



**MEETING OF LIVERPOOL CITY REGION
LOCAL ENTERPRISE PARTNERSHIP
BOARD**

AGENDA

DATE: Thursday 23 September, 2021

TIME: 8.30 am – 10.30 am

VENUE: Zoom Conference

**LIVERPOOL CITY REGION
LOCAL ENTERPRISE PARTNERSHIP
BOARD**

AGENDA

1. WELCOME AND DECLARATIONS OF INTERESTS (V)

Board Members to declare any interests in items on the agenda either at the outset of the meeting or when the item is discussed.

2. MINUTES AND MATTERS ARISING FROM THE PREVIOUS MEETING (P)

To include:-

- (i) a brief progress report and next steps on the LCR Freeport since the last Board Meeting and two further proposed nominations for membership of the Liverpool City Region Freeport Management Board from the Special Purpose Appointments Committee;
- (ii) an update on the City Region's Comprehensive Spending Review Submission; and
- (iii) updated plans for COP26 and NZNW.

(Pages 1 - 18)

3. BOARD MEMBERS' FEEDBACK (V)

Board Members are invited to provide a brief 2-3 minute update on their organisation and wider sector to include views on the opening up of the economy and the challenges and opportunities this is presenting for them.

4. LEP REVIEW (P)

LEP Managing Director, Mark Basnett will present the current position relating to the Government's LEP Review, the outcome of the LEP Board Working Group discussion and the proposed next steps to ensure that the key strategic and delivery insight role of the LEP, including its main and sector Boards is maintained and strengthened, regardless of the outcome of the Review.

(Pages 19 - 24)

5. SECTOR UPDATE: DRAFT VISITOR ECONOMY RECOVERY STRATEGY (PR)

Presentation by Laura Pye & Pete Sandman on the Draft Visitor Economy Recovery Strategy and next steps to securing approval by Local Authorities and the Combined Authority.

6. RACE EQUALITY REVIEW UPDATE (PR)

LEP Managing Director, Mark Basnett will update the Board on the findings of the LEP and Growth Platform Race Equality Review and the proposed actions.

It will include details on the development of the Race Equality Business Support Working Group, recruitment process for Members and Chair and the recommendation from the Special Purpose Appointments Committee.

7. DRAFT LIVERPOOL CITY REGION EXPORT STRATEGY (PR)

LEP Managing Director, Mark Basnett and Head of International Trade, Ben Flanagan, will present the draft Liverpool City Region Export Strategy developed jointly by Growth Platform and the Department for International Trade with Chambers, Business and currently in consultation with Local Authority partners.

8. CHAIR'S UPDATE (V)

To include Liverpool City Region LEP leading the work for NP11 on developing a Digital Proposition for the North co-ordinated by Deputy Chair, Paul Corcoran and the UK Investment Summit in October.

9. ANY OTHER BUSINESS

Next meeting – 25 November 2021 (8.30am – 10.30am).

Key – (V) – Discussion/verbal update no paper
(Pr) – Presentation
(P) – Paper

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LIVERPOOL CITY REGION LOCAL ENTERPRISE PARTNERSHIP

At a meeting of the Liverpool City Region Local Enterprise Partnership held Remotely on Thursday, 22nd July, 2021 the following Members were

PRESENT:

Mr A Hamid MBE (Chairperson of the Board)
Paul Corcoran
Melinda Acutt
Angela White OBE
Lynn Collins
Dr Jonathan Hague
Laura Pye
Metro Mayor Steve Rotheram

ALSO IN ATTENDANCE:

Mark Basnett, Managing Director LCR LEP
Tony Wade, Finance Director, LCR LEP
Dr Aileen Jones, Interim Executive Director of Commissioning and Strategic Delivery, LCRCA
Kirsty McLean, Executive Director of Policy, Strategy and Government Relations, LCRCA
Simon Reid, Growth Platform
Mick Allen, BEIS
Ellie Stanborough, BEIS
Lisa Harris, Executive Director for Place, St Helens Council

APOLOGIES:

Mayor Joanne Anderson
Prof Dame Janet Beer
Elaine Bowker
Mike Hulme
Mark Whitworth
Councillor Janette Williamson
Tony Reeves, CEX Liverpool CC
Jill Coule, Chief Legal and Monitoring Officer, LCRCA
John Fogarty, Executive Director of Corporate Services, LCRCA

472. WELCOME AND DECLARATIONS OF INTERESTS (V)

The Chair, Asif Hamid MBE opened the meeting and welcomed everyone to the meeting.

The Chair reported a number of apologies from Board Members. He thanked the Metro Mayor, Steve Rotheram for attending the meeting to ensure a quorum. He also sent best wishes to Mayor Joanne Anderson who couldn't attend due to illness and extended good luck wishes to Councillor Janette Williamson who was involved in a by-election.

No Declarations of interest were submitted by Board Members, but the Chair requested that any Board Members provide notification of interests as soon as possible either by e-mail or verbally during the meeting.

473. MINUTES AND MATTERS ARISING FROM THE PREVIOUS MEETING (P)

The minutes of the Board Meeting held on 3 June 2021 were agreed.

The Chair, Asif Hamid MBE, asked Mark Basnett to provide an update on any matters arising.

