



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

AGENDA

DATE: Thursday, 18th July, 2019

TIME: 8.30 am to 11.00am

VENUE: Everton Football Club, Waterfront Entrance, 7th Floor, Royal Liver Building, Pier Head, Liverpool, L3 1HU

**LIVERPOOL CITY REGION
LOCAL ENTERPRISE PARTNERSHIP
BOARD**

AGENDA

WELCOME FROM EVERTON FOOTBALL CLUB

- 1. DECLARATION OF INTERESTS**
- 2. MINUTES OF THE PREVIOUS MEETING (P)**
(Pages 1 - 8)
- 3. MATTERS PREVIOUSLY CONFIRMED AND ARISING THROUGH WRITTEN PROCEDURES RULES**
 - LEP Board Appointments and Sub Boards
 - LGF Data Return
 - Growing Places Fund
 - Skill Capital Proposal
 - LEP Delivery Plan(Pages 9 - 46)
- 4. LOCAL INDUSTRIAL STRATEGY POSITION STATEMENT (P/PR)**
(Pages 47 - 50)
- 5. INCREASING DIVERSITY IN CITY REGION LEADERSHIP (P)**
(Pages 51 - 54)
- 6. NATIONAL LOCAL GROWTH ASSURANCE FRAMEWORK (P)**
(Pages 55 - 62)
- 7. CHAIR'S UPDATE (V)**
- 8. ANY OTHER BUSINESS**
Next meeting – 19 September 2019, Invest Knowsley Conference Room

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 Room G40, Ground Floor - No.1 Mann Island, Liverpool, L3 1BP on Thursday, 21st March, 2019 the following Members were

PRESENT:

Mr A Hamid MBE, Chairperson of the Board
Elaine Bowker
Dr Jonathan Hague
Amanda Lyne
Mayor J Anderson OBE
Councillor P Davies
Councillor R Polhill
Metro Mayor S Rotheram
Professor Dame J Beer
Paul Corcoran
Councillor D Long
Councillor G Morgan
Mike Houghton

OFFICERS PRESENT:

Mark Basnett, Managing Director, LCR LEP
Frank Rogers, Chief Executive, LCR Combined Authority
Tony Reeves, Chief Executive, Liverpool City Council
Tony Wade, Finance Director, LCR LEP
Mark Bousfield, Director of Commercial Development and Investment, LCR Combined Authority
Dr Aileen Jones, Head of Research and Intelligence, LCR Combined Authority
Trudy Bedford, LCR Combined Authority

APOLOGIES:

Chris Fry
Angela White OBE
Mark Whitworth
John Syvret CBE
Councillor I Maher

356. DECLARATIONS OF INTEREST

No declarations of interest were declared by Board Members.

357. MINUTES OF THE PREVIOUS MEETING

The Board considered the minutes of the meeting held on 24 January 2019 and were received as a correct record and signed by the Chair.

In relation to Minute 343 – Skills Update, Metro Mayor S Rotheram informed the Board that he had recently attended a meeting with Damian Hinds MP, the Secretary of State for Education. The meeting had also been attended by the Metro Mayors from the 7 Combined Authorities and the Mayors from the Core Cities Group. During the course of the meeting it was recognised that post-Brexit the UK economy would

require a fiscal stimulus and this would require the appropriate skilled workers. To support this fiscal stimulus each area had agreed to identify the priority shortages in their area as well as reviewing the skills shortage across the country. The City Region had already commenced this work as part of the Skills for Growth agenda so where in a strong position to identify the skills shortages and be in a position to inform Government of this.

The Chair, Mr A Hamid MBE, drew Board Members attention to the letter he had sent to Damian Hinds MP which expressed concerns regarding the skills shortage in the City Region and the response received from the Rt Hon Anne Milton MP, Minister of State for Apprenticeships and Skills in response to this letter. The Chair sought the Board's approval for a letter to be sent to Damian Hinds MP, in response to the letter received from the Rt Hon Anne Milton MP.

Board Members were in agreement that a response be sent to Damian Hinds MP and a copy of this letter also sent to the Rt Hon Anne Milton MP. They emphasised that the letter should contain evidence regarding the skills gap in the City Region and how this was stifling economic growth. Whilst emphasising that the Combined Authority, the private sector and further education establishments had a strong understanding of how this could be addressed if Central Government were willing to devolve further power to the Combined Authority in relation to apprenticeships and skills.

Board Members also suggested that the letter be circulated to other Government ministers such as Gregg Clarke MP, Secretary of State for Business, Energy and Industrial Strategy and Richard Harrington MP.

It was AGREED that a letter be drafted in response to the reply received from the Rt Hon Anne Milton MP which reflected the discussion by the Board.

358. LEP REVIEW - PROPOSAL FOR LEP RESTRUCTURE (P & PR)

Mark Basnett, Managing Director, LCR Local Enterprise Partnership, presented to the Board a report which set out the proposals to restructure the Local Enterprise Partnership.

The Board considered the proposed structure for the LEP Board and the LEP Company and were informed that following the Board's consideration of the proposals the LCR Combined Authority would then consider the proposals at their next meeting.

It was AGREED that:-

- (i) The proposal set out in the paper to restructure the LEP subject to agreement of the Combined Authority and current LEP Company "Members" be approved;
- (ii) The LEP Chair and Executive be authorised to progress this implementation; and
- (iii) Authority be delegated to the LEP Chair to sign off the revised Constitution and Assurance Framework on behalf of the LEP Board.

359. LOCAL GROWTH FUND PERFORMANCE (V)

Frank Rogers, Chief Executive, LCR Combined Authority provided the Board with an update on the Local Growth Fund (LGF) Performance.

Asif Hamid MBE, Chair of the Board, advised Members that that the LGF data return had been distributed to Board Members on 18 February 2019. Following the Annual Performance Review, the LEP had been ranked as “good” in each of the three categories of Strategy, Governance and Delivery. However, he stressed that the LEP was striving for an Excellent rating and to do this in Delivery it was imperative that LGF funding was allocated, distributed and spent as expediently as possible.

Frank Rogers drew Board Members attention to the Growth Deal Dashboard and informed Members that if some performance indicators were not addressed then there would be a risk of an under spend being carried forward. The overall performance of the Fund was green but there were some significant risks associated with the Fund. It was further reported that the LGF funding allocation had increased significantly from initially expecting £24 million to receiving £180 million. The Board was advised that whilst this funding was extremely welcome it had presented challenges from the outset as the appropriate projects were not available for the Fund to be allocated to. However, the City Region had responded positively to the challenge and assurances had been provided to the Department for Transport and the Communities and Local Government Unit that the funds would be allocated within the required timeframe.

The Board was provided with an update on a number of projects, which included the Newton-le-Williows interchange, A565 North Liverpool Key Corridors, M58 Junction improvements, City Centre Connectivity and A57 Connectivity. These projects had a red RAG rating, however, the Newton-le-Williows interchange had recently completed its building works and was now open. With regards to the other projects, these were all undertaking significant transport infrastructure changes across the City Centre which had impacted upon the commencement of the works. However, work was now underway on site for each of the schemes and they would deliver to their spend profile.

Tony Reeves, Chief Executive, Liverpool City Council, informed Board Members that it had been necessary to adjust the timescales for the schemes, in particular the City Centre Connectivity scheme, to avoid causing significant traffic congestion in the City Centre.

Mayor J Anderson OBE, advised how the City Centre Connectivity scheme would ensure that people were able to move within the city centre more freely by reducing congestion. Furthermore, the funding to support the scheme had been committed.

Metro Mayor S Rotheram supported the approaches adopted in respect of the key transport schemes which had experienced some delay. He emphasised the importance of communicating to the public that no LGF funds had been returned to the Government and once completed, the schemes would deliver improved benefits to the city region.

Mike Houghton, sought clarity on the risks of not spending the LGF funding allocation.

Frank Rogers, advised the Board that there would be a reputational risk to the LCR Combined Authority if the funds were not spent within the agreed timeframe.

However, it was considered unlikely that any of the money would be clawed back. Furthermore, he reported that the submission from Government had identified the LGF performance as good and the LCR Combined Authority, the LEP and constituent Local Authorities should be congratulated on the way it was approaching delivery. He concluded by reporting that many lessons had been learnt from when the LGF was received in 2013 and it was recognised that to ensure the Fund did deliver it's spend then an over programming approach was required for future delivery.

Elaine Bowker emphasised the importance of sharing the reasons as to why projects where delayed across the City Region and reassuring residents that the funds received from Government would be spent.

Metro Mayor S Rotheram advised the Board that significant lessons had been learnt and as such further capacity would be sought to develop projects and have them ready for funding. He also advised that it was important to explain that the funds could only be allocated to specific areas and as such many suggestions received did not match the criteria of the fund. Overall, the City Region's performance was highly regarded by Government and it was important to note that some of the projects were complex.

Amanda Lyne reflected upon the projects contained in the LGF and questioned whether these projects were appropriate for creating economic growth and job opportunities in the City Region. Furthermore, when more schemes were available for funding she sought clarity on how the Board would be re-assured that they would support the priorities of job and growth creation.

The Board was informed that all proposals were assessed and as part of this assessment they had to include a business cost ratio, along with providing a business case which was considered by an independent Panel.

Tony Reeves advised the Board that there was recognition amongst all those involved with the LCR Combined Authority that significant lessons had been learnt. One of which was the ability to plan and commission against a strong evidence base and to execute effectively to deliver jobs and economic growth across the City Region.

Paul Corcoran reflected on the positive success which had been achieved at MIPIM recently. This demonstrated that businesses wanted to invest in the City Region and were attracted by the opportunities, talent and brand available to them. He emphasised that this was the positive communications message which should be shared across the City Region by utilising social media platforms and not relying upon the printed press to report on the story.

Professor Dame Janet Beer suggested that a collective communications message should be developed and shared with all the membership of the LEP Board. This would also demonstrate that all parties were working together to address the key challenges facing the City Region and generate a positive atmosphere particularly through the sharing of success stories too.

Councillor P Davies reflected upon the challenges faced by the LCR Combined Authority when Government announced the allocation of funds with limited notice and required them to be allocated within a small time frame. He also emphasised the importance of the LCR Combined Authority clearly articulating what was being achieved from the funds received from Central Government.

Mark Bousfield, Director of Commercial Development and Investment, LCR Combined Authority, reported that following the recent announcement of the opening of the Strategic Investment Fund which had funds available of £118million. Since the launch, 102 conversations had been held with interested bidders which had resulted in just 16 submissions into this fund. Whilst it was acknowledged that further capacity was required to support the development of pipeline schemes, it was also important that the communications surrounding SIF were targeted to the most appropriate audience to gain interest and for this to translate into successful applications.

The Chair, Mr A Hamid MBE, reflected upon the discussions generated by this item and proposed that representatives from each of the Communications teams from the LCR Combined Authority, constituent Local Authorities and those of the Board Members be brought together, to expand on the issues outlined during this discussion with a view to creating a unified communications message which could be used across the City Region.

Tony Reeves reported on some changes which the communications team at Liverpool City Council had introduced. This included transforming the media release so that it was user friendly for journalists as well as increasing the City Council's profile on social media.

Expanding on the matters discussed by the Board, Paul Corcoran suggested that a City Region Communications Strategy should be considered by bringing together the key communications representatives. This co-ordinated approach would also provide a forum in which marketing and communications content could be shared in a supportive and collaborative environment.

It was AGREED that:-

- (i) The LGF performance be noted;
- (ii) A City Region Communications Task Group be established comprising of appropriate communications and marketing staff from the membership of the LEP Board and supported by Paul Corcoran to address the issues raised during this discussion; and
- (iii) A Combined Authority newsletter be developed in conjunction with the LEP.

360. LOCAL INDUSTRIAL STRATEGY - RESEARCH FINDINGS (PR)

Dr Aileen Jones, Head of Research and Intelligence, LCR Combined Authority, provided Board Members with a presentation which set out the progress to date in developing the City Region's Industrial Strategy and highlighted the following issues:-

- Explained the purpose of the Local Industrial Strategy, which arose following the launch of the Industrial Strategy Policy Prospectus from Central Government.
- Summarised what the Liverpool City Region Industrial Strategy would achieve, which included clearly defined priorities to generate economic growth as well as environmental sustainability and community wellbeing to the City Region;
- Set out the current position of the City Region which identified that the economy was growing but productivity was behind, there was a strong Small and Medium sized enterprise base and a few large companies had their headquarters based

- in the City Region. The City Region had a well-known brand, which built a strong visitor economy offer which encouraged investment;
- Highlighted the core economic strengths of the City Region which were particularly focused on the advanced manufacturing sector of chemicals, pharmaceutical products and automotive;
 - Identified areas of world-class excellence which included Advanced Computing at STFC and Hartree, Infectious Disease at The University of Liverpool School of Tropical Medicine and Innovation in advanced manufacturing, particular in glass manufacturing;
 - Summarised the emerging strengths of the City Region in connection with its nearest neighbours;
 - Explained the untapped assets of the City Region which included the opportunity to capitalise on research strengths, a western facing port, tidal power of the river Mersey, digital through the supercomputer at Daresbury and the under-used potential of the people of the City Region;
 - Set out the challenges faced in the City Region with regards to developing the untapped assets and the actions needed to address this to maximise the City Region's inclusive growth; and
 - Summarised the next steps of the development of the Strategy, which included testing the data with key stakeholders, establishing an external panel to provide challenge to the evidence base, undertake consultative forums across the City Region to shape the Strategy with a final submission ready by 2020.

