

Annex C

Evidence Base and Methodology

This annex sets out the methodology used to develop the Liverpool City Region Local Skills Improvement Plan (LSIP) and explains how the evidence base was constructed.



**Funded by
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1. Outline of the Evidence Base

The LSIP evidence base has been developed through a combination of employer engagement, labour market data, strategic policy analysis and intelligence from partners across the skills system. This reflects the principle that LSIPs should be employer-led while grounded in robust labour market intelligence.

The LCR LSIP draws on four main evidence streams:

- employer engagement insight
- labour market data and economic analysis
- national and regional strategies and policy frameworks
- intelligence from partners across the skills system

Employer insights were triangulated with labour market information and regional and national economic strategies to identify the key skills priorities for the LSIP. This combined approach ensures that the plan reflects both real employer experience and wider labour market trends.

A list of associated data, strategies, documents and data sources are listed at the end of this annex.

2. Demonstrating Alignment With LSIP Guidance

Employer Engagement Approach

Employer engagement formed the central pillar of the LSIP evidence base. The approach was designed to ensure that the plan reflects the experiences and priorities of businesses across the Liverpool City Region.

Engagement activity was led by the Employer Representative Body, Liverpool Chamber of Commerce, in partnership with the Liverpool City Region Combined Authority and partner chambers across Halton, Knowsley and Wirral.

To ensure that we reached a broad, diverse employer base, we set out the following objectives, principles and messaging to guide our work. This included articulating the ‘business benefits’ for employer involvement to incentivise participation.

Objectives

- **Breadth.** Reach employers across all LCR boroughs, with strong SME and microbusiness representation
- **Depth.** Capture detailed insights at occupational level through structured deep dive interviews led by the ERB
- **Representativeness.** Ensure balance between SMEs, large employers, sectors, and geographies.
- **Granularity.** Focus on occupational shortages, skills gaps, and delivery barriers, not just sectoral trends.
- **Validation.** Employers and providers will review findings through meetings and feedback loops. Employer voice will be triangulated with the SA's LMI, Skills England insights, Industrial Strategy sectors, Local Growth Plan, and Get LCR Working priorities
- **Continuity.** Continue to progress actions from the LSIP published in 2023, and identify which actions roll over to the LSIP 2026.

Principles

- **Employer-led.** The central role of the ERB is to capture the authentic voice of businesses, particularly SMEs, and to ensure their views directly shape priorities.
- **Data-informed.** We will not replicate or commission new labour market analysis. Instead, we will draw on published datasets and the Combined Authority's economic and skills evidence base.
- **Structured and transparent.** Employer feedback will be captured and coded in a consistent way, enabling triangulation with secondary data and comparability across sectors and ISPs.
- **Action-focused.** Findings will be translated into clear, practical roadmaps for change, with identified owners, milestones, and expected impacts.
- **Prioritised.** Sectors will be prioritised and tiered in the final plan.

Messaging to Employers- Why should employers get involved?

- **Help shape training so people have the skills your business really needs.** Your input means colleges and providers teach the skills that match real jobs, not just generic courses.
- **Improve your hiring prospects and reduce training costs.** Better-prepared candidates save you time and money on recruitment and on bringing new starters up to speed.
- **Build a stronger pipeline of talent for the future.** LSIPs let you flag emerging needs so the next generation is ready for tomorrow's roles, not yesterday's.
- **Connect with colleges and other local employers.** Collaboration opens doors to partnerships, apprenticeships, and shared solutions you could not achieve alone.
- **Show leadership and commitment to your community.** Being visibly invested in local people's development boosts reputation and helps attract both talent and customers

Targeting Employers for Engagement

Engagement activity was led by the ERB (Liverpool Chamber of Commerce) working in partnership with the Liverpool City Region Combined Authority and partner chambers across Halton, Knowsley and Wirral.

To ensure that the employer evidence base was systematic and representative, we procured a comprehensive commercial dataset containing all registered enterprises operating within the Liverpool City Region.

A specialist telemarketing company was commissioned to support the LSIP engagement programme. Their role was to undertake structured outreach to businesses across the Liverpool City Region in order to raise awareness of the LSIP and obtain agreement from employers to participate in detailed deep dive interviews.

This approach enabled the project to reach businesses beyond existing Chamber networks and engage employers who may not typically participate in consultations or formal engagement activity.

Definition of Active Employer Engagement

To ensure a consistent and robust approach, we produced detailed guidance for the telemarketer, partner chambers and the internal team on employer engagement methodology, including the objectives of the LSIP, the questions to be used in discussions with employers, and the processes for recording and reporting insights. The engagement programme operated against agreed targets and a clear definition of what constituted active employer engagement, ensuring that interactions captured meaningful intelligence rather than simple promotional contact.

For the purposes of the LSIP methodology, active engagement refers to meaningful participation by employers in the skills system where businesses contribute insight, feedback or practical collaboration.

Employers were counted as actively engaged where they undertook one or more of the following activities:

- provided feedback on workforce development needs within their organisation or sector
- provided feedback on the suitability of education and skills provision across the Liverpool City Region and suggested improvements
- made a commitment of time or resources to support workforce development activity.

Examples include participation in meetings, engagement with training providers on curriculum design, offering apprenticeships or work placements, or contributing to LSIP consultations and discussions.

Active engagement was designed to create ongoing dialogue between employers, providers and stakeholders and to capture headline intelligence about recruitment difficulties, skills shortages and barriers to training. This approach provides the breadth of employer insight required to understand labour market conditions across the region.

The programme combined broad outreach with structured consultation through deep dives in order to capture both headline labour market intelligence and detailed insight into occupational demand. Alongside the targeted deep dive methodology, broader employer reach was achieved through large-scale engagement activity, including events, workshops, roundtables and partner-led outreach. This provided a wider evidence base to complement the in-depth qualitative insight from deep dives, ensuring both breadth and depth of employer input across the LSIP.

	Employer Reach	Employer Active Engagement	Of which- deep dives	Deep Dive Non-Chamber Members	Deep Dive SMEs
Since September 2025	51,271	1,618	634	83%	93%

Deep Dives

From September 2025, active engagement focused on driving as many employers as possible to a deep dive. The procured dataset provided a structured sampling frame covering the full local business population and ensured that the deep dives reached beyond chamber membership. 83% of employers participating in deep dives were non-members.

Deep dives are detailed consultations designed to generate granular qualitative evidence about occupations, workforce needs and the changing nature of work. Unlike surveys or workshops, which provide high level insights, deep dives captured detailed information that can be coded and analysed systematically.