Mark Basnett, Managing Director of the Local Enterprise Partnership referred to the recent postponement of the Good Business Festival event which was due to take place in early July 2021 due to the change of date for the relaxation of covid restrictions. Mark informed the Board that a decision had been made to hold the event in March 2022 with the intention that the format would still be a significant and substantial physical festival. He added that the decision to maintain the physical format was made following consultation with key stakeholders and Local Authority partners and that an Executive Board was managing the finances to ensure that the event remained within budget.

474. BOARD MEMBERS' FEEDBACK (V)

The Chair, Asif Hamid MBE, invited Board Members to provide an update on the current position within their sector.

The Metro Mayor, Steve Rotheram informed the Board that he was still meeting regularly with Secretaries of State and Government Ministers remotely. He was disappointed that the meetings were not face to face, as he felt that discussions were not as productive, and the notification received following the meetings differed to what was discussed. He referred to the UK Prosperity Fund and the levelling up agenda with different funding streams available. The Intercity Transport Fund was the fund which could be the most transformational with grants of between 4 and 600 million pounds. This funding could develop huge infrastructural transport projects for the Liverpool City Region. He added that previously, funding bids were unsuccessful but there was now a pipeline of projects in place to develop bids to access funding.

The Metro Mayor mentioned recent successful trials with new battery technology on the new trains which provided an extra 20 miles of travel without the need for a third live rail line which was the most expensive part of the infrastructure. This was also a safer and preferred option by the rail regulator, the Office for Road and Rail. He referenced 'Merseyrail for All' which identifies places that could potentially be serviced with the new trains. As well as it being beneficial for those communities left behind, it would also provide an additional source of income.

The Metro Mayor made a statement that on the first day he returned to office, he said that he would deliver on his manifesto pledge which was £150 million covid recovery plan. As more details emerge, he would be happy to share this information so that members could be made aware of how that money was to be invested appropriately. Immediate investment in things that would provide economic stimulus to enable recovery as soon as possible. He added that covid was still an issue and it was not known how long it would continue so it was important to get into the recovery and beyond as quickly as possible, in order to get back to growth. Pre-pandemic, the Liverpool City Region was the fastest growing City Region in the Country and we needed to return to that position.

On a final note, the Metro Mayor referred to the disappointing news that UNESCO had decided to remove Liverpool's 'World Heritage' status. He was staggered at the decision and referred to an article in the 'i' newspaper, where he talked about his childhood memories of the state of dereliction and decay in the City. It seemed that they would have preferred things to remain in that state rather than be regenerated. The Metro Mayor felt that collectively some decisions weren't right, including the footprint from the beginning, including the buffer zone. He referenced other 'World Heritage' locations that had been developed since and they had not had their status removed and he felt that the decision was a warning shot to others. Michael Heseltine was also disappointed at UNESCO's decision as he was part of the bid team originally.

Whilst he was disappointed, the Metro Mayor said it wouldn't stop the progression of some really exciting and transformational projects.

The Chair, Asif Hamid MBE pledged the support of the LEP Board in condemning UNESCO's decision and it was totally unacceptable in the way it was done.

The Chair commended the amount of work that the Metro Mayor had undertaken since his re-election and the effort he has made in visits around the City Region since the relaxation of restrictions. He referred to an event held the previous Friday in the Arena with the Metro Mayor and the Mayor of Greater Manchester Combined Authority, Andy Burnham which was well received.

Melinda Acutt informed the Board that she was still very busy from a business perspective and staff were all still working from home.

Melinda indicated that from the Clean Growth Board perspective, the first meeting had taken place on 3 June 2021 and the second was being held that afternoon. The Board wanted to finalise the action plan and how it supported the Combined Authority delivering the 'Net Zero Plan' how we get private sector input into that and align people with the work streams before they went on holiday for the Summer. She informed the Board that there was an enormous amount going on in terms of net zero and businesses were being bombarded. It had become apparent that larger businesses could afford to employ sustainability managers to put plans in place, but SMEs were struggling with a lack of support. She suggested that some local support could be put in place to provide the kind of knowledge and expertise to support SMEs to help the transition to net zero. Also, there wasn't a clear funding path so it would be helpful to at least signpost sources of support and information, or even partnering with organisations to be able to provide that support so there was a need for something centrally.

Mark Basnett, Managing Director of the LCR LEP indicated that this had also been picked up through Growth Platform with increasing interest from businesses. He added that it was being worked on and it was a dialogue that needed to take place around processes to support SMEs as the bigger businesses have had this in their sights for some time.

The Chair, Asif Hamid MBE, informed the Board of the Government's new tender process for procurement of contracts through a framework agreement called RM6181, similar to the public sector procurement process. He added that there was a section on Net Zero and the only way you can get on that framework agreement now was to have a clear-cut policy on how to take things forward. He undertook to share information with Melinda which he didn't think would breach confidentiality

rules. As a company you could adhere to the rules but there wasn't the expertise and knowledge to create a policy. The number of contractors in the UK with that knowledge was also limited and every one of them was fully booked until December 2021 at the earliest. It was a niche market and consultants were very expensive. The Chair indicated that it was going to be a struggle for a lot of businesses to develop the process.

Mark Basnett, indicated that it was something the Metro Mayor was passionate about within the Combined Authority to ensure that people getting support from the Combined Authority or contracts, adhere to those good principles, both around sustainability but also around fairness.

