



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

AGENDA

DATE: Thursday, 22nd November, 2018

TIME: 8.30 am to 11.00am

VENUE: The Accelerator Building, 1 Daulby Street, Liverpool, L7 8XZ

**LIVERPOOL CITY REGION
LOCAL ENTERPRISE PARTNERSHIP
BOARD**

AGENDA

Welcome from Liverpool Life Sciences Accelerator

- 1. DECLARATIONS OF INTEREST**

- 2. MINUTES OF THE PREVIOUS MEETING**
(Pages 1 - 12)

- 3. SKILLS UPDATE (PR/V)**

- 4. LEP REVIEW (PR/V)**

- 5. ONE FRONT DOOR (P)**
(Pages 13 - 16)

- 6. CHAIR'S UPDATE (V)**

- 7. ANY OTHER BUSINESS**

NEXT MEETING - SEE BELOW

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

LCR LEP Board Meeting Dates 2019:

24 January
21 March
16 May
18 July
19 September
21 November

The meetings will start at 8.30am and finish approximately 11am, venues to be advised

LIVERPOOL CITY REGION LOCAL ENTERPRISE PARTNERSHIP

At a meeting of the Liverpool City Region Local Enterprise Partnership held in the IDEA Centre, Cronton Lane, Widnes, WA8 5WA on Thursday, 20th September, 2018 the following Members were

PRESENT:

Asif Hamid MBE (Chair)
Dr Laura O'Brien
Dr Jonathan Hague
Mike Houghton
Chris Fry
Angela White OBE
Mark Whitworth
Councillor Rob Polhill
Metro Mayor Steve Rotheram
Paul Corcoran
Councillor Derek Long

APOLOGIES:

Mayor Joe Anderson OBE
Amanda Lyne
John Syvret CBE
Professor Nigel Weatherill
Councillor Phil Davies
Councillor Ian Maher
Professor Dame Janet Beer
Sara Wilde'McKeown
Councillor Graham Morgan

PRINCIPAL'S WELCOME

Mary Murphy, Principal of Cronton Sixth Form College, welcomed the Liverpool City Region Local Enterprise Partnership (LEP) to the college and informed the LEP about the facilities and student offer. She informed the meeting that the college was designed to enable students to collaborate on different projects and had been opened for just over 18 months with new employers working in partnership with the college including Scottish Power. She stated that there were over 500 students studying STEM subjects at Cronton College with a further 6 colleges across the area that offered a wealth of knowledge across each centre. Progress into Higher Education, University of Liverpool and Liverpool John Moore's University, keeps the student in the region and it would be great to work together with the LEP to retain these valuable students in the region for the long-term development of the economy.

The Board thanked Mary Murphy for the use of the College facilities and for the support and information relating to the Cronton College and other centres.

331. DECLARATIONS OF INTERESTS

The following Board members declared a non-pecuniary interest in Item 339 Any Other Business – Appointment of new LEP Board Members: -

- Councillor Derek Long declared a non-pecuniary interest by virtue of his partner's employment.
- Metro Mayor, Steve Rotheram declared a non-pecuniary interest by virtue of previously working with one of the named candidates.
- Paul Corcoran declared a non-pecuniary interest by virtue of previously working with one of the named candidates.

332. MINUTES OF THE PREVIOUS MEETING

The Board considered the minutes of the previous meeting held on 19 July 2018 and were received as a correct record and signed by the Chair subject to Minute No. 325 and the last sentence being amended to correctly read “an update on the development of a performance dashboard be presented to a future meeting of this Board.”

333. MANAGING DIRECTORS REPORT (REPORT)

The Board considered a report which provided an update for Board Members on the headline activity that had been undertaken by the LEP during the first half of the financial year and significant events planned over the coming months.

Mark Basnett introduced the report and highlighted activity in the following 5 areas: -

- Business Growth
- Education and Skills
- Sector Development
- Trade and Investment
- Partnership Working

Paul Corcoran enquired about the differences between what was previously done and the new structure in Education and Skills?

Mark Basnett informed the Board that it was more intense with a new person being recruited who had experience and understood the challenges. There was also a budget and an opportunity to look at gaps in school provision, with lots of interventions being completed and benchmarking opportunities to monitor and gauge performance. It was all about learning from the best and using the best.

