

LIVERPOOL CITY REGION LOCAL ENTERPRISE PARTNERSHIP

At a meeting of the Liverpool City Region Local Enterprise Partnership held via Zoom on Thursday, 21st May, 2020 the following Members were

PRESENT:

Mr A Hamid MBE, Chairperson of the Board
Paul Corcoran
Professor Dame J Beer
Elaine Bowker
Chris Fry
Dr Jonathan Hague
Dr Liz Mear
Laura Pye
Angela White OBE
Metro Mayor S Rotheram

ALSO IN ATTENDANCE:

Mark Basnett, Managing Director, LCR LEP
Tony Wade, Financial Director, LCR LEP
Frank Rogers, Chief Executive, LCR Combined Authority
Tony Reeves, Chief Executive, Liverpool City Council
Mark Bousfield, Director of Commercial Development and Investment, LCR Combined Authority
Dr Aileen Jones, Assistant Director – Policy and Strategic Commissioning, LCR Combined Authority
Katie Downes, Economic Analyst, LCR Combined Authority
James Coe, Policy Advisor, The University of Liverpool

APOLOGIES

Mayor J Anderson OBE
Councillor P Hackett
Mike Hulme
Mark Whitworth

402. DECLARATIONS OF INTEREST

Mr A Hamid MBE, Chair of the LCR LEP Board, welcomed Board Members to the meeting, which was taking place remotely, due to the coronavirus pandemic. However, regardless of the mode of meeting he highlighted the importance of declaring interests and sought any Declarations of interest from Board Members.

No Declarations of interest were submitted by Board Members.

403. MINUTES OF THE PREVIOUS MEETING

The Chair, Mr A Hamid MBE, reported that in addition to the minutes of the previous meeting an action note of that meeting had also been prepared and circulated to Board Members soon after the meeting.

The Board considered the minutes of the meeting held on 26 March 2020 and approved them as a correct record.

The Chair referred to the action note and asked Tony Wade to provide the Board with an update on progress in which it was reported that all actions were complete or in progress. The Chair reported that the concerns raised by Elaine Bowker in relation to the apprenticeship programme and how it would continue to operate during the pandemic had been raised with Government.

404. CHAIR'S UPDATE

Mr A Hamid MBE, Chair of the LCR LEP Board, advised the Board that he was in the busiest period of his career and in his tenure as LEP Chair with a significantly increased dialogue with Government Ministers and in frequent discussions with the business community to understand what issues they were facing during lockdown and identifying support measures for them. He explained that the initial focus had been on the development and implementation of Government funded business support schemes such as Furlough. He felt the initial phases were challenging but that significant improvements had since been made. In particular, he placed on record his thanks to the constituent Local Authorities for the rapid financial support, through the small business grant, they had made available to small businesses, which in some cases had resulted in funding being available within 24 hours of application.

He went to explain that the focus had now moved to opening up the economy but in a safe way and to avoid the worst of a predicted downturn.

Mr A Hamid MBE, informed the Board that Paul Corcoran, Laura Pye and himself had joined the NP11, business leaders and Government representatives to discuss how the North could be influential in the UK's economic recovery. He noted that these discussions had included key sectors of tourism and leisure and digital and creative.

He also informed the Board that the outcome of the recent review of the LCR LEP had been shared, which had confirmed that the LCR LEP had met all the requirements in Strategy, 'Good' in Delivery and 'Exceptional' in Governance making it one of the top performing LEPs in the country. He wished to place on record his thanks to Mark Basnett, Tony Wade, Frank Rogers and Mark Bousfield for their exceptional work in delivering this achievement for the LCR LEP.

In conclusion, he recognised the significant amount of work being undertaken in the city region and the involvement of LE Board Members in this and he praised the efforts of all the Board Members and supporting officers for their significant contribution towards re-building the Liverpool City Region economy. This collaboration and strong partnership is vital for the development and delivery of an effective economic recovery plan for LCR.

