



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

AGENDA

DATE: Thursday, 21st March, 2019

TIME: 8.30am to 11.00am

VENUE: Room G40, Ground Floor - No.1 Mann Island, Liverpool, L3 1BP

**LIVERPOOL CITY REGION
LOCAL ENTERPRISE PARTNERSHIP
BOARD**

AGENDA

- 1. DECLARATIONS OF INTEREST**
- 2. MINUTES OF THE PREVIOUS MEETING**
(Pages 1 - 10)
- 3. LEP REVIEW - PROPOSAL FOR LEP RESTRUCTURE (P & PR)**
This report is exempt due to its content being of a commercially sensitive nature.
- 4. LOCAL GROWTH FUND PERFORMANCE (V)**
- 5. LOCAL INDUSTRIAL STRATEGY - RESEARCH FINDINGS (PR)**
- 6. BREXIT - LCR RESPONSE (V)**
- 7. BOARD APPOINTMENTS**
- 8. CHAIR'S UPDATE (V)**
- 9. ANY OTHER BUSINESS**

NEXT MEETING - THURSDAY 16 MAY 2019 AT 8.30AM

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

LIVERPOOL CITY REGION LOCAL ENTERPRISE PARTNERSHIP

At a meeting of the Liverpool City Region Local Enterprise Partnership held in the Unilever R & D Port Sunlight, Quarry Road East, Bebington, Wirral, CH63 3JW on Thursday, 24th January, 2019 the following Members were

PRESENT:

Mr A Hamid MBE, Chairperson of the Board
Dr Laura O'Brien
Elaine Bowker,
Dr Jonathan Hague
Mike Houghton
Amanda Lyne
Chris Fry
Angela White OBE
Mark Whitworth
Councillor P Davies
Metro Mayor S Rotheram
Paul Corcoran
Councillor D Long
Councillor G Morgan

OFFICERS PRESENT:

Mark Basnett, Managing Director, LCR LEP
Tony Wade, Finance Director, LCR LEP
Frank Rogers, Chief Executive, LCR Combined Authority
Mark Bousfield, Director of Commercial Development and Investment, LCR Combined Authority
Kirsty Pearce, Director of Policy and Strategic Commissioning, LCR Combined Authority
Mick Allen, Cities and Local Growth
Trudy Bedford, LCR Combined Authority

APOLOGIES

John Syvret CBE
Mayor J Anderson OBE
Councillor I Maher
Councillor R Polhill
Professor Dame J Beer
Sara Wilde-McKeown

WELCOME FROM CAMERON JONES, HEAD OF RESEARCH AND DEVELOPMENT

Cameron Jones, Head of Research and Development, Port Sunlight – Unilever welcomed Board Members to the Unilever's Research and Development Centre. He provided Members with an overview of the development and purpose of the Advanced Manufacturing Centre at Unilever, which aimed to scale up innovation by improving the time in which it took to transport a product across a number of sites on a global scale.

Members also watched a short video which set out the history of Unilever, the products it creates and its future vision.

The Chairperson, Mr A Hamid MBE, thanked Cameron Jones and Dr Jonathan Hague for the informative introduction.

347. DECLARATIONS OF INTERESTS

No declarations of interest were declared by Board Members.

348. MINUTES OF THE PREVIOUS MEETING

The Board considered the minutes of the meeting held on 22 November 2018 and were received as a correct record and signed by the Chair.

Mark Basnett, Managing Director, LCR Local Enterprise Partnership (LEP) drew Members attention to the Matters Arising and Actions from Previous meetings note which had been circulated.

Metro Mayor S Rotheram, provided the Board with an update in relation to Minute Number 343 – Skills Update. He reported that the Department for Digital, Culture and Sport would be visiting the City Region on 14 February 2019. He also advised that he had recently met with a number of Government Ministers to discuss the issue of Apprenticeships in the City Region. He advised that evidence was presented at the meeting to demonstrate the impact the apprenticeship underspend was having on the City Region. For example, some training providers had spent their funding allocation to deliver training, however, they still had capacity to deliver further training but were unable to do so due to funding limitations.