Deep dive interviews focused on:

- specific job roles and occupational demand
- recruitment difficulties and hard-to-fill vacancies
- skills shortages and workforce capability gaps
- training and workforce development needs
- emerging technological, regulatory or market changes.

The insights generated through deep dives were coded and mapped to SOC and SIC classifications, enabling employer insight to be analysed alongside labour market data and occupational frameworks.

Deep Dive Interview Questions

Deep dive consultations followed a structured interview framework to ensure consistency in the information collected and to enable systematic analysis.

The interviews explored the following areas.

Business Overview

Employers were asked to describe their organisation, its core activities and the sectors in which it operates.

Typical questions included:

- Can you describe what your business does in a few sentences?
- What products or services do you provide?
- Who are your main customers or clients?
- How many people do you employ and in which departments?

Job Roles and Tasks

Employers were asked to identify the key roles within their organisation and describe the tasks involved in those roles.

Typical questions included:

- What are the main job roles within your organisation?
- What are the key responsibilities and tasks associated with those roles?
- Are these roles specific to your organisation or common across your industry?

Recruitment Challenges

Employers were asked to identify recruitment difficulties and hard-to-fill vacancies.

Typical questions included:

- Which roles have been hardest to recruit for over the past year?
- Why are these roles difficult to fill?
- Is the challenge related to skills, experience, qualifications or other factors?
- Where do you usually recruit from?

Skills and Training Needs

Employers were asked about skills shortages and workforce development needs.

Typical questions included:

- Which skills are most often missing among applicants for difficult-to-fill roles?
- Which parts of your current workforce most urgently require training or upskilling?
- How does your organisation currently provide training for employees?

Future Workforce Needs

Employers were asked about expected changes to workforce demand.

Typical questions included:

- Which roles or skills will become more important over the next three years?
- What business changes are driving these needs?
- Are any tasks likely to become automated or replaced by technology?

Barriers to Training

Employers were asked about barriers that limit their ability to invest in skills.

Typical questions included:

- What prevents your business from investing more in workforce training?
- Have you worked with colleges or training providers previously?
- What changes to local training provision would benefit your business most?

These structured interviews provided detailed qualitative evidence about occupational demand, skills gaps and workforce change.

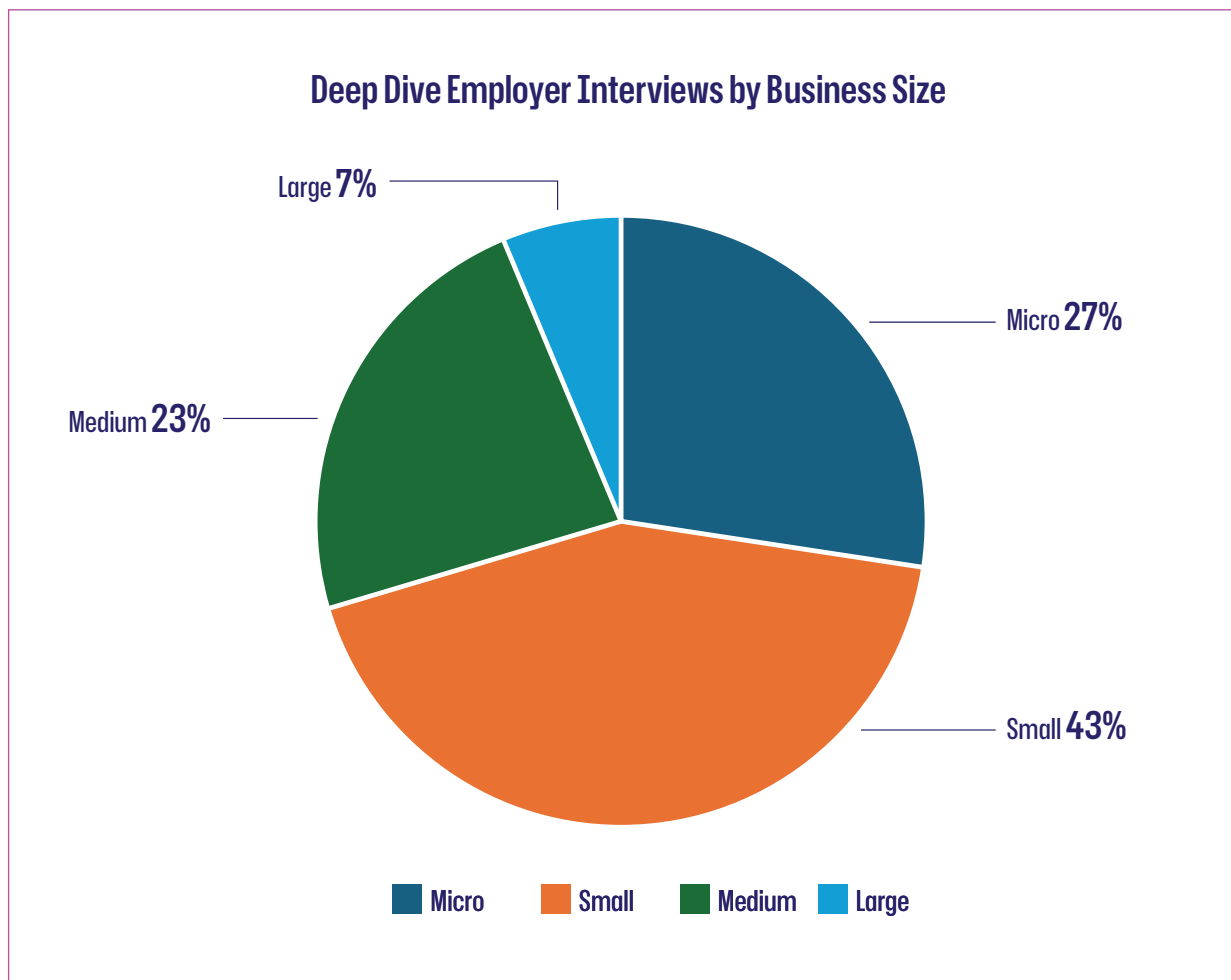
Once employers had agreed to participate, all deep dive interviews were conducted by the LSIP's in-house research team. Researchers were trained in the structured interview methodology and in the consistent application of a standardised interview guide designed to explore workforce structure, recruitment challenges, skills gaps, training practices and anticipated future changes in occupational demand.

The use of a structured interview framework ensured comparability across sectors while allowing interviewers to probe responses in depth and capture detailed descriptions of job roles, required competencies and operational challenges.

