



LEP STRATEGY COMMITTEE – AGENDA ITEM 7

Subject: Strategy Work Programme Progress report

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Meeting date: Friday 12th June 2020

Purpose

To update the Strategy Committee on progress with the Strategy Work Programme including an update to the Strategy Programme Delivery Plan.

Recommendations

The Strategy Committee is asked to

- a) Note the content of the report
- b) Discuss progress against the Delivery Plan.
- c) Note the appointment of FarrPoint Ltd and Hatch Regeneris to undertake development of a Digital Infrastructure Plan for Cheshire and Warrington
- d) Note the appointment of Natural Capital Solutions to undertake a Natural Capital Audit for Cheshire and Warrington

Discussion

Delivery Plan

1. The updated Delivery Plan is attached for discussion as **Appendix A**. The Strategy Committee is asked to note progress against target and consider potential corrective action against those areas highlighted Amber. A number of items have now been marked as completed. No actions are currently rated as high risk (red) although the ongoing uncertainty around UK Shared Prosperity Fund could become problematic if there is no clarity in the next quarter.

Quarter 1 Activity

Decarbonisation Roadmap

2. As previously reported the LEP has committed up to £10k plus a limited amount of staff time to support the development an Industrial Decarbonisation Roadmap focussed on the Mersey Basin area. The proposal, led by Peel Land and Property and supported by the five north west LEPs, North West Business Leadership Team, the Cheshire Energy Hub and the North West Local Energy Hub received provisional approval from Innovate UK at the start of January with an allocation of £35,782 from the Industrial Strategy Challenge Fund. Overall costs for phase 1 of the project is £119,586.
3. The LEP has commissioned Hatch Regeneris to undertake the Business Case scoping work. Completion of this phase is due by July 2020. Phase 2 of the funding competition (for funding to actually develop what have now been termed 'cluster plans') opened early, at the end of May.



4. One of the challenges to be addressed include the ability to secure industry match funding as part of any Stage 2 bid. Clusters will be able to apply for UKRI funding to support projects up to £1.5 million in value, with grant of up to 70% available subject to State Aid compliance. Projects are intended to address technology, infrastructure, policy gap, and business, regulatory and financing models to overcome barriers to different 2030 decarbonisation and 2040 net-zero options for UK industrial clusters. Funding will cover:
 - Business plans for the selected clusters
 - Evidence of necessary market and regulatory interventions
 - Identification of skills and training needs
 - Formation of a broad coalition of support
5. This means that the North West Cluster could be required to find up to £450,000 of cash and in-kind match. Conversations have been taking place amongst a number of businesses about creation of a corporate entity that could act as a funding vehicle for the Stage 2 project, with companies contributing a fixed amount to cover costs of a project manager. There would be the option for the LEP to be a 'member' of that corporate entity.

Digital Infrastructure Plan

6. Following a competitive tender exercise the LEP has appointed a consortium of FarrPoint Ltd and Hatch Regeneris to undertake development of a Digital Infrastructure Plan for the sub-region. The work, which is to cost c.£35k, is fully funded by the LEP but will require the cooperation of the three local authorities to share baseline GIS mapping data.
7. A presentation on progress to date will be given by FarrPoint at the June meeting.

Cultural Strategy

8. Work supported by marketing Cheshire to scope out a brief for the development of a cultural strategy for Cheshire and Warrington remains behind programme, with a draft expected w/c 31st March. It is expected that this work, which forms a key part of the Quality of Place Strategy will now start during Q1, 2020-21 and complete Q2, 2020-21.

Natural Capital Audit / Natural Capital Plan

9. Following a competitive tender exercise the LEP has appointed Natural Capital Solutions to undertake a Natural Capital Audit of the sub-region and develop an initial Natural Capital Investment Programme. The work is budgeted at approximately £35k of which the LEP is contributing £10k. Other funders include Cheshire West and Chester Council, Peel Environmental, Active Cheshire, Cheshire Wildlife Trust and Fisher German.
10. Work on the audit has begun and an interim report will be available for the August meeting of the Strategy Committee.