405. ECONOMIC IMPACT OF COVID-19

Mr A Hamid MBE, explained that the purpose of this item was to develop a collaborative approach to the City Region's economic recovery plan as a consequence of Covid-19. Accordingly, the Board received a presentation from Katie Dean, Economic Analyst, LCR Combined Authority, which set out an initial impact analysis of the impact of coronavirus on the economy of the Liverpool City Region.

Katie Dean explained to the Board that the initial indications of a quick economic recovery, once lock down restrictions were eased was now not certain, as the latest

GDP figures indicated a 5% fall. The Board was informed that the Liverpool City Region had made economic progress during the last 10 years, however, there were still many social inequalities which meant that structures to support an economic recovery were weak. It was noted that the impact of the economic recovery would look different for each of the Local Authorities.

The Board was further advised that as a consequence of the economic impacts of Covid-19 it was imperative that the health inequalities and deprivation levels across the City Region didn't widen further. Whilst the economic forecast was bleak, it also presented opportunities, such as developing a diverse manufacturing base and to be able to adapt and respond quickly to the new normal, ensuring that businesses had the appropriate support and were best placed for recovery.

The Board welcomed the presentation and in doing so raised a number of questions and comments.

Mark Bousfield, Director of Commercial Development and Investment, LCR Combined Authority, sought clarity on how the forecast had changed since March 2020 and how it was different to the last recession.

The Board was advised that initial forecast was of a deep recession but a quick bounce back. However, it was now recognised that the recovery was not going to be easy and even with the government's financial efforts to support businesses, there would be a number of businesses who wouldn't survive. The impact of the pandemic had also brought about a number of consumer behavioural changes which would impact on the recovery and we should not lose sight of the importance of the global supply chain to our manufacturing base, all of which was creating greater uncertainty across the business community.

Tony Reeves, Chief Executive, Liverpool City Council, explained that during the last recession the economic output was at 8%, the best-case forecast for this recession was 14%. He emphasised the importance Test and Trace would have in assisting recovery as a second wave would significantly worsen the 14% downturn by reducing investment confidence. Initial conversations with Government about Test and Trace indicated that a local area would be able to set up its own system within a national framework and be managed and controlled locally with the University of Liverpool playing a significant role in this development. Furthermore, Liverpool University had significant data analysis and laboratory capacity which would enable testing to be conducted and outcomes to be known quickly. Rolling this out across the city region, and in collaboration with Cheshire, this would contribute towards safely unlocking the economy. Professor Dame Janet Beer added that building our capacity through the re-patriation of equipment loaned to the MoD for use by the army is an urgent requirement.

Dr Liz Mears, emphasised the importance of regional test and trace centres and testing, informing Board Members that this was the measure they were pursuing with Government and anything that supported this would be welcome.

RESOLVED – The presentation and comments raised be noted.

406. ECONOMIC RECOVERY AND ACTION PLAN

Mark Basnett, Managing Director, LCR Local Enterprise Partnership, advised the Board that the purpose of this item was to gain insight and input from Board Members about their views of what a recovery plan should look like. He explained

that Local Authorities, led by Tony Reeves, the Combined Authority and the LCR LEP were working together to devise an economic recovery plan. The LCR LEP was drawing on its deep strategic business insight and industry expertise to inform the plan, giving context, expertise and knowledge from the various sectors and propose ideas. In responding the economic recovery there were opportunities to develop creative practices and adapt business accordingly.

In considering this item, Mark Basnett explained that Board Members would be engaged in two phases; firstly where we are now and not just through this board but through sector boards and focusing on three questions, as posed in advance of the meeting, being;

- How has this most affected your sector or area of business?;
- What are the three priorities for LCR?; and
- How can we emerge stronger?

This would inform the work going on in individual local authorities on their recovery plans and at city region level.

This will lead into the second phase with a further meeting in 3-4 weeks' time to receive a draft plan and invite further input and fine tuning of the plan.