Mayor J Anderson OBE highlighted the potential impact to the automotive industry and the Ports post-Brexit and sought clarity on what support would be available to support growth within these industries. He emphasised the importance of encouraging a visionary approach, for example the creation of the City Council's Liverpool Leccy company which created its own energy.

Dr Jonathan Hague suggested that the Strategy should identify the industries of the future, particularly those of low carbon and digital and also consider how manufacturing could be disrupted by the growth of the digital sector.

Tony Reeves, Chief Executive of Liverpool City Council, supported an integrated approach to health care to address the health needs of the City Region. He also identified that the growth environment had to be right in the City Centre to stimulate economic growth across the City Region.

Metro Mayor S Rotheram emphasised how the Strategy would be informed by evidence and it would also be pertinent to the City Region.

Councillor P Davies suggested that five or six key interventions should be identified which would bring about significant economic growth for the City Region.

Paul Corcoran reflected upon the success of the Knowledge Quarter and what had been the determining factors in its success, which were to provide opportunities for different ways of working and creating a clear vision. He suggested that successful examples such as the Knowledge Quarter should be reflected within the Industrial Strategy.

Amanda Lynne emphasised the importance of creating a climate in which double digit growth could be achieved which would require identifying and targeting the sectors which could achieve this.

Frank Rogers, Chief Executive LCR Combined Authority, informed the Board that the discussions in relation to the Strategy emphasised the critical importance of it and the development of the Strategy would be key over the coming 12 months. He advised that the Industrial Strategy would be the primary Strategy for the Combined Authority and would be aligned to other strategies relating to Skills, Housing, Transport, Energy and Digital. Furthermore, the Strategy would be underpinned by an evidence based approach.

Mayor J Anderson OBE, suggested that as part of the consultation process various sectors from across the City Region should be engaged in the development of the Strategy.

Dr Aileen Jones advised the Board that SME's would be invited to be part of the consultation process for the development of the Strategy.

It was AGREED that:-

- (i) The presentation be noted; and
- (ii) Regular reports on the development of the Local Industrial Strategy be brought to the Board.

361. BREXIT - LCR RESPONSE (V)

Tony Reeves, Chief Executive, Liverpool City Council provided the Board with a verbal update on the range of measures which were being developed post-Brexit. He advised that a Local Resilience Forum had been established which comprised of representation from the emergency services and Local Authorities. The Group were addressing a number of key issues, one of which was the impact to the supply chain and in particular the 'Just in Time' processes. Furthermore, to support small businesses who may experience cash flow issues and to promote economic resilience a proposal for a liquidity fund for business was being developed by the Combined Authority through the Strategic Investment Fund.

The Board was further advised that the Government had recognised that accelerated growth would be required post-Brexit and had created a Prosperity Fund to support this.

The Board acknowledged the importance of sharing the messages with SME's across the City Region, that support was available to them.

It was AGREED that the update be noted.

362. BOARD APPOINTMENTS

Before consideration of this item Paul Corcoran and Elaine Bowker left the room.

The Chair, Asif Hamid MBE, advised Board Members that nominations had been received for the vacant positions of Deputy-Chair and Diversity and Equality Champion. He reported that nominations had been received from Paul Corcoran for Deputy-Chair and Elaine Bowker for Diversity and Equalities Champion and sought the Boards approval of these appointments.

The Chair also reported that the vacancies on the LEP Board had been advertised and promoted through social media and the Appointments Committee would meet in

early April to consider any nominations and make recommendations to the next LEP Board.

It was AGREED that:-

- (i) Paul Corcoran be appointed as Deputy-Chair of the LEP Board; and
- (ii) Elaine Bowker be appointed as the Diversity and Equalities Champion for the LEP Board.

363. CHAIR'S UPDATE (V)

Mr A Hamid MBE, provided Board Members with a verbal update and reported on a successful MIPIM exhibition, which had received excellent feedback and had been well attended.

He explained that recruitment to support the 'One Front Door' approach had been successful and the team were focusing on developing an action plan for implementation.

He reported that the next Northern Powerhouse Dinner would be hosted in the City Centre. The primary focus of the Dinner would be to concentrate discussions on digital structure and demonstrate to Ministers the significant work the City Region was undertaking.

In relation to International Women's Day, the Chair reported on the LEP's commitment to encourage more women onto the Board. Furthermore, three places had been secured for the LEP women's leaders' event on 6 June 2019 and if female Board Members wished to attend that they notify Mark Basnett.

The Board was advised that it was currently a guarantor for the Merseyside Investment Forum, however the Forum had undergone changes to its governance arrangements. Board Members were advised that when the changes to the governance arrangements were known they would be circulated to them in due course.

364. CHAIRMAN'S THANKS

The Chairman, Mr A Hamid MBE, advised the Board that this would be Councillor P Davies last meeting as he was retiring from office. He paid tribute to the work undertaken by Councillor Davies during his time as Chair of the LCR Combined Authority and Leader of Wirral MBC, and on behalf of the Board thanked him for the dedication he had given to Wirral and the City Region.

Minutes 356 to 364 be received as a correct record on the 18th day of July 2019.

Chairperson of the Board

(The meeting closed at 11.04 am)



Strengthening LEP Boards

LEP Board Meeting 16 May 2019

Author:
Mark Basnett
LCR LEP

1. Purpose

1.1 The purpose of this paper is to present the recommendations of the Appointments Committee in recruiting to vacant positions on the LEP Board and to set out proposals for development of the LEP Sub Boards to further strengthen their role in providing commercial and sectoral insight to the Combined Authority in the development and implementation of economic strategy for the City Region.

2. Recommendations

2.1 The LEP Board is invited to endorse the recommendations of the LEP Board Appointments Committee to appoint 3 new members to the LEP to fill current vacancies following an open and competitive process.

2.2 The LEP Board is recommended to agree the proposal to establish a LEP Sub Board to support the Construction sector and to reconstitute the current Low Carbon Board as a Clean Growth Board.

3. LEP Board Appointments

3.1 Three vacancies have arisen on the LEP Board over recent months due to the resignation of existing members Mike Houghton (Advanced Manufacturing), Laura O'Brien (Health and Life Science) and Sara Wilde McKeown (Visitor Economy) due to changes in work and personal circumstances.

3.2 An open recruitment process has taken place over the last 3 months for these positions, involving publishing on the LEP website, through local business networks, the LEP Network, Government gateway for public appointments, Women on Boards portal operated by BEIS and via social media.

3.3 Following a strong response of 20 Expressions of Interest, the LEP Appointments Committee (comprising Board Members Asif Hamid, Cllr Phil Davies and Elaine Bowker) met to agree the shortlist for interview and undertook interviews of the shortlisted candidates. For the Visitor Economy position additional input was helpfully provided by members of the Visitor Economy Board, Steve Connolly and Edward Perry.

3.4 The Committee were unanimous in all of their decisions as to who would best represent the respective sector and add significant insight and value to the Board. They are as follows:

Mike Hulme (Advanced Manufacturing)
Managing Director, Trains and Modernisation
Alstom

Dr Liz Mear (Health & Life Sciences)
Chief Executive
Innovation Agency
(the Academic Health Science Network for the North West Coast)

Laura Pye (Visitor Economy)
Director
National Museums Liverpool

World Museum

3.5 The very high quality of applications and of the recommended candidates demonstrates the strong continued interest in the LEP Board and the importance of its role in the City Region economy and the Appointments Committee are pleased to recommend these candidates to the LEP Board for their approval.

4. Strengthening LEP Sub Boards

4.1 The LEP has, since its inception, managed and co-ordinated a range of sub Boards in those sectors that are key to the City Region's growth. These sub boards have provided detailed insight into the challenges and opportunities in the sector and have been an invaluable resource in informing the development of strategy and its implementation.

4.2 The LEP has been approached consistently over the last 12 months by organisations involved in the Construction sector to ask if it would be possible to establish a Construction sub board to consider and determine to challenges and opportunities in the sector given its importance to the City Region's growth and, in particular, considerable concerns in the industry relating to the availability and development of the talent needed to support the sector's growth.

4.3 Subject to the agreement of the LEP Board, it is proposed to establish a Construction Board for the City Region, recruited through an open and transparent process from a range of companies involved in the sector from across the City Region.

4.4 Under the guidance of the Appointments Committee, the LEP Executive will invite Expressions of Interest to join the sub Board to fulfil these positions ensuring a good geographical, size and functional mix of businesses and gender diversity. The advertisement will also seek an appointment to the LEP Board to represent this sector, this may not be the sub-Board Chair. The proposed appointment of sub Board Chair and LEP Board Champion will be brought back to the LEP Board for approval. Following the appointment of the Chair of the sub-Board and the representative of the sub Board to sit on the main LEP Board, Terms of Reference will be developed for approval by the LEP Board. The sub-Board Chair and LEP- Board Champion can then select the other members of the sub-board.

4.5 A further proposal is to reconstitute the Low Carbon Economy Board as a Clean Growth Board for the City Region, reflecting the shift in focus aligned to the Local Industrial Strategy. This will involve recruitment of new sub Board members who will represent the key facets involved in driving clean growth from the private and public sectors involving energy, transport and building development.

4.6 Under the guidance of the Appointments Committee and current Low Carbon Board Chair, Amanda Lyne, the LEP Executive will invite Expressions of Interest for a Chair and other members to join the sub Board to fulfil these positions. The proposed appointment of Clean Growth Board Chair and a LEP Board representative will be brought back to the LEP Board for approval. These appointments, of a Chair of the Board and a representative of the sub Board to sit on the main LEP Board, are necessary to succeed Amanda Lyne who will have served the maximum term allowable on the LEP Board later this year.

4.7 In looking to strengthen the Enterprise Board, The LEP Chair is convening a meeting of the business membership / representative bodies across the City Region, including FSB, Chambers, IoD and Downtown to discuss how best to ensure that the large community of SMEs in the City Region is most effectively represented, engaged and supported. Progress on this will be reported back to the next Board.

5. Next Steps

5.1 The Board is asked to endorse the recommendations for new Board Members and to strengthen the sub Boards as set out in this proposal.

Growth Deal Dashboard

LEP Name **Liverpool City Region LEP**

This Quarter: **Q4_1819**

Deliverables Progress

Housing	This Quarter	15-17	Financial Year					Total
			17-18	18-19	19-20	20-21	21-25	
Houses Completed	0	0	0	0	0	0	0	0
Forecast for year	0	-	-	-	-	-	-	0
Progress towards forecast	-	-	-	-	-	-	-	-

Jobs	This Quarter	15-17	Financial Year					Total
			17-18	18-19	19-20	20-21	21-25	
Jobs Created	170	81	426	807	0	0	-	1,314
Apprenticeships Created*	385	0	1,622	1,398	0	0	-	3,020
Jobs including Apprenticeships	555	81	2,048	2,205	0	0	-	4,334
Forecast for year	902	81	383	902	978	639	557	3,540
Progress towards forecast	62%		535%	244%	0%	0%	0%	122%

* Apprenticeships included within jobs totals prior to 2017

Skills	This Quarter	15-17	Financial Year					Total
			17-18	18-19	19-20	20-21	21-25	
Area of new or improved floorspace (m2)	8,183	25,269	9,920	13,103	0	0	-	48,292
Forecast for year	11,585	25,269	9,920	11,585	0	0	0	46,774
Progress towards forecast	71%	100%	100%	113%	-	-	-	103%

Number of New Learners Assisted	350	885	1,064	1,769	0	0	-	3,718
Forecast for year	1,300	885	1,127	1,300	539	539	0	4,390
Progress towards forecast	27%		94%	136%	0%	0%	-	85%

Transport	This Quarter	15-17	Financial Year					Total
			17-18	18-19	19-20	20-21	21-25	
Length of Road Resurfaced	4.2	12.0	9.1	9.6	0.0	0.0	-	31
Length of Newly Built Road	0.0	0.0	3.8	0.1	0.0	0.0	-	3.9
Length New Cycle Ways	2.7	21.0	14.0	10.1	0.0	0.0	-	45

