

## **LIVERPOOL CITY REGION LOCAL ENTERPRISE PARTNERSHIP**

At a meeting of the Liverpool City Region Local Enterprise Partnership held on Thursday, 21st January, 2021 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  
Mike Hulme  
Laura Pye  
Angela White OBE  
Metro Mayor S Rotheram  
Councillor W Simon  
Councillor Janette Williamson  
Lynn Collins

### **ALSO IN ATTENDANCE:**

Councillor Graham Morgan, Leader of Knowsley Council  
Mark Basnett, Managing Director, LCR LEP  
Tony Reeves, Chief Executive, Liverpool City Council  
Myrtle Lloyd, North West Head of Place  
Stephen Speed, LEP Champion  
Kirsty McLean, Director of Policy and Strategic Commissioning, LCR Combined Authority  
Tony Wade, Finance Director, LCR LEP  
Mick Allen, BEIS

### **APOLOGIES**

Mark Whitworth  
Frank Rogers, Chief Executive, LCR Combined Authority  
Mark Bousfield, Director of Commercial Development and Investment, LCR Combined Authority  
Jill Coule, Monitoring Officer, LCR Combined Authority

## **446. WELCOME AND DECLARATION OF INTERESTS (V)**

The Chair, Asif Hamid MBE, welcomed Board Members to the meeting and introduced Councillor Wendy Simon who was attending her first Board meeting following her appointment as the LCR Combined Authority Portfolio Holder: Education, Employment and Skills.

The Chair also welcomed Myrtle Lloyd to the meeting who was the North West regional Head of Place within the Civil Service. The Chair also explained that Stephen Speed, LEP Champion for the Liverpool City Region, was also in attendance.

Myrtle Lloyd explained that the Head of Place was a trial role within the Civil Service which would conclude at the end of March 2021. The aim of the role was to improve engagement between central Government, local Leaders and the place to

understand the priorities in the region and link back to Central Government providing policy, strategy and delivery in a more meaningful way.

Myrtle informed the Board that there were 12 Heads of Place, each responsible for a region. There were developing relationships with the stakeholders in the area to understand what the priorities of the place were and whether there was an appetite for such a role in the long term.

Myrtle explained that each of the Heads of Place had been chosen from different Government departments and backgrounds. The role would be evaluated at the end of March and determine what characteristics would be required and the structure requirements, should the role continue.

No Declarations of Interest were submitted by Board Members.

#### **447. MINUTES AND MATTERS ARISING FROM THE PREVIOUS MEETING (P)**

The Board considered the minutes of the meeting held on 26 November 2020. They were received as a correct record and signed by the Chair.

Mark Basnett, Managing Director of the LCR Local Enterprise Partnership, reported that there were several matters arising for mention.

In relation to Minute 443 – Project Boom, Dr Jonathan Hague explained that there had been several productive discussions with Professor Dame Janet Beer and Mark Basnett. Peter Gallagher had brought some impetus to the Project and it was gaining momentum with the patent bank, which demonstrated that the City Region required a dedicated resource to lead on the project.

Professor Dame Janet Beer advised that it was her understanding the STFC could not support the approach laid out in the plans for the patent bank. The University of Liverpool was happy to keep the conversation going but wanted it to be inclusive. Professor Dame Janet Beer and Dr Jonathan Hague undertook to discuss this matter separately.

Mark Basnett explained that he had separate discussions with Paul Burnham who had confirmed the STFC issues regarding the patent perspective. However, there was a commitment to address the commercialisation of innovation and take forward this important agenda.

The Chair, Asif Hamid MBE, reported that he had recently spoken with Peter Gallagher and had requested to meet with him and Dr Jonathan Hague, Professor Dame Janet Beer and Mark Basnett to identify a way forward.

Mark Basnett advised Board Members that a briefing note, in relation to Project Defend, was in the process of being prepared. The briefing note would reflect the role the City Region could have in leveraging health and life science expertise to support vaccine development and inward investment.

Paul Corcoran referred to a project Business in the Community were co-ordinating, which was distributing donated laptops from the business community, to those who needed them most. Paul also advised the Board that the Bulky Bob service was also operating something similar. He encouraged Board Members to donate any unwanted computer equipment to these organisations.