Representation by Business Size

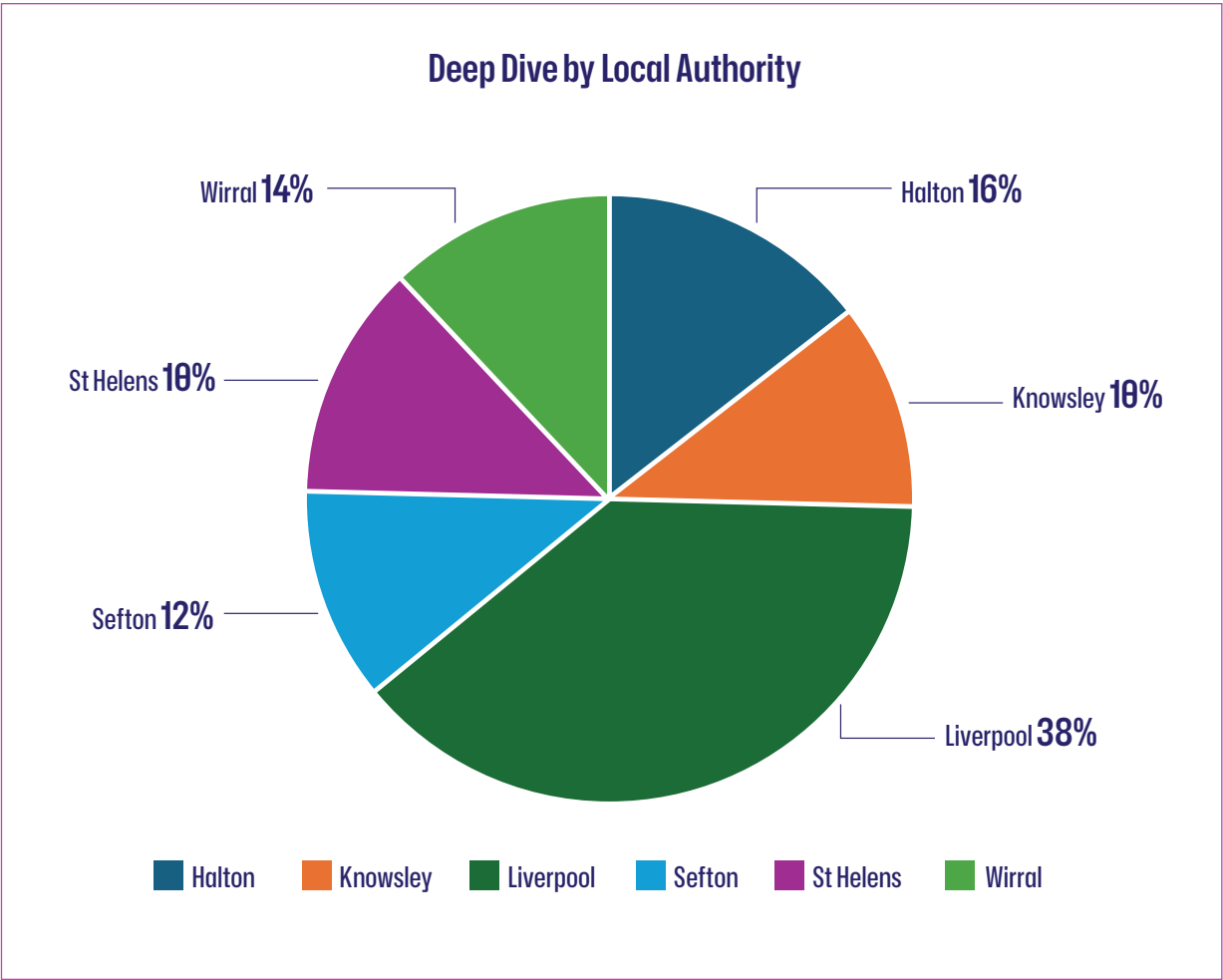
From this frame, employers were purposively sampled with a particular emphasis on small and medium sized enterprises, which make up the majority of the Liverpool City Region business base.

The Liverpool City Region business base is dominated by micro enterprises. According to Office for National Statistics UK Business Counts (IDBR, latest available year), around 89% of enterprises employ fewer than 10 people, around 9% employ 10–49 people, and only around 1–2% are medium-sized. Large businesses account for around 1% or less of the total. Overall, SMEs represent over 99% of the business population. As can be seen from the chart below, the targeted deep dives strived to emulate this regional position with 93% of deep dives being with SMEs.



Representation by Local Authority

Geographical coverage was ensured through close working with partner chambers across Halton, Knowsley and Wirral, enabling access to employers across all six local authority areas of the City Region. The distribution of registered enterprises across the Liverpool City Region is weighted towards Liverpool and Wirral. According to data from the Office for National Statistics UK Business Counts, Liverpool accounts for approximately 35% of enterprises and Wirral around 18%, meaning the two areas together represent just over half of the City Region's business base. The remaining enterprises are distributed across Sefton (around 15%), St Helens (around 11%), Knowsley (around 9%) and Halton (around 9%). This distribution was considered in the sampling approach to ensure that employer engagement reflected the underlying structure of the local economy, while maintaining appropriate geographical coverage across all six local authority areas. As can be seen below, the sampling was broadly in line with the ONS data.

