

CHESHIRE AND WARRINGTON LEP

CHIEF EXECUTIVE'S REPORT

JULY 2023

Summary

1. Following last month's shorter report, this month's is much longer, showing the continuing breadth and pace of the work that the LEP is undertaking, ranging from consulting on both our Strategic and Inclusive Economic Plan and the sub-region's Fair Employment Charter to continuing to deliver our Skills Bootcamp programme, all alongside continuing to work with the LAs on the best way of transferring the LEP's functions across to them.

Devolution

2. LA Leaders met Dehenna Davison, the Levelling Up Minister, at the end of June to discuss a potential devolution deal for C&W. Following further discussions between LA and Government officials, LA officers have written to DLUHC to ask them set out their offer on devolution to C&W and their proposed timetable for negotiating a deal. It will be important that any offer properly reflects the needs of the sub-region and can be negotiated to a timetable that takes full account of next May's elections for Warrington Borough Council and (across the whole of C&W) for the Police and Crime Commissioner.

Transfer of LEP Functions to the LAs

3. Following confirmation in June that LA leaders want to retain the LEP's staff and functions, LA officers have been working with LEP colleagues on how the LEP should be structured following its transfer into LA ownership. There are two options - retain the LEP as a company that would be wholly owned by the LAs or transfer the LEP's assets and staff directly into one of the LAs and have its operations overseen by a joint committee comprised of elected members from all three boroughs (similar to the way Connecting Cheshire is organised). An analysis of the two options is being prepared for the Leaders and Chief Executives (LaCE) meeting on 28th July. Both include a business advisory board.
4. Final arrangements for the future organisation of the LEP will also need to take account of the Government's response to the consultation it undertook on the Chancellor's original announcement. This is expected imminently, although the Government has already missed its original target of providing the response before the Common's summer recess, which started on 20 July.

Skills Bootcamps

5. Following unconditional support from LaCE, we are now extending contracts for training providers to recruit trainees starting in the second half of 2023-24. We expect to have fully contracted the grant programme of £1.2M within a few weeks. We are also beginning the

preparation of our bid for 2024-25 in anticipation that DfE will request applications shortly. Local Authorities have requested closer involvement in how the bid is shaped.

Sustainable and Inclusive Economic Plan (SIEP)

6. Consultation on our new Sustainable and Inclusive Economic Plan is underway with a well-attended session in Warrington held on 7th July and further face to face sessions in Cheshire East and Cheshire West on 21st July and 3rd August respectively. By the time the sessions have concluded we expect that around 150 people will have contributed to the consultation which will then be followed up with some smaller events focussed on particular sectors, including the voluntary and community sector.

Marketing Cheshire

7. MC held a well-attended session on July 5th at Crewe Hall to celebrate its accreditation by Visit England as the Local Visitor Economy Partnership (LVEP) for the sub-region and to explain to partners how it will be using the accreditation to support them. It has also launched its annual Tourism Awards, with a closing date for applications of 1st September. A workshop to support potential applicants with writing their award submissions was attended by over 30 organisations.

Fair Employment Charter

8. Consultation on the proposed C&W Fair Employment Charter closed in mid-July, with over 450 respondents engaged. A detailed analysis of their responses will be compiled over the summer, but it is already clear that there is generally positive support for the scheme so a paper will be going to LaCE at the end of July setting out a timetable that would allow the Charter to come into operation in late Spring next year, following the local elections.

Industrial Decarbonisation

9. Decarbonising the sub-region's industrial cluster will require firms in the area to invest around £30 billion over the next fifteen years. Working closely with industry partners and officials in DESNZ the LEP has therefore recently issued an invitation to tender for a significant piece of consultancy work how to best support and co-ordinate the investment programme.

Transport Consultations

10. The sub-regional response to the National Highways (NH) consultation discussed at last month's Board meeting has been submitted. Amongst the points made in C&W's responses were a suggestion that the A500/A51 from M6 to A55 to be re-trunked; concern that NH gives insufficient weight to the wider social and environmental issues in its investment cases; and a prompt to NH to take account of the Welsh Government's Road Review which has impacted their investment pipeline and has wider cross border implications which need to be fully understood.

11. Separately we are sorting out dates for the Board Task and Finish Group to discuss TfN's consultation on its strategic plan, responding to the Rail Delivery Group's consultation on the closure of ticket offices, including those at Crewe and Warrington Bank Quay (but not Chester as it is run by Transport for Wales!) and setting up an officer group to develop plans to ensure that the whole sub-region benefits from the investments into HS2 and Northern Powerhouse Rail.

LEP Annual Accounts

12. We usually aim to seek approval for our annual accounts at the July Board meeting. Finalisation of this year's accounts has been delayed as the auditors have asked for some additional work on how they are presented. This was the main item of discussion at the June Finance and Audit committee meeting at which Ian explained that the issue is entirely presentational and not a concern for operational funding or solvency. It arises from the fact that if, for example, the costs of running the EZ are less than we budgeted at the start of the year we report income equal to the expenditure and the balance of income in the following year, rather than show the full amount, whereby it creates a surplus in one year and a deficit in the next.
13. We expect the extra work to be completed such that the accounts can be presented to the board at the September meeting. In the meantime the accounts for Marketing Cheshire have been presented to the MC Finance Committee and will be recommended for approval to the MC board also in September.

Whitby Hydrogen Village

14. Board members may have seen in the press that Redcar on Teesside has been selected by the Government as its preferred candidate to run a trial of the use of Hydrogen rather than natural gas for domestic heating. The trial in Whitby village in Ellesmere Port will therefore not proceed which will be a relief to many of its residents. The decision has no implications, however, for Hynet or the wider industrial decarbonisation programme.

Personnel Changes

15. I am pleased to be able to let Board members know that we have made an appointment to fill the vacancy being left by Rebecca Luck's move to Liverpool and are on the verge of filling the other two vacant posts in the Skills Bootcamp team. We had an extremely strong field for all three posts and the forthcoming transfer of the LEP across to the LAs doesn't seem to have been an issue for any of the candidates. Odgers, who have been helping us with the recruitment of the Managing Director for Marketing Cheshire, have also told us that the confirmation from the LA leaders of the LEP's continuing role gives us a strong platform to restart the recruitment to that post, which will therefore be re-advertised with a mid-September closing date.
16. Alongside our successes in recruiting to our vacancies we will also be saying goodbye to Andy Devaney in early September as he has been appointed Assistant Director for Investment for

Liverpool City Region. Andy has done a great job in the four years he has spent with the LEP, but I am delighted that the experience he has gained with us has helped him gain such a key role in Liverpool's combined authority.

17. Outside of the LEP, Delyth Curtis has been confirmed as Cheshire West's new Chief Executive whilst Lorraine O' Donnell has announced that she will be leaving Cheshire East to become the new Chief Executive in Bradford.

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