#### 448. MEMBERS UPDATE (V)

Mike Hulme provided the Board with a brief summary of the work undertaken by Alstom who were based in Widnes. This currently included working on the rolling stock fleet for Avanti trains and Transport for London. He explained that as a consequence of the pandemic Alstom were having to ensure they provided value for money to the train operators as a consequence of a reduction in operation. However, in the long-term Alstom would be focusing on the green and digital agenda, which would be reflected in the upgrade of the Avanti fleet. He noted that there were some challenges in the short term, however, with the acquisition of Bombardier and a number of other projects, the long-term future of Alstom in Widnes was positive.

Tony Reeves, Chief Executive of Liverpool City Council, noted that the levelling up agenda wasn't supporting the City of the City Region's recovery. He suggested that investment was required in areas which would support growth, such as a city or city region. Tony explained that there was a lot of positive work taking place in the City Region, particularly in addressing the impacts of covid, which presented a number of supply chain opportunities. For example, President Joe Biden and Harvard University were engaging with The University of Liverpool on how they had taken a lead on mass testing, which could lead to the University developing its capacity in infectious disease research even further. He acknowledged that there were a number of challenges facing the region, however, there was a lot of strength and it was important that Government did not adopt a one size fits all approach to recovering from the pandemic, explaining that areas such as the City Region required resources rather than support.

Tony also advised the Board that a vaccine centre had been set up at the Totally Wicked Stadium in St Helens, which provided the potential for innovation and leadership which would set the City Region apart. He also referred to The University of Liverpool's Veterinary School which was an exemplar in understanding Zoonotic diseases. Furthermore, the City Region also had a number of chemical and engineering innovation assets which provided the potential for public and private sector partnerships and combined placed the City Region on a strong national and global footing.

Angela White OBE provided an update in relation to the Voluntary Sector. She explained that the sector was feeling the strain with continuing to respond to the pandemic and reiterated that the sector had not received a dedicated settlement nationally which was impacting on the flow of resources. She reported that there was much uncertainty in the sector, which employed 8000 people, due to there not being a dedicated support fund for Charities, uncertainty in relation to local authority settlements and the re-configuration of the health system. She encouraged Local Authorities and Clinical Commissioning Groups to provide certainty to the sector where they could.

Locally, a series of Build Back Better events had been held which would contribute to the social economy and the value of the City Region. Angela noted that the use of technology was bringing strength and diversity to the sector with strong development pathways introduced in Sefton to support the most vulnerable. Angela informed the Board that social capital across the City Region was excellent with over 5000 volunteers registering to support the NHS during the pandemic, which provided a catalyst to have discussions with partners to identify how social value through volunteering could be expanded further. In conclusion, Angela explained that the sector was beginning to receive digital support which she welcomed and noted how this provided an opportunity to develop a graduate programme at the University.

Professor Dame Janet Beer offered to put Angela in contact with the Head of Careers at The University of Liverpool to discuss the graduate programme.

Professor Dame Janet Beer provided an update on the impact the Higher Education sector was experiencing as a consequence of the Brexit settlement, noting that collaboration with researchers in the EU should now become a priority. Furthermore, the UK Government had chosen not to retain membership of The Erasmus Programme and were instead launching the Turing Scheme. The impact of this would require EU students to have to pay full tuition fees from the new academic year and she set out the implications this would have on the student population and the City Region's economy.

With regards to the impact of covid on the University, Professor Dame Janet Beer, indicated that students could potentially return to campus after the Easter break depending on government and public health guidance. However, arrangements would be put in place to ensure students who required laboratory time would get it. On a positive note, the University had submitted research applications to the level of £45.1m and so far £19.1m had been awarded, with £21.4m still pending decision. In conclusion, the Board was informed that the City Region had been at the forefront of repurposing existing drugs to treat covid. The University also had the biggest data set of animal to human infection information which would be used in projects to secure future investment.

Laura Pye, on behalf of the visitor sector explained that by the City Region remaining in Tier 2 in the lead up to the Christmas period had enabled a number of businesses to continue trading which was significantly important. However, the sector now faced real challenges and uncertainty and it was only through the Furlough Scheme that they were surviving. She explained that the Furlough Scheme was due to end in April and it should be extended in addition to continued business rates relief to enable businesses to survive. She advised the Board that it would take the sector between three to five years to recover.