Project RAG Ratings

Project Name	Previous Quarter Q3_1819	This Quarter Q4_1819	Project Name	Previous Quarter Q3_1819	This Quarter Q4_1819
Access Connectivity Improvements to Knowsley	G	G	Duke Street Bus Priority (scheme 3)	AR	G
A5300 Knowsley Expressway	G	G	A562 City Connections (scheme 4)	R	R
Newton-le-Willows Interchange	A	G	A59 Bus Priority Corridor (scheme 5)	A	A
Sustainable Transport Enhancement Package (S)	A	AR	Silver Jubilee Bridge (scheme 6)	G	G
Skills Strand 1 - Specific building projects fund	N/A	G	Kingsway Tunnel Connectivity (scheme 7)	AR	AR
Skills Strand 2 - Conditions Improvement Fund	N/A	G	Wirral Waters Safety Upgrade (scheme 8)	A	A
Skills Strand 3 - Capital Equipment Fund	N/A	G	LCR UTC Communication Upgrade (scheme 9)	AR	AR
International Festival for Business 2016	G	G	A41 Corridor Improvement (scheme 10)	AG	AG
Skills Strand 4 - Low Carbon Fund	N/A	G	A557 Widnes Town Centre (scheme 11)	G	AG
Halton Curve	G	G	A580 Employment Hubs (scheme 12)	G	G
A565 North Liverpool Key Corridors	AR	AR	A59 Port Capacity (scheme 13)	AG	AG
M58 Junction Improvements	R	AR	M57 J6 Stonebridge Cross Access (scheme 14)	AG	A
Maghull North	G	G	Connecting Kirkby (scheme 15)	G	G
A570 Linkway	G	G	Health Engagement and Training Hub	AG	G
Silver Jubilee Bridge	AR	AR	Greenbank Skills for Growth	AG	G
Windle Island	G	G	City of Liverpool STEM Centre (Strand 1-1)	G	G
Alstom Technology Transport Centre (phase 1)	G	G	Hugh Baird College - Port Academy (Strand 1-1)	G	G
Centre for Infectious Diseases (CIEDR)	G	G	Knowsley Community College in partnership with	G	G
Enterprising Futures 2 (WTECH)	G	G	Riverside College - STEM Innovation Centre (Str	G	G
Silver Jubilee Bridge (phase 2)	G	G	Southport College - Refurbishment of Tony Leigh	G	G
Myerscough College - Equine Studies (Strand 1)	G	G	Wirral Metropolitan College - Wirral STEM Centre	G	G
Wirral Met - Low Energy Project	G	G	Maritime & Engineering College North West - Buil	G	G
Seqirus	G	G	North Liverpool Regeneration Company - Low Ca	G	G
Riverside College - Weld Tech Project	G	G	Strand 2 - City of Liverpool College - Maintenance	G	G
City of Liverpool College (digital academy) (Stran	G	G	Strand 2 - Hugh Baird College - Improve Facilities	G	G
Alstom Technology Transport Centre (phase 1B)	G	G	Strand 2 - Knowsley Community College - Project	G	G
Digital Starting Point (St Helens Chamber)	G	G	Strand 2 - Knowsley Community College	G	G
City Centre Connectivity	R	A	Strand 2 - Riverside College	G	G
LCR Intelligent Transport Systems (scheme 1)	AG	AG	Strand 2 - Southport College.	G	G
A57 Connectivity (scheme 2)	R	R	Strand 2 - Southport College	G	G
			Strand 2 - St Helens College	G	G
			Strand 2 - Wirral Metropolitan College	G	G
			Strand 3 - City of Liverpool	G	G
			Strand 3 - St Helens College	G	G
			Strand 3 - Wirral Metropolitan College	G	G
			Strand 3 - Maritime & Engineering College North W	G	G
			Strand 3 - Women's Technology Training Limited	G	G
			Strand 4 - City of Liverpool College.	G	G
			Strand 4 - Hugh Baird College.	G	G
			Strand 4 - Knowsley Community College.	G	G
			Strand 4 - Riverside College.	G	G
			Strand 4 - Southport College.	G	G
			Strand 4 - St Helens College.	G	G
			Strand 4 - Wirral Metropolitan College.	G	G
			Advanced Manufacturing Centre North West	G	G
			Everton Learning and Skills	R	R
			Alchemy (phase 3)	G	G

Growth Deal Performance
G

Area lead comments

Financial Progress

LGF Award	2015-16	2016-17	17-18	18-19	19-20	20-21	Total
	£32,000,000	£71,205,482	£53,563,639	£40,908,525	£27,084,532	£87,797,822	£312,560,000

LGF Outturn	This Quarter	15-17	Financial Year				Total
			17-18	18-19	19-20	20-21	
Actual	£ 13,300,449	£ 53,057,015	£ 53,978,663	£ 41,224,212	£ -	£ -	£ 148,259,890
Forecast for year	£ 47,829,004	£ 53,057,015	£ 53,949,138	£ 47,829,004	£ 86,839,309	£ 70,885,534	£ 312,560,000
Progress towards forecast	28%		100%	86%	0%	0%	47%

LGF Expenditure	This Quarter	15-17	17-18	18-19	19-20	20-21	Total
Actual	£ 13,300,449	£ 53,057,015	£ 53,978,663	£ 41,224,212	£ -	£ -	£ 148,259,890
Forecast for year	£ 47,829,004	£ 53,057,015	£ 53,949,138	£ 47,829,004	£ 86,839,309	£ 70,885,534	£ 312,560,000
Progress towards forecast	28%		100%	86%	0%	0%	47%

Non-LGF Expenditure	This Quarter	15-17	17-18	18-19	19-20	20-21	Total
Actual	£ 6,606,265	£ 28,328,506	£ 18,155,280	£ 27,927,106	£ -	£ -	£ 74,410,892
Forecast for year	£ 29,108,883	£ 28,328,506	£ 18,155,280	£ 29,108,883	£ 21,211,461	£ -	£ 96,804,130
Progress towards forecast	23%		100%	96%	0%	-	77%

Total LGF + non-LGF Expenditure	This Quarter	15-17	17-18	18-19	19-20	20-21	Total
Actual	£ 19,906,714	£ 81,385,521	£ 72,133,943	£ 69,151,318	£ -	£ -	£ 222,670,782
Forecast for year	£ 76,937,887	£ 81,385,521	£ 72,104,418	£ 76,937,887	£ 108,050,770	£ 70,885,534	£ 409,364,130
Progress towards forecast	26%		+100%	+90%	+0%	+0%	54%

Contractual Commitments (manual entry)

	15-17	17-18	18-19	19-20	20-21	Total
Forecast	£ 151,875,022	£ 6,152,570	£ 83,306,541	£ 42,376,141	£ 28,849,726	£ 312,560,000
Actual	£ 151,875,022	£ 6,152,570	£ 83,306,541	£ -	£ -	£ 241,334,133
Variance	+0%	+0%	+0%	-100%	-100%	-23%

Commentary

Q4 Commentary
Metrics
Housing
 No housing units have been commissioned or delivered to date. The LEP and CA will continue to work together to progress opportunities.
Jobs
 We had forecast the creation of 902 jobs/apprenticeships in total in the 18/19 financial year. This year actual numbers reported are 2205. This is broken down as follows below:
 Jobs - Alstom, Myerscough College, Seqirus, Centre for Infectious Disease and City of Liverpool College have all shown positive progress towards achievement of their targets. At the end of Q4 we received confirmation of 170 jobs reported in this period taking the total number of jobs created in year to 807.
 In addition to this a number of apprenticeship opportunities have been reported – at end of Q4 these totalled 1398. Skills strand one projects which had been physically constructed in the 16/17 financial year have continued to recruit apprentices with Maritime Engineering College Northwest returning 288 apprentices on record for this period. Myerscough College which completed in 17/18 has also recruited 28 apprentices.
 This takes the combined jobs/apprenticeships total to 2205.

When considering the outputs in previous years the LCR has delivered 4334 jobs/apprentices to date. A commitment to 10,000 jobs/apprentices was made in so as we move into 2019/20 a further 5666 jobs/apprentices will be required.

Skills Floor space
 7 skills capital projects completed in this financial year enabling the delivery of 13,103(m2) of new or improved skills floor space. Change controls have now deferred completion of two skills projects into 2019/20 (Everton Skills and Speke Training). We expect a commissioning call for skills capital to take place in Q119/20. Once applications are received, it will enable us then to forecast the remainder of floor space delivery for the remaining LGF Period.

Skills Learner numbers
 Learner numbers have not increased in Q4 but our annual targets have been met. Our reporting schedule for collection means that data is only collected biannually. We will expect to report learner numbers in subsequent reporting periods.

Transport - Improvement in reported cycle KM. We expect highways schemes from KRN to be reported in Q1 of 2019/20.

Section 151 Officer Approved

Name	John Fogarty
Signature	
Date	

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Growing Places Fund Update

LEP Board Meeting 16 May 2019

Author:
Tony Wade
LCR LEP

1. Purpose of the Report

- 1.1 To provide an update on the novation of Growing Places Funds from Liverpool City Council (LCC) to Liverpool City Region Combined Authority (LCRCA) together with the status of those funds at the point of novation.

2. Recommendation

It is recommended that the LEP Board;

- 2.1 Note the progress and achievement of the novation of the Growing Places Funds that ensures the LEP has only one accountable body as required by the National Local Growth Assurance Framework.
- 2.2 Note the value and timescale of availability for re-investment of GPF Capital funds both residual and recycled.
- 2.3 Agree to the use of these funds, residual and recycled, through the SIF as loan funds and not grants.
- 2.4 Note the additional revenue funds (plus any further interest earned as a consequence of re-investment of recycled funds) and the commitment to make proposals to the LEP Board on their use.
- 2.5 Note the undertaking to include these funds in future reports to the LEP Board, with regard to progress and performance and as a discrete funding source within the SIF under the oversight of the LEP.

3. Background

- 3.1 As a consequence of the LEP Review, LEPs should have only one accountable body for all funds awarded to it. This LEP chose LCRCA as its accountable body and arrangements were made for the novation of Growing Places Funds (GPF) from LCC who had been acting in this capacity.
- 3.2 The novation was completed in early April 2019 and transfer of cash balances between LCC and LCRCA took place soon after.
- 3.3 GPF was a government initiative launched in 2011 and the LCR was awarded £18m of capital and £1.48m of revenue in three grant determinations during 2011-12 financial year.
- 3.4 The objective of the fund was to address immediate site and infrastructure constraints to promote delivery of jobs and housing. It was expected that the funds be provided as loans to create a revolving fund allowing further investment.
- 3.5 Calls for projects were made in two rounds and seven projects were awarded a total of £10.4m, all as repayable loans. All bids were sponsored by the constituent local authority but where the loan recipient was not the local authority then the loan was interest bearing.
- 3.6 Shortly after the fund was launched and awarded, the LEP led the first of three bids for Local Growth Funds and in which there was a consistent ask and offer of the creation of a LCR

Capital Investment Fund. To evidence this work was undertaken to identify demand and the type of capital intervention required.

- 3.7 In the light of this work, investment of the residual GPF capital, of £7.6m, was paused. The creation of the LCR CA and then the agreement of a Devolution Deal allowed the LCR Capital Investment Fund to be created through the Single Pot arrangements and is now represented as the Strategic Investment Fund (SIF).
- 3.8 In the evolution of the creation of the SIF, the LEP Board agreed that GPF capital would be made available to the SIF.

4. Status of Growing Places Funds

- 4.1 The LCR CA now holds the residual GPF and the loans repaid as at 31 March 2019 and they will now be responsible for ensuring the repayment of outstanding loans, the values of each category are summarised below;

Residual funds	£7,651,561
Repaid loans	<u>£3,322,616</u>
Immediately available	£10,974,178
Loans repayable in 2019-20	<u>£5,495,000</u>
Available during 2019-20	£16,469,178
Loans repayable after 2019-20	<u>£1,580,000</u>
Total GPF available	£18,049,177

- 4.2 It can be seen that the original funds will become fully available when all loans are repaid and that 61% is immediately available rising to 91% by the end of 2019-20 financial year. As stated, these will be made available through SIF to fund projects that deliver jobs or housing, as originally intended, and on the basis of a loan (interest or non-interest bearing).
- 4.3 It was also stated at 3.3, that £1.48m of revenue funds were received of which £769k remains. This is also transferred to the LCR CA along with £340k of interest on capital loans and a further £101k to follow in future years. This totals £1.2m of which £500k was committed in November 2018 to support the implementation of One Front Door. This leaves a balance of £700k, over which, as detailed in the LCR’s new National Local Growth Assurance Framework, the LEP has reserved decision making responsibilities to itself but will be executed by the LCR CA.

