

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

At a meeting of the Liverpool City Region Local Enterprise Partnership held on MS Teams on Thursday 10 March 2022 the following Members were

### **PRESENT**

Asif Hamid MBE - Chair  
Paul Corcoran – Deputy Chair  
Melinda Acutt  
Mayor Joanne Anderson  
Elaine Bowker  
Professor Jonathan Hague  
Gloria Hyatt MBE  
Tom O'Brien  
Laura Pye  
Metro Mayor Steve Rotheram  
Angela White OBE  
Mark Whitworth

### **ALSO IN ATTENDANCE**

Mark Basnett – Managing Director LCR LEP  
Councillor Graham Morgan – Leader Knowsley Council  
Kirsty McLean – Executive Director LCRCA  
Jill Coule – Chief Legal Officer LCRCA  
Raphael Miller – Co-Head of Investment LCRCA  
Rob Tabb – Policy Lead Employment and Skills LCRCA  
Ste Tant – Deputy Area Lead LCRCA  
Shelley Lockett – LEP  
Mick Allen – BEIS  
Suzi Smith – Growth Platform  
Colin Money Penny -Democratic Services LCRCA (Minutes)

### **APOLOGIES**

Apologies for absence were received from Councillor Janette Williamson and Professor Dame Janet Beer.

### **498 WELCOME AND DECLARATIONS OF INTEREST**

The Chair, Asif Hamid MBE opened the meeting and welcomed everyone who was present. He reminded Members of the Board of the requirement to make appropriate declarations of interest where needed.

### **499. MINUTES AND MATTERS ARISING FROM PREVIOUS MEETING**

The minutes of the last meeting of the Board held on 25 November 2021 were approved as a correct record subject to some minor amendments as notified for final version of published minutes.

The Chair asked for minutes to be concise rather than detailed in future if possible. He then asked for an update on any matters arising and the following were reported upon:-

(a) Freeport Update

Tom O'Brien (ToB) provided an encouraging update that the Freeport Board was established and would soon meet formally for its first meeting. The Outline Business Case was approved and there was movement towards the full Business Case while advice was provided on the Gateway Policy and upon the progress being made on the ground in St Helens Parkside, Wirral Waters and the site in Halton. Enquiries were being received from good companies. The full Business Case would be client friendly and was due in mid-April and ToB advised of the need for a narrative to be developed around the benefits of the Freeport to the LCR; and

(b) Plan for Prosperity

Kirsty McLean provided a summary of the next steps in terms of the Plan for Prosperity which had now been approved by the LCRCA. As the City Region economic strategy, it was seeking to invest resources intelligently and with maximum impact with a range of aims such as tackling inequality, providing opportunities, setting environmental standards and placing the LCR on the global stage. Time would now be allocated on the Plan and not just on seeking funding

## **500. FEEDBACK FROM BOARD MEMBERS**

The Chair, Asif Hamid, invited Board Members to provide an update on the current position in relation to their sector or area of responsibility.

### Metro Mayor Steve Rotheram

Metro Mayor Steve Rotheram (SR) provide his outline summary of the key activities he had been involved in recently and he advised that he would then need to leave the meeting.

SR commenced by highlighting the response to the current war taking place with the invasion of Ukraine by Russia and the desperate plight for victims and refugees. This was at the forefront of the thoughts of everyone in the City Region but he also asked the Board to note:-

- (a) the success of the Convention of the North which the LCR had staged in the Knowledge Quarter in Liverpool and the anticipation that this would lead to a further visit soon to the LCR by Michael Gove the Secretary of State for Levelling Up;
- (b) other ministerial meetings he had participated in and the messages that had been given to Government on Levelling Up and not being part of the Innovation Pilot;
- (c) the decision made by the Combined Authority in relation to the regulation of the Bus Sector and progress towards a franchising model; and
- (d) the position with regard to the £30m LCRCA funding being withdrawn in relation to the development of the new Stadium for Everton Football Club at

Bramley-Moore Dock and an explanation of the public announcement made in this respect to clarify what had happened. A £15m grant remained in place to protect historic assets at the site.