Tony Reeves, Chief Executive, Liverpool City Council, set out the governance structure within which this was working. Because COVID-19 has been declared an emergency all of the emergency response procedures were initiated, which included the establishment of the Merseyside Resilience Forum and for Halton the Cheshire Resilience Forum. These manage the response, which is ongoing, and also plan the recovery, which is generally led by local authorities and he chaired the Merseyside Resilience Forum.

At the commencement of this he, Frank Rogers, Mark Bousfield and Mark Basnett had met to discuss and agree how we would plan the economic recovery. Much of this has to be place based activities at local authority level with engagement of businesses and stakeholders. The approach was to develop an overarching City Region narrative and this was being developed by the LCR CA and would include key functions such as public transport and then a series of place based economic plans. All the plans would be aligned and come together as one overarching plan for the city region. Mark Basnett was leading for Business and Mark Bousfield was leading on Place and through his Chairing of the Local Authority Growth Directors Group was feeding up individual local authority plans into the city region narrative thus achieving both bottom-down and top-up approaches. The Group meets weekly to plan, coordinate and ensure this work is aligned.

Tony Reeves further explained that Metro Mayor S Rotheram was establishing a Economic Recovery Panel which would also feed into the process. He advised that the City Council had started economic planning and had engaged consultants Metro Dynamics to identify some key insights which would inform the city's plan including how to get key sites, particularly in the Knowledge Quarter, and 'shovel-ready' schemes to move quickly. It was also considering the visitor and hospitality sector which is huge and finding creative ways of dealing with the capacity issues caused by social distancing. There was also a big focus on employment and training with the City Council and LCR CA working together. There was also a broader focus on business support and funding.

In conclusion, he said that the City Council recognised there was a need for a robust economic recovery and it was re-assessing its appetite to risk in order to stimulate growth because investor confidence will be low and so long-term capital schemes are being stood down in favour of activities that will drive growth in the short term. Once Liverpool's plan is ready it will be shared with the LCR CA and also the LEP Board.

The Chair, then invited individual LEP Board Members to respond to the three questions posed ahead of the meeting as previously stated.

Paul Corcoran, Vice Chair of the LCR LEP Board, reported that the biggest challenge facing the Creative and Digital sector was cash flow, which is a major concern, as clients were suspending and delaying making payments with terms moving from thirty days to sixty days and sixty to ninety and so on. Sales are also slowing as clients hold on to cash and so avoid new commitments. Working remotely was also a challenge for the creative side, particularly around collaboration and especially where there were multiple stakeholders involved in development. There are some interventions that can support the sector in the economic recovery. The first is underway and could be expanded or re-imagined and is a CA funded Leadership programme, delivered through FORM, Leaders in the creative and digital sector. They are receiving two hours per fortnight of facilitated peer to peer support and is being used to re-invent and re-imagine their business models. There is a need for this to be extended in volume and reach. It was aimed at those within leadership roles but should be extended to senior positions such as account directors and managers.

Paul Corcoran noted that for some, the crisis may provide the catalyst either through self-assessment or redundancy to consider a start-up. If financial and peer support were available to support these individuals such an initiative could generate creativity and new business opportunities. Finally, he stated that it was important that talent remains a priority both from the perspective of young people and of businesses. He explained that because of the economic downturn, young people would have limited employment opportunities. Recognising that businesses still want new talent to generate ideas and energy but would not be able to afford to bring it in so he suggested that the ILM programme be expanded to include graduates, who would undertake a funded six month placement with an appropriate business in the City Region. This approach would provide graduates with some employment experience and employers with new talent to help grow their organisation coming out of the economic downturn.

Professor Dame Janet Beer, Vice Chancellor of The University of Liverpool, provided a summary of the pressing matters the University was facing as a result of the coronavirus. She explained that the first was urgent and that we risked losing the researchers of the future. Research grants are short-term and thousands of early career researchers and Post-Docs are reaching the end of their contracts between now and October. Temporary financial support from the Government to bridge this would be welcomed and Government seem to understand this. However, they need to understand the role of research in aiding the recovery. Locally, this was significant in terms of 'The Hill' and development of Life Sciences industries.

