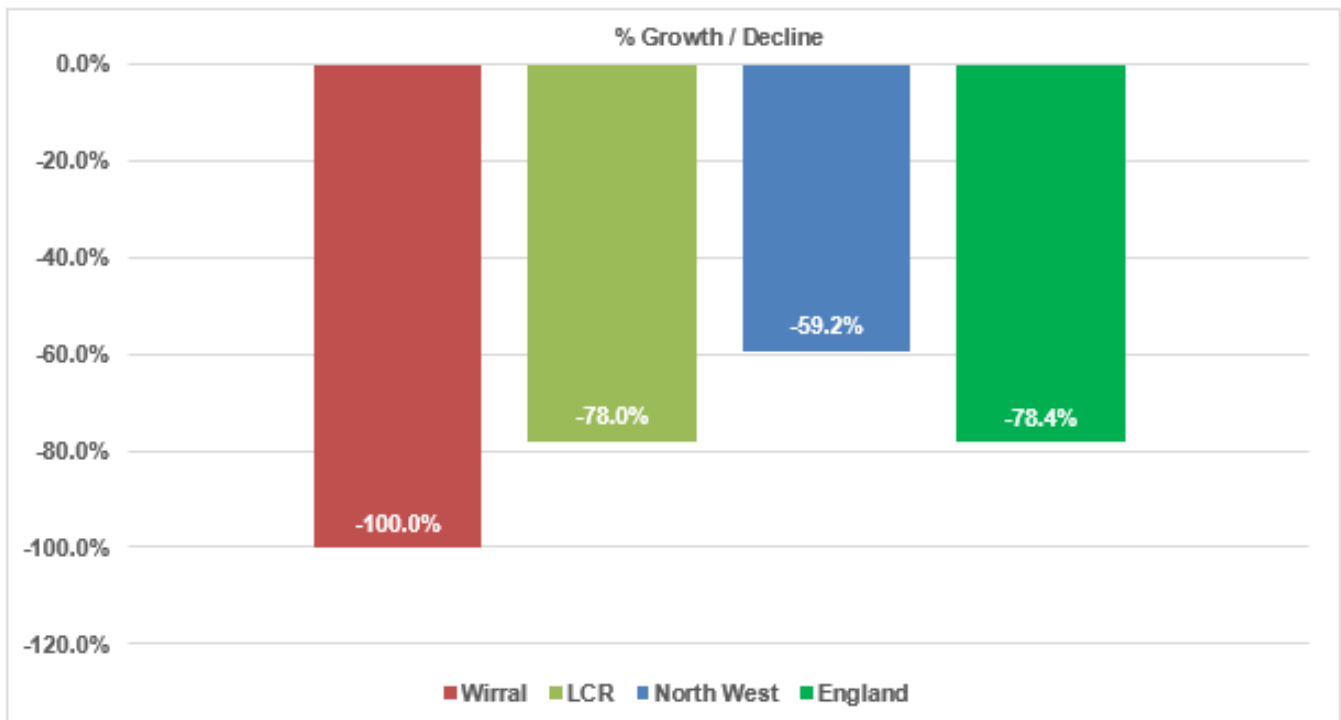
**Figure 59:** Numbers of patent applications by year for Wirral, Liverpool City Region and North West LAs (2013 to 2017)



Source: [Intellectual Property Office, Patent Applications](#) (2018)

There have been 60 patent applications that have originated in a Wirral postcode since 2013, however none in 2017 (**figure 59**). Although the numbers of patent applications are declining across the country, Wirral has seen a greater decline than that at a regional and national level (**figure 60**).