Jonathan Hague registered the full support of the Innovation Board for the Innovation Pilot particularly in relation to Greater Manchester and SR emphasised that natural assets of the City Region could help achieve step change.

#### Melinda Acutt

Melinda Acutt (MA) provided an update on behalf of the Clean Growth Board.

There was a pilot project to support SMEs on their journeys towards Net Zero while the energy price crisis was raising concerns for business and for households. She also raised the additional work needed to improve energy efficiency in the retrofitting of homes and the willingness of the CG Board to help with this.

#### Elaine Bowker

Elaine Bowker (EB) provided an update from the perspective of the Further Education Sector.

EB said that there remained a difficulty with ensuring the market had enough supply of key labour skills and different approaches were being taken to address this and provide the right talent across the sectors where there were shortages. Salaries were increasing and the DFE had created a working group on how to improve the efficacy of Bootcamps such as for HGV drivers where there was great demand. On Equality, Diversity and Inclusion there was a National Conference on 16 March 2022 and a podcast on anti-racism from a place perspective was recommended.

#### Angela White OBE

Angela White (AW) provided an update from the Voluntary Sector perspective.

AW said it was encouraging that there had been a gradual return to face to face engagement with vulnerable residents and that there was increasing contact across a range of organisations. She applauded the LCRCA grant funding to the sector through "Liverpool City Region Cares" and said that a lot of work was taking place to develop the voluntary offer and to launch a digital gateway. Finally AW referred to the launch of a new pilot on Corporate Social Responsibility.

#### Paul Corcoran

Paul Corcoran (PC) provided an insight from the perspective of the Digital Board.

Recruitment remained a major issue in the Digital Sector and a laser focus was needed on how to bring new faces and in particular women into the sector. There was a specific need to make the LCR an attractive place for potential staff to want to live and work and to establish a narrative that opened the door to a vibrant place to be.

PC referred to the Creative and Digital Board and to MP11 and he said that there was a need to map out where and what we could learn as an LCR and try to come up with a "North Star" and to discover and unveil the incredible potential of the LCR. A

focus on Investment and start-ups could add £10bn to the local economy. He suggested a “Festival of Innovation” based around infrastructure, innovation and education and careers and he asked that attention be given to “scale ups”. The report would be provided to this Board.

AH believed this was an ambitious idea to bring to fruition.

### Mark Whitworth

Mark Whitworth (MW) outlined key issues from the Peel Ports perspective. He said that there was real momentum in re-establishing Liverpool as a point of significance and recovery post-pandemic had been exceptional and was getting stronger which was good for the region for jobs and the environment. The key message was that the Port wanted to be a good neighbour to residents and other businesses. Messaging was key in this respect and they sought to learn from other businesses in the City Region in any way they could.

MW said that more could be done environmentally and to be good neighbours. There were significant vacancies in the business and a big problem in recruiting those with the right skill sets in various roles. Around 150 vacancies existed.

### Professor Jonathan Hague

Professor Hague (JH) provided an update on the FMCG sector.

JH explained the refreshing of the membership of the Innovation Board to increase its diversity and bring in new skills. With regard to Unilever there had been a global top-down re-organisation but this had no impact in the LCR. Inflationary pressures, particularly in the light of Ukraine were being felt across the sector. For Unilever operations in Ukraine had ceased and In Russia investment had stopped although production continued on a non-profit basis to ensure essential goods were still provided. This position was in the public domain.

### Laura Pye

Laura Pye (LP) provided an update from the Visitor Economy sector.

LP advised of the positivity arising from the lifting of Covid restrictions and there was SIF money supporting both moving forward and bringing significant events back to the LCR. Less positively recruitment was still difficult and the anticipated return of the VAT rate to 20% in April would have a negative impact. The severe rising in energy costs would also add to the difficulties and it would increase prices and affect customers. Innovation would be used to try and reduce some of the impact.

The Tourism Awards being held this evening would focus on the positive and be upbeat about what had been achieved but the next twelve months would be problematic.