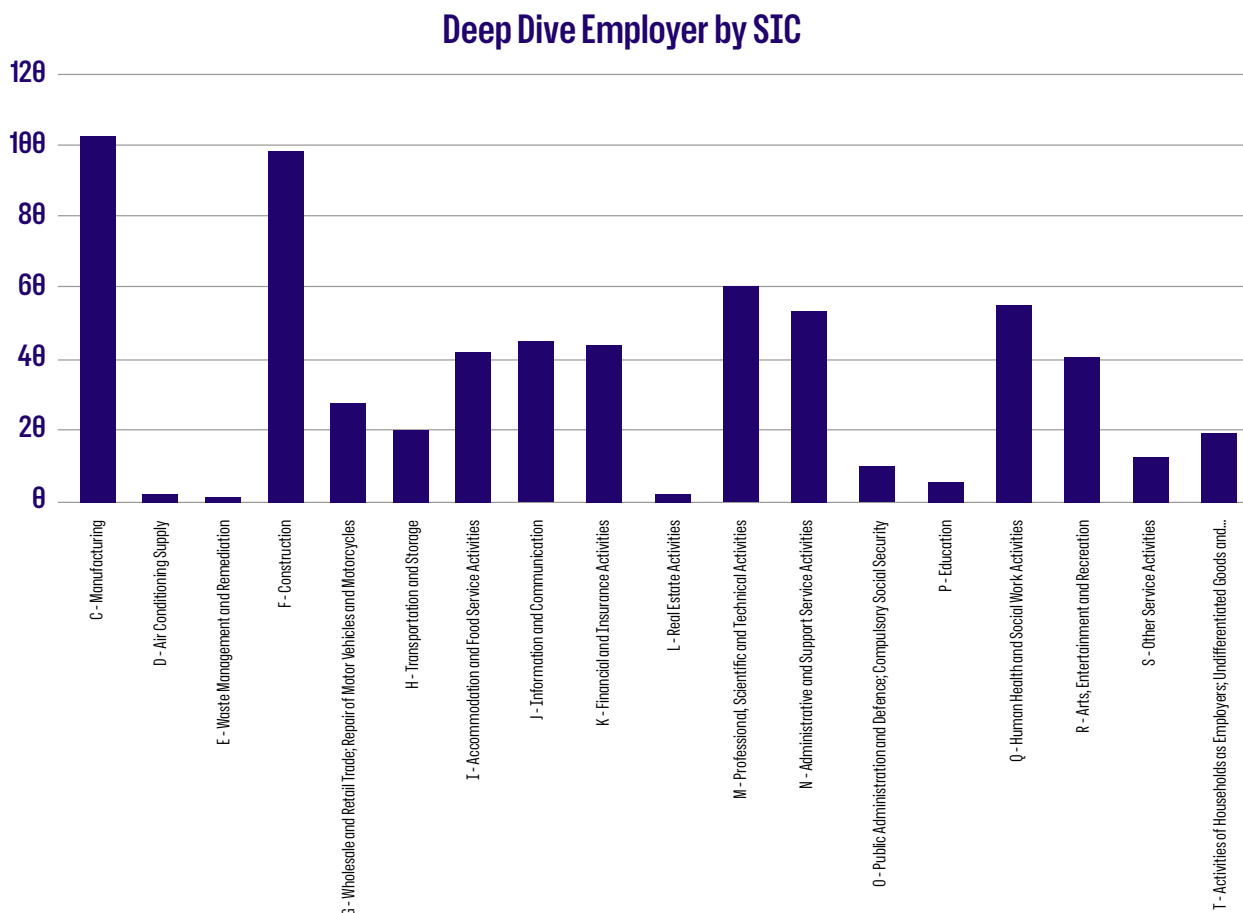


Representation by Sector

The approach to deep dive interviews was structured on a sector-by-sector basis, using SIC classifications to ensure systematic coverage of the Liverpool City Region economy. Employer recruitment for deep dive interviews was undertaken iteratively within each priority sector, with targeted sampling to reflect both the scale and strategic importance of sectors locally. This ensured that sectors such as Manufacturing, Construction, Professional and Technical Services, Health, and Creative Industries were proportionately represented, while also capturing insight from supporting and cross-cutting sectors including transport, retail and administrative services, as shown in the chart.

Engagement continued within each sector until data saturation was reached. In qualitative terms, this is the point at which additional interviews no longer generate materially new insights or themes. This sector-led saturation approach ensured that findings are grounded in consistent and repeatable patterns within industries, rather than isolated employer views.

The distribution shown in the chart demonstrates both depth and breadth of engagement. Higher volumes of interviews in key sectors reflect their scale and priority within the local economy, while inclusion of lower-volume sectors ensured that the evidence base captures interdependencies across supply chains and the wider labour market.



Employer responses were captured using structured tools such as Typeform, allowing information to be recorded consistently and coded at source. Businesses were aligned to Standard Industrial Classification (SIC) codes based on their sector, while job roles were mapped to Standard Occupational Classification (SOC) codes. This enabled qualitative employer feedback to be converted into structured data that was analysed across sectors and occupations.

Analysis of Employer Insights

Following data collection, the research team applied a systematic coding and analysis framework. Evidence from interviews was coded both thematically and by type of workforce need, allowing the analysis to distinguish between different categories of skills demand such as recruitment shortages, workforce upskilling requirements, emerging skills linked to technological change, and barriers to training investment. Job roles and tasks described by employers were mapped, where appropriate, to Standard Occupational Classification (SOC) codes, while businesses were categorised using Standard Industrial Classification (SIC) codes. This structured coding ensured that qualitative employer insights could be analysed consistently and aligned with recognised labour market frameworks.

Building on this, the research team used a clear and structured approach to analysing the interview data. Responses were reviewed in stages, starting with identifying common points raised by employers, and then grouping these into broader themes. As more interviews were completed, these themes were refined and checked to make sure they reflected consistent patterns rather than one-off views.

The team compared responses across different sectors and roles to identify both shared challenges and sector-specific issues. Coding decisions were reviewed and agreed within the research team to ensure consistency and reduce bias. This approach ensured that the findings were grounded in what employers actually said, and that the final themes accurately represent the main workforce and skills issues across the Liverpool City Region.

Importantly, the analysis process was iterative rather than purely retrospective. As interviews progressed, the research team identified short term opportunities and “quick wins” emerging from employer feedback. These included immediate opportunities to connect employers with relevant training provision, facilitate engagement with local providers, or address specific recruitment or skills challenges. In this way, the research process served a dual function: generating robust evidence for the LSIP while also supporting practical, real-time responses to employer needs where these could be addressed during the engagement period.

Triangulation of Evidence

Triangulation of evidence and identification of priorities followed a structured, iterative process combining governance input, employer engagement and analytical testing.

Priorities were initially identified through joint working between the ERB, the LSIP Board and Steering Group, with iterative testing undertaken with employers between September and October 2025. This early phase involved sense-checking emerging sector areas against live employer feedback while refining the scope through regular Steering Group discussions and Board input. In late November, a set of draft priority areas was formally agreed with the LSIP Board, at which point employer engagement activity was more tightly targeted to test and deepen evidence within those areas.

Initial sector mapping established a comprehensive longlist by aligning the Liverpool City Region's identified Growth Clusters and foundational sectors with national and regional priorities. This included the UK Industrial Strategy and Skills England priorities at national level, alongside the Liverpool City Region Growth Plan 2025–2035 and the Get Liverpool City Region Working Plan locally. This ensured that the initial scope reflected both the sectoral composition of the LCR economy and the wider direction of travel for economic growth, productivity and labour market reform. The Growth Plan places particular emphasis on productivity, innovation-led growth and sectoral clustering, alongside the integration of employment, skills and health systems as enabling conditions for long-term economic performance.