The Chair commented that it was a bit difficult putting a lot of information in a single report and going forward it would be helpful if the report and information was more concise but augmented by key metrics and performance indicators.

Mike Houghton commented that the report was helpful, but that consideration should be given to using tools like dashboards and matrices to share information in order to communicate the data, as most people do not have the time to read reports.

Councillor Derek Long thanked Mark Basnett and his team for all the work that had gone into producing the report and the data and advised that the information was useful but at the very top of the report should just a few bullet points with key information, so members could scan the report accordingly. He also enquired about the frequency of the report.

Mark Basnett informed the Board that the report and information could be produced twice a year which would provide an opportunity to examine and monitor the performance and the data.

The Chair agreed that a dashboard format would be a good idea to enhance the sharing of data in a more reader-friendly format, but attention to the new GDPR guidance would need to be taken into account when sending out information by email or electronically.

It was AGREED that: -

- (i) the Board note the content of the report;
- (ii) the Board receive the report twice a year; and
- (iii) consideration be given to the information being presented to the Board in a dashboard or matrix format.

334. DEGREE APPRENTICESHIPS (PRESENTATION)

The Board considered a presentation by Dr Edward Harcourt, Pro-Vice-Chancellor (External Engagement) at Liverpool John Moore's University (LJMU) in relation to Degree Apprenticeships (DA) and highlighted the following: -

- Degree Apprenticeship provision at LJMU
- Apprenticeship Reforms
- Higher level workplace learning options
- Employer Engagement
- DA impact
- Early impact of the Apprenticeship levy
- The Future
- Liverpool City Region (LCR) Action Themes
- Workforce Development offer to Employers

Paul Corcoran commented about the growth and the increase in numbers and enquired if anything was being done relating to the retention of the students in the city region. Dr Harcourt stated that over 2000 students would be enrolling on the DA with LJMU This is part of a 5 year programme of recruitment and if jobs are available then there is increased likelihood of the students staying in the City Region.

Dr Edward Harcourt informed the Board that over 49% of students were already from within the LCR and there was a difference with the type of engagement with employers in the LCR.

Mike Houghton commented that it was all about keeping the talent in the LCR and thought that the retention rates for apprenticeships was higher than the graduates.

He also stated that Siemens was engaging with over 600 apprenticeships and 200 graduates and thought that the DA looked more attractive.

Mark Basnett enquired about how DA figures local recruitment compared to other Combined Authorities and why did students switch to the Quantity Surveyor's DA from the full-time Degree course.

Dr Edward Harcourt informed the Board that a higher % of students came from within the LCR for the DA, but that Manchester and Sheffield were ahead in terms of the DA in the North of attracting higher numbers locally. He also stated that in terms of students switching to the Quantity Surveyor's course it was all about the employment opportunities and employers inviting students to complete internships and have their student fees paid.

Mike Houghton commented that Siemens were looking to deliver with LJMU an LCR4.0 programme and engage more with employers in on-line components delivered in bite-size chunks as there were concerns by employers about lost productivity and the cost attached to 'day release'.

Metro Mayor Steve Rotheram commented that he supported the DA programme but that attention needed to be placed on baselines like Level 2, 3 and 4 attainment as not enough people were achieving those levels. He added it was vital that within the LCR, there was a need to co-ordinate efforts and activities to prevent everyone going off and doing something else or doing things differently. He informed the Board that the CA were working on an online portal for the City region, to be made available on the CA website with one access point, similar to the UCAS Clearing tool and it would give people a progression route with opportunities and information on a chosen career path.

Paul Corcoran stated that it was great to hear about the one portal with the single access, but that it was important for the various partners to come together to communicate a clear, concise message for students and parents alike as currently messages are not clear and there is a lack of understanding of the process and what's available.

The Chair commented that the LEP and the CA should be looking at the collaboration across each organisation and trying to ensure that there is a collaborative approach across the region.

It was AGREED that the Board note the presentation and that Dr Edward Harcourt be thanked for his attendance.

335. SKILLS UPDATE (VERBAL)

The Board considered an update from Kirsty Pearce, Director of Strategic Commissioning and Policy, LCR Combined Authority relating to the outcomes from the business round-table session on skills held on 17 September 2018.