Professor Dame Beer went on to explain that there would be a significant shortfall in student fees resulting from a drop in international students attending the University in September, particularly from China. This would directly impact on the financial resources of the University and is compounded by a reduction in charitable funds and in refunding current year fees. As such, commercial income, through research, is important both to be sustained and increased.

Professor Dame Beer explained that to encourage the recovery, confidence was needed that the City Region was open for business and was safe, and the University will play an important role in 'Test, Track and Trace'. She also suggested that the government could use the furlough scheme to fund the 'class of 2020' with one-year internships in SMEs as a way of supporting young people into employment. This is an initiative of UUK, led by Deborah Humphries (Vice-Chancellor of Brighton) and Professor Dame Janet Beer offered to broker a discussion for LCR LEP on this.

Mr A Hamid MBE, welcomed the suggestion from Professor Dame Janet Beer and accepted the offer to make contact with UUK. He also acknowledged the importance of promoting a message that we are open for business but in a safe environment and this especially important to international audiences.

Dr Liz Mear, Chief Executive, North West Innovation Agency, noted that the Board would be familiar with the impact on the health sector. Normal health service management has been replaced by Regional Command and Control structures, the North West in our case. The North West had been hit disproportionately but capacity has been increased by staff returning to practice and University's had released medical students to support the health sector. However, there are opportunities and the Government were not relaxing their targets for Health Education England to increase employment in the health workforce so still working towards having 50,000 nurses recruited to the health sector of which 13,000 were to be international recruits. As such there is an opportunity for local recruitment and for the universities to deliver the education programmes.

Dr Mear explained that as a consequence of the pandemic there is also an increase in the pace of digitisation, especially in out-patient appointments and primary care. This was a three to four-year programme but is now being delivered in three weeks. This creates further opportunity for local businesses who were already supplying digital products into the health service and now are more optimistic given the new demand. Dr Mear also explained that as a result of hospital debts being written off this could lead to the opportunity for mergers, take-overs and increased collaborative working arrangements, which could also be positive for employment opportunities.

Dr Mear informed the Board, that opportunities would be available for businesses operating within life sciences such as vaccines and testing products. The Chair of the Health and Life Sciences Board had advised Dr Mear that a small scale sterile manufacturing facility could enhance current capacity in the city region and creating jobs and international trade opportunities. So there are growth opportunities in the sector but care needed to be taken not to duplicate capacity within the region.

Finally, Dr Mear explained that there are opportunities for jobs and apprenticeships within the health and life sciences sector. Taking the target of 50,000 nurses, these are required in mental health nursing with a likely increase in demand for services and for primary care roles and in learning disability nurses which had a shortage before the pandemic. Given the outpouring of support for the health services this is an ideal time to attract people into careers in the health services.

Frank Rogers, Chief Executive, LCR Combined Authority, noted the importance of the City Region having a clear and consistent message to government to emphasise where funding and resources were required to stimulate economic growth. He reported that as part of the M9 Group, the LCR Combined Authority, was involved with ongoing conversations with government and the issues raised by Board Members could be shared with them. Furthermore, the economic approach for the City Region was being co-ordinated in conjunction with LCR Combined Authority and

Tony Reeves, Liverpool City Council. The economic response would be informed by the Local Industrial Strategy and have a strategic approach to growth.

Laura Pye, Visitor Economy, advised Board Members that last year there had been an economic impact of 4.9 billion to the City Region and early indications suggested that it would take between 3-4 years to reach these figures again. At this point in time the economic impact on the sector was not known and the level of business failure but due to the nature of cash-flows in these businesses we know many have already ceased trading. The bounce back loans and Local Authority financial assistance and extension of furlough are helping in the short term, however, there will be a longer term financial impact for 12-18 months in terms of cash-flow and footfall. Due to the seasonal nature of many businesses it was highly likely that the revenues generated through the summer season would be lost and this will hamper recovery and as may mean they do not get through the winter.