**Figure 60:** Percentage change in Patent Application Numbers, Wirral compared to Liverpool City Region, North West and England, 2013 – 2017

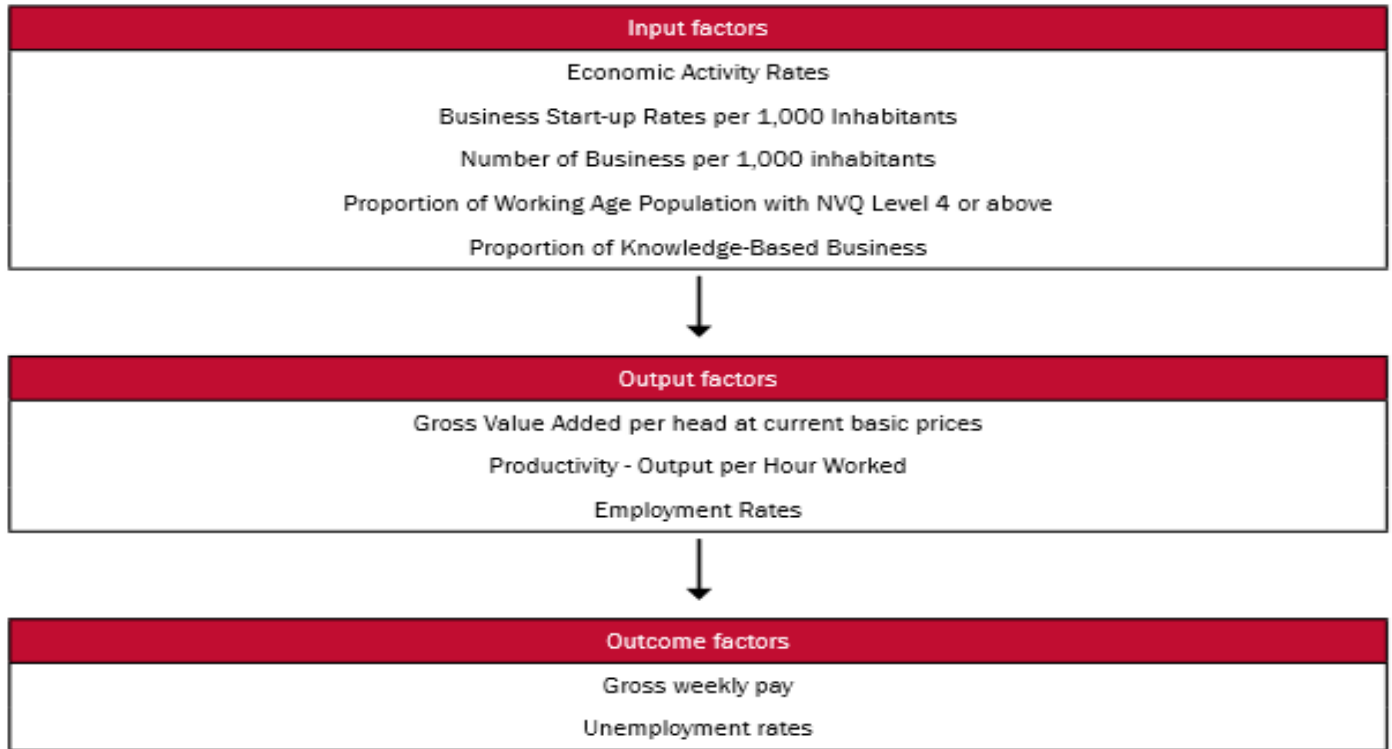


Source: [Intellectual Property Office, Patent Applications](#) (2018)

## Competitiveness

The UK Local Competitiveness Index (UKCI) was developed by the Centre for International Competitiveness in Cardiff and is a useful tool for analysing the relative competitiveness of Wirral. The components which make up the index are detailed below (**figure 61**).

**Figure 61:** UK Local Competitiveness factors



Source: [UK Competitiveness Index, Robert Huggins & Piers Thompson, Cardiff Metropolitan University, 2016](#)

UKCI (2016) ranks all 379 UK Boroughs and districts on a composite measure of competitiveness, which is considered to consist of the capability of an economy to attract and maintain firms with stable or rising market shares in an activity, while maintaining stable or increasing standards of living for those who participate in it.

