

**Paper for: The LEP Board**

**Title: Agenda Item 5 – Chief Executive’s Report September 2020**

**Date: 16 September 2020**

**Strategic Purpose: Strategic and Operational Developments**

**Resource Implications: None**

**LEP Board: To discuss and comment**

Summary

1. This report covers the period since the last full Board meeting in July. That period saw the gradual lifting of many of the more restrictive measures put in place in response to Covid, and the start of an economic recovery. The LEP and Marketing Cheshire have continued to be heavily involved in helping the economy to restart and in dealing with the continuing fallout, in particular the pending increase in unemployment. We have also been looking into the future, confirming with the LA Leaders the new vision for C&W and preparing our submission to the Government’s Comprehensive Spending Review.

Covid Response and Recovery

1. The LEP continues to chair the Economic Resilience Cell that forms part of the Cheshire wide resilience arrangements set up in response to Covid, the main focus of which has been on ensuring that the sub-region is properly equipped to respond to the increases in unemployment being caused by Covid. DWP have done an excellent job in ensuring that their systems can cope with the increases in claimant numbers and that everyone can quickly access the benefits they are entitled to. They have also worked really well with us to establish a series of on-line job fairs to help claimants find new employment. We have held two of these so far, which have been attended by around 6000 people who have been offered around 1000 vacancies. Another half a dozen fairs are planned between now and next March.
2. The Government has also announced the Kickstart programme, guaranteeing a job to anyone aged 16 – 24 at risk of long term unemployment. We are still working through the details of how it will work, but the LEP will be taking responsibility for ensuring that every eligible young person is able to access one of these jobs if they want one.
3. More generally, the economy appears to be bouncing back more strongly than some people feared – house prices are at an historic high, retail sales in July were 3% higher than in July 2019 (albeit with 40% of those sales online, rather than 20% pre-Covid), and footfall, most notably in Warrington, Northwich and Chester, is back close to its pre-Covid levels.
4. Hotel occupancy in C&W was 29.8% in July and in Chester it was 38% compared with 81.7% last year. Official statistics for August are not yet available but individual operators have reported much higher levels of occupancy than in July, albeit with concerns for forward bookings, particularly for mid-week corporate business. The Eat Out to Help Out scheme seems to have been successful for our hospitality sector with approximately 1 million meals claimed across C&W worth about £6.2M in discount.
5. The LEP capital grant scheme for businesses adapting to Covid-19 went live in early August and received unprecedented demand within days of launch. So much so, Blue Orchid closed the scheme to new applications to avoid an increasing backlog and potentially disappointed applicants. The applications are subject to proper due diligence checks and by the end of August £90k of grant had been committed, with the largest categories being IT equipment and furniture.
6. Revenue grants have also been made available through ERDF funding. These grants have been in the pipeline for some time and MHCLG provided final approval in early September. Just over £600k will be made available to SMEs for consultancy support ranging from Leadership and Management, change management, product development and marketing. Over £200k of this funding is ringfenced for the Visitor and Hospitality sector. The application process will open w/c 14th September. It is expected that approximately 200 small businesses will be supported by this programme.

Cheshire and Warrington Vision

1. The Sub-Regional Leaders Board, which brings together leaders from the LAs, the LEP, the health service and the Police and Fire services have endorsed the vision developed by the LEP Board that, post-Covid, C&W should be the most healthy, sustainable, inclusive and fast growing economy in the UK. Final arrangements for the public launch of this vision and the Sustainable and Inclusive Growth Commission which is a key part of it, are currently being put together by Influential, our PR consultants.

Comprehensive Spending Review

1. The Chancellor has invited submissions to his Comprehensive Spending Review by 24 September. We have been drafting a submission setting out how the Government can support the sub-region’s recovery from Covid and the delivery of a better future for C&W. A working draft of the submission is on the agenda for this Board meeting. NP11 will also be doing a submission, as will the LEP Network.

Working from Home

1. Given the emphasis the Government had been placing on returning to the office, we have been working to ensure that our accommodation in Wyvern House and the Riverside Innovation Centre in Chester are Covid-secure. That work is almost complete, but in light of the recent tightening of restrictions by the Government, we have decided that we will not be actively encouraging team members to return to our offices, but will be allowing staff to use them for occasional face-to-face meetings, subject to observing clear guidelines that maintain social distancing and hygiene.

Ministerial Visit

1. Nigel Huddleston, the tourism Minister, spent two days in Cheshire and Warrington during August, hosted by Marketing Cheshire. He visited Chester Zoo, Anderton Boat Lift and Arley Gardens amongst others. In a round table discussion held at Tatton Park he said he was very impressed by the way the visitor and hospitality sector in C&W had embraced Covid-secure measures, and at the way we had successfully merged Marketing Cheshire and the LEP.

Annual General Meeting and Annual Conference

1. We will be holding our Annual Conference and AGM online on 30 September. Our keynote speaker will be Andy Haldane, Chief Economist at the Bank of England, which will be followed by a Q&A with him hosted by Clare. Clare will also be compering a panel discussion with key figures from C&W debating the steps we need to take to make C&W the healthiest, most sustainable, most inclusive and fastest growing economy in the country.

Brexit

1. The new Internal Market Bill has brought Brexit back to the front pages. The Growth Hub is ready to provide Brexit advice to businesses that request it and, as it did last year, is ready to run an information campaign as soon as we get clearance from the Government to do so.

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