The Chair informed the Board that a number of topics were covered in the skills agenda during the round-table event which looked across the business sectors, and Third sector, and was successful in engaging LEP Board Members and allowed everyone the opportunity to speak freely.

Kirsty Pearce thanked the Chair for organising the event and everyone for attending and was of the view that it was beneficial for the economy of the LCR as a whole. She highlighted the following from the discussions: -

- There was a clear emphasis of what businesses needed including a checklist of what's on offer, where is it available and the type of help needed including training and skills;
- There was a lot of confusion out there especially around apprenticeships and people were not sure what to do about the levy and how to access it as from a business perspective there was no support and help;
- There were difficulties for SMEs to release staff for training, due to costs to businesses and costs of training and there needed to be more creative and innovative ways to do training differently that was a bit more cost effective;
- There were discussions around the range of skills, apprenticeships and training and the various entry to primary and secondary schools;
- There were also discussions around the apprenticeships and the work currently being done and how it can be done better and what is available and what is possible and how the LCR could work with businesses and create networks and opportunities;
- There was an emphasis on cohesion on training and the obvious options around the branding and the co-ordination and a single point of access;
- There were leadership and management discussions about how businesses could develop networks and connections to challenge organisations to think differently and improve on engaging with primary and secondary schools to raise aspirations and be better supported, but also getting a 'foot in the door'

Mike Houghton commented that it was a good meeting that tackled key issues and that Siemens was doing a lot with schools but struggled to get entry level talent and that there needed to be access to more talent and working with schools to target under 11s. He also stated that there should be different programmes with online training for schools and teachers with KS3 in manufacturing, which could make it more attractive. He informed the Board that there were challenges to build things and programmes and projects that involved £2500 to each school in relation to green power, design and equipment, but that Liverpool schools had been poor in getting involved and that just one school in the region was involved in a green power challenge.

Tony Reeves commented that he was interested in the challenges and the lack of interest from the city regions schools' and that he would work with Mike Houghton to raise the awareness and get more schools involved. He also stated that things were impacting the poorer communities and that their aspirations were 'going off the cliff' as there were no visible opportunities being seen and that there was an opportunity for the LCR to work together with organisations and engage with the schools to reverse this view.

Angela White OBE commented that it was a worthwhile meeting and being able to discuss the experience, skills and talents within sectors and also for Third Sector entities who were often SMEs and that all needed to create better leadership and

skilled management. But it was important to look more creatively at skills sharing and the budgets and that the various regimes were getting in the way.

Metro Mayor, Steve Rotheram commented that the issue really upsets him and there are 'poverty of aspiration' in some areas of the region. There aren't enough students and young people coming through who are aspirational in the working-class community and a message needs to be taken back to the Department of Education. Regional School Inspectors, Academies, Free School and the Diocese and Maintained Authority Schools need to be involved in the discussions and there needs to be ways to better influence schools in the process and equip them with the information that they need. The region is not using all of its talent as only half of the talent is being accessed. It is all about doing it for the right reasons and to change people's lives in the LCR. It should be noted that what is being done now, may cause problems in the future, about 5-6 years ahead and it is still not sure what Brexit will bring.

The Chair informed the Committee that he was at No.10 before the summer break and the one thing that was said about the education system is that it is not working. Twenty-two people wrote to Theresa May about the system and about how engagement needed to improve, but everyone is going off in different directions and doing different things. There needed to be a more co-ordinated approach towards skills and across everything and it was time that everyone came together collaboratively and looked at the current workforce, re-skilling, funding, opportunities, engagement and involvement.

Paul Corcoran commented that as well as the focus on skills, qualifications and jobs there was a need to consider the human aspect. It is important that this is taken into account as it had been long forgotten and that it came down to challenging and building confidence and connecting with the younger generation and understanding the psychology behind the 'whys', the 'whats' and the 'hows'. He stated that if you take the Rotunda Centre as an example, discipline and confidence is taught and you build connections with others and people are able to help themselves.

Metro Mayor, Steve Rotheram stated that there was some irony to the human side as the increase in automation and robotics would reduce demand for jobs that people were currently being trained for jobs and that won't exist in 5-10 years. People are being trained in the wrong skill set and that consideration should be given to looking into the 'pipeline' and seeing what jobs may be required in the future and what skills need to be developed now.