**Figure 62:** Wirral's Competitiveness Ranking within Liverpool City Region districts 2013 – 2016

Liverpool City Region	Ranking 2013 (1=most competitive)	Ranking 2016 (1=most competitive)	% of rank 2016
Halton	207	189	50%
Liverpool	205	232	61%
Knowsley	317	295	78%
St Helens	296	305	80%
Wirral	316	312	82%
Sefton	295	313	83%

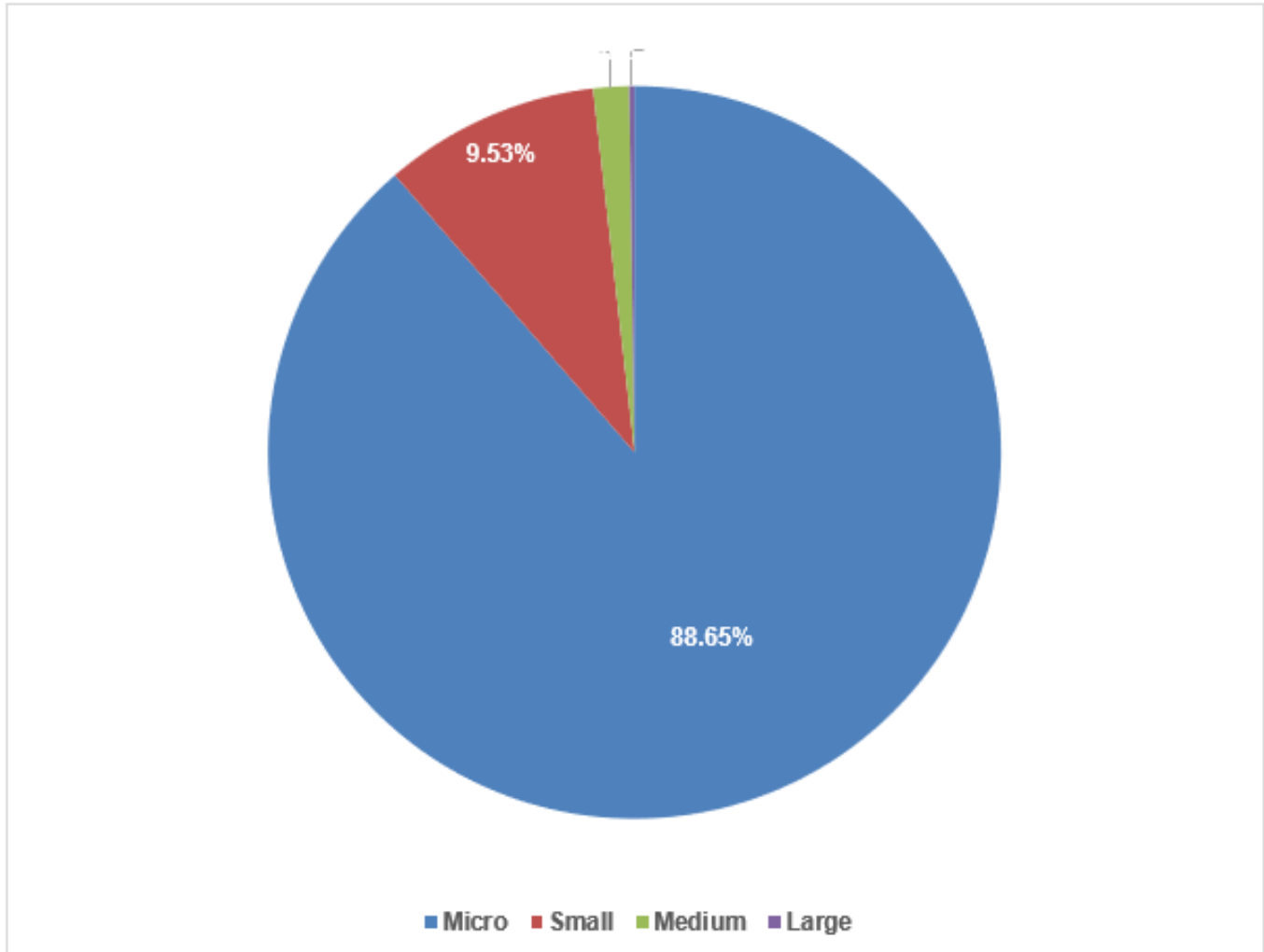
Source: UK Competitiveness Index, Robert Huggins & Piers Thompson, Cardiff Metropolitan University, 2016  
<https://orca.cf.ac.uk/104593/1/R%20Huggins%202018%20UK%20Competitiveness%20Index%20report.pdf>

Wirral is the second least competitive LA in the Liverpool City Region, and none of the districts in the region make it in to the top ranked 50% in the UK (**figure 62**). Wirral is similarly ranked to Sefton, St Helens and Knowsley; all are ranked within 5% of each other; Wirral's ranking has improved somewhat since 2013.