Dr Jon Hague informed the Board that Unilever was committed to get to net zero across the entire supply chain up to point of sale by 2039. As the business looked at its footprint and what needed to be done, it would be an absolute transformation of the business. Their existing portfolio of products could never be net zero, so they had to revolutionise the way FMCG works if they wanted to achieve net zero or find ways of offsetting millions of tonnes of carbon. Jon indicated that in 2020, Unilever had announced the 'Climate and Nature Fund' a €1 billion euro fund set aside from the marketing budget over the next decade to co-fund schemes that would accelerate progress to net zero.

He asked if there were any ideas out there for SMEs that have got fantastic technologies that might suit the FMCG world Unilever were open for conversation as there was money to leverage.

Jon Hague provided an update on his sector. The Unilever results had just been announced with a good first half of the year with 5% growth which seems much more stable growth than the previous year. Things were also more stable in the various categories coming out of the pandemic. Food was still a star performer with 8% growth in the food business. Personal care business grew 3.3% and homecare was stable at 4% growth so that was the good news. The bad news was that the underlying operating margin dropped 1% which was a reflection of the commodity price hikes that everybody had seen year on year. It was unlikely to get any easier in the second half of the year, so it was possible that some of that cost would be passed to consumers around the world.

Jon Hague reported that in relation to the pandemic, despite the relaxation, Unilever had not changed anything. They did not want to bring people back into the work environment with cases on the rise, although it is actually heartening to see a levelling off in the City Region. Once the pandemic was over the peak, they would start to bring more people back into the office. He concluded and stated that they had not been affected by the 'pingdemic'.

The Chair, Asif Hamid MBE asked if the margins had dropped due to an increase of cost to serve or was it the natural cost of goods?

Dr Jon Hague indicated that it was the price hike of raw materials. The cost of palm oil was at an all-time high and the cost of crude oil had also spiked which forced commodity costs up.

The Chair, Asif Hamid MBE referred to Unilever not being affected by the 'pingdemic' and asked Jon if he thought that was due to not being on the business premises or that people weren't informing the business when they had been contacted as a result of working from home?

Dr Jon Hague indicated that Unilever had a very good record of finding out if staff have Coronavirus. He felt that this was due to the precautions they had put in place and good practices in operation that had afforded some protection. They were not operating mass participation premises which had the biggest challenges and Unilever had really tight protocols in place.

The Deputy Chair, Paul Corcoran provided an update on the Creative and Digital Board. The Board had set up three action-based groups to look at three priority areas. The first one was business support, and the second was place and space, and the third was skills, training and development. Some work had been done on engagement with the wider business community within the sector and some of the results coming in were really interesting in relation to business support. There was a way to go in communicating really effectively what support packages were available. If you were connected, it's great, but if you were a smaller business or a start-up in St Helens or Halton there is a lack of awareness of the mechanisms and tools available. He felt that there was more work needed through Growth Platform and with partners to be clear and concise about what was on offer to businesses including everything from access to finance, internationalisation and help with business plans. Paul added that he was involved in a business desk event with a number of creative and digital businesses from the City Region, including some that had relocated to the area. The general consensus was that more support was welcome, particularly in the investor community space.

Paul Corcoran also referred to the new interventions that Ben Heywood shared at the last Board meeting which were welcomed. It was about working closely with the VF's in the City Region and encouraging more to come to Liverpool City Region to engage with and inevitably support the businesses here and also encouraging more angel investors to come to the City Region. The potential and appetite were there to position the City Region as a really attractive place, but there was some way to go.

In relation to place and space, Paul reported that places such as Sci-tech Daresbury were doing well and had created 160 brand new jobs on site. Baltic Creative and the Knowledge Quarter were also doing well. It was apparent that there was a need for new types of spaces reflecting how entrepreneurs or businesses want to work now. There was a need for less formality and a greater sense of how people co-create their work. More space for zoom rooms and individual meeting space that people can take calls in and across the City Region estate this type of space was very limited. Paul added that it was also about making sure that we were embedding some of the real fundamentals and ensuring that spaces and places were net zero, healthy and they encouraged good mental and physical well-being as well.

Paul provided an update on skills. He indicated that there were patterns coming through and a skills gap in relation to programming with real demands on individuals with coding skills who can competently develop the backend of a website and software etc. In addition, there was also a skills gap in the accounts handling and content creation field as well. Recruiters were reporting an increase in salary due to the high demand for skills, alongside the flexibility to be able to work from home, so location wasn't an issue, and it gave a better return in comparison to what an SME could deliver.

Paul concluded and stated that there was a lot of positivity and it felt like everybody was looking forward to the September back to school feeling again. In relation to the net zero debate, he reiterated Melinda Acutt's comments. There were a lot of

confused business owners who needed help so he welcomed any support Growth Platform could provide.

Mark Basnett agreed that it was going to be made a priority via Growth Platform as the steer from the Board was very clear.

The Chair, Asif Hamid MBE indicated that he would come back on some of the points Paul made under any other business in referring to the Employment and Skills Board meeting, but also, how the professional services economy was finding it challenging with people working from home.

Paul Corcoran also wanted to mention the incredible work by John Whaling and Team at the Combined Authority on the new Digital Strategy. He had been in conversation with a number of people who sit within the place arena, the Knowledge Quarter, Sci-tech Daresbury and Baltic Creative to see how we could, perhaps add an addendum to that work. It would look at the positioning of the various different clusters and the type of business in that particular location, e.g. Baltic Creative or Food Hub. Paul convened a meeting last Tuesday which Helen chaired as he wasn't available, but he would provide feedback to the Board and the recommendations that came out of that meeting involving the various different cluster owners.