Laura stated that the priorities for recovery in the sector in the short term were financial support and an extension or taper for furlough. After that there is a need for interventions to support businesses to enable them to adapt to changes in the market by supporting them in the use of technology, implementing social distancing and guidance relating to public health. We need to build back demand in the sector and the use of capital to stimulate demand to achieve a new normal is important. In terms of emerging stronger there are opportunities in the use of new technologies and digital tech supported by closer working with the Creative and Digital sector to do different things in a different way. Also there opportunities in how we undertake Destination Marketing alongside a review of the Destination Management Organisation structure to ensure we maximise and manage demand effectively.

Angela White OBE provided the Board with a summary of the impact the pandemic was having on the voluntary and community sector in the City Region. Angela explained that although she was looking at this through that lens it was also a consideration of how this links to the broader economy. She reminded the Board that she had previously reported that a lot of voluntary organisations had not furloughed staff as they were involved in the direct response such as providing direct support to those residents who were vulnerable and shielding. This role continues and so their focus is both on maintaining the response and planning for recovery.

The outlook for the sector could be bleak as it is estimated there are 24,000 full-time equivalents working in 8,600 charities across LCR. Research into 500 of these revealed that 75% of them had less than six months of unrestricted reserves available and they were employing 95% of the sector workforce. This sector had also not had access to the other business support funding and although funds were made available for charities nationally, these were allocated to domestic violence charities and Hospices. Much of this is competitive funding and it is not clear how this will trickle down to LCR.

Angela advised the Board, that there is a continuing need to lobby Treasury on how it is a vital part of the economy now and going forward. It is therefore important that it has a place in the recovery plan and there should be a Third Sector strand in each local authority recovery plan and the LCR overarching plan. This is all the more relevant as it operates in many sectors such as leisure and art, health and employment. Some of the emerging issues for the sector focused on a safe return to work, particularly as some organisations were fearful of litigation. There are also key issues for users and organisations relating to the digital divide and emphasised the importance of thinking creatively to ensure deprived communities weren't further deprived by not having the access to digital connectivity.

Angela wanted to ensure that the place based approach considered the inter-connectivity between the Third Sector and its community response to the social economy. She also supported the introduction of an ILM to encourage young people into the workplace. She also asked for greater consideration of intelligent commissioning of existing funds by Local Authorities and CCGs alongside leverage of significant investment of charitable trusts by third Sector organisations and create a forum to ensure this resource was inter-connected to the areas of greatest need to ensure it sustains that sector. This is important as if the sector falls it will have a significant and immediate impact on local authorities. Further, this is not just about delivery of service but it is a growth area in its own right in relation to employment.

In conclusion, she is keen for the sector to engage in co-production of solutions particularly in the use of existing and new resources, removing barriers around procurement and use of the fast-track grant schemes. Finally, she encouraged Local Authorities to make small business grants and the retail and hospitality grants available to charities which is partly restricted due to charity relief but some organisations are losing 20-30% of rental income.

Mr A Hamid MBE advised the Board that digital connectivity was essential for the region and discussions were taking place with the Department for Digital, Culture and Media and Public Health England in this regard. Mark Bousfield, requested that he be included in these discussions to co-ordinate the work of the Backhaul Network Team. He also welcomed the opportunity to work to develop the ILM idea further and recognised that more needed to be done to address digital exclusion and undertook to work with Angela White OBE, Local Authorities and the CA Digital Team on this issue. Paul Corcoran also invited Angela White to join him in work he was doing with Transforming Lives on hardware and training.

Mr A Hamid MBE, requested that a call between himself, Mark Bousfield, Angela White OBE, Paul Corcoran, Dr Liz Mear and any other Board Members with an interest be arranged to develop a concise plan on the digital asks of Government.