In response to a question from AH, LP said that hotel occupancy was mixed with around 80 – 85% in the City Centre at the weekend but 60% midweek. It was more challenging in Southport. One issue was that hotels locally were more expensive than they had been and did not compare favourably to London rates.

### Mayor Joanne Anderson

Mayor Joanne Anderson (JA) provided her update and re-iterated the positive reporting of SR on the recent Convention of the North event. She also advised about the difficulties involved in setting the Liverpool City Council Budget for 2022/23 but how discretionary services had been maintained. She also reported progress in terms of LCRCA roles on Equality and Diversity, Employment and Skills and on Waste Services and she concluded by explaining about the impending visit to Cannes for the MIPIM 2022 Event in mid - March, the Bordeaux Taste Festival in May and the Liverpool Against Racism Festival for a full week in April.

### Councillor Graham Morgan

Councillor Graham Morgan (GM) echoed the views of SR on Ukraine and he referred to the call being made by the Metro Mayor to the Merseyside Pension Fund to review the Fund with a view to removing any investment in Russian assets.

With regard to Knowsley, GM advised of the Covid Recovery Plan of the Borough as well as its Outbreak Prevention Plan

### Asif Hamid

The Chair, Asif Hamid, provided his own update on recent activity.

AH said Skills remained a crucial issue while also very important was the effect of working from home on office space and upon high street footfall. He would circulate information on this.

The Russian invasion of Ukraine was reprehensible and would certainly impact upon business. He asked that all organisations be extra vigilant about the possibility of cyber-attacks, malicious software and ransom demands. This would be particularly important for SMEs.

### Tom O' Brien

Tom O'Brien expressed congratulations to all members for their continuing good work with particular reference to the work of both Mayors upon the Convention of the North and to Mayor Anderson on the impending Anti-Racism Festival.

## **501    LEVELLING UP WHITE PAPER AND FUTURE OF THE LEP**

The Chair asked Mark Basnett (MB) to provide an update on the latest Government thinking on the role of LEPs and implications for LCR including how to retain and strengthen the strategic business insight provided by the wide range of LEP managed Advisory Boards.

MB set out progress with a presentation shared with the Board. The presentation showed the structure of the LEP bodies and how the LCR model was a Partnership with the LCRCA and its role was to provide insight and intelligence for the LCRCA but not to make formal decisions. On Levelling Up the Government was saying this was up to local determination and the LEP was to provide strategic advisory support and the suggestion was there would be a need for greater integration and a closer working relationship. This was positive as the LEP here did already have that close relationship.

MB continued that there had been a lot of scrutiny of the LEP in recent years and it had been rigorously monitored and annually reviewed with a clear assurance framework and a high degree of transparency and openness. On this basis there should be confidence that the right mix was being achieved through the full Board and nine Advisory Boards and with close to 200 organisations participating it was able to reflect business views which could then inform the LCRCA decision making process.

The presentation showed the current vacancies in the LEP structure as it waited for clarification on the direction and role of LEPs from Government and it concluded with an assessment of the opportunities for the LCR including a possible new Enterprise Support Board, mentoring young people to encourage their involvement, filling the current vacancies, enhancing the Secretariat supporting the LEP and determining a refreshed structure. However, in the first instance the views of Government were awaited.

Mayor Anderson welcomed the outlined approach and she asked a question relating to performance as she cited that the LCR had some of the worst business growth rates in the country and why this was needed to be understood. She also referred to Business Scale Ups and to the Social Economy which she suggested needed more focus possibly with a specific Board that just addressed this area. JA agreed with the aspiration to bring in a younger coterie of people to become involved in the work of the LEP.

Professor Jon Hague indicated that he was very supportive of the direction of the LCR LEP although he asked for a review of the remits across the different areas in order to minimise overlaps and duplication of activity. Elaine Bowker supported greater equality and diversity and the inclusion of the young and asked about how recruitment took place and if it was open to all. Laura Pye expressed a concern about where resources were coming from.