Mark Basnett referred to the note from Dr Jon Hague included within the meeting chat around the Liverpool Ventures programme that has been developed through Jon and the Innovation Board. Mark indicated that he was also on the MSIF Board, and they had commissioned work with the LCR Combined Authority looking at the need for seed funding across the City Region. There was a strong and growing case for additional seed capital and engagement of angel investors, and it was touched on, as Jon said in parts of the enterprise presentation from Ellie Fielding and Ben Heywood at the last meeting. Mark added that there was a momentum in that area and MSIF as a board were looking to commit its resources into that which was a much higher risk area than debt alone and more mature equity finance. It was central to drive those earlier stage businesses forward, particularly in your sector so we should see more work on that and information coming back to a future meeting.

Dr Jon Hague commented on workspace, particularly on the research and development side and that science park was full. There was a real chronic need for investment in in space for SMEs to come and work in the City Region, including lab space.

Dr Jon Hague indicated that the University was looking to release some real estate, due to changes in their business model so that could be an opportunity to explore.

Mark Basnett commented that a lab space review had been commissioned across the City Region on where the demand was and the gap which would provide an evidence base to stimulate some action.

Lynn Collins provided an update from the Trade Union sector and expressed her thanks to Paul Corcoran and Agent Academy who had invited her to speak to their cohort of interns. She described the experience as a fantastic couple of hours speaking to inspiring young people from the City Region with a real passion for social justice. The work they were doing was incredible and recommended that if anyone was invited to visit that they would get so much out of giving up 2 hours of their time.

Lynn indicated that she linked up with Ben Heywood after the last meeting regarding the Fair Employment Charter and how we could engage with new employers and

start-ups to encourage them on the path to becoming a good employer from day one. She added that as the Fair Employment Charter rolled out the possibility of having 'declarations of intent' could be explored from the outset and what support could be accessed to progress it. Lynn stated that the CIPD had in some areas developed schemes that offered some free HR advice to new employers.

Lynn Collins also reported on some recent Government announcements. She expressed disappointment that the Government would not be reviewing the rate of Statutory Sick Pay which linked to the discussions around the 'pingdemic' and staff shortages. On a more positive note, the Government announced that there would be a reintroduction of the employer's duty to prevent sexual harassment so all employers would be required to review their procedures to ensure that they were taking preventative measures against sexual harassment in the workplace. Lynn hoped that this could also be picked up as part of the Fair Employment Charter.

Lynn mentioned net zero and that the Green Jobs Taskforce had just reported, and she was hoping to showcase examples within the City Region and across the North West where employees and employers had worked together to look at a just transition to a new type of business. One example was the Ford Transmission plant in Speke which Lynn had visited recently with the Metro Mayor and the partnership working between Trade Unions and Management to consider how they move away from diesel and petrol production and had made a bid in for an electric engine to come into that plant. She added that she was looking for other examples to showcase partnership working and build sustainability into businesses going forward. Lynn asked Board members to let her know of any examples.

Lynn Collins asked if there was a scheduled report back to the Board on the outcome of the Race Equality Review?

Mark Basnett thanked Lynn for the update and asked if she could share the information about the sexual harassment prevention duty on employers so it could be circulated widely. In relation to the Race Equality Review, Mark indicated that an action plan had been received from 'Innervision' which had been reviewed by the Senior Management Team and they were in the process of putting a schedule together to bring to the LEP Board Meeting in September 2021. The process was not a 'quick fix' but about cultural change, policy change, actions and training of staff amongst other interventions in response to the review and the initial focus was on responding as a business to implement the changes required.

Paul Corcoran, Deputy Chair, referred to the work being undertaken with Lorna Rogers at the Combined Authority and Lorna had asked for the work to be migrated into the business space. He added that a private sector business was required to own the piece of work to work with the Advisory Board to implement and ensure that the workstream of the LEP was reflected in the workstream for the Combined Authority. Paul took the opportunity to say a massive thank you to Lorna and the Team for the work they had undertaken as it had been exceptional.

Angela White provided an update to the Board on challenges and opportunities for the Third Sector. Groups and organisations were re-opening and there was complex and multiple demand from residents including assisting people who were isolating due to covid. Angela added that like others, there was a transitioning of business and consideration of new ways of working in a positive way. In terms of VS6 and the voluntary sector, a 5-year social enterprise manifesto had been produced and she thanked the Metro Mayor for listening to ideas on how the sector can contribute to the social economy and she was prioritising what that would look like. Angela asked

if she could present those ideas to a future meeting and how they interconnect with economy of terms of stimulated the areas furthest away from the Labour Market.

Angela commented on the conversations around net zero and indicated that in Sefton, there would be a 'Net Zero Conference' taking place in November 2021 including looking at how the voluntary sector and SMEs could develop carbon neutral pathways in their organisations and efficiency models. Angela agreed with Melinda's comments and advocated support for small organisations on the net zero agenda.

Angela also reported that Sefton were about to launch a business recovery toolkit for SME's and organisations who were changing their business model in response to recovery from the effects of the pandemic. There was lots of agile working and collaboration across the sector and a willingness to engage in the opportunities as a result of 'build back better' and the shared prosperity fund.

Mark Basnett thanked Angela for the offer to present at a future Board meeting and asked her to liaise on a suitable meeting date.

