

CHESHIRE AND WARRINGTON LEP

CHIEF EXECUTIVE'S REPORT

JANUARY 2024

Summary

1. 2024 will be a very important year for the LEP as it transitions to LA control. A short update on the transition is in this report, with a fuller discussion under part 2 of the Board agenda. We've also welcomed two new arrivals this month, and will be taking some important steps forward on the decarbonisation agenda, preparations for showing casing C&W's strength as an investment location at UKREiiF and for a possible Tourist BID in Chester.

Departures and Arrivals

2. We were delighted to welcome Cristian Marcucci and Mike Wolffe to the team immediately after the Christmas break. Cristian is the new Managing Director for Marketing Cheshire and joins us from Staffordshire County Council and will be joining the Board meeting to introduce himself. Mike Wolffe has joined Melissa Crellin's team and will be taking the day to day lead on the net zero agenda. Mike joins us from St Helens Council, but has had a varied career including spells as a teacher and as an academic researching decarbonisation.
3. We are also making a start on finding a replacement for Ian when he retires at the end of April. In discussion with Alex Thompson our s.151 Officer, a job description has been drafted for a (minimum) 12 month interim cover to take forward the existing functions of the finance director role and support the ongoing transition into Local Authority ownership. We will be circulating the job description to members of the Appointments and Remuneration Committee for their comments and plan to enlist the support of a recruitment agency to complete the process in time to allow a short handover before Ian leaves.

LEP Transition

4. The final tranche of guidance on the transfer of LEPs to LA control was issued by Ministers just before Christmas. It confirmed that the Government will provide £240k in 2024/5 towards the costs of providing strategic economic development functions in each sub-region – a reduction of only £10k over the core funding the LEP received this year. A condition of this is that sub-regions (ie C&W in our case) must publish a strategic economic plan within six months of the transfer of LEP functions, something with which we are well ahead as we are about to start writing the first version full version of our Sustainable and Inclusive Economic Plan (SIEP), following the extensive round of consultation we undertook during the Summer and Autumn last year.
5. The Government's paper also set out its expectations about the continuing engagement of the private sector in economic development decisions taken by LAs through the creation of Economic Growth / Business Advisory Boards, underlining that a strong business voice is an eligibility requirement for some Government funded programmes such as Growth Hubs. A

copy of the guidance has already been circulated to colleagues involved in the work to design the proposed Business Advisory Board.

6. The first complete drafts of the LEP transition papers that will be submitted to the LAs in mid February are beginning to emerge and are due to be discussed in Part 2 of the agenda for this Board meeting. Good progress is also being made with the design of the Business Advisory Board by the group of private sector board members that has been convened by Paul Chapman. A short update on that is also on the agenda for this Board meeting.

Decarbonising the Industrial Cluster

7. The LEP is planning to let two contracts in January that will make a significant contribution to delivering our ambition to make C&W the first place in the world to have a fully decarbonised industrial cluster. The biggest of these will be a joint contract between the LEP and Net Zero North West that will appoint a consultant to take responsibility for building a body to co-ordinate the delivery of the £30 billion investment programme. The second will commission some focus groups to explore the views of local stakeholders about industrial decarbonisation and build a message bank that private sector companies can use when they are communicating with their stakeholders about their own projects. All of this will be covered in more detail later in the Board's agenda.

North West Fund

8. The North West Fund was established in 2009 and was funded largely from EU resources. Having met its European obligations, the Fund, which has an estimated value of around £60M, is transitioning to its next phase. We met the Chief Executive and Senior Team to discuss how the fund might operate in future, agreeing with their proposals to focus on sectors identified as priorities within our Sustainable and Inclusive Economic Plan but also discussing how the Fund could bridge a known market gap for startup businesses requiring investment in the range £1-£2 million and about opportunities open to it to work more closely with LAs / LEPS, including by co-investing. The Fund team is also meeting CA/LA/LEP colleagues across the rest of the North West before finalising its plans.

UKREiiF Preparations

9. The UK's annual Real Estate Investment and Infrastructure Forum (UKREiiF) takes place in Leeds on 21 – 23 May in Leeds. An event for sponsors and participants that will launch our combined programme of activity and priority projects ahead of the conference will be hosted by Knights in Chester on Thursday 1st February from 4-6pm. Organised by Marketing Cheshire in partnership with the three local authorities, the event will promote the benefits of sponsoring or joining the Cheshire and Warrington delegation at the UK's prime investor and developer showcase.

Chester Tourism BID

10. Marketing Cheshire has responsibility for developing a proposal to establish a Business Improvement District (BID) for the tourism sector in Chester. Consultants appointed by

Marketing Cheshire presented their findings and recommendations at a steering group meeting last week and we will provide a full update on the preferred option at the next LEP Board meeting.

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