## Business Demography

Businesses are classified under 4 main size groups based on employee numbers; Micro (0 -9), Small (10 – 49), Medium (50 – 249) and Large (250+). The greater proportion of business in an area which are employing higher numbers of people will indicate the greater local economic prosperity is likely to be **(figure 63)**.

**Figure 63:** Percentage of Businesses by size in Wirral (2017)



**Source:** [ONS: Interdepartmental Business register UK Business Counts - enterprises by industry and employment size band \(2018\)](#)

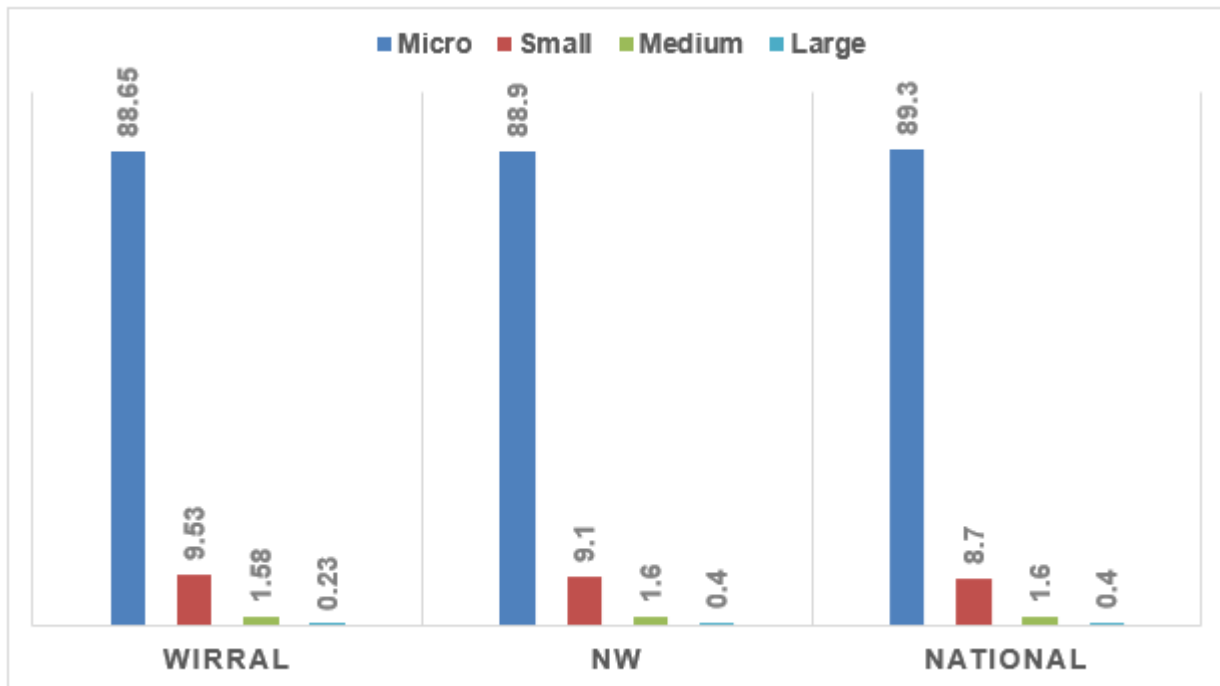
Note: Percentage for Medium businesses by size is 1.58%

Microbusinesses make up a large proportion of Wirral businesses (88.65%), with just 0.23% of businesses being classified as 'large'.

Whilst this does seem few, it is typical of regional and National figures as we can see in the **figure 64** below.