Laura Pye provided the Board with an update on the visitor economy sector. She indicated that although restrictions had been lifted businesses still had a number of controls in place, including masks, reduced capacity and hand sanitising requirements. The 'pingdemic' was a major issue for the sector due to high numbers of staff self-isolating and some businesses not being able to operate due to lack of staff. Unfortunately, there wasn't a solution to the issue. The Government's instruction that from August 2021 there was no requirement to self-isolate if you were 'double-jabbed' was not a solution as it presented a host of issues for employers on how vaccination information was obtained about staff.

Laura also referred to the constantly changing position by Government and quoted the example of the re-opening of nightclubs at midnight on 19 July with no restrictions, but by 5pm information on the requirement to be vaccinated and have covid certification before you could visit a nightclub. The nightclub industry was extremely unhappy with this last-minute decision.

In relation to the work of the Sector Board, Laura reported that a Visitor Economy Strategy was being developed in response to the recovery. The Strategy was in draft form, along with the action plan and focussed on 5 priority areas. The first area was marketing management. She expressed her disappointment at the news that Australia and New Zealand had pulled out of the Rugby League World Cup which was devastating for the City Region.

The second priority related to business events and how we attract business tourism back into the City Region. There were also two actions around market readiness and how we support businesses to deal with issues like covid certification. Skills support was a huge issue for the visitor economy with vacancies difficult to recruit to. Another priority area was the development of resilience support systems. Laura indicated that there had been major involvement in the review of Destination Management Organisations (DMO's) with DCMS and the outcome was with the Tourism Minister. Feedback was awaited on the recommendations from the review.

Laura also reported some good news in that National Museums Liverpool (NML) were successful in a bid for £10 million Heritage Lottery funding for the National Slavery Museum and they were pressing ahead with a design competition for the waterfront. This was regardless of UNESCO's decision and NML maintained that

Liverpool still had a world class heritage and that they would continue to develop and protect it.

Mark Basnett thanked Laura for her detailed update and pledged the support of the LEP in her endeavours. Given the important work being undertaken on the recovery plan, he suggested that could be brought to a future meeting of the Board to enable Board members to be sighted on it given the greatest impact of the pandemic had been felt by the visitor economy sector.

Paul Corcoran congratulated Laura on NML's successful funding bid and asked what the plans were for development of the Slavery Museum.

Laura Pye responded and stated that whilst they had been awarded £10 million, the plans for the Museum amounted to a £47 million project, but this initial funding was really important. The Plan was to use the Martin Luther King Building, formerly the Dock Traffic Office or Granada TV building which was owned by NML as the front entrance to the National Slavery Museum. The plan would provide more display space and a bridge link across to the Maritime Museum and resulting works within both buildings. Some display space would be co-produced with a range of community groups, new research space with University partners and a focus on the legacy of transatlantic slavery and more of the issues faced by modern day slavery in the UK and the rest of the World. She added that it was a significant re-development and symbolically important.

Paul Corcoran also asked if there was an opportunity to engage with the digital community in relation to immersive theatre or exhibitions and utilise the talent within the City Region. Paul offered to get businesses together to discuss ideas of what could be done.

Laura Pye welcomed Paul's suggestion and undertook to link up with Paul outside of the meeting.

The Chair, Asif Hamid MBE reported that in relation to the 'pingdemic' there was due to be an imminent announcement from Government in relation to transport logistics which was having a major impact on deliveries in the food and retail sector. The Chair, with the Board's permission undertook to write to Sajid Javid MP and Kwasi Kwarteng MP to relay concerns and the impact it was having on the City Region.

475. LCR COMPREHENSIVE SPENDING REVIEW SUBMISSION (P)

The LEP Board considered a paper which stated the Government's intention to carry out a Comprehensive Spending Review (CSR) in the Autumn and how there was an opportunity for organisations to submit representations to inform the development of national policy and spend priorities for the next three-year period.

Kirsty McLean, Executive Director of Policy, Strategy and Government Relations informed the Board that the LCR Combined Authority (LCRCA) was pulling together a submission on behalf of the City Region and was seeking input from the LEP Board to feed into the submission over the next 2-3 weeks. Initial views were invited from Board Members and further information could be submitted over the coming weeks via the LEP Executive or direct to the LCRCA.

Kirsty stated that the timescale for the review had still not been confirmed by Government, but it was assumed that it was scheduled for Autumn 2021. With that

date in mind, it was envisaged that the submission on behalf of the LCRCA would be sent to the Treasury by the end of August 2021/beginning of September at the latest.

Kirsty stated that delegated authority was sought for the Chair to endorse the final submission on behalf of Board Members as it may not be possible to bring suggestions back to the LEP Board if the timescale for the review was early Autumn.

She added that it was unclear from Government what opportunities were available as part of the CSR, but a strong case would be put forward for devolved and flexible funding. In the event that funding was available via small competitive funding pots, then the LCRCA would seek to still put a strong case forward and look to design some of those funding pots to stand the best chance of securing money.

Kirsty also stated that the work was already well underway on the identification of priorities through the Local Industrial Strategy, the LCR Recovery Plan and the recently developed Corporate Plan which was being considered at the LCR Combined Authority meeting on 23 July 2021. She added that there was also a really strong pipeline of transformational projects which would be at the heart of the submission for the spending review, as well as feeding in the LEP Board's priorities as part of the process.