5. Conclusions

- 5.1 GPF has delivered seven projects but in using loans as the medium of support has preserved the original allocations which will be available for further investment. Such investment was already agreed as being through SIF and its use and effectiveness will be the subject of reports to the LEP Board on the SIF investment programme.
- 5.2 In some cases, the loans have been interest bearing and have provided a revenue source for further investment at the discretion of the LEP Board. The use of recycled capital that is also interest bearing would continue to generate a source of revenue funds for determination by the LEP Board.

- 5.3 In addition, after providing the funding to initiate One Front Door, a further £700k of revenue is available. The proposed use of this balance will be brought back to the LEP Board at a future meeting.



Skills Capital Update

LEP Board Meeting 16 May 2019

Author:
Neil Maguire
LCR CA

1. Purpose

1.1 The purpose of this paper is to outline progress on the third Skills Capital Prospectus and to seek the endorsement of the LEP Board to launch the prospectus to allow the timely commissioning of circa £18M of Local Growth Fund (LGF) skills capital funds.

2. Recommendation

2.1 Liverpool City Region LEP Board are recommended to endorse the attached CA paper and prospectus (detailed in Appendix 1).

3. Background

3.1 Appendix 1 includes the paper and Skills Capital Prospectus agreed by the Combined Authority on 12 April 2019.

3.2 Skills Capital investments have previously supported LEP priority sectors and this will continue to be a consideration for strategic fit of investment strands detailed within the prospectus.

3.3 Appendix 2 sets out a summary of Skills Capital investments and commitments to date.

4. Skills Capital Investment Strands in the proposed third prospectus

4.1 Three of the five investment strands within the attached prospectus are open to a wide range of skills providers including employer apprenticeship providers. Strand 1 will support large scale sites and premises investment (including new build) up to an indicative £8M. Strand 2 will support improved facilities (including those that support the growth of apprenticeships) up to £3.5M. Strand 3 will invest up to £2M in skills equipment, including equipping workshops that support the development of technical skills needed for the growth of the local economy.

4.2 Two further investment strands are dedicated to local FE Colleges. The prospectus includes a dedicated investment strand (Strand 4) for Liverpool City Region General FE College maintenance. Skills Capital will also support low carbon projects (Strand 5) proposed by FE Colleges to a total SIF investment of £1M.

5. Skills Capital Governance

5.1 Proposals will follow the SIF assurance framework and assessment processes.

6. Conclusion

6.1 This briefing note provides an update on the skills capital prospectus agreed by the Combined Authority on 12 April 2019 and recommends the endorsement of the LEP Board.

Contact Officers:

Neil Maguire, AEB Commissioning Team (0787 088 4120)

Appendix 1 - Skills Capital Prospectus agreed by the Combined Authority - 12 April 2019



CA Report Skills
Capital 12 April 2019



Skills Capital
Prospectus 2019 CA

Appendix 2 - Skills Capital investments and commitments to date

<u>Skills Capital Maximum Funding Available</u>	<u>Growth Deal 2015/16</u>	<u>Growth Deal 2016/17 including Low carbon Skills Capital</u>	<u>LGF 3 2017/18 to 2020/21</u>
	£11,600,000	£29,500,000	£8,000,000

<u>Prospectus 1 (February 2015)</u>			
<u>Strand Project Type</u>	<u>Total Project cost</u>	<u>Value of Grant Requested</u>	<u>Match</u>
11 Applications Sites and Premises (Strand1)		£14,904,819	£7,475,701
8 Applications Improved Facilities (Strand2)		£2,155,650	£384,250
6 Applications Equipment (Strand3)		£719,386	£722,644
7 Applicants Low Carbon (Strand4)		£1,500,000	£ -
<i>32 PROJECTS OVERALL TOTAL</i>	<i>£26,957,866</i>	<i>£19,279,855</i>	<i>£8,582,595</i>

<u>Prospectus 2 (SIF Round 1a - December 2016)</u>			
<u>SIF Projects</u>	<u>Total Project cost</u>	<u>Value of Grant Requested</u>	<u>Match</u>
9 Combined Authority Approved SIF Projects	£13,443,760	£11,970,690	£1,509,070
<i>9 PROJECTS OVERALL TOTAL</i>	<i>£13,443,760</i>	<i>£11,970,690</i>	<i>£1,509,070</i>

<u>Grand Total Committed</u>	£40,401,626	£31,250,545	£10,091,665
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<u>Remainder Uncommitted</u>	<u>Grand Total Devolved Funds</u>	<u>Committed to date</u>	<u>Remainder uncommitted</u>
	£49,100,000	£31,250,545	£17,849,455

Delivery Plan

2019/20

Executive Summary

This is the first Delivery Plan of the Liverpool City Region Local Enterprise Partnership (LCR LEP). The Plan sets out:

1. **Governance:** new governance arrangements that have been put in place between the LCR LEP and the Mayoral Combined Authority (MCA) to strengthen the LCR LEP and create a step change in the delivery of inclusive City Region growth.
2. **Strategic Priorities:** for the LCR LEP and City Region.
3. **Delivery:** how these priorities for growth will be delivered.
4. **Outputs and Outcomes:** the outputs and outcomes we expect to achieve.

These are summarised below.

1. Governance

- LCR LEP will continue to provide strategic business insight and guidance to inform public sector decision making on the most effective use of public funds to drive Liverpool City Region growth through its main and sub boards;
- LCR LEP will continue to have oversight responsibilities for key funds (e.g. Local Growth Fund) as determined by Government;
- To formalise these arrangements the LCR LEP and MCA have adopted a joint National Local Growth Assurance Framework (NLGAF) setting out roles and responsibilities of the respective organisations;
- LCR LEP is now embedded within the MCA and has adopted its legal independence;
- The LEP will commission interventions through the MCA to support growth and will continue to directly commission certain funds such as Growth Hub;
- LCR LEP and LCR MCA have jointly created a City Region Growth Company, with specific delivery remit to ensure there is a clearer, simpler model in which to deliver greater growth for the City Region and;
- The overall effect of the governance and executive changes is to provide greater alignment and investment impact whilst retaining independence

2. Strategic Priorities

The Strategic priorities of the LEP are based on the three pillars of the 2016 Growth Strategy “Building our Future” and will evolve with the emerging Local Industrial Strategy which is being developed by the MCA with support from the LCR LEP. These priorities are framed within the five foundations of the Industrial Strategy as below:

Ideas: Maximise the potential of our sector strengths and assets by promoting innovation, each becoming a beacon of excellence, productivity and accelerated growth.

People: Improve and increase skills, develop existing talent and attract new talent for sustainable growth.

Infrastructure: Improve our transport, digital and energy infrastructure so that Liverpool City Region is Green, Global and Digital.

Business Environment: Become one of the best places in Europe to start, grow and invest through a dynamic innovation and enterprise ecosystem.

Place: Protect and enhance our cultural and environmental assets and improve the quality of life for residents.

3. Delivery

Operating within the strategic framework set out, the LCR LEP will focus on five mechanisms to effect delivery in 2019/20 as below.

- i. Influence over MCA decision making on the use of the SIF/LCR investment strategy for capital/infrastructure investments.
- ii. Performance Monitoring of the projects funded through the SIF/LCR investment strategy for capital/infrastructure investments.
- iii. Establish a new City Region Growth Company with continued delivery and expansion of locally led initiatives including the Local Growth Hub.
- iv. Continuation of and development of new initiatives to be delivered directly through the Growth Company and with others/partners.
- v. Encourage and support businesses to develop investment proposals to drive growth especially in the LCR's growth sectors.

There are a range of significant projects and initiatives that will form the basis of this delivery that will be commenced, completed or delivering outputs during the year.

Infrastructure (£56m)

- City Centre Connectivity (£24m)
- Sustainable Transport Enhancement Package (£8m)
- Shakespeare Rail (£3.4m); M58 Junction Improvements (£3m)
- A580 Employment Hubs (£2.7m); Port Capacity (£2.5m)
- Halton Curve; Maghull North; Newton le Willows Interchange
- Knowsley Express Way & Industrial Park (Comp)
- Mersey Tidal Energy Business Case; Ultrafast Digital Infrastructure

Skills

- Alstom Technology Centre; Hugh Baird Port Academy; Waters Skills Factory
- Smart Logistics Academy; Wirral STEM Centre; Everton Learning & Skills
- Riverside STEM Innovation Centre; Health Engagement & Training Hub

Business

- Liverpool City Region Growth Company established
- Liverpool City Region Investment Service launched
- Digital Innovation Facility; Centre of Excellence in Infectious Diseases Research; North West Energy Hub; Liverpool City Region Careers Hub

- High Growth Business Programme
- Inward Investment and Business Growth Funds established

4. Outputs

The purpose of the LCR LEP is to enable inclusive growth through partnership for the City Region. This is measured both in long term outputs based on our Growth Strategy and in shorter term operational outputs delivered through our key projects.

Long Term Outputs (to 2040)

- The creation of over 100,000 additional jobs in the City Region by 2040.
- A net increase of 20,000 businesses by 2040.
- The creation of an additional £22 billion GVA by 2040 to £50 billion.
- Average productivity per worker to increase by 56% by 2040 to over £76,000.

Short Term Operational Outputs (2019/20)

- £87m capital invested (LGF)
- £21m capital leveraged LGF
- 1,146 jobs created (978 LGF, 168 GH)
- 539 learners supported (LGF)
- 2,209 sqm floorspace developed (LGF)
- 3,500 businesses supported (GH)
- LCR Growth Company established and launched
- LCR Investment Service established and launched

Introduction

Background

LCR LEP was established in March 2012 founded on a longstanding existing economic development body called The Mersey Partnership.

With a mission to drive economic growth, the LCR LEP worked with partners from the public, private and other sectors to develop a strategy for growth, oversee its implementation and where appropriate engage in delivery of business growth activities directly and with partners.

Delivery Plan

Over the last 3 years the institutional landscape has changed significantly with the establishment of a Mayoral Combined Authority (MCA), and the election of the City Region's first Metro Mayor in May 2017. In 2018, the Government completed its Ministerial Review "Strengthened Local Enterprise Partnerships" and as a result the LCR LEP's structure, governance and role has been significantly reshaped to respond to this new landscape.

This has culminated in the development of the LCR LEP's first Delivery Plan, setting out how the LCR LEP works, from its governance, influence and decision making through to its strategic priorities and delivery activity. This Delivery Plan not only demonstrates how LCR LEP is both fully compliant with the Ministerial Review but how it will work with the MCA, Local Authorities and the private sector to deliver inclusive growth through partnership in the City Region over the coming year.

As a LEP that is now embedded in the MCA, our ambition is to have a single coherent City Region Delivery Plan that embraces the insight and position of the LCR LEP and of the MCA, within the context of an agreed Local Industrial Strategy (LIS). As the LIS is still in development and is not expected to be published until February/March 2020, the 2019/20 Delivery Plan focusses on the activity and processes necessary to get us to the position of having a common, fully agreed LIS, whilst continuing to progress the long-term strategic ambitions articulated in the previously agreed 2016 Growth Strategy.

Prior to formal adoption, the Delivery Plan has been subject to consultation with the MCA, Government and the LEP Board.

1. Governance

A Changing Landscape

The Liverpool City Region has been undergoing substantial organisational change since the formation of the Local Enterprise Partnership (LCR LEP). One of the most significant changes has been the creation of a Mayoral Combined Authority (MCA) securing a Devolution Deal with an elected Metro Mayor.

The LCR LEP and MCA work together to deliver the Liverpool City Region Growth Strategy for the City Region. The LCR LEP provides strategic advice and guidance on economic development priorities while the MCA brings democratic accountability and oversight for the City Region. Working together in this way gives us the insights and benefits of both the public and private sectors.

This change has continued with the ministerial review in 2018, 'Strengthened Local Enterprise Partnerships', which ensures that LEPs are both fit for purpose and provide appropriate and capable leadership and advice in generating economic growth whilst also maintaining a strong independent presence within the governance arrangements. The review confirmed that the trajectory of alignment that the LCR LEP and MCA had already embarked on was in line with Government policy subject to some further development to ensure compliance with the Review recommendations.

Embedding the LEP within the MCA

Consequently, LCR LEP has gone through a thorough review and restructure and with effect from April 2019 has assumed the legal personality of the LCR MCA to simplify investment and commissioning arrangements. These changes do not compromise the LCR LEP's role as the primary City Region body for promoting economic development but allow it to act in conjunction with the MCA to increase the impact of funds awarded to it and also in galvanizing the private sector to support the priorities for growth set out in the City Region's Growth Strategy and the emerging Local Industrial Strategy (LIS).

To formalise these arrangements the LCR LEP and MCA have adopted a joint NLGAF setting out roles and responsibilities of the respective organisations. A copy can be found [here](#).