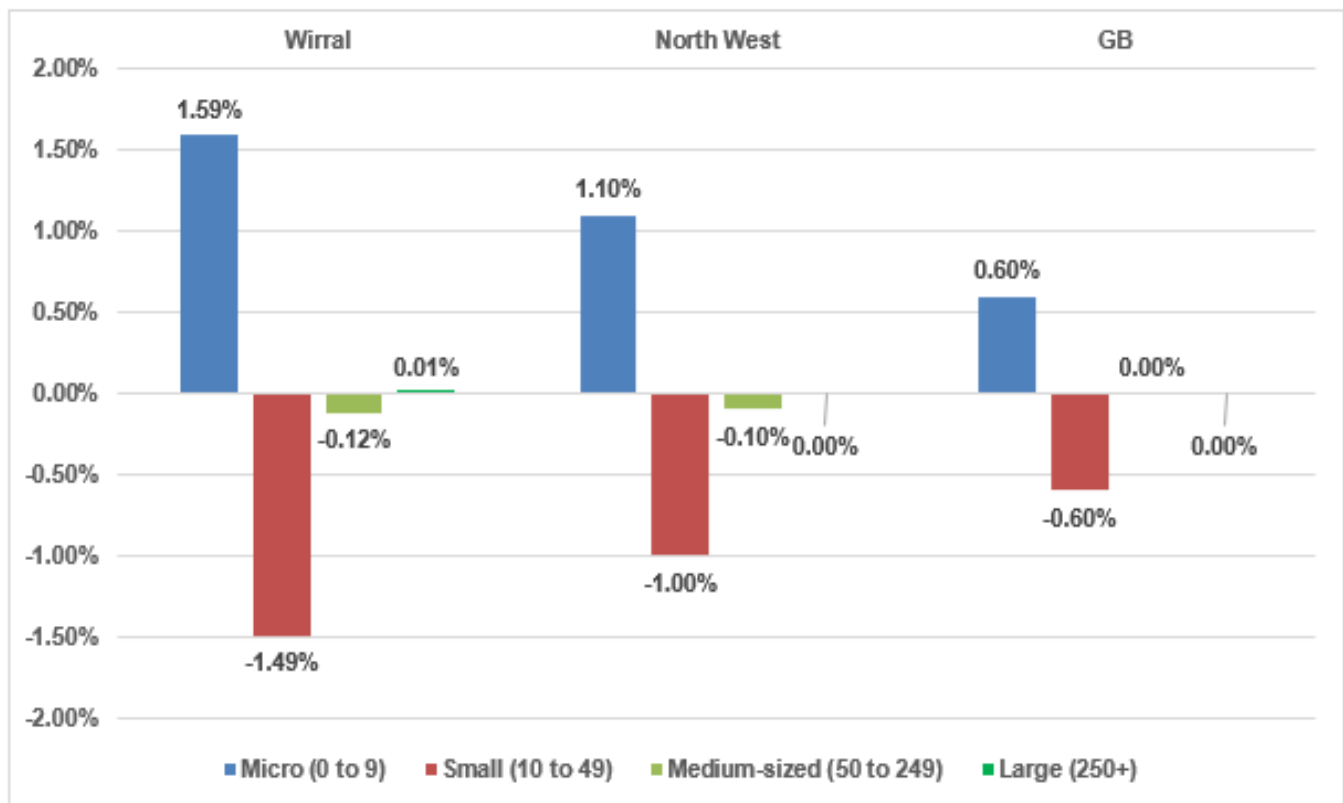
**Figure 64:** Business sizes in Wirral compared to North West and England (2018)



Source: [ONS: Interdepartmental Business register UK Business Counts - enterprises by industry and employment size band \(2018\)](#)

Whilst national and regional figures show that 0.4% of business are classified as 'large', in comparison to Wirral at 0.23%, seemingly it is a very marginal difference, however this difference represents a relatively significant gap in local rate revenue and employment opportunity (**figure 64**).