Dr Jon Hague, provided the Board with a summary on the global FMCG (Fast Moving Consumer Goods) industry overall performance during the pandemic. FMCG is relatively robust and performance in Quarter 1 bears this out. In terms of Unilever, it was reducing unnecessary spend and overheads to generate cash and marketing of fast growth areas and recognised the importance of a resilient supply chain and suggested that the Board should consider the key characteristics of a resilient supply chain. The good news for LCR is that the facility at Port Sunlight serves some of the highest growth businesses and the Research and Development facility at Port Sunlight remained operational and open for business.

Dr Hague explained that the Innovation Board had engaged the wider city region in how it could help, for instance, the health service through the sourcing of PPE etc. He explained that this had been facilitated by Alder Hey Hospital and had resulted in some innovative PPE solutions being developed in the City Region. He explained that if a local supply of PPE could be developed and built to scale to meet the local demand this could support economic growth and resilience.

He went on to explain that the Innovation Board was also looking to identify areas of opportunity. Hygiene and infection were identified as an area of heightened demand and in digital e-entertainment and e-gaming there is also increased demand and the LCR has expertise in this area. Linked to this is digital broadcast of live sports as well as many other home leisure activities such as cooking. Nutrition and dietary

supplements are also on the increase and we have a local company, Vitaflo owned by Nestle, operating in this sector. Innovation in health products has proven vital during the pandemic and no less so than in PPE. Demand for PPE is likely to remain high and for a long period so creating a local manufacturing facility would be of great benefit to ensure supplies are maintained.

Finally, Government Innovation Agencies are keen to exit the lockdown in an environmentally sustainable manner and to rebuild sustainably and this presents many opportunities. It is important that we remember the environmental crisis remains and still needs to be addressed once the ongoing crisis is dealt with.

In conclusion, Dr Hague requested that if one challenge could be made to the Government it would be to expand the additional UK Research and Innovation grants launched in response to COVID-19 as these were currently oversubscribed but it was now possible to turn-round a grant application in ten days. By expanding this scheme and applying it to recovery as well as response it would stimulate the economic recovery.

Mr A Hamid MBE complimented Unilever on their innovative approaches during the pandemic and recognised they would be instrumental in the economic recovery for the City Region.

Mark Bousfield advised that the CA had replicated the UKRI scheme to produce a City Region version, the LCR Future Innovation Fund that would allow businesses to pivot and innovate with an initial £3m of funds available.

Elaine Bowker, Principal and Chief Executive of The City of Liverpool College, explained that the immediate impact in skills was on apprenticeships and education inequalities around financial impact and digital access with mental health also a concern. Elaine informed the Board that the sector was concerned about a loss of income and there was an anticipated £2billion loss of income to the sector by December 2020. The major issue facing colleges was when they would re-open and if students would want to return. Students, particularly in key worker training, may not get a qualification without a trade test so they are being prioritised in terms of a return and some electrical and gas are being brought back so that they can get into the employment market.

Elaine advised the Board that from a national perspective there were opportunities for LCR and she had a direct relationship with Gillian Keegan (Parliamentary Under Secretary of State for Apprenticeships and Skills) and has been working at national level on a range of programmes. The main focus of the first programme is on developing a September Promise in recognition that young people were being crowded out of the market place due to unemployment, the lack of apprenticeships and graduates entering the jobs market. Estimates are that at least 100,000 young people will not find employment and so a national programme is being developed to address this, Government are in active dialogue and the programme (probably £7.2bn) has been costed. There are three categories and LCR need to be ready to win a fair allocation. The categories are Key Workers, High Risk Groups and Recoverable Sectors with every 16-19 year-olds being given a funding promise as presently all funds are allocated and additional students will be taken at the colleges risk without the promise.