This longlist was then tested through a consistent set of analytical lenses to determine where LSIP intervention would deliver the greatest value. These lenses assessed the extent to which sectors contribute to productivity, gross value added, exports and innovation, recognising that improving productivity is the central economic challenge for the City Region. They also examined the persistence and scale of labour and skills pressures, including vacancy intensity, recruitment difficulty and workforce shortages, as well as the degree to which sectors offer accessible entry points, progression pathways and opportunities for inclusion. Ongoing discussions at the LSIP Steering Group, which met at least monthly, alongside feedback from the LSIP Board, helped to refine where the LSIP should focus.

Further consideration was given to sectors that underpin economic resilience and essential services, particularly where workforce sustainability is critical. Additional weighting was applied to sectors central to the transition to net zero, those with strong research and innovation intensity, and those that build on distinctive local assets such as innovation campuses, anchor institutions and established cluster strengths. Consideration was also given to the likelihood of future disruption, including the anticipated impacts of artificial intelligence, automation and wider economic change, recognising that these factors will reshape skills demand over the medium to long term.

Employer insight informed the process throughout but did not determine priorities in isolation. Instead, a structured triangulation process was applied. Emerging themes from employer engagement were identified through systematic coding of deep dive interviews and wider engagement activity.

These themes were then tested against labour market demand indicators, including online vacancy analysis over the previous three months and employment data from the Office for National Statistics Business Register and Employment Survey, to confirm whether reported shortages reflected wider demand. Skills supply data was subsequently reviewed, drawing on Department for Education further education statistics and the Local Skills Dashboard, to assess whether provision aligned with or diverged from employer need.

Long-term employment projections to 2035 were used to identify sectors expected to support significant job growth in the Liverpool City Region. Findings were then cross-referenced against the Liverpool City Region Growth Plan 2025-2035 evidence base, the UK Industrial Strategy and Skills England priorities to ensure alignment with strategic economic direction. Sector-specific intelligence was incorporated where available, including evidence from partners such as the Combined Authority, Liverpool School of Tropical Medicine, and the Manufacturing and Creative Industries Growth Clusters.

Four key evidence streams informed the analysis throughout:

- labour market data and economic analysis
- national and regional strategies and policy frameworks
- employer engagement insight, including both wide engagement and deep dives
- intelligence from partners across the skills system

Where evidence converged across these sources, priorities were confirmed. Where evidence diverged, further interrogation was undertaken with employers and partners before inclusion.

Priorities were finalised through a structured governance process, with the ERB and Liverpool City Region Combined Authority jointly reviewing and agreeing the evidence base. This process was underpinned by the LSIP Steering Group, which met regularly to test emerging findings, challenge assumptions and shape the direction of priorities.

Draft priorities and emerging findings were then shared widely with partners in February 2026 to ensure transparency and collective input. This included circulation to further education colleges, higher education institutions, ITPs, local authorities, employer groups, sector bodies, trade unions, careers services and Jobcentre Plus. The draft was also presented to the LSIP Board, with representation from further education, higher education, the Combined Authority and employers, and shared with Growth Plan cluster boards and relevant partnership structures to ensure alignment with sector priorities and economic strategy.

A full draft of the LSIP was subsequently reissued in March 2026 for further consultation. Feedback from all stakeholders was gathered and analysed systematically, with changes incorporated where appropriate. This iterative approach ensured that priorities were not only evidence-based but also tested and validated across the wider system.

As a result, the final LSIP reflects a shared and agreed position across employers, providers and strategic partners, ensuring that priorities are credible, deliverable and aligned with both employer demand and the City Region's economic ambitions.

The table below sets out how priorities have been identified through triangulation of multiple evidence sources. It brings together employer insight from engagement and deep dive interviews with labour market demand data, skills supply analysis and wider economic evidence. This approach demonstrates how individual findings were tested and validated across different datasets and strategic frameworks, ensuring that each priority reflects consistent and robust evidence rather than a single source.

Priority	Headline employer insight	Labour demand (vacancies)	Skills supply implications	Economic evidence (BRES, Growth Plan, Industrial Strategy)
Professional and Business Services and Financial Services	Employers report increasing demand for digital business services capability, regulatory compliance skills and higher level management capability.	Vacancy analysis shows strong demand for professional occupations including 43,555 adverts for business, media and public service professionals and 23,277 adverts for corporate managers and directors.	Provision needs to strengthen higher level pathways into management, finance, digital services and compliance roles, with stronger progression opportunities for the existing workforce.	BRES employment data shows professional services as a major knowledge economy sector. Employment projections indicate around 66,416 jobs by 2035. The Growth Plan evidence highlights productivity gaps within professional services and identifies the sector as important for raising regional productivity through high value employment.
Advanced Manufacturing and Clean Energy	Employers report shortages in engineering, automation, robotics and low carbon technology skills.	Vacancy analysis shows strong demand for technical capability including 41,227 adverts for science, research, engineering and technology professionals and 19,992 adverts for engineering associate professionals.	Skills provision must support both entry into engineering occupations and workforce upskilling in automation, electrification and digital manufacturing technologies.	Manufacturing is identified in the Growth Plan evidence as one of the few sectors where productivity in the Liverpool City Region exceeds the national average. The sector is also aligned with the Industrial Strategy priority area of Advanced Manufacturing and with clean growth objectives linked to net zero transition.
Construction and the Built Environment	Employers report persistent shortages in skilled trades, technical roles and retrofit capability.	Vacancy demand for engineering and technical occupations exceeds 41,000 adverts, reflecting demand for construction related technical skills.	ILR analysis shows a significant pipeline of construction learners across Liverpool City Region colleges in areas such as bricklaying, carpentry, electrical installation and plumbing, highlighting the importance of aligning provision to shortage areas such as retrofit and building services.	BRES employment data identifies construction as a major employment sector. Growth Plan evidence highlights the importance of construction to housing delivery, infrastructure investment and retrofit required for the transition to net zero.
Health, Life Sciences and Care Tech	Employers highlight ongoing recruitment pressures in clinical roles, care roles and specialist technical health roles.	Vacancy analysis shows 24,841 adverts for health professionals and 16,647 adverts for health and social care associate professionals.	The skills system must maintain a large pipeline of workers entering care and health occupations while strengthening progression into specialist and technical roles linked to life sciences and digital health innovation.	BRES employment data identifies health and social care as one of the largest employment sectors. Employment projections indicate around 147,908 jobs by 2035. The sector aligns with the Industrial Strategy Life Sciences priority sector and is identified in regional strategy as a major growth cluster.
Visitor Economy	Employers report recruitment challenges across hospitality, tourism and events roles alongside high turnover and retention challenges.	Vacancy analysis for the accommodation and food sector shows sustained demand for chefs, catering staff, hospitality assistants and supervisory roles.	Skills provision must strengthen work readiness, customer service capability and progression pathways into supervisory and management roles to improve retention.	BRES employment data identifies accommodation and food services as a significant service sector. Employment projections indicate around 57,865 jobs by 2035. The sector is closely linked with arts and entertainment (around 22,072 jobs) within the wider visitor economy and is recognised in regional strategy as a major employment generator.

