



**CORNWALL &
ISLES OF SCILLY**
LOCAL ENTERPRISE PARTNERSHIP

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MINUTES of a Meeting of the Cornwall and Isles of Scilly Local Enterprise Partnership held in the On the Quay, The Quay, Hugh Town, St Mary's, TR21 0HU on Wednesday 26 September 2018 commencing at 10.45 am.

Present:- Mark Duddridge (Chair)

John Acornley, Frances Brennan, Simon Caklais, Bob Egerton CC, Frances Grottick, Steve Jermy, Emmie Kell, Paul Massey, Adam Paynter CC, Gordon Seabright, Phil Seeva CC, Roland Tiplady, Sarah Trethowan, David Walrond and Andrew Williams.

Officers and support team:- Glenn Caplin, Kate Kennally, Theo Leijser, Jonathan Eddy, Jason Clark, Carol Bransgrove, Emma Coad.

Apologies for absence:- Directors: Robert Camp, Lucy Edge, Professor Mark Goodwin and Louise Rowe

WELCOME AND INTRODUCTIONS

(Agenda No. 1)

The Chair welcomed everyone to the meeting and thanked the Isles of Scilly Council and Islands Partnership for hosting the Board meeting.

The Chair advised that Robert Camp had recently been appointed as Board Director, however, he was unable to attend today's meeting.

Apologies for absence had been received from Louise Rowe, Lucy Edge, Mark Goodwin and Robert Camp.

DECLARATIONS OF INTEREST

(Agenda No. 2)

The following declarations of interest were expressed:

Steve Jermy advised that he would have an interest in any agenda items which related to energy and that he would not take part in any related discussions involving energy.

Frances Grottick advised that she had an interest in any agenda items which related to Smart Islands and she would not take part in any related discussions involving Smart Islands.

Glenn Caplin advised that he had an interest in Agenda Item No. 6.1. Specifically, Hall for Cornwall and he would not take part in any related discussions.

Bob Egerton CC advised that he had an interest in Agenda Item No. 6.1 due to Cornwall Council being an Applicant. He would not take part in any related discussions involving the project.

Adam Paynter CC advised that he had an interest in Agenda Item No. 6.1 due to Cornwall Council being an Applicant. He would not take part in any related discussions involving the project.

LEP BOARD (25 JULY 2018)

(Agenda No. 3)

Minutes

(Agenda No. 3.1)

It was agreed that the minutes of the meeting held on 25 July 2018 were a true and accurate record subject to the following amendments:-

Page 10 – bullet point 8 – “Penryn” be deleted and replaced with “Penwith”;

Page 14 – Space – the second paragraph be deleted and replaced with “The Whitehall representative commented that the LEP had a role to play in space growth partnerships, there was currently an opportunity to influence the LEP role in a potential sector deal; however, the window of opportunity was closing.”

Action Summary

(Agenda No. 3.2)

Actions confirmed at the meeting on 25 July 2018, details of which were noted together with a summary of outstanding actions.

The Board was updated on the current position in relation to the outstanding actions.

In regard to Action 1 the Board was informed that following the Director Away Day that an item had been included on the Agenda for the Board meeting to discuss the feedback regarding the LEP Review.

In regard to Action 2 the Board was informed that an item would be included on the next agenda regarding EZ sites.

NOMINATIONS COMMITTEE

(Agenda No. 4)

Mark Duddridge and Emmie Kell left the meeting for this item.

The Board considered a report prepared by the LEP Chief Executive regarding the reappointments of Mark Duddridge, Professor Mark Goodwin and Emmie Kell and to approve the resignation of Sarah Trethowan as Director of the Company.

In the ensuing discussion the LEP Board Directors and Officers referred to the following points:-

1. The Board was informed that Sarah Trethowan had come to the end of her first 3rd year term, not her second as referred to in the report;
2. The Board noted that Mark Duddridge's position as Director of the Company held the specific role as Chair of the Cornwall and Isles of Scilly Local Enterprise Partnership;
3. It was noted that Robert Camp had been appointed to the Board via written resolution for a 3 year term; a press release would shortly be issued.
4. In regard to the imminent departure of Andrew Williams it was commented that there was a urgent need to find a replacement to fulfil the position of Rural lead;

Arising from the above, the Board Directors thanked Sarah Trethowan for her contribution to the work of the Cornwall and Isles of Scilly Local Enterprise Partnership and wished her well in her future endeavours.