Metro Mayor S Rotheram reported that the LCR Combined Authority wanted Government to grant greater flexibility to the Apprenticeship Levy to enable the Combined Authority to distribute it according to local demands.

Mark Basnett drew specific attention to written procedures that had been sent prior to this meeting in respect of a GPF loan repayment. Liverpool City Council were seeking a deferment of loan repayment due in December 2018 for up to 24 months. The written procedure sought approval for a temporary deferment from December 2018 to the date of this meeting to allow the Board to consider the application. In conclusion, the LEP Board AGREED to the deferment of the GPF loan repayment by Liverpool City Council having been assured that due diligence checks had found no issues with the request and the action.

349. BREXIT - PREPARATIONS FOR BUSINESS (V)

Mark Basnett, Managing Director, LCR LEP, provided Board Members with a presentation which sought to give context and a broad insight into proposals to support businesses across the City Region in preparations for the outcome of Brexit.

Board Members were informed that with the increasing potential of a Brexit 'No Deal' there was a need to provide support and guidance to the business community in the City Region. Therefore, Board Members views were sought on the following proposals:-

- A social media campaign via the Growth Hub to alert business to the support available to them and to also direct them to self help resources;

- Create a Growth Hub Brexit support website, which would include website links to Central Government, CBI, Think Tank resources etc;
- Hold a Brexit Roundtable event for the business community;
- Hold an SME Brexit conference, with the CBI and other key stakeholders in attendance; and
- Develop a Brexit audit service for businesses which would be an online service in which business would complete a form which on completion would match the business to a toolkit or a more detailed one to one session in which their business needs would be assessed to determine the impact of Brexit.

A number of Board Members highlighted the work already undertaken by various Chambers of Commerce and Local Authorities in identifying the issues facing local businesses and support which could be provided as a consequence of Brexit. Given the limited time available it was suggested that the information from these organisations be understood to determine the support provided by the LEP. Mark Basnett explained that the proposal was to work with these partners through the Growth Hub in any service delivered.

Amanda Lyne highlighted that it was the uncertainty surrounding Brexit which was worrying for SME's, as they were unable to determine the mitigating risk factors which would impact their business. She stressed that until this uncertainty had been resolved, there was limited support the LEP could provide the business community.

Metro Mayor S Rotheram referred to recent meetings held with the Cabinet and Central Government at which matters relating to Brexit were discussed. He reported that the analysis undertaken by Central Government was formulaic and did not take account of local considerations. For example, the City Region had a large number of SME's and the implications for them would be different compared to those multinational companies who had Headquarters based in other parts of the country.

Mark Bousfield, Director of Commercial Development and Investment, reported as a mechanism to support businesses during the Brexit transition, an allocation of the Strategic Investment Fund could be made available to businesses, to support cash flow and liquidity which would be accompanied by a common set of lending terms for businesses to adhere to.

Paul Corcoran was supportive of taking action for SMEs and highlighted the importance of sharing a consistent message across the City Region to the business community. The message could act as a trigger to evoke consideration of the matters facing businesses and demonstrate that the City Region was leading from the front.

The Board noted that a Resilience Fund would be made available from Central Government, which organisations would have to bid to, to secure funding. The bid submitted to Government would have to have a strong evidence basis to ensure funding would be available to the City Region.

Kirsty Pearce, Director of Policy and Strategic Commissioning, suggested that it would be helpful to have early sight of the proposals for the Fund and of the accompanying Government message. Furthermore, being able to demonstrate a strong understanding locally would support discussions with Central Government and demonstrate that the City Region understood its locality and that funding should be devolved to the Combined Authority to manage at a city region rather than national level.

Angela White highlighted that the voluntary and community sector had prepared a report assessing the implications of Brexit on this sector and the impact on vulnerable users. She requested that the voluntary sector be included in any further discussions on this matter and welcomed the opportunity to share the report with the Board.