Priority	Headline employer insight	Labour demand (vacancies)	Skills supply implications	Economic evidence (BRES, Growth Plan, Industrial Strategy)
Creative Industries	Employers highlight increasing demand for digital production, design and creative technology skills.	Vacancy analysis shows 9,065 adverts for culture, media and sports occupations, demonstrating ongoing demand for creative talent.	Skills provision must support hybrid creative and digital roles, including digital content production, immersive media and creative entrepreneurship.	BRES data identifies arts, entertainment and recreation as a significant cultural sector. Employment projections show around 22,072 jobs by 2035. The sector aligns with the Industrial Strategy Creative Industries priority sector and supports the wider digital and visitor economy.
Cross cutting theme: AI and Digital Transformation	Employers across sectors report rapid adoption of AI and digital technologies affecting job roles.	Vacancy demand for technology related occupations includes 41,227 adverts for science, research, engineering and technology professionals.	Provision across sectors must embed digital capability, data literacy and AI tools into training programmes and workforce development.	Digital capability is recognised in both national industrial strategy and the Growth Plan evidence as a key driver of productivity growth across sectors.
Cross cutting theme: Strategic framework for delivery	Employers report difficulty navigating the skills system and influencing training provision.	Skills shortages across multiple sectors highlight the need for stronger coordination between employers and training providers.	The skills system requires clearer structures for employer engagement through mechanisms such as ISPs.	Regional economic strategy emphasises the need for stronger alignment between skills investment and growth clusters to support productivity growth.
Cross cutting theme: Workforce progression	Employers emphasise the need to upskill the existing workforce rather than relying only on new entrants.	Vacancy demand shows strong demand for professional and managerial roles across sectors.	Skills provision must support progression pathways including modular training, higher level technical skills and leadership development.	Growth Plan evidence highlights that improving productivity within sectors is more important than changing the sector mix of the economy, reinforcing the importance of workforce progression.
Cross cutting theme: Work readiness of new entrants	Employers report applicants often lack practical workplace experience and transferable skills.	Recruitment challenges are reported across entry level roles in sectors including hospitality, care and construction.	Provision must strengthen work based learning, placements and employer engagement to improve readiness for employment.	Improving labour market participation and transitions from education into employment supports inclusive economic growth.
Cross cutting theme: Compliance, regulation and green transition skills	Employers report increasing regulatory and sustainability requirements across sectors.	Labour demand is increasing for roles linked to environmental management and compliance.	Provision must integrate sustainability, environmental standards and regulatory knowledge into training programmes.	Net zero transition and regulatory change are major drivers of workforce transformation across sectors including construction, manufacturing and finance.
Cross cutting theme: SME access to workforce development	SMEs report barriers to accessing workforce development due to time, cost and complexity.	Smaller employers often struggle to fill vacancies and access training opportunities.	Skills provision must become more flexible and accessible for SMEs through modular programmes and simplified engagement.	SMEs account for around 90% of businesses in the Liverpool City Region, highlighting the importance of improving SME access to skills support for productivity growth.

Involvement of Providers

All further education and higher education providers across the Liverpool City Region were actively involved in the development of the LSIP, alongside ITPs and wider stakeholders. Engagement was designed to ensure representation from providers with statutory duties under the Act, including further education colleges and designated institutions, as well as those without statutory duties, such as ITPs and universities, recognising the critical role each plays within the skills system.

Governance arrangements reflected this inclusive approach. Provider representation was embedded within the LSIP Board, which included all further education colleges, all universities and employer members, alongside the Liverpool City Region Combined Authority. ITPs were also represented at Board level through the Liverpool City Region ITP network, with the network chair sitting as a full member. This ensured that perspectives from across the full provider landscape were incorporated into decision-making and priority setting.

Beyond formal governance, all categories of providers were engaged throughout the development process. Further education colleges, higher education institutions and ITPs contributed through structured consultation, bilateral discussions and thematic workshops. This included detailed consultation and feedback points in November 2025, February 2026 and March 2026, aligned to key stages in the development of priorities and the drafting of the LSIP. Providers were invited to review emerging findings, challenge assumptions and contribute evidence on delivery feasibility, capacity and innovation.

Local stakeholders were also engaged extensively, including local authorities, employer groups, sector bodies, careers services and Jobcentre Plus. Engagement was undertaken through existing partnership structures as well as LSIP-specific activity, ensuring alignment with wider economic and skills strategies and drawing on system-wide intelligence.

Providers were not only consulted on priorities but were directly involved in shaping the delivery approach and actions. This included collaborative development of specific initiatives and pilots, ensuring shared ownership and practical deliverability. Examples include work with ITPs such as Eden 51 on the literacy pilot, collaboration with Edge Hill University on the AI pilot, and joint development of business support and curriculum innovation activities with further education colleges and Liverpool John Moores University. These partnerships ensured that proposed actions were grounded in delivery expertise and aligned with existing provision and institutional strengths.

This approach moved beyond consultation towards co-design, with providers playing an active role in refining actions, identifying solutions and shaping implementation. As a result, the LSIP reflects a shared position across further education, higher education and ITPs, with strong alignment between strategic priorities and delivery capability across the LCR.

Environmental and Net Zero Goals

The transition to Net Zero and a more sustainable economy will have significant implications for skills demand across the Liverpool City Region. National policy commitments on decarbonisation, alongside regional priorities set out in the Growth Plan, are already driving demand for skills in low-carbon construction, clean energy systems, sustainable manufacturing, and environmental management. These changes are not limited to specialist roles; they are reshaping skill requirements across the wider workforce as businesses adapt to new technologies, regulatory standards, and energy systems.