**Figure 65:** Shift in business size proportions 2010 to 2018 Wirral, North West and Great Britain

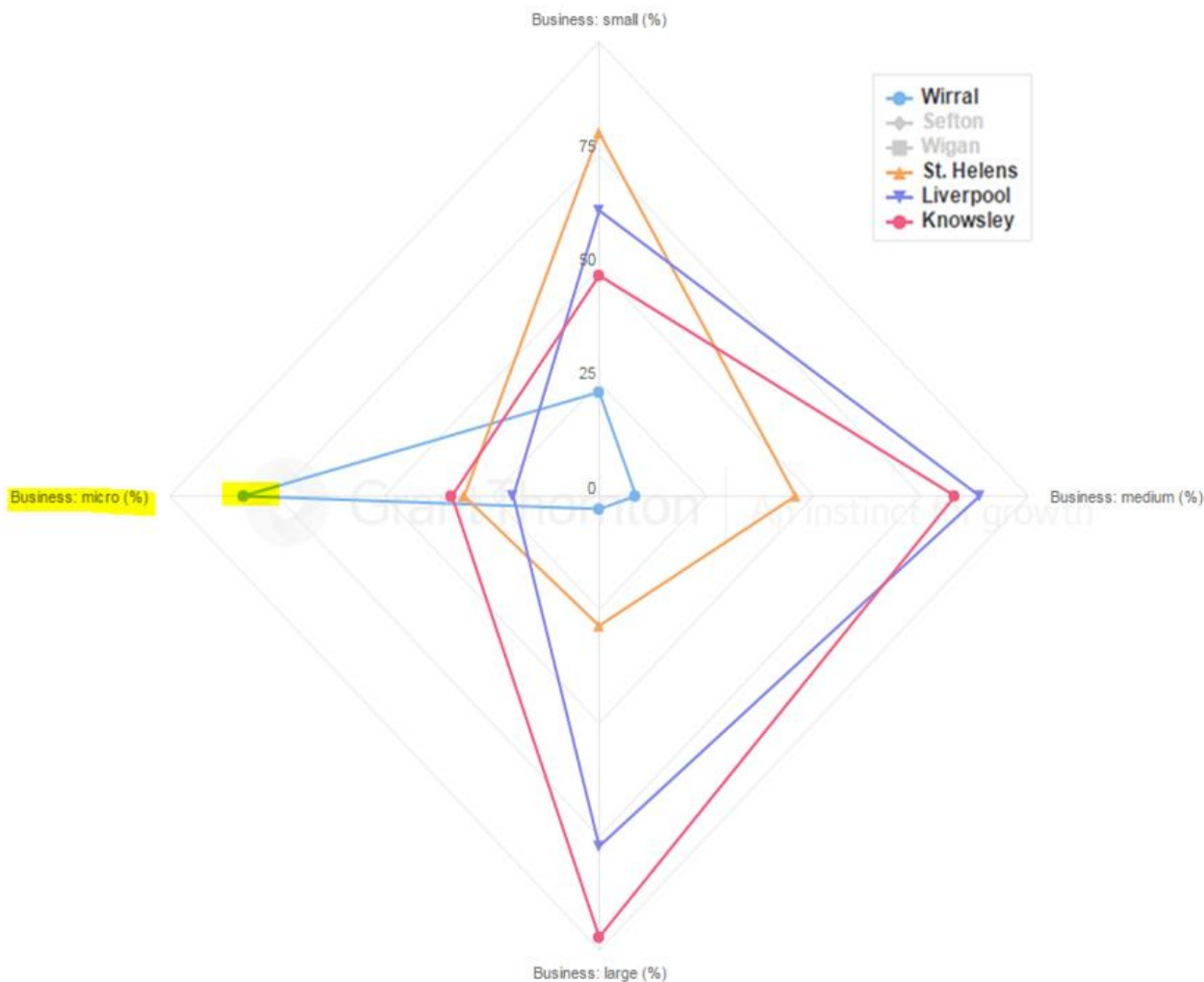


Source: [ONS: Interdepartmental Business register UK Business Counts - enterprises by industry and employment size band \(2018\)](#)

Wirral is seeing a larger percentage of growth in the numbers of micro businesses but is seeing a stagnation in growth of numbers of Medium and Large businesses, a pattern which is repeated on a regional and national level (see **figure 65** above).

Looking at business demography at a more local level Wirral is skewed in comparison to some of its neighbours, namely St Helens, Liverpool and Knowsley. A spidergram has been used to illustrate this point (**figure 66**). The outer parameter is where the highest representation is compared to each of the Metropolitan Borough Authorities.