Kirsty also referred to the impending Government White Paper on 'Levelling Up' which was due to be published around the same timescale as the CSR and it would be useful to get some views on how the LCR wanted to influence devolution and 'Levelling up' rather than from a Government perspective, in order to put the best case forward.

The Chair, Asif Hamid MBE expressed his disappointment at the Government's last-minute approach and the lack of clarity on the timescale for the review. He asked Kirsty McLean about the best mechanism for engagement with the Board to ensure more focussed engagement.

Kirsty McLean responded and acknowledged that not all Board Members were on the call and stated that she would welcome one to one conversations with Board Members, although it would be useful to get some general input during the meeting. She undertook to arrange meetings over the next 2-3 weeks, Summer holidays permitting, to facilitate engagement with any members who wished to participate.

Dr Jon Hague referred to the Innovation Board's plans and suggested that John Whaling from the LCRCA put forward the pipeline to see whether it was relevant for this CSR.

Kirsty responded and stated that John Whaling was already involved in the submission so that information was already being considered.

The Chair, Asif Hamid MBE asked how work relating to the digital arena was being incorporated, as the Vice-Chair, Paul Corcoran was involved in the work being undertaken with NP11 and in the North West. He also referred to the skills-based arena and asked what the best methodology was to incorporate these areas into the review?

Kirsty McLean commented that she was keen to speak with Paul Corcoran about the submission. She added that the emphasis was on reflecting the opportunities for the Liverpool City Region but also how that linked into wider opportunities with other Combined Authority areas on a regional and national level.

In relation to skills, Kirsty suggested that she would develop a 'straw man' proposal and work with Asif, as Chair of the Skills Board and other stakeholders with a view to reflecting the business and provider perspective

The Chair, Asif Hamid MBE asked if the Fair Employment Charter could also be reflected as part the review to drive forward the 'Fairer, Greener' strategy and for Lynn Collins to provide her input into the submission.

Lynn Collins agreed to provide input and she reported that FASJAB was holding a session on the CSR on 30 July 2021 to look at the impact that projects would have on tackling inequalities in the City Region and highlighting this in the review. She added that she was keen to have a discussion on how decent jobs should underpin everything.

Kirsty McLean commented that they were keen to demonstrate economic impact and the social value impact and how they were mutually supportive and undertook to work with Lynn Collins to reflect that approach.

The Chair, Asif Hamid MBE commented that everybody in the meeting would want to input into the submission, based on the comments in the meeting chat and it would be possible for Kirsty McLean to arrange a 15-minute meeting with all Board members on the call.

Mark Basnett, Managing Director of the LEP referred to the Sector Board structure and Sector Champion and that would provide an opportunity for input, as well as Board Members. Mark requested Board Members who were interested in participating to contact himself or Kirsty McLean and he also undertook to ensure that the Sector Boards were sighted on the CSR and had an opportunity to contribute.

The Vice-Chair, Paul Corcoran, highlighted that the Sector Boards and their members want to be actively involved in sharing their insight and intelligence and encouraged engagement with them as much as possible.

RESOLVED –

- (i) That the proposal to develop an LCRCA submission to the Comprehensive Spending Review be noted;
- (ii) that Board Members provide input to this submission through the LEP executive or direct to the LCRCA; and
- (iii) that delegated authority be granted to the LEP Chair, Asif Hamid MBE, to endorse this submission to HM Treasury on behalf of the LEP Board.

476. LEP REVIEW - IMPLICATIONS, CONTINGENCY PLANNING AND MANAGEMENT (V)

Mark Basnett, Managing Director of the LEP provided a verbal update to Board Members on the LEP Review. The issue had been discussed at the last meeting of the Board in June 2021.

Mark summarised the background to the review as a result of the cessation of LGF funding and with it a large part of the role of the LEP and the view of LEPs nationally. He added that it was different in Mayoral Combined Authority areas and there were different mechanisms of funding. He added that the Government provided around £500k of funding to each LEP to fulfil the strategic role and operate a growth hub service, through 'Growth Platform' via a delivery network throughout the 6 Boroughs of the City Region. The LEP plays a major role in strategic issues and the execution of support for businesses through 'Growth Platform'.

Mark commented that the review was frustrating for the LCR LEP as it was regarded as an exemplar of how LEPs should operate, and the growth hub operation was seen as one of the best in the Country.

The review was being undertaken by the Treasury and alongside that, the Government were withholding payments to all LEPs for the current financial year, despite assurances that payments would be made. Government indicated that an announcement on the review would be made prior to the Summer recess, yet there had been no communication to date.

Mark Basnett indicated that with financial support from the Combined Authority, the LEP was able to continue operating and the delay in payment wasn't creating an immediate problem. He had made a strong case for the continuation of LEPs, and extensive communication and lobbying had taken place with the relevant Government contacts through the LEP network.

Mark suggested that consideration needed to be given as to how we should take the LEP forward and how the good work and value of the LEP continued and was resourced appropriately.

Mick Allen from BEIS, reiterated how the LCR LEP model, Growth Platform and the Combined Authority had worked extremely well and was seen as one of the best in the Country and that feedback had been provided as part of the review. He added that the Treasury had wanted to wait until the outcome of the review before they confirmed the core funding for LEPs. Mick envisaged that the outcome would be announced in late Summer and possibly as part of the 'Levelling-Up' Government White Paper. Mick added that BEIS understood that this was a real issue for LEPs and had been pushing heavily for this to be resolved as soon as possible. He understood that core funding was due to be released the following week, but that position could change.