Employer evidence gathered through the LSIP process indicates that these changes are already impacting workforce requirements. In construction and the built environment, there is clear and immediate demand for retrofit capability, including insulation, ventilation, low-carbon heating systems such as heat pumps, solar technologies, and whole-house approaches. In advanced manufacturing and clean energy, employers require skills linked to low-carbon production, energy efficiency, and alignment with Freeport and clean growth investment. In health and care, environmental considerations are increasingly linked to estates, procurement, and operational practices, while life sciences employers highlighted the importance of sustainable laboratory practices and efficient use of resources.

Across all sectors, the transition is being enabled by digital technologies. Employers emphasised the importance of data, automation, and process optimisation in reducing emissions and improving efficiency. At the same time, the transition is complex and requires a workforce capable of operating across both traditional systems and emerging low-carbon technologies.

Regulatory requirements are also increasing. Employers highlighted the need for stronger understanding of compliance frameworks, including environmental standards, quality systems, and reporting requirements. This includes sector-specific standards such as ISO frameworks in construction and manufacturing, as well as broader expectations around sustainability, governance, and accountability.

The LSIP therefore focuses on embedding environmental and Net Zero capability across occupational pathways, rather than treating it as a standalone specialism. Annex B actions set out how this will be delivered in practice. This includes the development of a coherent retrofit and low-carbon construction skills offer aligned to housing and infrastructure programmes; the alignment of manufacturing provision to clean growth, low-carbon production, and Freeport demand; and the integration of sustainability and regulatory awareness within technical and vocational pathways across sectors.

Delivery will be supported through flexible and modular training approaches, enabling the existing workforce to upskill in response to changing requirements. Funding levers such as the LLE Apprenticeship Units, Skills Bootcamps, and devolved Adult Skills funding will be used to support targeted provision aligned to employer demand.

ISPs will play a central role in ensuring that provision remains responsive. By bringing together employers, providers, and partners, ISPs will support ongoing review of skills needs, alignment with investment pipelines, and coordination of delivery across the system.

Through this approach, the LSIP will support the development of a workforce that can meet environmental and regulatory requirements, enable the transition to Net Zero, and contribute to improved productivity and sustainable economic growth across the Liverpool City Region.

Equality of Opportunity

Ensuring that more residents can access, remain in, and progress within the Liverpool City Region labour market is a core objective of the LSIP. Evidence from employer engagement and the Get Liverpool City Region Working Plan highlights that economic inactivity in the City Region is around 25%, compared to approximately 21% nationally, with strong links to health conditions and deprivation. This represents a significant underutilisation of local talent, limiting both individual opportunity and economic growth. Barriers to participation include limited awareness of career pathways, uneven access to training, and practical constraints such as time, cost, transport, and caring responsibilities.

The evidence also highlights that access to opportunity is not evenly distributed across sectors or communities. While many LSIP priority sectors, including health and care, construction, and the visitor economy, offer accessible entry points, employer feedback indicates that progression beyond entry-level roles is often unclear. This contributes to higher turnover, lower retention, and limited social mobility, particularly for those entering the labour market from disadvantaged backgrounds.

A key priority is therefore to strengthen both entry and progression pathways, ensuring that individuals can see and access clear routes into higher-skilled, higher-paid roles. This includes embedding progression within skills provision, particularly at Levels 2 to 5, and ensuring that training aligns with real job opportunities. The LSIP action plans support this through expanded modular and in-work learning, enabling individuals to upskill alongside employment and progress within sectors such as health and care, manufacturing, and construction.

Improving careers awareness and engagement is also critical. Employers highlighted that many roles, particularly in sectors such as construction and the visitor economy, are perceived as low-skilled or temporary, despite offering long-term career opportunities. Strengthening employer engagement, work placements, and real-world learning will help individuals better understand these pathways and make informed choices.

Targeted interventions are also required to widen participation in sectors where the workforce does not reflect the diversity of the local population. For example, the Women in Construction initiative set out in Annex B aims to address gender imbalance by expanding employer-led engagement, mentoring, and targeted support at key transition points, including from school into further education and apprenticeships. This will help to broaden the talent pipeline and address persistent skills shortages within the sector.

The LSIP also supports targeted approaches to addressing foundational barriers to employment. This includes initiatives such as the literacy skills proficiency pilot, which aims to strengthen core English skills and improve the transition from education into employment, particularly for those at risk of disengagement. Alongside this, skills passport, wallet or badge approaches in sectors such as construction and the visitor economy will provide clearer expectations of job readiness and support more consistent entry into employment.

Flexibility in delivery is essential to improving access. The LSIP promotes modular, accessible training aligned to employer demand, supported by funding mechanisms such as the LLE and Apprenticeship Units. This enables individuals to engage with learning in a way that reflects their circumstances, including those with caring responsibilities or those already in work.

The LSIP also recognises the importance of coordinated support across the system. Strengthening links between employers, providers, careers services, and wider support programmes will help ensure that individuals can access clear, relevant information and support to enter and progress in the labour market.

Together, these actions represent a more inclusive and responsive approach to skills, ensuring that a wider range of residents can access opportunities, develop their skills, and progress into sustainable employment. This will support both inclusive growth and improved productivity across the Liverpool City Region.

Governance and Validation

The development of the LSIP was supported by a governance structure designed to ensure transparency, challenge and collaborative ownership of the evidence and priorities.

Strategic oversight was provided by a joint LSIP Steering Group comprising the ERB and the Liverpool City Region Combined Authority. The relationship and ways of working between the two organisations were formalised through a Memorandum of Understanding (MoU), which set out shared responsibilities, governance arrangements and principles for collaboration. The Steering Group monitored progress throughout the project, reviewed the emerging evidence base and ensured that the LSIP remained aligned with wider regional economic strategies and labour market intelligence. This arrangement reflects the collaborative approach expected in devolved areas, combining employer led insight with the Combined authority's economic analysis and policy expertise.

Additional scrutiny and validation were provided by the LSIP Board. The Board includes representatives from employers, further and higher education providers, training organisations and wider regional stakeholders. Its role was to challenge emerging findings, test whether priorities reflected real labour market demand and ensure that the LSIP remained relevant to the wider skills and economic ecosystem across the Liverpool City Region.

The governance process incorporated several formal review points during the development of the plan. In November 2025 the Board reviewed emerging themes from the employer research and provided direction on the initial set of high-level priorities. In February 2026 the Board considered a detailed draft of the LSIP, providing feedback to refine the evidence base and inform the consultation process.

Alongside these formal governance stages, ongoing feedback loops were maintained with employers, training providers and partner organisations including sharing drafts and inviting feedback in February 2026, and again in March 2026. This iterative process enabled emerging findings to be tested with stakeholders as the evidence developed and ensured that the final priorities were grounded in both employer insight and the practical experience of organisations involved in skills delivery.