These governance changes have not changed the LEP Board's role in maintaining oversight and accountability for Local Growth Fund investment and any other funds that are awarded to it. The LEP Board will not only provide strategic advice and guidance but will commission intervention through the MCA to support growth with funds awarded to it such as the Growth Hub. The overall effect of the governance and executive changes is to provide greater alignment and investment impact whilst retaining independence. This is important as the LEP is now part of the MCA's legal

personality, however these arrangements ensure it does not compromise its independence.

To ensure these new arrangements remain fit for purpose and meet the requirements of the new Assurance Framework, the LCR LEP and MCA have agreed that executive resources will be better aligned.

LEP Sub Boards

The LCR LEP has a number of sub boards and panels in order to ensure it is fully reflecting the strength and diversity of the City Region's economy. These predominantly represent those sectors of the economy that provide the greatest opportunity to deliver sustained growth and increased productivity and form a key element of the City Region's Growth Strategy. These include:

- Advanced Manufacturing
- Digital & Creative
- Freight & Logistics
- Health & Life Science
- Low Carbon/Clean Growth
- Professional & Business Services
- Visitor Economy
- Innovation
- Enterprise/Business Growth
- Skills Advisory Panel
- Careers Hub Board
- LEP Advisory Council

It is also reviewing the need for a Construction Board to recognise the significant role construction will have to play in the coming years of regeneration and development across the City Region.

The LEP board and sub boards act in an advisory capacity and are the main conduits through which the private sector helps inform policy development and decision making within the City Region. It comprises of senior decision makers across the private and other sectors, the structure provides the framework to coalesce the views of industry and ensure they are represented through the chair of the LEP Board as a member of the MCA.

The sub boards feed directly into the main LEP Board and provide a rich source of intelligence and insight in helping the LCR LEP better inform the MCA on how funds are allocated to business growth.

Within these boards and the LEP Board, the wider public, voluntary and community-based bodies are represented and engaged. They inform the main strategies helping to ensure that programmes are inclusive and support the delivery of inclusive growth.

In terms of consultation with the business community, the LEP Board is made up of private sector representation from each of its identified growth sectors. It also

engages the wider community through its Annual Conference, briefings and insight events which are open to all.

The LCR LEP also works at regional and national level through participation in a wider variety of associations, boards and forums that work to extend best practice and act as the spring board for future collaborations and initiatives. These areas of activity are summarised in Appendix 1.

In addition, the LCR LEP and MCA work closely together and share expertise as appropriate. For example, where the LCR LEP has engaged expertise in Clean Growth and Policy Research, by agreement, the key people involved have been seconded to the MCA to support their development of policy and strategy.

This integration recognises the strong mutual relationship established between the organisations and symbiotic nature of our respective roles.

Liverpool City Region Growth Company

Going forward the LCR LEP and MCA will be strengthening the executive capacity and capabilities to ensure there is a clearer, simpler model in which to deliver greater growth for the City Region.

To facilitate this new governance structure the existing executive capacity supporting the LCR LEP has been deployed to establish the Liverpool City Region Growth Company to take on a delivery role focused on business growth whilst still providing support to the LEP Board. The enhanced delivery functions will not only be on behalf of the LCR LEP but also MCA, thus providing an effective organisation to coordinate and deliver business growth interventions both directly and with partners to drive prosperity for the Liverpool City Region.

This organisation is jointly owned by the LCR LEP and MCA and has ceased the membership subscription model that had previously existed. Any future financial contributions from the public and private sector will be towards specified delivery activities as defined in a published activity plan and clearly separate from the LCR LEP's strategic insight role with the MCA. A full business plan for the Liverpool City Region Growth Company will be developed and implemented to fulfil the relevant business objectives of the LCR LEP Delivery Plan.

These new arrangements will continue to ensure that the LCR LEP is able to put forward the insight and guidance of the private sector to the MCA in shaping city regional economic policy and strategy; whilst the Liverpool City Region Growth Company will provide an enhanced, coherent and simplified business growth delivery vehicle for the City Region.

The Liverpool City Region Growth Company can be commissioned by the LCR LEP, the MCA and constituent local authorities to manage, coordinate and deliver services where appropriate to do so. It can also work to attract external funds from both the public sector and private sectors to enhance the delivery of business growth services.

In summary, the LCR LEP and MCA have agreed their respective roles and responsibilities and which of them will take the lead role in the various aspects of economic growth.

The MCA will lead on policy and strategy development informed by the advice and guidance of the LCR LEP whilst the LCR LEP will ensure that strategic, business-led economic growth is at the heart of driving the economy for the City Region.

2. Strategic Priorities

Strategic Framework

The LCR LEP's Strategic Priorities have developed over time, informed by the City Region Growth Strategy "Building our Future" (2016) which was developed by the LCR LEP in conjunction with the MCA and more recently by the emerging Local Industrial Strategy (2020) which is currently in development by the MCA in conjunction with the LCR LEP. These provide the strategic framework for determining the priorities for the City Region.

Building Our Future

The Liverpool City Region's core growth strategy, 'Building Our Future', was developed by the LCR LEP and was adopted by the MCA in 2016.

It set out a clear vision:



“Liverpool City Region will build on its core strengths and capacity for innovation to create a truly global and competitive City Region at the heart of the Northern Powerhouse”

This Growth Strategy set out a range of long-term priorities, opportunities and objectives to drive the City Region's growth ambition under the themes of Productivity, People and Place. See full strategy [here](#)

This was used to inform the MCA's Strategic Investment Fund (SIF) Investment Strategy, published in July 2018. The SIF is the LCR's 'Single Pot' combining funds awarded to the LEP and MCA. As such, the Growth Strategy through the SIF Strategy is used both in shaping investment through calls for projects and the appraisal of bids for funds allowing the LCR LEP's strategic objectives to be met.

The Growth Strategy continues to be the relevant source for the long-term vision and ambitions of the Liverpool City Region and which is now being carried forward into the Local Industrial Strategy (LIS) which is under development. Until the LIS is fully adopted the Growth Strategy will continue to provide the basis for the economic priorities for the LCR LEP and the wider City Region.

Local Industrial Strategy

Building on the priorities of the core growth strategy, the LCR LEP is working alongside the MCA to develop the Local Industrial Strategy (LIS). The LIS will provide a clear evidence base that will inform decision making as to the interventions required for improving the City Region's overall productivity and the contribution it will make to the broader aims of Government's Modern Industrial Strategy and wider regional and national economic growth.

Through its relationship with the MCA, the LCR LEP has a critical role to play shaping the LIS in terms of using the 'know how' of the private sector to ensure the strategy meets industry need, and so that future investment can be directed at initiatives that offer the greatest opportunities for delivering inclusive growth. The LCR LIS will;

- Link local priorities to investment opportunities to generate economic growth as well as environmental sustainability and community wellbeing;
- Harness the incredible assets of our Liverpool City Region to create a place where we all share in the benefits of a booming local economy and no-one is left behind;
- Attract more residents and businesses to live, work, study, visit and invest in the Liverpool City Region and;
- Demonstrate the positive contribution of the Liverpool City Region to the national economy.

In achieving these objectives, the LIS will recognise the characteristics of our local economy which include the following;

- A growing economy with high per employee productivity levels but low output per capita due to the number of people 'inactive', in poor health or with poor education outcomes which if turned around could significantly drive growth and overall economic productivity (34% of productivity gap due to poor health especially mental health);
- Comparatively small but growing Small and Medium Sized Enterprise (SME) base with a business density well below the UK average and few large companies headquartered here;
- A number of very significant areas of capability and capacity including advanced manufacturing, health/infection, chemicals, clean growth, logistics, creative and digital and;
- A well-known 'brand' that helps support a strong visitor economy and cultural offer that in turn makes the City Region attractive to talent and businesses looking to relocate / invest.

Strategic Priorities 2019/20

The Strategic Priorities for the LCR LEP for 2019/20 are built upon the foundations of the three pillars of the Growth Strategy “Building our Future” whilst recognising and informing the emerging Local Industrial Strategy.

We have articulated these in terms of the core themes of the National Industrial Strategy as set out below:

- [Ideas](#): the world’s most innovative economy
- [People](#): good jobs and greater earning power for all
- [Infrastructure](#): a major upgrade to the UK’s infrastructure
- [Business Environment](#): the best place to start and grow a business
- [Places](#): prosperous communities across the UK.

These priorities will flex in line with the Local Industrial Strategy once it is established.

Ideas: Maximise the potential of our sector strengths and assets by promoting innovation, each becoming a beacon of excellence, productivity and accelerated growth.

People: Improve and increase skills, develop existing talent and attract new talent for sustainable growth.

Infrastructure: Improve our transport, digital and energy infrastructure so that Liverpool City Region is Green, Global and Digital.

Business Environment: Become one of the best places in Europe to start, grow and invest through a dynamic innovation and enterprise ecosystem.

Place: Protect and enhance our cultural and environmental assets and improve the quality of life for residents, attracting and retaining investors, skilled workers and visitors.

3. Delivering Growth

Roles and Responsibilities

As previously stated the LCR LEP and MCA have agreed their respective roles and responsibilities and which of them will take the lead role in the various aspects of economic growth. The MCA will lead on policy and strategy development, informed by the advice and guidance of the LCR LEP, and on commissioning major capital and revenue projects, whilst the LCR LEP will focus on delivery of interventions to stimulate and support business growth. In looking at this from a funding perspective, investment of capital funds awarded to the LCR LEP will be led by the MCA, with oversight of the LCR LEP, and revenue funds awarded to the LCR LEP will be under its direction.

In terms of capital funding and its use, there will be no change to the current arrangements that allow the investment of Local Growth Fund awards to be made through the MCA's Strategic Investment Fund (SIF). The LEP has delegated decision making to the MCA for these funds but retains accountability to Government for their use. Further, it will retain control and decision making over other funds, largely revenue. The allocation of responsibility over funds awarded to the LCR LEP is set out in the LCR NLGAF. To ensure that the LCR LEP is sighted on performance of funds that it has delegated, it will continue to receive performance reports on the funds invested on its behalf allowing the LCR LEP to challenge progress and the effectiveness of investments.

LEP Delivery Mechanisms

Operating within this strategic framework, the LCR LEP will focus on five mechanisms that will form the basis for delivery in 2019/20. They incorporate the obligations it has to ensure Central Government funding is used to deliver locally informed national growth targets through investment of the SIF. At regional level, they reflect the LCR LEP's specific responsibilities for delivering regional initiatives and driving up the performance of the City Region's priority growth sectors. The culmination being the overall contribution the LCR LEP will make to increasing City Region's productivity as the sum of all these priorities.

1. Influence over MCA decision making on the use of the SIF/LCR investment strategy for capital/infrastructure and revenue investments that meet LIS/Growth Strategy targets for increased productivity.
2. Performance Monitoring of the projects funded through the SIF/LCR investment strategy for capital/infrastructure and revenue investments to ensure progress in timescale and spend.
3. Establish a new City Region Growth Company with continued delivery and expansion of major programmes including the Local Growth Hub, Tourist Board, Careers Hub and North West Local Energy Hub.
4. Continuation of and development of new initiatives to be delivered directly through the Growth Company and with others/partners with additional public and private funding.

5. Encourage and support businesses to develop investment proposals to drive growth especially in the LCR's growth sectors to build the City Region's competitiveness, stimulate indigenous growth and inward investment.

Mechanism	Initiative	KPI/Measure
1. Influence over MCA decision making and use of the SIF/LCR investment strategy for investments that meet LIS/Growth Strategy targets	<ul style="list-style-type: none"> • 2019/20 Local Growth Fund/SIF projects 	<ul style="list-style-type: none"> • £ Invested inc Private Sector leverage • Jobs created as a result • Infrastructure created • Sq.ft business space developed inc Impact Sites • Learners supported
2. Performance Monitoring of the projects funded through the SIF/LCR investment strategy to ensure progress in timescale and spend	<ul style="list-style-type: none"> • Local Growth Fund/SIF projects 	<ul style="list-style-type: none"> • £ Invested inc Private Sector leverage • Jobs that are created as a result • Infrastructure created • Sq.ft business space developed inc Impact Sites • Learners supported
3. Establish a new City Region Growth Company with continued delivery and expansion of major programmes including the Local Growth Hub, Tourist Board, Careers Hub and North West Local Energy Hub.	<ul style="list-style-type: none"> • Local Growth Hub • Careers Hub • North West Local Energy Hub • Tourist Board 	<ul style="list-style-type: none"> • Businesses supported • Jobs that businesses created • Improvement in Gatsby Benchmarks • Development of LCR energy projects • Learners supported into employment
4. Continuation of and development of new initiatives to be delivered directly through the Growth Company and with others/partners with additional public and private funding	<ul style="list-style-type: none"> • LCR 4.0 • LCR Activate • VE Investment Strategy • Health Innovation Exchange • LCR Wealth & Well Being Programme • Science Partnership • LCR Investment Service etc. 	<ul style="list-style-type: none"> • Businesses supported • Private Sector leverage • Jobs that businesses created • Visitor no's and spend • International student numbers • R&D funding and spin outs
5. Encourage and support businesses, universities etc. to develop investment proposals to drive growth especially in the LCR's growth sectors and skills	<ul style="list-style-type: none"> • Various • Focus on initiatives that support people into employment • Focus on the commercialisation of innovation 	<ul style="list-style-type: none"> • £ Invested inc Private Sector leverage • Jobs created • Infrastructure created • Sq.ft business space developed • Learners supported into employment

Local Growth Fund

The Local Growth Fund is the Government's funding pot of at least £2bn a year from 2015/16 to 2020/21. Most of the funding is allocated through a competitive process. To date the Liverpool City Region has secured £313m of Growth Deal funding from Government.