Mark Whitworth spoke of the importance of role models and particularly with regard to the working-class communities that the Metro Mayor had referenced and spoke of his own personal experience of growing up on a council estate and exceeding expectations. Further, he had used this to act as a mentor with a great degree of success and as such thought that having role models and mentors was important. This should be delivered through a more structured approach, because there may be a danger that focusing only on programmes, politics and future need ignored that a lot of the time it is about the individual being in the right place at the right time and with the right people.

Mike Houghton informed the Board that his organisation was currently doing some work on strategic workforce planning, demographics, retirement age, skills and the gaps and looking at the future and that he would be happy to share this information. He also stated that it was important to keep speaking to young people and sharing experiences and information and 'igniting the flame' to be more aspirational.

Metro Mayor, Steve Rotheram referenced Mark Whitworth's intervention and emphasised that he didn't want people to fail and so there was merit in planning ahead and that the issues should be taken seriously as they were charged with people's lives and that in some way the 'entrepreneurial spirit' should be formalised somehow.

The Chair commented that he also came from a working-class background and that he has been speaking to young people to aspire and inspire them, but there needs to be a link, where businesses would work together to support young people to succeed and it was about time that the talking stopped and some action was done. He stated that Kirsty Pearce was a breath of fresh air and it was really exciting to hear about getting results and making a difference. Employers are already being engaged and the Board is welcoming the intervention and looking forward to the actions.

Mark Basnett stated that it has taken a collective effort to have these conversations which should have been had two years ago and this was the role of the Employment and Skills Board.

The Chair commented that the Employment and Skills Board sat outside the LEP without any engagement and it was down to leadership and it needs to be more closely engaged and not sit at a distance or up in a cloud but needs to be involved in the co-ordination of the skills agenda as well as the political discussion.

It was AGREED that

- (i) The Board note the update and discussions.
- (ii) That Tony Reeves will work with Mike Houghton and Jonathan Hague on improving school engagement in employer engagement programmes.
- (iii) That communications on the Apprenticeship Levy be drafted and agreed.

336. LEP REVIEW (PRESENTATION AND DISCUSSION)

The Board received a presentation from Mark Basnett (Managing Director, LCR Local Enterprise Partnership) in relation to the requirements of the LEP review and proposed structural changes under consideration to further strengthen the role of the LEP and provide the business growth delivery capability needed to realise the City Region's economic ambitions.

Board Members were informed of the current role and functions of the LEP with the emerging functions and drivers for change. He also presented the proposed new model for the Liverpool City Region with the separated functions.

Paul Corcoran commented that it was clear and concise picture of governance with improved marketing opportunities for the LCR and a better approach.

Dr Jonathan Hague advised that the structure needed to be decided and communicated effectively and avoid confusing external audiences with explanations of any complexity of the internal interface. The structure needs to be tested against design principles and by consideration of the desired outcomes.

The Chair suggested that a small working group be established to look at the proposals over the next 6 weeks and provide feedback to the LEP.

Councillor Derek Long stated that it would be a sensible idea to have a small working group to look at the structure logically and examine the funding streams and the basic premise of the interaction with the Combined Authority and Local Authorities.

The Chair commented that the functionality should be looked at and ways to bring it together should be discussed as there were concerns around how fragmented it was and it needed to be a more co-ordinated approach. He stated that he has been speaking to other LEPs around the country and there is a lot of discussion about the importance of driving this forward. He wanted the political leaders to come together and work with the LEP to implement a more responsive way of making decisions and achieving results. He stated that the private sector members of the LEP Board were accustomed to delivering defined results against which success is measured and we need effective delivery vehicles to achieve this.

It was AGREED that: -

- (i) The Board note the presentation and Mark Basnett be thanked for his attendance.
- (ii) A Working Group be established with a remit to look at the proposals over the next 6 weeks and provide feedback to the LEP by 31 October 2018 with the following members:-
 - Paul Corcoran
 - Dr Jonathan Hague

and to be joined by a nominee of the Local Authorities and if any other LEP Board members wanted to be on the Working Group, the Chair should be contacted as soon as possible.