Mark Basnett welcomed the news that funding was due to be released shortly which would alleviate the immediate pressure, but he expressed disappointment at the length of time it had taken.

Mark suggested that in the interim, a small working group be established to use the time constructively to include Combined and Local Authority partners and senior business members of the Board to develop options to take the LEP forward in advance of the outcome of the review.

The Chair, Asif Hamid MBE supported that approach and reiterated that in any conversations with various levels of Government, the LCR LEP was viewed as an exemplar, particularly in relation to the partnership working with the Combined and Local Authorities. He acknowledged that there were LEPs who were not operating properly which did need to be resolved, but this had a negative effect on the LCR

LEP and other LEPs whose operation was very effective. The Chair asked Mark about the process for identifying participants for the working group.

Mark Basnett responded and suggested that members volunteer and asked interested members to contact him. He would also approach particular members in the event that volunteers do not come forward, particularly from the Private Sector.

The Chair, Asif Hamid MBE invited any members to put themselves forward. The Vice-Chair, Paul Corcoran volunteered to be involved.

Dr Jon Hague put himself forward to be involved, time permitting.

The Chair, Asif Hamid MBE asked Mark Basnett to co-ordinate the establishment of the working group to drive forward the development of the future operation of the LCR LEP.

Mark Basnett thanked Paul Corcoran and Professor Jon Hague for volunteering and felt that due to their knowledge and expertise, they were extremely well placed to inform the work of the group.

In conclusion of the discussion, the Chair, Asif Hamid MBE, thanked the Metro Mayor Steve Rotherham and Combined Authority Officers who had supported the LCR LEP during this difficult period of uncertainty.

477. FREEPORT UPDATE AND MANAGEMENT BOARD APPOINTMENT RECOMMENDATIONS (PR)

The LEP Board were provided with a verbal update from Mark Basnett, Managing Director of the LCR LEP and Kirsty McLean, Executive Director for Policy, Strategy and Government Relation from the LCR Combined Authority on the latest position regarding the Freeport and the Management Board appointment process.

Mark Basnett stated that following the agreement that the LEP would lead on the recruitment of the Freeport Chair and 4 Private Sector Board members of the Management Board and approval of the recruitment process by the Metro Mayor, Leaders and Mayor, expressions of interest had been received and considered by the Appointments Committee.

The Appointments Committee comprised of the LEP Chair, Councillor David Baines, Leader of St Helens Council and Kirsty McLean who had stepped in to replace Elaine Bowker who, unfortunately had to withdraw from the process.

Mark reported that around 15 interviews had been conducted over a number of days and he was pleased to inform the Board that the unanimous recommendation of the Appointments Committee was to offer the position of Chair to [REDACTED]. Mark indicated that [REDACTED] had impressed the panel during the interview and that he

[REDACTED]

Kirsty McLean commented that [REDACTED] was an outstanding candidate, He submitted a really strong application and his skills and experience in understanding the business

opportunities, benefits to the Liverpool City Region and enthusiasm shone through during his interview. His passion for the Region came through strongly.

The Chair, Asif Hamid MBE also welcomed the appointment of [REDACTED] who he had met 20 years ago. He stated that he was well respected and that he would be a great asset for the Liverpool City Region.

Paul Corcoran, Deputy-Chair of the LCR LEP asked if there had been any progress in the recruitment of Members to the wider Board.

Mark Basnett responded and stated that following a trawl of a number of candidates, there were 2 individuals who stood out. [REDACTED]

Mark added that there were other strong candidates from the Freeport tax sites, but the Committee were keen to achieve gender diversity within the private sector representation on the Board and also ensure that all areas of the City Region were represented. The Committee also wanted to ensure that there was expertise in the areas of training and skills and the sustainability and net zero agenda, so further work was taking place on recruitment in those areas.

Mark also explained that the Committee were also aware of the objectivity of the Board and the perception that the Board was meeting the whole of the City Region's needs rather than the particular tax sites. There was a potential to explore a sub-board arrangement to enable engagement with the other strong candidates from the tax sites.

Mark Basnett summarised the view of the Appointments Committee [REDACTED] and that a further recruitment process be undertaken to address the gender diversity, geographical and specific skills representation on the Board.

Paul Corcoran, Deputy Chair concurred with Mark Basnett on the need to get the right representation on the Board and incorporate learning from the 'Innervision' report and the 'building back better' agenda to ensure that the LCR was 'leading from the front'. He advocated the use of an agent to identify potential Board Members who met the criteria required. He was keen to ensure that we were attracting 'new and emerging talent' coming into the City Region.

The Chair, Asif Hamid MBE agreed and referred to a recent meeting with Government Ministers regarding the Freeport where they were discussing the key attributes of the Board and the critical appointment of a Chair with the right skills and expertise to drive the Freeport forward. He added that key individuals with the right skills and attributes would be approached who would not normally apply.

Mark Basnett summarised the recommendations put forward by the Appointments Committee for the Board's approval.

Kirsty McLean, Executive Director for Policy, Strategy and Government Relations reported that recommendations were also being considered the following day at the Metro Mayor, Leaders and Mayor meeting.