Mark Whitworth was supportive of action being taken by the LEP to support business with the challenges posed by Brexit.

It was AGREED that the information developed by the Chambers of Commerce from across the City Region and the voluntary and community sector in relation to the implications of Brexit be used to inform what further support may be required for the business community.

It was AGREED that the LEP through Mark Basnett would work with local organisations and coordinate a plan of action for supporting our local SMEs and communicating the support available.

350. LIVERPOOL BRAND NARRATIVE (PR)

Board Members were informed that an update on the development of the Liverpool Brand Narrative was to be provided by Black and Ginger, a creative agency, who had been commissioned by the private sector of the LEP to develop a commercial approach to creating a narrative for the Liverpool Brand.

Accordingly, Board Members received a presentation from Jon Humphreys and Alex Frech, Black and Ginger, which set out the following:-

- Explained the objective of the narrative, which was to provide stakeholders with an authentic narrative of the story of the City Region;
- Summarised the model adopted for the development of the narrative and how it had been influenced by The Heseltine Report and focused on the Why, What, How and Who;
- Highlighted the importance of ensuring that the success of the branding would be determined by whether people could associate with the characteristics portrayed;
- Indicated that the branding was predominately aimed at businesses and students outside of the City Region and attempted to challenge the perceptions of the City Region;
- Explained the nine key themes which were proposed to form the narrative and included:-
 - New waves, demonstrating an evolving gateway;
 - Playing to win, highlighting the passion, competitiveness and community;
 - The Beat Goes on, explaining how music has been the soundtrack to every generation;
 - Inspire and Conquer, shaping narratives from 2008;
 - Pioneering Places, the creative, energetic space and forward thinking with clusters of specialisms;
 - Educating Rita, focusing on the education establishments such as the world famous University;
 - Made Smarter, we are more than just products we make;
 - Live Better, focusing on healthier futures;
 - United We Grow, that we are stronger together.

Board Members discussed the presentation and raised the following questions and comments:-

- Welcomed the nine themes and the narrative it created for the City Region. In supporting the promotion of the narrative it was highlighted that the City Region had produced a number of high profile global entertainment personalities and more should be done to capitalise on this and encourage them to act as brand ambassadors for the City Region.
- The Board was informed that the next steps for the narrative would be to develop a toolkit to support businesses in understanding how to utilise the nine key themes. It was also reported that consideration was being given to expanding the music theme more broadly to entertainment to capture actors, comedy, video gaming etc.
- Highlighted that the images were largely focused on Liverpool City and suggested that the reference of the City Region needed to be emphasised in the first instance and then followed by focusing on the City and the other local authorities.
- Reflected on the nine themes and suggested that the message should be simplified to enable it to be remembered.
- Board Members were informed that the nine themes had undergone an extensive consultation exercise with a variety of stakeholders and the brief for the narrative was to not focus on strap lines or branding images. It was envisaged that the nine key themes could be used as standalone messages or a mixture, depending on the campaign for which they would be used for.
- Welcomed the nine themes and how they portrayed the City Region but requested that for the 'Educating Rita' theme, focus was widened to include Colleges.
- Welcomed the narrative but sought clarity on the next stages of the development.
- Board Members were informed that the nine key themes would be refined and were advised that a Copywriter had been employed to elevate elements of the themes to ensure they were refined and City Region focused. Furthermore, an online toolkit would be developed which would be supported by videos and other information explaining how businesses could utilise the themes for their business. Furthermore, the key themes would be tested to ensure that they could be easily identifiable to the City Region.

It was AGREED that the presentation and next steps be noted and for the Board to be kept informed of progress and plan for roll-out.

351. ONE FRONT DOOR IMPLEMENTATION (V)

Mark Bousfield, Director of Commercial Development and Investment, provided an update on the development of the One Front Door approach. He advised that the One Front Door would be the central point of contact for inward investment across the City Region, the approach had found broad agreement with the constituent Local Authorities and an implementation plan was being developed.