Paul Corcoran explained that the trend in new jobs was being to emerge in the digital sector. However, this brought challenges in understanding the skill requirements of these jobs, some of which haven't existed before. He explained how he had connected with businesses to understand the challenges they were facing and they had reported that there was a lack of appropriately skilled people to recruit to tech jobs. He provided an example of Firesprite, who were recruiting 63 high end tech jobs in Liverpool and how collectively the City Region had to understand the impact of the Place in attracting talent into the Region. As such he had established a sub group to understand how talent could be attracted to the City Region. He explained that the sector was beginning to make some positive steps forward, however, the skills in the sector were new and this would impact upon the speed of its recovery.

Paul reported that the work of the Task and Finish Group had helped to understand what new entrepreneurs would be entering the sector and determine the support they would need and how this was scaled up. As a consequence of the pandemic, consideration should be given to the spaces available for businesses and whether the current space, place and infrastructure supported a dynamic and innovative environment. He also encouraged the public sector to consider their procurement arrangements so they were supported and invested in local and digital tech communities by adding credits to those who were making social impacts in employment and jobs.

The Chair, Asif Hamid MBE, explained that he was keen to get City Region businesses involved with the National Framework procurement contract.

Lynn Collins on behalf of the Trade Union sector, brought the Board's attention to two key reports which had recently been published. The first was in relation to a working parent survey which had received 55,000 responses. The survey had found that 7 out of 10 requests for flexible furlough had been declined and that women had had requests for reduced hours declined and been told to leave their employment instead. The survey had also identified that there were many more people who were from the BAME community who were in insecure employment in comparison to the white community. As part of the economic recovery there was a challenge as to how the labour market would be restructured.

Lynn advised the Board that representatives from the private sector trade unions would be coming together in February to consider how to deliver on Building Back Better. She also reported that subject to approval by the LCR Combined Authority, a LCR Fair Employment Charter would be launched on 9 February and encouraged Board Members to consider how they could achieve accreditation.

Dr Jonathon Hague reported that Unilever's top and bottom line had grown, and the sector had been robust during the pandemic, with growth being seen in the United States. He advised the Board, that locally, Unilever was releasing funds to re-invest and increase R&D staff at its Wirral site. Furthermore, a grant had been secured from The University of Liverpool which would support a flagship programme and signal the City Region's ambition for materials chemistry.

Elaine Bowker reported that the Skills for Jobs White Paper had been launched today. She had been invited to talk at a national event about re-skill, up-skill and had also started to share experiences with other devolved areas. Elaine advised the Board that there were a lot of students who were vulnerable, who either had no laptop, data or a supportive learning environment. To date the college had distributed 4,000 laptops to students and a further 4,000 laptops were still required and explained some of the financial difficulties adult learners were experiencing. However, adults were still applying for up skilling training and Elaine placed on record her thanks to the Metro Mayor, Steve Rotherham for his support. She explained to the Board that technical qualifications and BTEC students were being disadvantaged as unlike their A Level counterparts who had had their exams cancelled; 1,000 students had taken exams in January. The situation was similar for students on the Access course, which had not been adapted in light of the pandemic and these students would be in competition with A Level students.

Councillor Wendy Simon reported on the work of her Portfolio: Education, Employment and Skills at the LCR Combined Authority, explaining that she had only recently been appointed to the position and placed on record her thanks to officers at the Combined Authority for the informative briefings. She advised the Board that the current focus was on the local skills audit. She explained that there was an un-co-ordinated approach to careers support which was disjointed and at times gave conflicting advice. As such, it was important that the right information was available for young people and those who were re-skilling.

Councillor Janette Williamson provided a summary of the budgetary pressures facing Wirral Council. She welcomed the procurement suggestion from Paul Corcoran and stressed the importance of ensuring that the building back from covid had to be community driven.

Councillor Graham Morgan also welcomed the procurement suggestion from Paul Corcoran and undertook to facilitate a meeting with officers from Knowsley Council. He explained that the covid position was worsening in the Borough and queries were being received from local businesses who were exploring the eligibility for financial business support, with a high number of the requests being received from micro businesses. He acknowledged that the £30m fund for discretionary support had been invaluable. Furthermore, the Council was continuing to support residents through Knowsley Works and the Apprenticeship programme.

