**CHESHIRE AND WARRINGTON LEP**

**CHIEF EXECUTIVES REPORT: MARCH 2020**

Summary

1. Even though this report is being written only ten days after the last Board meeting, with the Budget and the developing Coronavirus situation, there is quite a lot to cover!

Budget

1. Rishi Sunak delivered his first Budget on 11 March. It often takes several days to get a proper understanding of the implications of Budget announcements, but, alongside the well publicised response to Coronavirus, the key announcements for the LEP appear to be:

* £387 million for an extension of the Local Growth Fund into 2021/2. This is described as a downpayment for further funding to be confirmed in the Comprehensive Spending Review (CSR) in July;
* An extra £10 million for Growth Hubs in 2020/21 to provide additional business advice and guidance for SMEs. Depending on the precise amount we receive, this could represent a near doubling in the resources available to the Growth Hub in the next financial year;
* A review of the Green Book (the project appraisal rules) to address its current bias towards projects in the South East. The new Green Book will be published alongside the CSR;
* A commitment (finally!) to announce the details of the UK Shared Prosperity Fund (the replacement for EU Structural Funds) in the CSR;
* £1.5 billion to improve FE College estates, and £2.5 billion in England for an Adult Skills Fund to improve technical skills;
* £200 million for the British Business Bank to invest in life science firms;
* A commitment to fund two Carbon Capture and Storage sites, one to be developed by the mid-2020s, and other by 2030. Assuming that one of these programmes is in C&W, it is the key to delivering our ambitions to decarbonise the Ellesmere Port industrial cluster.

Coronavirus / Covid-19

1. The situation with Coronavirus is developing fast, so there is a paper on the agenda discussing both the way in which the LEP is addressing its own business continuity and staff welfare, and the agenda we need to address on the economic resilience of Cheshire and Warrington. The indications are that Covid-19 has the potential to be a quicker, more intense shock to the economy than Brexit so the Growth Hub is mobilising to ensure that it is providing comprehensive, reliable advice to all businesses in Cheshire and Warrington.

Freeports

1. The Government has started consulting in advance of running a bidding process later this year to establish a number of Freeports in the UK – locations where goods can be imported and exported free of duty. Given that C&W produces 25% of the North West’s manufacturing output, we plan to respond to the consultation and will look actively at making a bid. We are also discussing with Liverpool and Manchester the possibility of a submitting a single bid across multiple sites in the three sub-regions based around the Ship Canal.

MIPIM

1. One of the other consequences of Covid-19 has been that MIPIM has been “postponed” from w/c 9 March to 2 – 5 June. It is not clear that the new date is a properly workable alternative as ReedMidem (who run MIPIM) want to combine it with a Music Industry festival already fixed for those dates in Cannes. However, by postponing rather than cancelling, ReedMidem have avoided the need to refund the fees we have paid. To date, any losses the LEP has incurred look relatively small and can be claimed against our insurance.

Peer Review

1. Local authorities have a well established system of peer reviews administered by the Local Government Association in which a small team of senior executives and members spends a week in an LA area interviewing members, staff and stakeholders before preparing a report on the strengths and weaknesses of the organisation. LEPs have taken the first tentative steps towards establishing a similar system. It is being facilitated by the Centre for Public Scrutiny (CfPS) who arranged for the Chair and Chief Exec of the Black Country LEP to meet Christine and I for a discussion that covered the challenges of maintaining a public profile, Enterprise Zones, and how the two LEPs work with their partners in NP11 and the Midlands Engine respectively.
2. CfPS will be writing up the conversation but the main themes were that the Black Country struggles, as we do, to maintain its public profile, albeit they seem to put more emphasis on nurturing their relationship with the Express and Star, their local paper; their approach to their Enterprise Zone programme is very similar to ours; and an agreement that the NP11 and Midlands Engine LEPs need to work together more than is the case at the moment.

Marches Tourism

1. Andy Farrall and I were invited to a meeting in Shrewsbury to meet a number of people from the Marches LEP and the teams in Shropshire responsible for tourism. They were very interested in the merger between the LEP and Marketing Cheshire and the way we are using it to strengthen the role that marketing Cheshire is playing. The major challenge they face in replicating our model is that tourism remains the responsibility of the councils so they do not have a single body that can work alongside the LEP to make promotion of the visitor economy and integral part of promoting their area as a great place to live and work.

Youth Board

1. We have been running a campaign with targeted social media, notices and leaflets which closes on 13th March to applications.  We are hoping for a “late surge” in applications because while the number of views of materials has been encouraging, this has not translated through to a high number of applications.  We may therefore need to consider running a second campaign if we want to achieve the diversity of Youth Board members that we seek.

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