MB agreed that resources were a concern although he had a sense from interaction with Government that some resources would be forthcoming for all LEPs but having an active agenda was critical. Also the prevailing view of the LEP was for open recruitment in line with the principle of openness and transparency referred to earlier. MB also thanked Mayor Anderson for her point on Social Economy and he concurred that it was an increasingly important area so there was a need to look at the mechanism to reflect this.

Mick Allen understood the funding concerns but he believed the LEP model of working in this City Region was exemplary and it should easily fit into the new way of thinking on LEPs. There would be a transition period but clarity on the future model and on funding should become clear soon.

Angela White supported the comments on Social Economy saying that the third sector was very important. The call for young people was also a good idea although she warned against this being “tokenism”. They would need support and should be encouraged to see the LEP as an interesting, important and exciting opportunity.

Tom O'Brien supported the direction and messaging as outlined. He talked of the need to build a pipeline and have greater flexibility and how the LEP could grow and go at a faster pace.

The Chair concluded that the review had been a slow process but that the collaborative approach taken by this LEP was exemplary. MB said it was an opportunity to make sure that the dialogue with the LCRCA continued to get better and that its influence and its suggestions were received in full and taken on board.

PC added that there was a chance here to refresh what the LEP did and how it performed and behaved as a Board. He suggested an "Away Day" at some point to look at the model and to examine how to make it as efficient and effective as possible.

AH asked that MB look at this suggestion and to prepare a Paper for the Board setting out how the LEP can be strengthening based on presentation and the feedback received.

## **502 SKILLS BRIEFING**

The Board considered a Skills Briefing presentation provided by Rob Tabb (RT), Lead Officer on Employment and Skills, setting out the latest labour market intelligence and approaches to support businesses with their skills and talent needs.

The briefing commenced with RT saying that the overall position was better than it had been thought possible a year ago, although recruitment was not quite yet back to pre-pandemic levels and although improved the gap for minorities was still there. Mental health issues in particular were taking a long time to unwind. He asked for views on content and any omissions and he commended the success of the recent Skills Show which had around 5,500 attendees over two days with many young people present seeking opportunities and an understanding of the new skills that needed to be developed to meet employer demands.

AH said that Skills was a key topic and he had been extremely pleased with the success of the Skills event and its very positive feedback. It was the first step on the journey.

EB asked that "entry - level" opportunities not be confused with "low level" and there was a need for employers to "grow" their own talent and in particular to understand that Level 3 qualifications were of a high standard and they needed to be encouraged to think differently and provide opportunities for recruits with such qualifications. AH agreed and said that a lot of young people did not want to take the university route but were opting to go straight into business.

PC suggested that there was a real opportunity to support businesses making such recruitment decisions but support structures and training were vital. This was the chance for the LCRCA and the Growth Platform to come together and seek to improve the whole recruitment process locally. AH agreed and said that the conversation on this should be mapped out in order to increase employment levels. He asked that RB and EB in liaison with PC to co-ordinate this process.

PC also reminded the Board of the former "Common Purpose" group in the LCR and said that there was a need now to demonstrate the wealth of young talent in the LCR College system which should be brought in for development.

## **503 CHAIR UPDATE**

The Board considered an update on issues from the Chair Asif Hamid.

AH commended the Convention of the North and praised the two Mayors for making it happen and for creating such positivity around it. He thanked Pete Sandman for his work for the LEP as he was leaving for another position, encouraged colleagues to attend the impending Business Festival, expressed support for the visit to MIPIM to promote the LCR, advised of an important meeting on the Freeport with the Chancellor and also advised about an invitation to the Mansion House for a Dinner and discussion.

#### **504 DATE OF NEXT MEETING**

The next meeting would be held on 12 May and was likely to take place at The City of Liverpool College to be arranged by EB and MB. It was thought that more meetings would now be hosted by Members at their locations as Covid restrictions eased.

The Chair thanked everyone for their attendance and he wished everyone attending the Tourism Awards a pleasant evening.

Minutes 498 to 504 received as a correct record on the 12<sup>th</sup> day of May 2022

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Chairperson of the Board

(The meeting closed at 10.29 a.m)