Board Members were informed that the One Front Door team would comprise of a small number of staff members which would sit within the LEP. The team would be the first contact for businesses wishing to invest in the City Region and would focus on account management by providing high quality service, data information and access to the appropriate people in the City Region. The team would also

commission events, similar to that of MIPIM and co-ordinate their work with Local Authorities.

A One Front Door Panel would provide the governance arrangements to underpin the work of the One Front Door team and would include representation from the relevant Portfolio Holder, a Chief Executive from one of the Local Authorities, the Director of Commercial Development and Investment, a senior representative from the Department of Trade and Industry and up to four members from the private sector. The Panel would work to develop an Annual Strategy which would be agreed by the Combined Authority. In conclusion, the One Front Door proposals were currently being shared with key groups and subject to agreement they would be unveiled at MIPIM.

Mr A Hamid MBE, Chairperson of the LCR LEP, welcomed the efforts from Officers in delivering the One Front Door approach and highlighted that this approach further evidenced the collaboration which was taking place across the City Region. He advised that the test of the success of the approach would be at MIPIM.

Mark Bousfield informed the Board that the approach at MIPIM would be different to that undertaken previously. He advised that the focus would be on articulating a strong narrative of the City Region and then highlighting the key projects to evidence this.

The Board welcomed the development of the One Front Door approach and commented upon the positive impact it would have in explaining and selling the City Region and the Combined Authority.

Amanda Lyne welcomed the focus on inward investment and sought clarity on whether the approach would be widened to support exports?

The Board was advised that the initial focus of the One Front Door team would be that of inward investment and ensuring that the approach was appropriate for the City Region. The long term view was to also develop an export focus, however, this would be subject to the success of the team and approval from the key stakeholders.

In conclusion, the Board recognised the importance the One Front Door team would have in providing a joined up approach to attracting business to the City Region and also directing them to the most appropriate solutions for their business.

It was AGREED that the update and Implementation Plan be agreed.

352. SKILLS UPDATE (P)

The Board considered a report which provided an update on the progress of a range of skills issues discussed at previous LEP Board meetings.

Kirsty Pearce, Director of Policy and Strategic Commissioning informed the Board that productive discussions had been held with one of the special advisors and officials from the Department for Education. This included setting out a strong evidence base of information gathered from providers and businesses setting out the constraints of the Apprenticeship Levy. The evidence had also demonstrated how the City Region was different to other regions and how greater flexibilities in the use of the Apprenticeship levy would enable the Combined Authority to address the specific needs of the City Region.

Board Members were informed that the Department showed interest in the approach already adopted by the Combined Authority such as the Apprenticeship qualifications, development of an Apprenticeship Application portal and the reduction in bus fares for apprenticeships.

Metro Mayor S Rotherham informed Board Members that the Combined Authority had created a strong evidence base that had been shared with Government and by working with Government Departments it was hopefully going to generate a fairer settlement. He further reported that apprenticeship starts were significantly lower than in previous years and lower than in other parts of the country.

Elaine Bowker reported that as the City Region was largely comprised of SME's this affected how the Apprenticeship Levy was accessed. She advised that her College had exhausted its Apprenticeship Levy funding, even though there continued to be a demand for training provision. Therefore, the College had taken the decision to continue to provide provision, which was a significant risk. She also highlighted that she had shared the same message to representatives at the Department for Education and they had appeared receptive to providing flexibility with the Apprenticeship Levy.

The Chairperson, Mr A Hamid MBE, on behalf of the LCR LEP, offered to write to the Skills Minister to highlight the frustrations faced by businesses in accessing the Apprenticeship Levy.

It was AGREED that:-

- (i) the update be noted; and
- (ii) on behalf of the LCR LEP, the Chairperson write to the Skills Minister expressing the concerns of business in accessing the Apprenticeship Levy.

353. LEP REVIEW (P)

Board Members considered a report which provided an update on a range of actions required to ensure the LEP and the Combined Authority (CA) are compliant with current and future policy guidelines.

