**CHESHIRE AND WARRINGTON LEP**

Deputy Chief Executive’s Update

March 2019

Summary

1. The LEP continues to evolve with the proposed merger with Marketing Cheshire progressing, having been formally approved by the Marketing Cheshire Board on 14th February. On the domestic front, the LEP hosted visits from Cornwall LEP and Dorset LEP over the last couple of weeks, as well as government officials carrying out a *deep dive* on our governance systems and processes. While on the international front a strong delegation left for MIPIM, comprising in excess of 70 delegates and 40 businesses. Philip will provide feedback at the meeting on the outcome of MIPIM.

Annual Performance Review

1. The LEP has now received confirmation (copy attached) of its Annual Performance Review outcome and it is pleasing to report that we have maintained the high standards of our initial review. Again, we have seen our governance considered to be exceptional, our strategy impact also to be considered exceptional and our delivery progress considered as good. We will continue to consider where improvements can be made in the light of the assessment.

Deep Dive

1. Following the Annual Performance Review, the LEP was also selected for a deep dive on its governance systems and hosted officials over two days, when they interviewed Christine, LEP officers, our Accountable Body as well as reviewing documentation. I am pleased to report that our governance was again judged as exceptional and particular mention was made of the relationship between the LEP and Cheshire East, our Accountable Body. We would like to thank Alex Thompson, our S151 officer, and his team for the excellent support which has been deservedly recognised and also the wider LEP team for achieving such a strong result under intense scrutiny.

Enterprise Zone Investments

1. The Board had previously delegated authority to Robert Mee and Tim Wheeler to approve the EZ investment proposals subject to receipt of approval from our S151 officer. That approval was confirmed last week and so we are now in the process of signing off the legal documentation which will deliver three investments in Ellesmere Port.

Local industrial Strategy

1. Work on the LIS continues to progress strongly. We have continued to hold engagement events as we test our evidence base and assumptions.We have also now published the evidence base and will provide an update to the Board at the meeting.

Housing Strategy

1. Following the Board’s approval of the sub-regional Housing Strategy, the paper was shared with omes England who were Homes England Homes England who welcomed the clear narrative and rationale around the role of housing in delivering the Local Industrial Strategy. Homes England commented that the approach might provide a template for other parts of the country, who are looking to make the economic case for housing interventions and support from HMG. The strategy will now be presented to the Sub-Regional Leaders Board on 22nd March and Homes England will attend to outline how they might work with the region to deliver the strategy.

Stronger Towns Fund

1. On 4th March, MHCLG announced the £1.6bn Stronger Towns Fund. This was a hurried announcement and the LEP took part in a hastily arranged teleconference as the PM was announcing the fund at PMQs. Clearly, lots of the detail still needed to be settled, but the premise of the fund was to provide additional financial support to areas ‘*who have not shared in the proceeds of growth in the same way as more prosperous parts of the country’*. Officials explained, that £1bn of the funding would be allocated to areas using a needs-based formula (taking account of measures of deprivation and productivity), while the remaining £600m would be made available through a bidding process. While the North West tops the table with £281m of allocated funding, we have yet to learn how this will be distributed through the NW LEPs, though we would be unlikely to receive a significant given the metrics being used. It is also important to note that this funding is only likely to flow from 2020 and is to be delivered over 4-5 years. We will provide more information as we get it.

Brexit

1. Preparations for a “No Deal” Brexit are continuing to accelerate. These are taking three forms:
* Ensuring, through the Growth and Skills Hub that as many companies as possible are aware of the preparations they need to make;
* Providing intelligence to the local and national resilience forums about the preparations that companies are making and the issues they are facing, or may face;
* Working with other LEPs and the Government to ensure we have the means to handle any challenges the business community faces post Brexit;

A series of votes, including a further meaningful vote, will have been held in advance of the Board meeting, though early signs suggest a deal remains some way off.

Cornwall and Dorset LEPs

1. We hosted both the Cornwall and Dorset LEPs over the last couple of weeks and shared learning. Both LEPs were very complimentary around the work we have underway and the development of our forward strategy and, in particular, the work on our Local Industrial Strategy. What became evident during our discussions, was the similarities of the non-metropolitan challenges faced by LEPs in different parts of the country and so a conversation has now begun around the potential establishment of non-Met grouping of LEPs.

Board Recruitment

1. The Board recruitment exercise is now underway, with applications sought by 31st March. This exercise is seeking to make 3 appointments to the main LEP Board, 2 to the Marketing Cheshire Board as well as a number of additional appointments to the LEP’s sub-committees. It would be good to highlight these opportunities to your networks, with the LEP Executive standing ready to discuss the opportunities with those who might be interested.

Marketing Cheshire Merger

1. The Marketing Cheshire Board met on 14th February and approved the merger. The legal papers are now being drawn up and will require a limited piece of choreography to complete the merger. This will involve the Marketing Cheshire Board approving the membership of the LEP to the company, while terminating the membership of current members, to leave the LEP as the sole member of CWTB. The LEP Board will then need to approve the revised Articles of Association and sign a shareholders Written Resolution bringing the merger into effect.

MARK LIVESEY