

CHESHIRE AND WARRINGTON LEP

CHIEF EXECUTIVES REPORT

NOVEMBER 2020

Summary

1. There has been a considerable focus this month on the changing position on Covid restrictions and the accompanying economic support packages. Nevertheless we have still been able to hold the first meeting of the Sustainable and Inclusive Growth Commission and start the drawdown of loans from the LAs in order to invest in the EZ.

Response to Coronavirus

2. The Coronavirus pandemic has developed incredibly quickly since the Board met at the end of October. At that meeting the Board considered a paper that set out a proposed LEP response to the whole of C&W being under Tier 2 restrictions. Since then, Warrington went into Tier 3, a national lockdown was announced, the Chancellor made three separate statements about updated economic support arrangements and Pfizer announced that they have an effective vaccine, with 10 million doses likely to be available in the UK before Christmas.
3. In light of these developments a set of slides is attached to this report which takes stock of the LEP's response to the crisis in light of latest developments. They describe a much more comprehensive package of support for business from the Treasury than was on offer in mid-October. Whilst the package is not as generous as some businesses need, the slides nevertheless suggest that the LEP shift its immediate focus onto preparing to accelerate the restart of the economy, largely through capital investment in the Enterprise Zone, and, subject to Government agreement, in the High Speed Growth Corridor. Further work to advance the LEP's vision will then follow, and the elements of that programme are also laid out in the slides.

We Can Turn It Around

4. A key part of our continuing package of shorter term support is the "We Can Turn It Around" campaign we launched just before half term. Clare and I undertook a series of radio interviews to encourage people to continue shopping in their town centres and to highlight innovative ways in which businesses could continue to thrive in a Covid-secure way – supported by our grant fund. That campaign continued with some radio adverts during half-term (which had the immediate effect of increasing traffic on Marketing Cheshire's website by 20%) and will continue during lockdown with encouragement via social media to people to "shop local online". This will be backed up with a virtual Christmas Market. We will review the next stages of that campaign as the post-lockdown landscape becomes clearer.

Workforce Recovery

5. Separately, we are also reviewing our Workforce Recovery programme. Unemployment has not increased as much as we expected when the first lockdown started, and the extension of furloughing will, at very least, delay significant further increases for another six months. We are therefore considering whether we should increase the focus of this work on young people, who have been disproportionately hit by the economic impact of the virus, on people with complex needs, who are likely to be finding it even more difficult to find a job at present, and also on people who are not registering as unemployed and are not looking for work because they assume there are no vacancies – which is definitely not the case (the Lighthouse Lab at Alderley park has 100 vacancies, for example).

Question for the Board

6. I would welcome views from members, either in advance of the Board, or at the meeting itself, on this shift in emphasis in our strategy from short term support towards accelerating the (second) restart.

Spending Review

7. The Chancellor has announced that the Spending Review will take place on 25 November, but that it will cover one year only, rather than the 3 – 4 year review we had assumed when we tabled our submission at the end of September. It is likely that the review will largely be a “one-year rollover”, meaning that we will get the same level of core funding from BEIS/MHCLG as this year, but that some of our longer term proposals, such as the life sciences fund, or a long term increase in Growth Hub funding, will not be progressed.

Angie Robinson

8. Angie chaired her last meeting as Chair of Marketing Cheshire on 12 November. She has been a member of the MC Board for over 9 years and Chair for over two. She has done a fantastic job for MC over that time and I am sure that everyone will join me in thanking her for everything she has done. Subject to the LEP Board’s agreement, it is proposed to reflect the importance of Marketing Cheshire’s role within the LEP by bringing together the roles of LEP Deputy Chair and Chair of Marketing Cheshire and therefore to add the latter role to Trevor’s portfolio. The MC Board unanimously support this. Formal approval of this appears later in the agenda.

Enterprise Zone Investments

9. I am delighted to be able to let the Board know that the legal processes around the EZ loans have been completed and we have begun to draw down the £30 million that the LAs have offered us in order to invest in the Enterprise Zone. As a result we have exchanged contracts on the investment into Blocks 22-24 at Alderley Park, made the grant payments we had agreed into the Quadrant scheme at Birchwood, and are close to exchange on the second phase of development at Hooton Park. Together these amount to 350,000 sq ft of new development.

Sustainable and Inclusive Growth Commission

10. The Sustainable and Inclusive Growth Commission held a first, very successful meeting on 6 November. The Commissioners are engaging enthusiastically with the Commission's agenda, and, within a few days of the first meeting of the Commission, have already held two sub-group meetings. We have also held a successful set of interviews with candidates for the policy officer who will support the Commission, and I hope to be able to confirm an appointment at the Board meeting.

PHILIP COX