The MCA have a single investment vehicle – a Strategic Investment Fund (SIF) in which LGF monies are invested alongside other devolved funds where these are the most appropriate monies for the project at hand.

Progress and performance of LGF is routinely reported to the LEP Board and allows the submission of a quarterly return to government (published on the LEP website). The last return submitted was quarter 3 2018-19 (October-November) and this showed that £238.7m (76%) of the total LGF awarded is now committed. When considering the value of projects approved but not yet legally committed and those in pre-approval appraisal only £37.6m is available for further projects, the table below presents this by each round of LGF.

	LGF 1	LGF 2	LGF 3	TOTAL
Contracted	£198,059,032	£7,609,794	£33,079,791	£238,748,617
LCR CA Approved	£692,000	£9,864,289	£5,767,368	£16,323,657
Pipeline in appraisal	£3,200,000	£9,334,850	£7,620,000	£20,154,850
Sub-total	£210,951,032	£26,808,933	£46,467,159	£275,227,124
Unallocated balance	£7,058,968	£4,791,067	£25,482,841	£37,522,876
Total	£209,010,000	£31,600,000	£71,950,000	£312,560,000

Of the unallocated balance, £19m was included in a 'pot' of £60m made available in a 'call' for projects (other than skills) launched in November 2018 and remaining open until August 2019 and £18m is to be made available in a call for Skills Capital projects going live in June 2019.

In the same way that LGF is invested through the SIF, from April 2019, Growing Places Funds (GPF) will also be invested through the SIF. £18m of GPF was awarded to the LEP in 2012 and has been administered by Liverpool City Council as the accountable body.

To further enhance alignment, it was agreed in 2018 that the MCA would become the accountable body and so the funds were novated at the start of the 2019-20 financial year. All awards of GPF were made on a loan basis and have either been repaid or will be repaid by December 2021 at the latest.

As at April 2019, £11m of GPF is available for reinvestment and a further £5.4m will be available from December 2019. This will be made available to the current call for projects through SIF augmenting the LGF funds mentioned above.

Major Projects

There are a range of significant projects and initiatives that will form the basis of the delivery that will be commenced, completed or delivering outputs during the year. These are funded predominantly by LGF, GPF, Growth Hub and ERDF and include:

Infrastructure (£56m)

- City Centre Connectivity (£24m)
- Sustainable Transport Enhancement Package (£8m)
- Shakespeare Rail (£3.4m); M58 Junction Improvements (£3m)
- A580 Employment Hubs (£2.7m); Port Capacity (£2.5m)
- Halton Curve; Maghull North; Newton le Willows Interchange
- Knowsley Express Way & Industrial Park (Comp)
- Mersey Tidal Energy Business Case; Ultrafast Digital Infrastructure

Skills

- Alstom Technology Centre; Hugh Baird Port Academy; Waters Skills Factory
- Smart Logistics Academy; Wirral STEM Centre; Everton Learning & Skills
- Riverside STEM Innovation Centre; Health Engagement & Training Hub

Business

- LCR Growth Company; LCR Investment Service
- NW Energy Hub; Liverpool City Region Careers Hub
- High Growth Business Programme; Inward Investment and Growth Funds
- Digital Innovation Facility; Centre of Excellence in Infectious Diseases Research etc.

Other Funding and Growth Programmes

The LCR LEP has developed and actively participates in range of growth programmes that are aligned with the priority growth sectors identified in the City Region's Core Growth Strategy. The table in Appendix 2 shows in detail those programmes that are live and those pending approval from the funding body. These programmes are funded predominantly from ERDF, Government and local partners.

As either the accountable body for these projects or as delivery partner, the LCR LEP will receive regular performance updates and will work with partners to ensure the appropriate interventions are put in place to manage any risks to delivery.

The resource for delivering the projects has been managed through the LCR LEP but going forward will be provided by the Liverpool City Region Growth Company as per the commissioning arrangements that have been agreed within the LCR LEP/MCA Local Assurance Framework.

(Note: Local Enterprise Zones, Mersey Waters & Sci Tech Daresbury have not been included as the Local Authorities in which they are located determine business rate relief and capital allowances.)

4. Outputs and Outcomes

Long Term Outputs (2025-2040)

Long term target outcomes for growth were set out in the Growth Strategy (2016) as below.

- The creation of over 100,000 additional jobs in the City Region by 2040.
- A net increase of 20,000 businesses by 2040.
- Increased diversity of business ownership, including a doubling of the number of women owning and running businesses.
- The creation of an additional £22 billion GVA by 2040 to £50 billion.
- Average productivity per worker to increase by 56% by 2040 to over £76,000.
- Employment rate of the 16-plus population increased to 58% by 2025.
- Population increase by 83,000 to 1.6 million by 2040, with an additional 50,000 people coming to live in the City Region.

By the end of 2018, after 3 years of pursuing this strategy significant progress had been made towards some of these primary outcome targets equating to up to 7 years of progress within 3 years. This included: -

- 29,000 additional jobs; 6,715 additional businesses; £2.7bn additional GVA

The LCR LEP's long term strategy is to build on this progress and continue to increase jobs, businesses and GVA to fully meet the 2016 Growth Strategy targets well ahead of the 2040 targets. Given the time lag between activity and production of national growth figures (ONS etc), typically two or more years, an annualised set of outcomes matched to inputs at this high level is not practicable. The LCR LEP will however be monitoring and reporting on the trends for these measures as each set of annual figures are released.

Short Term Operational Outputs (2019/20)

From the various funding sources applied during 2019/20 to the priorities set out above, the following outputs are anticipated.

- £87m Capital invested (LGF)
- £21m Capital leveraged LGF)
- 1,146 Jobs created (978 LGF, 168 GH)
- 539 Learners supported (LGF)
- 2,209 sqm floorspace developed (LGF)
- 3,500 Businesses supported (GH)
- LCR Growth Company established and launched
- LCR Investment Service established and launched

These outputs and the projects producing them will be carefully monitored and reported to the LEP Board on a regular basis through the year, culminating in an annual performance review at the end of the year.

Outcomes

The intermediate and long-term outcomes that we would expect to be generated from the strategic approach adopted are set out below.

Priorities	Intermediate Outcomes	Long-term Outcomes
<p>Ideas: Maximise the potential of our sector strengths and assets by promoting innovation</p> <p>People: Improve and increase skills, developing existing talent and attracting new talent for sustainable growth</p> <p>Infrastructure: Improve our transport, digital and energy infrastructure so that Liverpool City Region is Green, Global and Digital</p> <p>Business: Become one of the best places in Europe to start, grow and invest through a dynamic innovation and enterprise ecosystem</p> <p>Place: Protect and enhance our cultural and environmental assets and improve the quality of life for residents</p>	<ul style="list-style-type: none"> • Investment in new and enhanced facilities and operations e.g. Glass Futures, Knowledge Quarter, AI, STFC, Materials Chemistry, Health • Increase value of Commercial & University Research secured • Increase Investment in digitisation initiatives in business • Increased No. and % of LCR residents in employment esp. 16-24 years • Increase investment into training facilities and programmes that meet employer needs and lead to employment • Increase in LCR resident's skill levels • Comprehensive LCR wide Careers Hub • Improvement in 8 Gatsby benchmarks • Increased graduate retention rates • Investment in transport infrastructure to support economic growth • Achieve significant progress to establishing ultra-fast digital network • Achieve significant progress on the Mersey Tidal Energy project • Development of hydrogen generation, distribution and transport programmes • Delivery of Growth Company objectives • Launch of new City Region Investment Service and Inward Investment Fund • Enhanced Growth Hub with additional services to accelerate growth • Increased access to and use of finance for business growth • Improved performance and productivity • Increase and improvement in business space across LCR including increase in logistics space and facilities • Enhanced and expanded Destination Management Organisation and Tourist Board capacity and service to support the sector's continued growth • Investment to support our towns • Investment in Visitor Economy, tourism and cultural assets • Investment in initiatives that help regenerate deprived communities • Development of innovations and initiatives that address health & wellbeing issues 	<ul style="list-style-type: none"> • A dynamic, prosperous, inclusive economy which benefits every part of the city region • Jobs, skills and career opportunities for all • A high-speed digital network that connects the whole region to the world • A transport network that connects people, goods and business • Good quality and affordable housing • A greener and cleaner place to live • A world class culture and visitor experience • More decisions taken locally • Improved health and life expectancy disparities in the City Region

APPENDIX 1 – Wider Strategic Engagements

Sector	Local/Regional	National
Digital and Creative	Baltic Triangle CIC/Baltic Creative CIC STFC Daresbury, Hartree Centre and Sci-Tech Daresbury, LCR Chambers, the CA Skills for Growth Team predominantly, Further Education bodies and Universities.	BIMA (British Interactive Media Association) Creative Industries Federation DCMS (Department for Digital, Culture Media & Sport) Digital Catapult Tech Nation
Advanced Manufacturing	Sensor City Board LCR 4.0 Steering Group Halton Advanced Manufacturing Cluster Group	Automotive Regional Engagement Forum (BEIS) NW2 (LCR, Cheshire and Lancs LEPS with the Welsh Government and the Northern Automotive Alliance) Northern Rail Industry Leaders National Rail Investment Forum (DIT) Digital Manufacturing Week Advisory Board Made Smarter Operational Group
Health & Life Sciences	LCR Health and Life Sciences Board Health Matters LCR Wealth and Wellbeing Programme Healthcare and life sciences strategic network organisations Science Industry Partnership Member of Innovation Agency Board	
Low Carbon Economy	Low Carbon Economy Board CA Energy & Renewables Portfolio NP11 Energy Workstream	BEIS Local Energy Team
Visitor Economy	LCR Visitor Economy Board District Visitor Economy Network Boards Liverpool Visitor Economy Network LCR Cultural Partnership World Heritage Steering Group Liverpool Destination Marketing Group LCR Major Events Group	MMIAH Interreg Project Steering Group Visit Britain/Visit England- Advisory Core Cities – VE Tourism Alliance - Advisory
Partnerships and engagement	LEP Annual Conference Insight Events etc. NP11 Northern Powerhouse Trade & Investment Group	LEP Network

Professional & Business Services (PBS)	LCR PBS board Other LEP sector boards Professional Liverpool Innovation Agency Business Improvement District (BID) Chambers of Commerce Liverpool Law Society CA Skills for Growth Team Careers Hub Universities MSIF	ICAEW CBI BSA
Freight & Logistics	LCR MSC board Mersey Maritime CA Skills for Growth Team Careers Hub HEI/ FEIs	Highways England Transport for the North Network Rail

APPENDIX 2 – Other Funding and Growth Programmes

Sector	Funding Programme	Description	Outputs 2019/20	Outputs 2020/21	Timescale
Digital & Creative	ERDF - LCR Activate	Supports Digital and Creative business in the LCR to create new products to increase revenue and create jobs. Some match funding is available.	150 SMEs to be supported by July 2020	Ends July 2020. Future funding being planned	
Advanced Manufacturing	ERDF - LCR 4.0	Multi partner ERDF project to support digital initiatives in the Adv Man sector	300 SMEs to be assisted by Sept 2019	Ends Sept 2019	
	Made Smarter NW	Multi partner UK Govt funded programme to drive productivity in manufacturing in the NW	480 assessing grant (NW target)	Ends July 2020	
	Manufacturing Growth Fund	Pan-NW programme delivered by MCR Growth Company to provide support to SME manufacturers	28 LCR companies receiving support	Ends 2021	
Health & Life Sciences	ERDF - Health Innovation Exchange		Supported 71 SMEs to-date creating 22 jobs		Sept 2016 to-date
	ERDF - Health MATTERS				Under consideration for funding
	Interreg – Helium Project	Informing good practice in health innovation across the LCR	To improve health innovation policy and practices.		
	Science Industry Partnership				
Low Carbon Economy	Low Carbon Advisor	Low carbon sector advice to MCA and other LCR agencies with focus on Skills			
	North West Local Energy Hub	Energy project pipeline development for public institutions in the North West			
	ERDF TA	Support for aligned with North West Local Energy Hub			
	Energy & Environment	Engagement with sector businesses in support of regional energy strategy - secondment to MCA	LCR Energy Strategy to be published this year		
Visitor Economy	Interreg – Maritime,	Developing best practice for the	Creation of management		