337. ONE FRONT DOOR (DISCUSSION)

The Board considered a verbal update from Mark Bousfield, Director of Commercial Investment and Development, LCR Combined Authority relating to 'One Front Door' (OFD).

Board Members were informed that the OFD was place marketing and inward investment services. Destination marketing, culture and business support fall outside the current purview.

Paul Corcoran enquired about whether there was any evidence to show that local authorities knew what was best for their region, because going to a place like the OFD, rather than 6 local authorities and 6 front doors seemed a better option.

Mark Bousfield informed the Board that local authorities did know best about their 'home businesses' based upon experience and networks, but that the same is not true for prospective investors. Having spoken to businesses and practitioners plus other potential investors in London who may consider relocating to the region, there was a lot of confusion about who to engage with and there were mixed and inconsistent messages about the region and activity needed to be a bit more co-ordinated in order to attract businesses.

The Chair commented that it had taken almost 19 years to get to this discussion and for each of the local authorities OFD is a touch point for the outside world and it should be co-ordinated, but the mentality has to change.

Paul Corcoran stated that if the public sector were a company, then the customers would be listened to and the journey would be planned around the customer to make them happy. OFD would be one place to come together and group the local authorities together so there is no duplication and the problems need to be dealt with as the current system of doing things is not working.

Tony Reeves stated that all the different components should be coming together and pointing in the same direction to grow the city region and that the OFD has merit in being done in a co-ordinated way, however there were local statutory functions that would need to be taken into account e.g. the planning process etc.

Dr Jonathan Hague enquired if the thinking was “mindlessly global or hopelessly local” and that things should be done differently locally but with a national view and that there needs to be a central co-ordination to get things right.

It was AGREED that the Board noted the update and the discussions and that regular updates be provided to the LEP Board outside of the meeting cycle.

338. CHAIR'S UPDATE (VERBAL)

The Chair informed the Board that he had attended the Convention of the North with the Metro Mayor and LEPs from across the Northern Powerhouse and that there were also a range of politicians, business leaders, unions and religious leaders present. The convention looked at three topics, namely; Brexit, Transport and Skills and some good discussions came out of the meeting regarding supporting the Northern Powerhouse, fairer share of funding and the democratic process. He stated that he hoped the results would be better and not be another ‘talking shop’ and that the Government would react to the voice of the North which was twice as big as London, but had half the influence.

He also reported that he had a meeting with the Skills Minister along with twelve other LEP Chairs but it was a non-productive meeting, with the minister giving only five minutes for discussion and with no feedback. He felt it was a total waste of time and totally disrespectful to the LEP Chairs.

He sought permission from the Board to write a letter on behalf of the LEP reflecting his disappointment.

It was AGREED that the Chair write a letter to the Skills Minister on behalf of the LEP relating to the arranged meeting and copied to Rt Hon. Greg Clark.

339. ANY OTHER BUSINESS

Appointment of New LEP Board Members

The Chair informed the Board that Nigel Weatherill had stepped down from the LEP and there would now be a vacancy on the Appointments Committee that needed to be filled.

He commented that the Board should write a letter to Nigel thanking him for his participation over the last three years.

Mark Basnett also informed the Board that interviews had been held with the Appointment Committee following an applications and shortlisting process and that a candidate had been recommended for appointment based upon the score and being the strongest of the four shortlisted candidates.

The Board expressed their support for the proposed candidate with no objections.

It was AGREED that: -

- (i) A letter be written to Nigel Weatherill thanking him for his participation on the LEP Board for the last three years.
- (ii) A letter be written to the successful candidate inviting them to the next meeting of the LEP Board.

LEP Board attendance

Mark Basnett drew the attention of the Board to the political attendance at LEP Board meetings and suggested that an 'alternate' be considered but limited to seniority in order to maintain a political presence at the LEP Board meetings.

Mike Houghton stated that an alternate would be welcomed but would need to have the power to make decisions in the absence of the Political Leaders without the decision being revoked at a future meeting.

The Chair suggested that in the absence of the Board Member that either the Deputy Leader or the Chief Executive be the nominated alternate for Political Leaders.

Councillor Derek Long agreed with the idea of 'alternates' but suggested that in some local authorities Cabinet Members have specific roles and responsibilities as portfolio holders.

Mark Basnett stated that it needed to be a single or named individual.