There are two further programmes, they are the restart programme for 19-24 year olds and a national skills and retraining programme. These are both aimed at adults and will consider a number of things such as preparing people for specific sectors

such as Visitor Economy, retaining people in education longer to avoid the negative impacts of unemployment and ensuring people attain generic skills that are transferrable between sectors. She advised that KPMG had done a lot of good work in assisting the creation of the Nightingale Hospitals on skills and sector requirements at a granular level and how people could be moved so long as certain generic skills were possessed. There is likely to be £500m available for these. However, Elaine has been working nationally to push Government to devolve the funding to the regions, recognising that regions were best placed to understand the employment requirements of their young people.

On Apprenticeships, this is a major issue and there is less movement by Government in this. Elaine cited that for her college, 45% of Apprentices were either furloughed or on breaks from learning. One proposal is to make wage-subsidy packages available in key sectors and another is to relax the 12 week limit on re-employment before losing Apprentice status.

Finally, Elaine advised that The Department for Education was also being encouraged to an early release of £1.5billion in capital funding to support flexible investment in the sector in IT equipment, software and building modifications so that blended learning can continue to be delivered.

Chris Fry said that although there was much to cover that cash flow remained the main concern and particularly for SMEs and micro businesses. Reports from the ONS indicate that within the SME and Micro sector only half of businesses had enough reserves to last six months so this is a massive issue. Although some SMEs had still not received the business interruption loans as banks continued to place too many restrictions it is expected that there will be additional debt on SMEs, nationally, of around £105bn. Chris explained that a lot of SMEs have taken on debt such as the 'Bounce-back Loan' and 'CBILS' and is significant debt that many SMEs had not had before as they operated out of family resources for instance. This means they will come out of the crisis with high debt and lots of uncertainty. This is compounded by an increase in late payments and research by Chris shows an increase of 26% in late payments with direct debits being cancelled. This problem is exacerbated by the lack of access SMEs have to invoice discounting. So in an uncertain re-start they will have high debt levels and reduced cash flows and this will obviously inform decisions on redundancies.

He felt that there was a need to find innovative ways to manage cash-flows, such as 'Open Banking' technology that allows all the traditional banking data to be made available to tech companies and encourage new ways to focus on cash-flow, communicate with customers and request payment to allow earlier cash receipts. There is a danger that receipts, payments a working capital will be blurred and this technology will allow cash receipts to be maximised and borrowing reduced. Chris advised that this technology is in development and he was working with a company that could make this available to SMEs and Charities in late July/August and invited Mark Basnett, Mark Bousfield and Angela White OBE to discuss how this technology could be rolled out across the City Region.

Mark Bousfield confirmed that there was analysis available which supported the principle of a business loan being approved and distributed within a week, recognising the positive impact this would have on a business's ability to perform and invest in growth.

Finally, Chris Fry expressed concern regarding the operation of the Future Fund and the Chair, Mr A Hamid MBE, asked for him to share the detail of his concerns as he

had a call arranged with the Business Minister Alok Sharma and he would raise this. Aileen Jones also invited Chris to make this available to the LCR CA to report back to Government through their feedback loop on Government funding support.

Frank Rogers, Chief Executive, LCR Combined Authority, shared Elaine Bowker's concerns regarding Apprenticeships and explained that he was seeking to discuss this further with the Permanent Secretary, as well as seeking extensions to support packages through the Department for Work and Pensions. He also explained that the Metro Mayor, Steve Rotheram, was leading on the skills agenda through the M9 Group and seeking a youth guarantee from Central Government which could be implemented regionally.

The Metro Mayor, Steve Rotheram, updated the Board on the discussions M9 and he personally were having with the Prime Minister. The LCR focus before the pandemic was on future skills and how they can be delivered and this would have been included in a manifesto had the local elections proceeded. The pandemic has increased this an imperative and requires a review of previous objectives. He had led discussions on Skills with the PM and this covered the full breadth from Masters to ESOL with a specific emphasis on Apprenticeships and the levy in which he got full support of the M9 which is a cross-party community.