	Military & Industrial Heritage Project	development of tourism assets across the Western Atlantic Coast	plans, best practice white paper, infrastructure development & marketing		
	SIF: Business Events	Developing a new commercial model, enhancing convention bureau resources and interim subvention funding	£12m additional visitor spend & 233 indirect jobs created		June 2019 – May 2022
	SIF: LCR Destination Marketing	Campaign activity, route development, destination welcome & digital infrastructure			Project EOI has been submitted
Business Growth	Local Growth Hub	BEIS funded Growth Hub operated as a hub and spoke model with 7 local delivery partners	Targets support to over 3,000 businesses including 150 high growth businesses		Funding confirmed to March 2020 and in principle for 2 years thereafter
	ERDF – New Markets 2	Provision of business support services to LCR SMEs. Including 35% commercial consultancy grants, export related grants, sales & marketing support etc. (£2.2m)	130 co.'s supported 130 co.'s receiving grants £1.04m private investment 168 jobs created		GFA in place confirming funding to December 2021
	ERDF – Business Growth Programme.	Business support project to build confidence and capacity in local SMEs through advice, guidance and information business development, financial planning, HR, sales & marketing (£1.5m)	Delivery of Growth Hub Brokerage service that has no ERDF outputs.		GFA in place confirming funding to December 2021
Careers Hub	CEC funded programmes of enterprise and careers supports for LCR Schools	Enterprise Advisor Network; Careers Hub Phase 1 and Phase 2	80 schools supported through Careers Hub; others with EA support		
Inward Investment	MCA/ERDF Funded Investment Service	CA funding City Region Investment Service supplemented by Place Marketing for Investment ERDF	TBC	TBC	TBC

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LCR Local Industrial Strategy Position Statement

LEP Board Meeting 18 July 2019

Author:
Dr Aileen Jones
Liverpool City Region Combined Authority

1. **Executive Summary/Purpose of Report**

- 1.1 The purpose of the paper is to set out the emerging themes of the LCR Local Industrial Strategy position statement which will go to the Combined Authority on 26 July. It also sets out next steps on LIS engagement and consultation. More detail on the content of the position statement will be presented at the Board's meeting on 18 July which is also the deadline for finalising the position statement in advance of the Combined Authority meeting.

2. **Recommendations**

- 2.1 To **note** the progress made on the development of the LCR Local Industrial Strategy, the emerging themes of the draft position statement and next steps on LIS consultation and engagement.

3. **Detail of Paper/Background**

- 3.1 The LCR Local Industrial Strategy is a key priority that will set out the City Region's distinctive economic strengths, weaknesses and challenges and how we can address them. It will demonstrate the positive contribution Liverpool City Region is making to the national economy and outline what we will do to raise productivity. The document will be central to informing local priorities, guide our future local investment decisions, and support national decision making.
- 3.2 It is likely that the allocation of the UK Shared Prosperity Fund will be tied to national Industrial Strategy Priorities and any devolution of funding linked to delivery of those priorities.
- 3.3 The Combined Authority have been facilitating a wide ranging evidence review to shape the priorities of the Local Industrial Strategy, drawing on evidence and data in the City Region and testing with businesses, academia, the voluntary and community sector, and residents. This evidence collation and analysis stage is ongoing and will include public engagement through the summer and autumn.

Position Statement

- 3.4 A Position Statement for the Local Industrial Strategy has been developed based on evidence to date, which sets out the key messages on our socio-economic performance and key sectors, and early thinking on strategic priorities. The aim is to publish a full Statement at the end of July. A summary slide deck of the evidence and data underpinning the statement will also be published.
- 3.5 The Position Statement will set out the context for the development of the city region's local industrial strategy:

'The Liverpool City Region's prosperity is built on two things: our unique geographic assets; and the hard work, solidarity, creativity and innovation of our people. Just as these factors saw us prosper as a leading city in the world, and ensured our survival through economic adversity, they are also forming the foundations of our economic renaissance.'

- 3.6 We are committed to raising the living standards for all of our people, ensuring that policies and interventions are in place that have a real focus on how more people and places can benefit from and contribute to economic development and growth.
- 3.7 There are four key themes emerging from the evidence base which align with the five foundations of productivity as outlined by Government (people, place, ideas, infrastructure, business environment):

- Good work, health and well being for all;
- Vibrant and connected communities;
- More businesses innovating and growing; and
- Clean growth.

3.8 The Statement sets out what has been achieved to date with existing investment and begins to explore opportunities for the LCR under each theme together with the four Grand Challenges set by Government in the national Industrial Strategy (Ageing Population, Artificial Intelligence and Data, Clean Growth and Future of Mobility).

3.9 As noted above, as we have drawn together the evidence base and emerging narrative, we have tested it and engaged with businesses, including those represented on LEP Sector Boards, the public sector, academia, and social economy. We have commenced a round of 20 interviews with a range of businesses from across the city region which will be followed by focus groups and workshops. Throughout the Summer, we will continue this engagement, but also begin consultation with the public and community groups. This will help develop, shape and hone the LIS priorities and translate the evidence into key policy interventions, initiatives and deliverables.

Next steps

4. As we move from evidence to policy and develop the final strategy, we will come back to the LEP Board for further input.

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Increasing Diversity in City Region Leadership

LEP Board Meeting 18 July 2019

Author:
Mark Basnett
LCR LEP

1. Background

A wealth of evidence is emerging nationally and internationally of the significant business benefits in having more diverse leadership in organisations both at executive and governance level.

Significant improvements have been made specifically in gender diversity amongst the UK FTSE 350 companies in the last 5 years with positive financial results ensuing.

Increasing leadership diversity is a priority policy initiative of the UK Government and this has cascaded to LEPs across England where there is a requirement for all LEPs to have a minimum of 35% female Board representation by 2020 and 50% representation by 2023.

LCR LEP fully embraces this aspiration both for its own organisation and for the wider City Region business community. It recognises the importance to economic growth in accessing the full range of talent available to lead and manage business in the City Region and it is proposing to take concerted action in order to realise this aspiration.

2. Recommendation

The LEP Board is recommended to consider and approve the following proposal:

- Establish a Diversity and Inclusion Task Group comprising volunteer members of the LEP Board and other co-opted individuals to develop an Action Plan with the LEP Executive to increase Diversity and Inclusion on LEP and other Boards in the City Region

3. Proposal

Whilst significant publicity recently has focused on the low representation of women on business boards and the positive benefit of increasing gender diversity on these boards, the same principles apply to the broader issue of diversity in all its forms.

The majority of business boards comprise predominantly of white middle class men aged over 40 and whilst this is changing there is still a considerable challenge to increasing diversity. The reasons for this are multiple, from the manner in which Board members are recruited in some organisations to the male culture in organisations that can be discouraging to others.

There is substantial evidence on the improvement of performance of organisations that more fully represent in leadership roles the communities in which they operate.

In the light of this, irrespective of the moral imperative, it is proposed that the LEP undertake a programme of concerted action to improve diversity both on its own Boards and to help enable other business organisations across the City Region to do likewise.

It is proposed to do this through the establishment of a Diversity and Inclusion Task Group, reporting to the LEP Board, comprising volunteer LEP Board members and others from outside the LEP with insight and interest to drive this important agenda forward. This Task Group will be supported by the LEP executive who will help to execute the agreed recommendations of the Board subject to the availability of resources to do so.

The Task Group will consider the following in determining its Action Plan:

- The breadth of the diversity within scope, to include consideration of gender, ethnicity, disability, age, sexual orientation and class/wealth
- A composition audit to understand the current diversity of business boards and the appetite of businesses to embrace more diverse Boards
- A fuller understanding of the barriers, both real and perceived, to under-represented groups and individuals to joining Boards and taking leadership positions through published data and discussions with individuals and groups
- Secure evidence of what works in increasing diversity on Boards and leadership roles and what organisations can do to enable this

- Establish a Tool Kit to help organisations who wish to increase diversity on the Boards and in other leadership positions on the basis of this evidence including how organisations communicate opportunities and invite/attract interest
- Establish a mentoring programme for LEP Board Members and those of participating organisations to mentor individuals from under represented groups with the potential and interest to add value in leadership roles
- Publish and promote case studies at both individual and organisation level of good practice and success in increasing diversity and its positive impact.

4. Next steps

This initiative has been initiated by LEP Board Members Angela White and Amanda Lyne following attendance at the LEP Women Leaders Conference in June.

Subject to Board approval it is proposed that working with the LEP MD and the LEP Board Diversity Champion Elaine Bowker, that they establish a Task Group through invitation, ensuring participation from business, the CA, under-represented groups, CLGU, and others with insight and experience to add to this group, working to the scope set out above.

It will develop an Action Plan based on this scope for consideration and approval by the LEP Board.

So as not to restrain quick progress, where there are some early wins with minimal resource requirements these may be taken forward with the agreement of the participating LEP Board Members and LEP MD.

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National Local Growth Assurance Framework

LEP Board Meeting 18 July 2019

Author:
Tony Wade
LCR LEP

1. Background

- 1.1 LEP Board Members will recall that in March this year, a new Assurance Framework was produced and after approval by the LEP and LCR CA was submitted to Government.
- 1.2 This was a requirement following the Government's Ministerial Review of LEPs and built on previous reviews and guidance. Further, where Combined Authorities and Mayoral Combined Authorities existed in LEP areas a joint assurance framework could be adopted.
- 1.3 The new framework, called The National Local Growth Assurance Framework replaced the previous Local Assurance Framework and accommodated the recently emerging relationships between LEPs and Combined and Mayoral Combined Authorities.
- 1.4 The LCR framework was submitted and along with all other frameworks was reviewed by Government for compliance and areas of improvement. Feedback was received from Department for Transport, Department for Education and the Ministry for Housing, Communities and Local Government.
- 1.5 In May, the Cities and Local Growth Unit, who liaise with LEPs and CAs, communicated any non-compliant elements or changes that would improve the assurance framework.

2. Recommendations

- 2.1 Note the review of the National Local Growth Assurance Framework by Government and the feedback received summarised at 3.2;
- 2.2 Approve the amendments proposed at 4.2 and 4.3;
- 2.3 Mandate the LEP Executive to work with the CA Executive to incorporate the changes into a revised framework alongside changes by the CA to allow its approval by the CA on 26 July;
- 2.4 Authorise the LEP Chair to expedite any further minor changes that impact the LEP as required in the CA approval process.

3. Feedback to LCR LEP and CA

- 3.1 Given the assurance framework is a joint framework, feedback was provided jointly to the LEP and CA but would relate to components that related only to one or other organisation.
- 3.2 The areas that the LEP were required to address were as follows;
 - a. A top-line joint statement on roles and responsibilities of the LEP and Mayoral Combined Authority and of the LEP Chair.
 - b. Add full details of LEP Board succession planning.
 - c. Add details of recruitment process for the LEP Board.
 - d. Include reference to the evidence of acceptance of the Code of Conduct by LEP Board Members and key executives.
 - e. Include an affirmative statement to use Government branding guidelines.

3.3 The above have now been considered and amendments are now proposed to be included in a revised National Local Growth Assurance Framework (NLGAF) to be re-submitted following approval by the LEP and CA.

4. Amendments/additions

4.1 As the NLGAF is 62 pages long and much remains unchanged only the proposed changes are included in this report, the present version can be seen on the LEP website in the 'Transparency' section. Once the amendments are approved they will be incorporated into a new version, re-submitted and published replacing the previous version.

4.2 Changes are by reference to section 2.2 and are as follows;

- a. Reference 2.2 a. – this is the most extensive addition, see Appendix 1.
- b. Reference 2.2 b. and c. – an amended section 11.7 has been drafted as below, the underlined text is the new addition;

In seeking individuals to join as Members of the LEP Board, who are not ex-officio local government representatives, the LCR LEP makes it clear that it seeks representation from all sectors of the LCR economy, its geography and its diverse community. Potential Members should also be able to demonstrate a level of expertise, knowledge and experience to complement the other Members of the Board and this will change over time.

Apart from resignations through reaching the end of term, LEP Board Members (and the LEP Board) must give one month's notice of termination to the LEP Chair unless it is a disciplinary matter. Upon being notified of a resignation, the LEP Chair will inform the LEP Board who will then determine whether to take steps to put in place procedures to select a replacement, and this will be managed by the Appointments Committee.

