

CHESHIRE AND WARRINGTON LEP

CHIEF EXECUTIVE'S REPORT

JULY 2022

Summary

1. The political events of the last few days mean that several senior Conservative MPs are likely to be spending their summers touring the country canvassing for votes rather than re-charging their batteries on a beach. It was also very clear from Rishi Sunak's resignation letter that as well as the integrity issues, there were substantial policy differences between him and Boris Johnson which will have to be resolved through the leadership election. Boris Johnson has made clear that he will be a caretaker Prime Minister for the next three months or so and as a result, Ministers are unlikely to make many significant decisions during that time. More significantly a new PM is likely to come into office with a new set of priorities which, in turn, will then have implications for ours.

GBR HQ and HS2

2. One decision that was announced just before the slew of ministerial resignations was the inclusion of Crewe on the shortlist of six towns being considered to become the HQ of Great British Railways (GBR). Alongside the usual considerations such as availability of a suitable site, part of the decision making process is an indicative public vote. Voting is very simple via <https://gbrtt.co.uk/hq-competition-public-vote/>, and we'd like every member of the Board to both vote themselves, and to encourage friends and colleagues to do the same. The LEP will be forwarding the link to everyone on its database. The closing date for voting is 15 August and Ministers have said that they will make a decision "later in 2022" (although we will wait to see whether this is a decision that will fall victim to the leadership campaign).
3. The Levelling Up White Paper also committed the Government to make a statement in the Autumn about how HS2 will help to deliver levelling up. That has led to renewed interest from Government officials in proposals to exploit the benefits of HS2 to regenerate Crewe and to drive growth elsewhere in the HS2 Growth Corridor. As a result, they have committed to hold monthly senior level meetings with Cheshire East and ourselves to help bring those plans to fruition.

Sustainable and Inclusive Growth Commission (SIGC)

4. SIGC is putting the finishing touches to its final report which will be submitted to the Leading Cheshire and Warrington Board on 29 July. I will give a short presentation on the Commission's conclusions at the Board meeting allowing Melissa Crellin to give the same presentation to a meeting of elected members in Warrington that is happening at the same time.

LEP Network

5. The LEP Network held its first Chairs and Chief Executives' meeting since the pandemic on 27 June. Three Ministers and the PM's business adviser made speeches, showing the importance they

continue to attach to LEPs. There were also two breakout sessions, one chaired by Clare, to discuss how LEPs are re-designing themselves following the 31 March Ministerial letter.

LEP Review

6. Over the past few weeks the focus of the work we have been doing on the review of our own LEP has been on evidence gathering and analysis, including assessing the funding available to us – and any conditions attached to that funding; thinking hard about the current and potential future roles of the LEP; talking to other LEPs about they are approaching their own reviews; looking carefully at our cost base; and talking to our local authorities about the role they would like us to play given that Ministers have asked us to become more closely integrated with them and ultimately to become part of a combined authority if one is established in this area.
7. As we approach the summer break we are beginning to draw this work together and identify a small number of feasible and financially deliverable options which we will present to the Board in September.

Growth Hub

8. The Growth Hub team have engaged with 275 businesses over the year to date, including some interesting high growth opportunities. Access to finance/funding, access to new talent and upskilling current workforce remain priorities, whilst increasing energy costs are driving SMEs to look at new technology and sustainable production methods. The Growth Hub team have also been working with the Northern Powerhouse network to submit a proposal to DCMS for feasibility funding for a programme to support businesses in the creative industries.

Marketing Cheshire

9. MC have held good Chester and Cheshire wide meetings with businesses. The cost of living crisis is top of the agenda for many as it is impacting on consumer confidence and spend. The Chester campaign funded by Visit Britain has performed well so far with good reach to new audiences. The team are also working on a number of key events for the autumn, including COP26 legacy and the LEP AGM which will have the theme of Made in Cheshire.

Life Sciences Fund 2

10. Since the launch of the fund at the end of May, over 100 applications have been made to Praetura for funding. Given that the timeline was to achieve 8-10 deals in the first year, it is entirely possible that the target could be achieved from these early applications, which in turn, may accelerate the pace at which we will be called on to provide our contribution into the fund. Our original proposal was to use the funds as they returned from Life Sciences Fund 1, but the Board also agreed that we could use Growing Places Fund if we needed funding more quickly than originally envisaged, which may turn out to be the case

Growing Places Fund (GPF)

11. In the past three months, Cheshire Green (the industrial park near Nantwich funded via a loan from GPF) has sold several plots, raising sufficient funds to make an early repayment of its loan

and restoring the amount of capital available for lending from GPF to around £10 million. Cheshire Green is already planning phase two of its development and may approach us again, but in advance of that we are proposing to ask the Strategy Programme Board to review the principles and priorities for future use of GPF, and how it should be deployed.

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