Professor Dame Janet Beer added that the University offered higher level apprenticeships, such as the Advanced Clinical Practitioner, but the SFA insist that you must complement work-based learning with face to face learning and will not accept on-line learning leading to it being suspended teaching. She explained that by changing the face to face requirement this would enable the apprenticeships to resume on a course that is over-subscribed and which in the current crisis are vital.

The Chair asked Mark Bousfield to respond to the Board's feedback in light of the recovery plan and he stated he was both encouraged and interested in developing some of the ideas proposed. He said a couple of principles in the plan going forward are; it is better to keep people working and learning than having re-introduce redundant workers and learners into employment and learning; we need to listen carefully to what Government wants as it is not clear how much funding Government will have and whether their priorities remain or are changed and what is their approach to an economic recovery. Beyond that, we need to push for what we needed anyway, further advancement of the Culture and Visitor Economy, Open Heath Innovation (a really strong theme of the Industrial Strategy), Advanced Manufacturing through digitisation and 'Tech for good'. He advised that there are four themes to the recovery plan, they are: the Business Eco-System, People-based Innovation, Places and Infrastructure and finally 'Build Back Better'. The LEP Board will have regular exposure to the Recovery Plan as it develops.

Mick Allen, BEIS, welcomed the opportunity to hear the discussion and noted there were a number of issues which he would take away for further consideration and they included the gaps in support for the community and voluntary sector, the UPRI issues highlighted by Dr Jon Hague and the skills and Future Funds issues identified by Elaine Bowker and Chris Fry. The North West unit are more than happy to join any discussions and are reporting directly on a daily basis so use them to augment the routes into Government.

Mr A Hamid MBE, welcomed and complemented the work of Mick and the BEIS team who had been instrumental in gaining access to Ministers for the Chair and providing feedback to Government on the various initiatives they had introduced to support the business community during the pandemic. In concluding the discussion, the Chair,

Mr A Hamid MBE, thanked Board Members for their contribution and advised that the information would be collated and further updates would be provided to Board Members in due course.

RESOLVED – That the discussions be noted.

407. RESEARCH AND DEVELOPMENT INVESTMENT IN THE LIVERPOOL CITY REGION

The Board received a presentation from James Coe, Policy Advisor, The University of Liverpool, which explained that now was an opportune time to develop a regional research and development strategy, not just politically opportune but in what building back should look like alongside our ecosystem and business environment. Pivotal in the economic recovery for the City Region is the triple-helix of public sector, private sector and HEI as they relate to research and development. A strong R&D base would also enable the City Region to build back better and inform the type of economy it wanted.

It was proposed that the Research and Development Strategy would articulate the contribution R&D could make to the economy by setting out the ambition of the region and explaining what the knowledge economy would look like. Importantly it wasn't about new activity but building on the best that already exists.

Dr Jon Hague informed the Board that the spend on R&D across the City Region was low and the ambition should be to achieve spend greater than the national average. He welcomed the opportunity to sponsor the development of the strategy through the Innovation Board and a small working group.

RESOLVED – That:-

- (i) the proposed approach to Research and Development Investment in the City Region be supported;
- (ii) the development of the R&D Strategy be sponsored by the Innovation Board; and
- (iii) Dr J Hague, Mark Bousfield and James Coe establish a small working group to develop the proposals further.

408. ANY OTHER BUSINESS

The Chair, Mr A Hamid MBE, thanked Board Members for their contribution to the discussions during the meeting. He recognised that everyone was working collaboratively with one voice to help the city region and encouraged Board Members to continue having the conversations with each other. He advised that the next meeting of the Board would be on Thursday 25 June 2020 and further information would be circulated.

Paul Corcoran advised the Board that the work in relation to the development of a City Region brand narrative was developing at pace. Agent Marketing and colleagues from Growth Platform had been working on sharing the positive messages and success stories to promote the City Region and encouraged all partner organisations to maintain a positive approach to marketing.

Minutes 402 to 408 be received as a correct record on the 25th day of June 2020.

Chairperson of the Board

(The meeting closed at 10:30am)