Mark Basnett, Managing Director, reported that revised guidance for LEP and MCA Assurance Frameworks had recently been published and a revised Assurance Framework for the Liverpool City Region was required and it was envisaged it would be finalised by March 2019. He further advised that there was also a requirement to produce defined outputs of a:

- a) Local agreements of the role and responsibilities of the LEP and CA;
- b) An Annual Delivery Plan; and
- c) An Annual report which was intended to report on progress.

He advised that agreement between the LEP and the CA had been reached on these outputs both of which would be welcome steps highlighting the LEP's key performance indicators and setting out its achievements.

He explained that as a result of the Annual Performance Review with Central Government a number of key actions had been identified which included:-

- The appointment of a Deputy Chair;

- Having a board membership of 20, plus up to five 1 year co-opted members;
- Private sector membership comprising of 2/3;
- Women representation comprising of 1/3 and a gender balance of 50:50 to be achieved by 31 March 2023.

It was AGREED that:-

- (i) Authority be delegated to the LEP Chair to sign off the 'Local agreement', the Annual Delivery Plan and Assurance Framework for presentation to the LEP Board at its meeting on 21 March 2019;
- (ii) The Appointments Committee, where not conflicted, be requested to urgently consider any expression of interest to fill the role of Deputy Chair, even if for a short-term appointment until the wider considerations for Board composition are resolved;
- (iii) Authorise the LEP executive to work with the CA executive to engage directly with the Mayors and Leaders Group to explore the options of changing the public-sector representation on the LEP Board to facilitate the required quotas and total number; and
- (iv) Authority be delegated to the LEP Chair to work with the executives of the LEP and CA and the LEP company's Board of Directors to agree a new legal form for the LEP delivery company that provides an independent secretariat to the LEP Board, a vehicle for delivering tactical interventions on behalf of the LEP and CA and acts as the primary interface with business particularly around business growth.

354. CHAIR'S UPDATE (V)

Mr A Hamid MBE, Chairperson of the LCR LEP, provided Board Members with a verbal update on the Annual Performance Review. He also reported that due to the successfully gaining promotion within their respective organisations Laura O'Brien and Mike Houghton would be stepping down from their respective positions within the LEP Board.

Board Members congratulated both Laura and Mike on their successful promotions and wished to place on record their thanks for the commitment and dedication they had given to the work of the LEP Board.

Paul Corcoran provided a verbal update on the recent visit to India with private sector representatives from the City Region. He informed the Board that this had been an extremely positive and beneficial visit in which they had been able to connect with a variety of civic, city and business leaders who had all shown a keen interest in the work taking place across the City Region. In conclusion, Paul advised that he would be reporting back to the Creative and Digital Board on the visit to India, which had created optimism for what the City Region could offer countries such as India. He paid tribute to the leadership shown by Asif during the course of the visit and emphasised the importance of ensuring the planning for Dubai 2020 was undertaken at the earliest stages.

The Chairperson reported that the visit to India had been extremely productive for the City Region and planning would commence to undertake a second visit to further

explore the digital opportunities available and also that a visit was being made by business from India to the City Region.

355. ANY OTHER BUSINESS

Mike Houghton highlighted to the Board a number of projects he had been involved in with regards to Glass Futures and LCR 4.0 and encouraged the Combined Authority and LEP to provide leadership and support to them as they had the potential to provide excellent opportunities across the City Region.

Councillor Derek Long reiterated the significance of the opportunity around Glass Futures and it was agreed this opportunity should be actively supported by the LEP and the CA.

To address the issue of support for the business community, Paul Corcoran suggested that a platform be developed in which the Combined Authority and the LEP could deliver its message directly to the business community.

It was AGREED that Paul Corcoran and Simon Reid develop a monthly bulletin on an appropriate platform for the business community.

Minutes 347 to 355 be received as a correct record on the 21st day of March 2019.

Chairperson of the Board

(The meeting closed at 11.14 am)

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