Metro Mayor Steve Rotheram advised Board Members that the City Region's decision to enter into Tier 3 in October 2020 as a consequence of increasing transmission rates had been the right decision. Furthermore, this was only achieved by the Government agreeing to a support package for businesses in the region, he expressed his frustration at the changing levels in furlough from 67% to 80% as a consequence of London entering into Tier 3. The Metro Mayor explained to the Board that as part of the negotiations with central government he had secured a parity clause, which meant that if another region secured a better financial deal as a consequence of going into a Tier then the City Region would receive the same uplift. He expressed his anger that the Government had not delivered on this and he was continuing to challenge Government on this issue. He also referred to the business support packages the Combined Authority and constituent Local Authorities had provided to businesses in the City Region who had been excluded by Government. The Metro Mayor acknowledged that unless Government provided the required financial support then there would be a need to increase revenue otherwise there wouldn't be the funding to build the pipeline of City Region projects, which would also support the economic recovery.

The Chair, Asif Hamid MBE, thanked Board Members for the updates and paid tribute to the work of the Combined Authority and constituent Local Authorities for ensuring financial support was disbursed quickly to businesses in the City Region.

#### **449. FREEPORT (P)**

Kirsty McLean, Director of Policy and Strategic Commissioning, advised Board Members that the introduction of Freeports was a priority of the Chancellor's and there would be 10 across the country and 7 in England. It was reported that progress had been made on the development of the submission since the last meeting of this Board. Sefton Council had expressed concerns about the environmental and community impact a Freeport would have on the area surrounding.

Kirsty informed the Board that a Freeport in the City Region would need to bring high quality opportunities and this would be set out clearly in the submission. Furthermore, engagement from the LCR LEP and business community on the potential for a Freeport had been positive. Discussions were ongoing with the automotive sector and a session would be held with the Chamber of Commerce to explain the Freeport bid. It was recognised that due to the challenging timescales for submission, there maybe sectors and businesses who hadn't been engaged in the discussions and this would be scaled up in the coming weeks.

Kirsty provided the Board with a summary of what the Freeport site would encompass which included a Freeport management centre, three tax sites and an unlimited number of custom sites, however, there needed to be an economic rationale for the identification of the custom sites. The primary site would be the Port of Liverpool. The bid had a strong focus on how the Freeport would enable innovation and decarbonisation, which was important. In conclusion, it was reported

that if the Freeport bid was successful it would deliver job opportunities and skill development, however, it had to be shaped so it was right for the City Region. The deadline for submission was Friday 5 February 2021 and the successful bids would be announced by the Chancellor at the Budget.

Councillor Graham Morgan placed on record his thanks to Kirsty and the team for developing the bid. He indicated his support of the recommendations in the report and the positive economic impact they could bring to the City Region. However, he noted that Sefton Council had raised concerns regarding the bid for Freeport status, in particular the environmental impact, such as increased traffic, along Dunning's Bridge Road. He suggested that this could be resolved by the Government investing in a new rail infrastructure directly into the Port, which would also support the climate change agenda.

Lynn Collins emphasised the importance of employment rights in relation to the Freeport. She referred to the good work the Combined Authority was undertaking in relation to the Good Business Festival and the Fair Employment Charter and suggested that this ethos should be reflected within the Freeport. She advised the Board that a detailed Trade Union response would be submitted and sought clarity on why there was no Trade Union representation on the Freeport Advisory Panel.

Dr Jonathan Hague suggested that the themes of innovation within the Freeport bid should be aligned to the City Region's materials chemistry capabilities.

RESOLVED – That:-

- (i) The work undertaken to date on the development of a Freeport proposition be noted;
- (ii) The submission of a Liverpool City Region Freeport bid be endorsed; and
- (iii) Authority be delegated to the LEP Chair to formally support the bid on behalf of the LEP.

#### **450. LCR DIGITAL STRATEGY AND ACTION PLAN 2021-23 (P)**

John Whaling, Innovation and Commercialisation Lead Officer, LCR Combined Authority, presented a draft Liverpool City Region Digital Strategy and Action Plan to the Board.