International evidence²² shows that strong local skills systems share common characteristics. They focus on occupations rather than courses. They prioritise progression and productivity, not just participation. They align workforce development with economic strategy. They embed employer voice within formal structures. They measure impact in terms that matter to businesses.

The Liverpool City Region is well placed to deliver this approach. The Growth Plan sets a clear economic direction. The Get Liverpool City Region Working Plan focuses on participation and progression. The LSIP provides employer-led occupational insight. Together, this “local triple lock” allows skills, growth and workforce supply to move in step.

ISPs will be established across priority sectors, enmeshed with cluster boards and other local infrastructure. These will provide structured employer input, not one-off consultation. The Combined Authority has devolved influence over adult skills funding and can align commissioning decisions with agreed priorities. Sector cluster boards provide a mechanism for accountability and review. This context makes it possible to move beyond describing skills gaps and towards implementing agreed system changes.

²²OECD (2023). OECD Skills Strategy 2023: Skills for a Resilient Green and Digital Transition. Paris: OECD Publishing.
 OECD (2023). Job Creation and Local Economic Development 2023: Bridging the Great Green Divide. Paris: OECD Publishing.
 OECD (2022). Strengthening the Governance of Skills Systems: Lessons from OECD Countries. Paris: OECD Publishing.
 World Bank (2019). World Development Report 2019: The Changing Nature of Work. Washington, DC: World Bank.
 CEDEFOP (2022). Microcredentials and Evolving Qualifications Systems in Europe. Luxembourg: Publications Office of the European Union.
 International Labour Organization (2021). Skills for a Greener Future: A Global View. Geneva: ILO.
 SkillsFuture Singapore (2022). Skills Frameworks and Sector Transformation Overview. Singapore: SkillsFuture Singapore.

Partner Intelligence and Stakeholder Input

The LSIP evidence base also incorporates intelligence and insight provided by partners across the Liverpool City Region skills and employment ecosystem.

For example, engagement with trade unions such as the Electrical Contractors Associate (ECA) and Unite, identified the critical frailties in the supply of qualified electricians across the LCR which is reflected in the Construction action plan and an ambition to explore an Electrotechnical Alliance across the LCR to promote and expand training for electricians.

Partnership work with other agencies such as JC+, careers services and Be More have helped shape the evidence base, identifying actions required such as creating a set of job ready standards for Advanced Manufacturing. Their feedback has also been critical in establishing basic skills (including literacy) as a priority. The LSIP actions identified support priorities such as the Get LCR Working Plan.

These partners include:

Universities

- University of Liverpool
- Liverpool John Moores University
- Liverpool Hope University
- Edge Hill University
- Liverpool School of Tropical Medicine

Colleges and Training Providers

- Carmel College
- The City of Liverpool College
- Hugh Baird College
- Wirral Metropolitan College
- St Helens and Knowsley Community College
- Southport College
- Riverside College

Strategic Industry and Employment Partners:

- Liverpool City Region Combined Authority
- Be More
- Jobcentre Plus
- Careers Hub
- Elevate

Local Authorities across the City Region

- Liverpool City Council
- Knowsley Metropolitan Borough Council
- Sefton Metropolitan Borough Council
- St Helens Borough Council
- Wirral Metropolitan Borough Council
- Halton Borough Council
- British Chambers of Commerce
- RSA
- CITB
- OCN
- ECA
- Unite
- MTC Liverpool
- UFI VocTech Trust
- LCR Destination Partnership
- Historic England
- UK Hospitality
- Gatsby Foundation
- North West CTEC
- Kings Trust

These partners contributed intelligence through consultation, engagement events, governance structures and ongoing collaboration within the regional skills system.

LSIP and Partner events that specifically gathered evidence for this LSIP included:

- LSIP Conference
- Chamber Well Connected (monthly networking events)
- LINK meeting (monthly networking for the LCR Visitor Economy)
- International Trade Club
- South Liverpool Business Forum
- AI Tech for Good
- North West T Level Networking Lunch
- Kings Trust - Driving Growth & Employment in the LCR
- International Trade Club
- Making Sense of AI – AI readiness course delivered by Edge Hill University
- LCR Construction Roundtable
- St Helens Growth Board
- City of Liverpool College - Construction Event
- Women in Construction (Frank Rogers)

National Data and Policy Sources

The LSIP evidence base draws on a wide range of national datasets and policy frameworks, including:

- Office for National Statistics (ONS) labour market statistics
- Business Register and Employment Survey (BRES)
- Annual Population Survey (APS)
- Labour Force Survey (LFS)
- Longitudinal Education Outcomes (LEO) data
- Individualised Learner Record (ILR) data
- Department for Education further education statistics
- Skills England labour market intelligence and skills assessments
- Occupations in demand: 2025 - GOV.UK
- Assessment of priority skills to 2030 - GOV.UK
- AI foundation skills for work - GOV.UK
- Employer skills survey 2024: England results - GOV.UK
- Local Skills Dashboard
- UK Industrial Strategy and related workforce plans
- national sector workforce and skills strategies.
- Get Britain Working White Paper - GOV.UK

- Clean Energy Jobs Plan: Creating a new generation of good jobs to deliver energy security
- NHS England » NHS Long Term Workforce Plan
- Skills Needs Analysis For the Repair, Maintenance and Retrofit of Traditional (pre-1919) Buildings in England, Technical Annex
- Delivering Net Zero for England's Historic Buildings: Local Data on the Demand for Retrofitting Skills and Economic Growth | Historic England

Regional Data and Strategic Documents

Regional evidence was drawn from a range of local strategies and labour market intelligence produced by the Liverpool City Region Combined Authority and partner organisations.

Key documents and evidence sources include:

Liverpool City Region Growth Plan 2025-2035

Appendix 1 - Liverpool City Region Long Term Skills Plan.pdf

Appendix 1 - Get Liverpool City Region Working Plan.pdf

Appendix 1 - Liverpool City Region Long Term Skills Plan.pdf

LCR-Creative-Industries-Board-Strategy-Action-Plan.pdf

Liverpool-City-Region-health-and-life-sciences-strategy-and-action-plan_FINAL.pdf

LCR Destination Management Plan 2025-2030

Home Page - BeMore

baseline-review-2024-executive-summary.pdf

CTEC Provision Mapping

Contact

lsip@liverpoolchamber.org.uk
to find out more



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