The appointment of LEP Board Members is considered and proposed by an Appointments Committee for approval by the LEP Board. The LEP Board has also determined that one or more of its members will act to champion Equality and Diversity, they also serve on the Appointments Committee. Recruitment of new members is an open process and is advertised in the LEP website, the LEP Network website, Government website(s) and social media channels and other media as appropriate. The operation of sub-boards creates and develops a pool of talent and expertise that provides a source for recruitment, but this carries no advantage as relevant individuals apply alongside other applicants. The Terms of Reference of the Appointments Committee can be found here;

<https://www.liverpoollep.org/about-lep/lep-governance/about-the-board/>

- c. Reference 2.2 d. – an amended section 11.3 has been drafted as follows, the additional text is underlined;

Although the LEP has adopted the legal personality of the CA it remains independent and fully accountable for the awards that are awarded to it and the decisions taken over their use. As such, the LEP Board has its own Constitution which can be viewed here;

<https://www.liverpoollep.org/wp-content/uploads/2016/03/LEP-Constitution-final-17-Mar-16.pdf>

The LEP Constitution sets out the aims, objectives and priorities of the LEP Board as well as its functions and responsibilities. It also includes the composition of the LEP Board and the necessary number to make it quorate as well as its accountability and arrangements for publishing its meeting agendas, minutes and associated papers. The latter are published on the LEP website.

In addition to the LEP Board Constitution, there is a Code of Conduct and Conflicts of Interest Policy. The latter is supported by a Declarations of Interest Policy. LEP Board Members are required to abide by these policies and in particular the Seven Principles of Public Life that underpin the Code of Conduct. The appointment of individuals to the LEP Board is a formal process and is recorded through a letter of appointment which is signed by the LEP Board Member and which also records their acceptance of the terms of the appointment that includes complying with the Code of Conduct and other policies, these can be found at the link below along with the individual register of interest declarations;

<https://www.liverpoollep.org/about-lep/lep-governance/about-the-board/>

- d. Reference 2.2 e. – a new statement at 12.8 under section 12 has been drafted as below;

12.8. In addition to direct communications, the Government's branding guidelines are employed to ensure that the source of funding of projects is publicised. The LEP works closely with the CA and its constituent local authorities to ensure this is achieved across all projects covered by this assurance framework.

- 4.3 In addition to the changes listed at 4.2 other changes were made to the LEP components or covering both the LEP and CA. These were to either update the assurance framework where changes had taken place e.g. to LEP Board composition (Public Sector component) or to enhance it. The changes are as follows;

- a. The addition of the following statement at 1.3 – *Where potential changes result in significant divergence from approved local assurance frameworks, adjustments will only be made after agreement by MHCLG.*

- b. At 2.2, the statement has been altered (underlined text) to reflect the recent changes in public sector representation on the LEP Board as follows;

The LEP Board operates with the support of a series of sector and thematic specific sub-boards, providing focused insight and advice to inform LCR and HM Government policy/activities. The LEP Board comprises of twenty members and they are taken from the private sector, Higher and Further Education and Third Sector and is chaired by a LCR senior businessperson. The public sector membership consists of the Liverpool City Region Metro Mayor together with two portfolio leads from the MCA. Sub-board members are leaders from business and the public sector who provide strategic insight, intelligence and guidance to the LEP board. The LEP board and its sub-boards are supported by executive capacity provided by a self-standing Group of LEP Delivery companies.

- c. Additional statement added to 2.5 to further clarify how decisions are made by the LEP Board as follows;

Where decisions are reserved to the LEP Board they are generally reached through a simple majority although the LEP Constitution allows for voting. The LEP Chair has no casting vote and has no automatic authority to take decisions independently of the LEP Board. However, the LEP Chair can be given delegated authority by a majority decision of the LEP Board. More information on the role of the LEP Chair can be found [here](#).

A hyperlink will be used to access the role description and supporting information used in the last Chair recruitment process.

- d. A minor change at 11.6 has been made to reflect the changes in public sector representation and was amended to read 'The public sector positions are ex-officio positions and will number three ~~six~~ as a maximum of the total of twenty. The remaining ~~A further minimum of fourteen~~ members will be taken from the private sector and other sectors relevant to LCR such as higher education and voluntary
- 4.4 As stated earlier, the CA is also making changes to sections that relate solely to the CA and as such are not included in this report nor is the LEP Board's approval sought on these changes. The LEP's changes together with the CA changes will go to the CA meeting on 26 July in a revised framework document for final approval.
5. Conclusions
- 5.1 The changes required and proposed do not fundamentally change the existing assurance framework but enhance and provide greater clarification of certain aspects as well as updating it for recent changes.
- 5.2 The process of reviewing the assurance framework in the light of the feedback and agreeing the required amendments has demonstrated the close and effective relationship that exists between the LEP and CA.
- 5.3 The 'framework' must be reviewed annually to ensure it remains compliant with the latest Government guidance and accurate in reflecting local arrangements. Regardless of this annual review any changes during the year should be raised with Government and if they do not compromise compliance agree the changes with Government and incorporate them into a revised version.

Additional statement on roles and responsibilities

1. Background

Feedback was received that a top-line joint statement on roles and responsibilities needed to be included as per the NLGAF guidance which, in turn, referenced **relevant guidance from ‘Strengthened Local Enterprise Partnerships’ (MHCLG July 2018)**. **This guidance is as follows;**

To help ensure that Local Enterprise Partnerships have a distinctive role from the mayoral combined authorities, we will support Local Enterprise Partnerships and mayoral combined authorities to develop and publish agreements – brought together in a single document with relevant financial assurance frameworks – which set out their respective roles and responsibilities in a way that recognises the variation between places, while providing sufficient clarity on accountability for public funding.

We have set out five themes below which we would want to see addressed in these agreements:

- **Advisory and challenge function:** *how local partners will ensure that there is a strong, independent voice for the Local Enterprise Partnership in the decision making process within mayoral areas, and that the Local Enterprise Partnership Chair and Board are able to draw directly on appropriate support and expertise from staff.*
- **Alignment of decision-making across a clear geography:** *how local partners will work together to ensure a clear, transparent decision-making process which minimises the impact of differences in organisations’ geographical boundaries. To assist with clarity and transparency, we would encourage areas to move towards coterminous Local Enterprise Partnership and mayoral combined authority boundaries, but recognising that this will not be possible in all cases.*
- **Accountability:** *how the formal accountability relationship between the Local Enterprise Partnership and the mayoral combined authority will work. We would expect local partners to designate the mayoral combined authority as the formal Accountable Body for the Local Enterprise Partnership in terms of handling public money.*
- **Efficiency and corporate identity:** *how the Local Enterprise Partnership and the mayoral combined authority will work together in their approach to staffing, branding and other resources and assets.*
- **Overview and scrutiny:** *how the Overview and Scrutiny Committees of the mayoral combined authority and local authorities will interact with the Local Enterprise Partnership.*

A move towards more aligned geographies would greatly strengthen democratic decision making and scrutiny between the Local Enterprise Partnership and mayoral combined authorities. We will encourage Local Enterprise Partnerships and mayoral combined authorities to move towards coterminous boundaries where appropriate in line with the wider discussions on Local Enterprise Partnership geographies.

This statement is additional to the current descriptions of roles and responsibilities included in the LCR NLGAF but could be a self-standing and independent statement of governance and which could be published separately.

2. Proposed statement

Given detailed descriptions of the roles and responsibilities of the LEP and CA are included in the NLGAF the statement should augment these without repeating content but include sufficient detail to be usable as a stand-alone document. As such, there may be some content that is repeated but this would be to add emphasis.

The additional statement to be included at Section 2

This section sets out the agreement between the Liverpool City Region Mayoral Combined Authority (MCA) and Local Enterprise Partnerships (LEP) have agreed local governance arrangements that reflect their individual and combined roles and responsibilities. Such arrangements are guided by the National Local Growth Assurance Framework guidance, published by the Ministry of Housing, Communities and Local Government (MHCLG) in January 2019, and the recommendations of 'Strengthened Local Enterprise Partnerships (MHCLG July 2018).

The agreement formalises, regularises and aligns local processes and procedures covering;

- The '**Advisory and challenge function**' of the LEP:
- '**Alignment of decision-making**' to provide transparency and clarity in how decisions are made and by whom:
- The '**Accountability**' of each entity to the other and separately and together to Her Majesty's Government (HMG):
- Achieving '**Efficiency and corporate identity**' by rationalising and aligning resources and functions so as to avoid duplication but without compromising the integrity and independence of the LEP: and
- Detail how the LEP will be subject to the '**Overview and scrutiny**' arrangements of the MCA and its constituent local authorities:

The individual roles and responsibilities of the MCA and the LEP are detailed in section 2 of the Liverpool City Region National Local Growth Assurance Framework but the headline arrangements for each of the above themes is as follows;

Advisory and challenge function

The LEP has a Board comprising of twenty members taken from the private sector as well as Third Sector, Higher Education, Further Education and public sector. The public sector membership consists of the Liverpool City Region Metro Mayor together with two portfolio leads of the MCA.

The LEP Chair, and the Deputy Chair as the alternate, is a non-voting member of the MCA and is also the MCA portfolio holder for Business and Brexit. Further, the LEP Chair or an alternate from the LEP Board represent the LCR alongside the MCA on extra-boundary groups such as Transport for the North or the Mersey-Dee Alliance. The LEP Chair also acts independently on such as the Management Board of the LEP Network.

Supporting the LEP Board are a range of sector specific and thematic sub-boards that extend both its expertise and knowledge base and also representation. The sub-boards are provided executive capacity through a dedicated entity and not by officers of the MCA or constituent local authorities. The main board also receives most of its support through this entity but the MCA provides further support through its Head of Paid Service (the MCA CEO), the Section 73 Officer and its Chief Legal Officer & Monitoring Officer.

Alignment of decision-making

The LEP and MCA enjoy a coterminous boundary and have agreed who will make decisions over the use of funds whether awarded to the LEP or MCA. The funds subject to these agreements may change over time, either being exhausted, renewed or augmented. In view of this, a schedule is included in the NLGAF (Schedule 1) that details the reserved and delegated powers for decision making over funds awarded to the LEP and which will be kept under review as funding sources change.

Without detailing the individual funds here, they effectively fall into either capital or revenue with decisions on the former being taken by the MCA within pre-agreed parameters operated as a Single Pot investment framework called the Strategic Investment Fund.

Accountability

The LEP has nominated the MCA to be its sole Accountable Body and it has also adopted the legal personality of the MCA. Despite the delegated arrangements described above the LEP remains accountable to HMG for the funds it is awarded and in turn holds the MCA accountable for their use and impact.

Although capital funding decisions are taken by the MCA, the LEP Board maintains oversight through the receipt of performance reports and updates and through the involvement of the independent executive in various groups and panels that oversee the administration of these funds.

As the LEP has adopted the legal personality of the MCA, the latter executes those decisions as if they were their own. As such, where funding decision are taken by the LEP, the MCA will subject them to all of the required regulation and scrutiny pertinent to the use of public funds.

Efficiency and corporate identity

In utilising the MCA as its accountable body, the LEP utilises the expertise and resources of the MCA with regard to functions such as project appraisal, legal and monitoring and evaluation.

The independent executive, previously mentioned, provides support to the LEP Board and its sub-boards in advising and informing policy, strategy and modes of intervention. These are in areas in which the MCA does not employ staff and so the MCA gains further expertise for the private sector on those areas. In some instances these latter resources are embedded within the MCA through secondment arrangements.

Whilst the main relationship, in this regard, is between the LEP and MCA there is also alignment with the constituent local authorities whereby a central hub is supported and operates through local satellites such as the Growth Hub.

Despite the close relationships, the joint working and the alignment of resources branding is not unified but reflects the distinct and separate personalities of the LEP and MCA. However, there are agreed and clear branding guidelines and protocols that ensure local and regional branding such as Northern Powerhouse and HMG branding, where appropriate, are used to ensure the origin of funds and the responsibility for their use is clearly articulated.

Overview and scrutiny

The LEP has retained its independence and has its own Constitution and Code of Conduct and other relevant policies but in adopting the legal personality of the MCA, the LEP has been incorporated into the MCA's Constitution. Its decisions are treated as if they were those of the MCA and as such are within scope of the MCA's Overview and Scrutiny Committee.

Further, through its membership of the MCA, its Chair attends MCA meetings and can be subject to scrutiny through those meetings by other members or the public. This is further enhanced, as Overview and Scrutiny is not restricted to the MCA but extends to any of the Overview and Scrutiny Committees of the constituent local authorities.

Further detail on these five themes of the LCR LEP and MCA governance framework can be found in section 2 of the NLGAF.