John provided a presentation to the Board which set out the rationale for the introduction of the Digital Strategy and explained that the Strategy had six themes, which were: -

- Digital Infrastructure and connectivity;
- Tech for good and a Smart City Region;
- Digital and CreaTech sector development;
- Cross-sector digitalisation and artificial intelligence;
- Digital skills for recovery and growth; and
- Digital Inclusion.

The Board welcomed the Digital Strategy and Action Plan. Mike Hulme sought clarity on how the value was extracted, he could provide some up front examples of process and tech.

Paul Corcoran acknowledged that the Digital Strategy was well timed for the City Region and it was important to invest time into decarbonisation. He stressed the importance of ensuring the Combined Authority and the LEP had the resource capacity to deliver the strategy and action plan, otherwise the City Region wouldn't reap the benefits of it.

RESOLVED – That

- (i) The purpose of the draft Strategy and Action Plan and the process undertaken to develop these be noted;
- (ii) The need for a collective LCR Digital Strategy and Action Plan, plus the specific vision, themes, sub-priorities and actions contained in them be endorsed;
- (iii) The draft LCR Digital Strategy and Action be endorsed, subject to Combined Authority approval on the 26 February 2021; and
- (iv) The delivery of the Strategy and Acton Plan be actively supported, once formally approved.

#### **451. NET ZERO NORTH WEST (PR)**

Paul Corcoran informed the Board that Net Zero North West had been established to help to create a low carbon culture.

Carl Ennis took the Board through a presentation which explained that Net Zero North West was a newly formed industry-led cluster acting as a public and private sector investment vehicle for industrial decarbonisation and clean growth projects in the North West. The Board was advised that decarbonisation was a challenging issue which required a joined up approach, particularly given the high concentration of advanced manufacturing and chemical production in the UK. The North West was in a well placed position to be at the forefront of this agenda given the large industrial base and was well supported by transport links and assets which demonstrated how to decarbonise the industry.

Carl explained that the Net Zero North West Group was newly formed but the issue had been around for some time and reported that there was a lot of activity already taking place but to achieve the Net Zero target this had to be scaled up and replicated. Therefore, the Group would focus on raising the profile of opportunities to support organisations to draw investment from Government and the private sector to support decarbonisation.

The Chair, Asif Hamid MBE, thanked Carl and Ged for the presentation and Paul for championing this agenda and looked forward to the continued work on the strategy.

Paul set out the next steps which included analysis of the north west data and bringing it together. Furthermore, the Road to Zero Conference was taking place this year and this provided the perfect catalyst to promote the projects and use the opportunities to demonstrate what was taking place in the North West.

#### **452. RACE EQUALITY PROGRAMME - POSITIVE ACTION FRAMEWORK (P)**



Mark Basnett, Managing Director, LCR LEP, provided the Board with an update on the work the Combined Authority had commissioned to develop a Race Equality Programme and establish a Positive Action Framework. He referred to the earlier comment from Lynn Collins, in which she sighted the financial challenges the BAME community were facing and it was important that the LEP played its role in addressing culture and organisation changes so it could be part of the solution. The Board was advised that Asif Hamid MBE, Paul Corcoran and Elaine Bowker were leading on this and there was a lot of work taking place across the LEP.

RESOLVED – That

- (i) The detail of each commission to improve racial equality in the City Region employment and business support be noted; and
- (ii) Each commission be endorsed and the Board commits to working to support their development and implementation.

#### **453. CHAIR'S UPDATE (V)**

The Chair, Asif Hamid MBE, explained that there was a significant amount of dialogue taking place with Government, in particular talking to the Chancellor regarding the Furlough Scheme and undertook to raise the issues set out by Laura Pye.

He explained that the Employment and Skills Board had considered the skills priorities for 2021-22 and would welcome the opportunity to share them with the Board for their input.

Asif reported that the Annual Performance assessment for the LEP would be held on 10 February 2021 and an update would be provided at the next Board meeting on 25 March 2021. In conclusion, he thanked Board Members for their attendance and input and their work during the pandemic.

Minutes 446 to 453 be received as a correct record on the 25 day of March 2021.

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Chairperson of the Board

(The meeting closed at 10.45 am)