Kirsty also provided an update on the Freeport process and reported that good progress was being made on the outline business case in response to a September deadline, with the full business case being submitted by the end of December 2021. Specialist consultancy support had been procured to assist in the bid process and a number of key posts had been advertised which were funded by MHCLG as part of the Freeport capacity funding. Discussions and frequent meetings were taking place across Government Departments including HMRC, BEIS, International Trade, Highways England. Whilst this was positive interaction, there were still a number of frequent changes being made to the guidance coming forward relating to the outline business case which were being responded to. Kirsty also reported that a technical steering group had been established to support the development of the business case and the first meeting was due to take place later that day, bring together Local Authorities, private sector partners, and trade union representation

RESOLVED –

- (i) That [REDACTED] be appointed to the position of Chair of the Freeport Management Board subject to the approval of Metro Mayor, Leaders and Mayor;
- (ii) that [REDACTED] be appointed to the Membership of the Freeport Management Board subject to the approval of Metro Mayor, Leaders and Mayor;
- (iii) that a further wider recruitment process be undertaken to seek candidates with specific skills and attributes, who satisfy the LEP Board's ambitions for greater diversity in terms of gender and other protected characteristics for appointment to the remaining 2 positions on the membership of the Freeport Management Board subject to the approval of Metro Mayor, Leaders and Mayor.

478. SECTOR UPDATE (V)

The Board considered a presentation from Simon Reid, Head of Sectors within the Growth Platform who had been in post since November 2020. He indicated when he started his first task was to get a complete overview of how we looked at sectors within Growth Platform and how to better integrate the work of the Sector Boards with not only the LEP Board, but also the Employment and Skills Board to ensure that their activity inform decisions and policy development.

The presentation highlighted:-

- A dashboard indicating what data and indicators would be provide a sector profile;
- A detailed anecdotal sector profile;
- The work of Growth Platform to develop policy interventions with the Combined Authority;
- Development of programmes e.g. 'Health Matters', LCR4 Start';
- The provision of business support to individual companies and support to colleagues within 'Inward Investment';
- The challenge of working with lagging data how the Boards know if the work being undertaken was making a difference;

- The vision of a sector dashboard with 'live data' as a standing item on each Board, so that the data could be used to make changes on a more 'micro' level and demonstrate performance over a 12-month period;
- How this qualitative data could drive policy making within the Combined Authority;
- A detailed slide mapping out the role of the Sector Boards and key indicators to stimulate growth and inward investment;
- The high interest in sector convergences as opportunities for growth and inward investment;
- How the sector boards were wrestling with the circular and inclusive economy;
- The reorganisation of the vertical sector boards to incorporate more collaborative working and use of expertise, rather than working in silos and the incorporation of horizontal sector enablers;
- The establishment of the Sector Chairs Forum to talk through and identify challenges which were mostly cross-cutting e.g. skills;
- How a session involving Sector Chairs, skills representatives, partners and stakeholders provided the opportunity for a wider discussion and identification of short, medium and long-term challenges for the skills landscape;
- A detailed map of those challenges; and
- The aim for 2 Sector Chairs to provide an update to each LEP Board meeting from September 2021 onwards with specific asks of the Board.

The Chair, Asif Hamid MBE commended Simon Reid on a great piece of work and looked forward to seeing the dashboard information.

Kirsty McLean, Executive Director of Policy, Strategy and Government Relations thanked Simon for the work undertaken in conjunction with Combined Authority Officers and it was invaluable to be able to get the business perspective.

479. CHAIR'S UPDATE (V)

The Chair, Asif Hamid MBE provided a brief update on his recent activities.

The Chair reported that he had met this week with Jeremy Pocklington of MHCLG on Freeports which was very positive. He thanked Kirsty McLean for facilitating it at short notice.

The Chair also met with the Ambassador for Qatar about opportunities for the City Region, particularly in relation to the Qatari 'World Cup' and undertook to link in with Laura Pye in relation to visitor economy opportunities.

The Chair also mentioned the meeting of the Employment and Skills Board held the previous day and a lot of discussion was around issues in the tourism and leisure sector. The idea of business 'champions' was discussed to promote particular roles and attract people into the available opportunities. Communications also needed to be strengthened to promote opportunities. The Chair added that it would be beneficial for members of the LEP Board to attend the Employment and Skills Board on a rotation basis to gain an insight into the issues discussed.

The Chair referred to a recent BAME Committee meeting which he had been asked by Government to chair to increase BAME community participation in Boards. He expressed his disappointment at the make-up of the Committee which consisted of

14 members from the BAME community who were already appointed to various Boards. He felt that this demonstrated a clear misunderstanding by Government.

Paul Corcoran, Deputy Chair indicated that this was an opportunity to lead the way in communicating the work of Boards and how people can help shape the place they are passionate about. He added that it was an opportunity to teach the fundamentals of board participation and governance and maybe this could be communicated by Growth Platform to encourage greater involvement.

The Chair, Asif Hamid agreed and stated that the LCR LEP was one of the most diverse and gender balanced boards in the UK, with one of the largest GVAs.

The Chair's final update was on the LCR LEP taking the lead on the 'Digital Prospectus for the North', chaired by Paul Corcoran, the Deputy Chair and he took the opportunity to thank Paul for his work so far.

480. ANY OTHER BUSINESS

The Chair, Asif Hamid MBE indicated that the next meeting of the Board was due to be held on 23 September 2021 via zoom and hopefully the November meeting would be held face to face.

He thanked everyone for their attendance and hoped that they stayed safe.

Minutes 472 to 480 received as a correct record the 23rd day of September 2021

Chairperson of the Board

(The meeting closed at 10.40am)

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