Metro Mayor, Steve Rotheram advised that whoever the alternate is, it would need to be a person who would have responsibility for decision making by proxy to vote and make decisions in the absence of the Board Member.

It was AGREED that the public-sector members of the LEP Board will further consider nominating a named individual as an 'alternate' for each of the Political Leaders on the LEP Board.

Minutes 331 to 339 received as a correct record on the 22 day of November 2018.

Chairperson of the Board

(The meeting closed at 11.15 am)

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One Front Door Team
Proposal for allocation of Growing
Places Funding

LEP Board Meeting 22 November 2018

Author:
Mark Basnett
LCR LEP

1. Purpose of the Report

- 1.1 This report sets out a proposal to allocate £500k of funds under the LEP's direction to accelerate the establishment of the One Front Door (OFD) Team for the City Region for an initial period of up to 12 months whilst the full business case for Strategic Investment Funding is developed and approved over the coming months.

2. Recommendation

- 2.1 It is recommended that the LEP Board agrees to allocate £500k generated from the use of Growing Places Fund (GPF) to accelerate the establishment of the One Front Door Team for the City Region subject to the development of a detailed business plan that aligns with the principles agreed by the Combined Authority for OFD at its 19 October meeting.
- 2.2 It is recommended that the Board delegate the approval of the business plan to draw down the GPF funding to LEP Chair Asif Hamid and CA Chief Executive Frank Rogers.

3. Background

- 3.1 The Combined Authority agreed to support the establishment of One Front Door Team for the City Region at its meeting on 19 October 2018, subject to the development of a business plan to be considered at future meeting of the Authority.
- 3.2 The CA also agreed to delegate authority to the CA Director of Commercial Development and Investment to establish a costed business plan as well as protocols, service level agreements and engagement structures that underpin the One Front Door Team.
- 3.3 The LEP Executive through its Managing Director and Finance Director have been working with the CA team in the development of the costed business plan for OFD and the integration of LEP expertise and resources into it to create a unified service for businesses/investors without duplication.
- 3.4 This Business Plan will be based on the principles set out to and agreed by the Combined Authority at its meeting on 19th October 2018. These include a service that coordinates existing resources, engages transparently with local authority teams, engages the private and third sectors, account manages the investment process and commissions place marketing activities, to be established as quickly as possible to significantly improve LCR's performance.
- 3.5 There is a combination of uncommitted GPF Revenue funding and interest payments on GPF loans over which the LEP has discretion in how it is used to support the growth of the City Region. Government assigned responsibility for determining allocations of GPF to the LEP and it is proposing to allocate £500k of this fund to this important initiative, which has been widely sought by the private sector for a number of years, is a strategic priority for the Metro Mayor and which is fully supported by the Combined Authority.
- 3.6 The funding will be used to resource the initial setting up phase of the One Front Door Team, support the implementation of the internationalisation Action Plan and

provide match funding for an extension of the Place Marketing for Investment ERDF project which commences on 1 January 2019.

- 3.7 Allocating and approving GPF as recommended will enable recruitment of the OFD Team to commence in December 2018 and become operational by the end of Q4 and it will enable the region to continue to benefit from the ERDF Place Marketing project.
- 3.8 The Business Plan will comprise the initial recruitment, set up and delivery phase for up to 12 months, which will be funded by GPF and LEP resources, and the established delivery of the service for a further 2 year period, to be funded by LEP resources and SIF subject to CA approval.
- 3.9 Approval of the initial phase for GPF will not pre-empt the subsequent approval of SIF Funding by the CA, which will follow the approved process. All posts will be recruited on the basis of being subject to further funding being confirmed.
- 3.10 This two phase approach enables the ambition of the CA and private sector for this service to be established as soon as possible to be realised.

4. Next Steps

- 4.1 Subject to approval of the recommendations by the LEP Board, the LEP Senior Executive will work with senior CA colleagues, led by Chief Executive, Frank Rogers, to establish the two phase business plan and seek agreement to the first phase to be funded by GPF by the LEP Chair on behalf of the LEP Board.
- 4.2 Once approved a grant agreement will be drawn up for allocation of GPF and recruitment of new posts will commence. It is anticipated that this will be in December, allowing recruitment decisions to be taken by the end of January 2019.

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