**Figure 66:** Wirral Business Size Compared to St Helens, Knowsley & Liverpool (2018)



**Source:** [ONS: Interdepartmental Business register UK Business Counts - enterprises by industry and employment size band](https://www.ons.gov.uk/business-and-the-economy/business-and-productivity/interdepartmental-business-register-uk-business-counts) (2018)

**Notes:** \*includes all schools on Council SLA agreement

\*\* all staff as published by <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics>

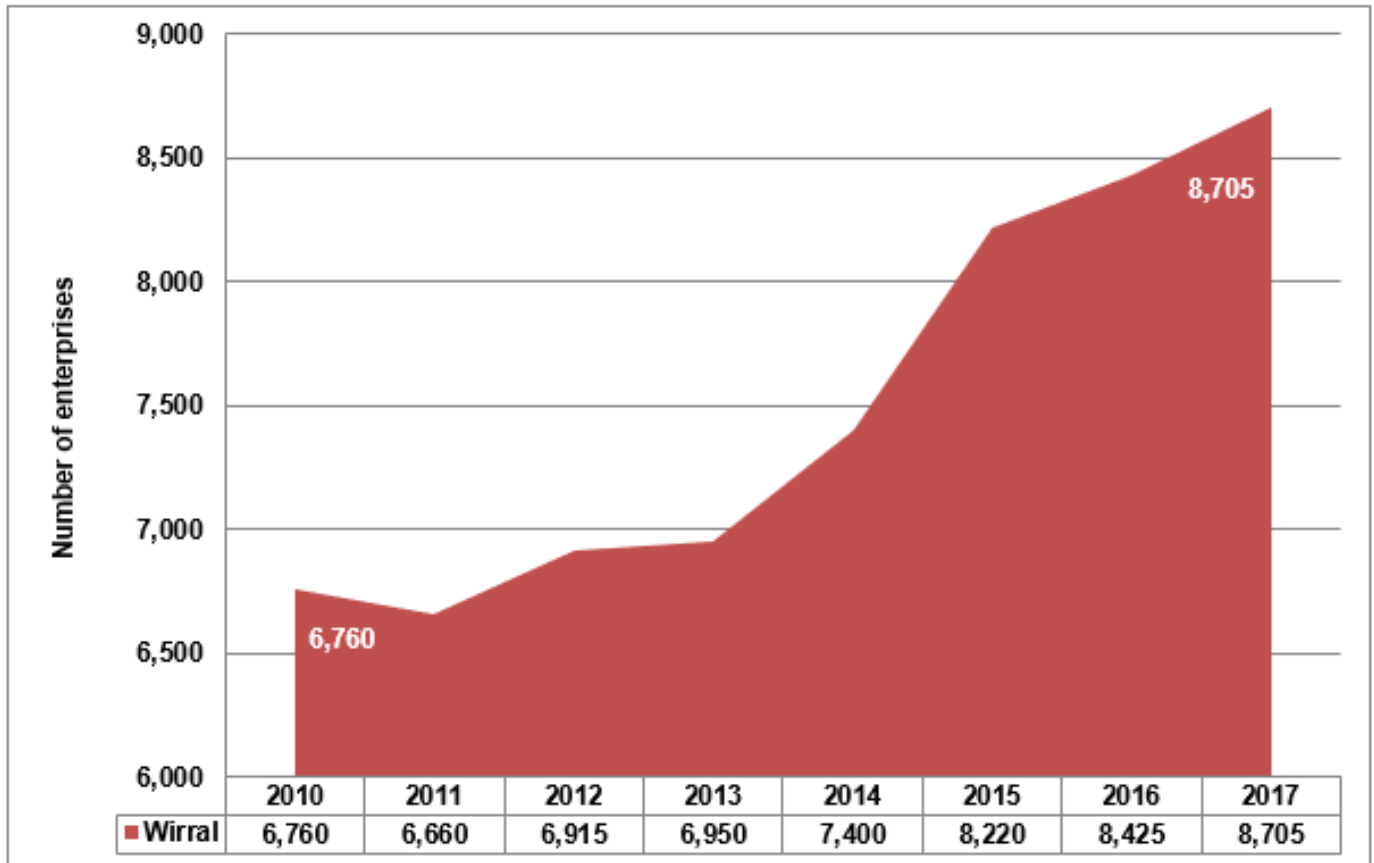
St Helens, Liverpool and Knowsley have a much more balanced demography in terms of the proportion of businesses which make up their businesses base when broken into size classification and compared across other Boroughs.

Whereas most businesses in Wirral employ less than 10 people, nearly 20% of all available jobs in Wirral are provided by a relatively small number of larger employers. Wirral's main two employers are the Local Authority, (including schools) employing around \*9,000 Full Time Equivalents (FTE) as well the National Health Service, which employs around \*\*9,150 FTE in Wirral. The largest private sector employers are found mainly within the retail sector through national supermarket chains, however there are several key employers from other sectors.

## Business Growth

Business growth trends are an important measure of economic prosperity and enterprise. Sustained periods of business growth indicate a healthy economy. **Figure 67** below shows Wirral's Business growth from 2010 to 2017.

**Figure 67:** Business Growth in Wirral 2010 – 2017



Source: Labour Market Profile Wirral (2018)

<https://www.Nomisweb.co.uk/reports/lmp/la/1946157107/report.aspx?town=wirral#tabempocc>

Business Growth in Wirral has increased since 2010 by 1,945 enterprises to the latest position of 8,705, employing around 150,200 people. As the chart, **figure 67**, shows, barring a plateau from 2012 to 2013, business growth has been on an upwards trajectory. This follows a similar pattern to the wider Liverpool City Region, Northwest and National trend.

## What are we doing in response?

### Liverpool City Region and Local Skills Strategy

Wirral Council is working alongside Liverpool City Region Combined Authority (LCRCA) to deliver programmes in line with the Wirral Plan, to plug the skills gap in the local economy, ensuring that any future developments are not hindered by a shortfall of skills and employment. Most notably; the Wirral Ways to Work Programme, designed to engage and integrate unemployed, economically inactive young people and adults into the wider community, supporting their progression into sustainable employment, further education and training, through a variety of employment support services.

### Wirral Growth Company

Wirral Growth Company is a 50:50 partnership between Wirral Council and urban regeneration specialists, Muse Developments. An innovative joint venture, Wirral Growth Company will drive new leisure, residential and business developments, to deliver long-term regeneration that benefits Wirral's communities.

### Wirral Waters

The Wirral Waters Project is set to transform Birkenhead's inland dock system through a programme of residential, office and industrial developments that are ready to proceed. Wirral Council is working in partnership with Peel, one of the leading infrastructure, transport and real estate companies in the UK, to ensure that Wirral Waters becomes a sustainable and vibrant place that creates employment and living opportunities for generations of local residents.

### Local Industrial Strategy

We are working with Liverpool City Region Combined Authority and our stakeholders to ensure that the emerging LCR Local Industrial Strategy reflects the future investment priorities for Wirral residents, industry and businesses. The Local Industrial Strategy will be submitted to central government in early 2020. The strategy will build a strong evidence base that supports the City Region to formulate strategic investment policies and interventions that will ensure the future prosperity of the region

### Future High Streets Fund and Liverpool City Region Town Centre Fund

Wirral Council are progressing with a number of funding opportunities to support the growth of Wirral's town centres. The Ministry of Housing Communities and Local Government launched a £675 million fund, to help regenerate local high streets, transforming them into modern and thriving centres; applications for Birkenhead and New Ferry have successfully progressed to the development of final stage business case with a final decision expected in March 2020. Birkenhead has also been invited by government to develop proposals for a multi-million pound 'Town Deal' which could bring up to £25m of further investment. In addition, in 2018, the Combined Authority released funding to each of the LCRCA to revitalise town centres, of which Wirral Council submitted two applications, in respect for New Ferry and Liscard, both of which have been approved subject to actions planning.

## Underpinning and supporting evidence

[View additional information that supports this topic on Wirral Intelligence Service website](#)

## Contact details

### **For further details please contact**

Wirral Intelligence Service at [wirralintelligenceservice@wirral.gov.uk](mailto:wirralintelligenceservice@wirral.gov.uk)

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