Decision:

- 1. That Mark Duddridge's position as Director of the Company be renewed for a further term of up to three years, subject to an annual informal review with Board Directors;**
- 2. That Professor Mark Goodwin's position as Director of the Company be renewed for a further term of up to three years, subject to an annual informal review with Board Directors;**
- 3. That Emmie Kell's position as Director of the Company be renewed for a further term of up to three years, subject to an annual informal review with Board Directors.**
- 4. The Board approved the resignation of Sarah Trethowan as a Director of the Company;**
- 5. The Company's Secretary be instructed to make all necessary updates to the books and registers of the Company.**

Action 1: The LEP Executive to instruct the Company Secretary to make the necessary updates to the books and registers of the Company

Action 2: The LEP Executive to arrange a meeting of the LEP Nominations Committee to discuss the recruitment of a rural lead.

Chair Update

(Agenda No. 5.1)

The Chair thanked the Board for his re-appointment advising that he was looking forwards to his next three year term.

He commented that unfortunately he had been unable to the attend Growth Fest 2018 held on 20 September. Sarah Trethowan advised that the event had been very successful and well attended. She congratulated all involved in arranging the event.

Islands Futures Update

(Agenda No. 5.2)

Theo Leijser provided the Board with a presentation regarding the Islands Futures with reference to the following areas:

- Council Leadership:
 - Council Corporate Plan:
 - Transformation Programmes
- Island Futures
- Island Futures –Governance
- Island Futures – Priorities
- Smart Island themes – reshaping the narrative for the Isles of Scilly;
- Multi-utility Model:
 - current projects in scope:
 - Future Projects:
 - The demonstration model:
 - Isles of Scilly Community Venture:
 - Housing:
 - Transport
 - Destination Management Plan – details of which had been included in a briefing session to Directors prior to the start of the Board meeting.
 - Theo asked the LEP to consider a number of asks from the LEP. Specifically;
 - Position of testbed in Local Industrial Strategy (LIS);
 - Role of LEP in supporting housing;
 - Capacity to strengthen the transport system
 - LEP support to make the DMP happen
 - Recognition of Rural and Remote Island communities in the SPF and other funding opportunities.

In the ensuing discussion the LEP Board Directors and Officers referred to the following points:-

1. The Board noted that a debate had started regarding the testbed for a Community Venture; the idea being that the Venture would become commercially viable without the need for public funding;
2. In regard to transport reference was made to how the levels of knowledge and experience was going to be used to ensure that it was done well;
3. It was commented that one of the Smart Islands themes aimed to improve health & wellbeing by enabling people to live longer independently; use of assistive technology; health/social care savings. The development of an e-health agenda would assist in maintaining the health of residents;
4. It was acknowledged that whilst there was low level of unemployment there was a high level of under-employment; reference was made to the possible impact that Brexit would have on the labour market and the associated support required;
5. The Whitehall representative commented in regard to the challenges of an aging population and how the Local Industrial Strategy and UK Shared Prosperity Fund would provide an opportunity for LEPs to have its say on what inclusive growth looked like;
6. Reference was made to the knowledge and experience gained from working with an industry leader in technology which could be used in the development of the themes and integration with the Local Industrial Strategy and UK Shared Prosperity Fund;
7. Reference was made to the engagement of Government departments; the Whitehall representative highlighted the importance for Cornwall and the Isles of Scilly to show Government that funding was well managed and to develop alliances with others in the UK and that it was important to be clear on the ask;
8. There appeared to be a lack of understanding from Government on the rurality of Cornwall and the Isles of Scilly; there was a responsibility to work with other LEPs with a rural focus to bring about combined voice for rural areas;
9. Reference was made to the bold statements included in the Island's 2014 Strategic Economic Plan and the benefits of providing details of the outcomes against those actions;
10. In regard to the Destination Management Plan it was commented that the LEP had made a bid to the Coastal Community Fund;
11. The Whitehall representative confirmed that the issues in regard to a funding bid to the DCMS for a 'cultural' asset had been raised and the outcome awaited;
12. Reference was made to the energy security for the islands particularly given the expectation that the price of crude oil was set to triple by 2030;
13. It was important that there was adequate infrastructure to ensure stability for the islands.

The LEP CEO advised that in terms of the asks made by the Council of the Isles of Scilly that whilst some could be adopted immediately (such as positioning IoS as a testbed and seeking recognition for Island and rural communities in SPF) some areas required further work and discussion to establish the nature of the support required.

Action 3: The LEP CEO was actioned with better understanding the ask and bringing recommendations back to the board if necessary.

The Board thanked Theo Leijser for the Islands Futures Update.

Phil Seeva CC left the meeting at 11.50am.

ERDF and Successor Funding

(Agenda No. 5.3)

The LEP CEO provided the Board with an update regarding ERDF and Successor Funding. He highlighted the potential scenarios following Brexit in March 2019 details of which had been summarised and tabled at the meeting. He commented that work was ongoing with Government to understand the implications and that in the meantime consultation on the UK Shared Prosperity Fund had commenced.

The Board was advised that whilst work was on-going to ensure that delivery of the current ESIF, Rural Development and Fisheries Programmes was maximised and that key principles had been adopted by a future UK SPF it would assist the LEP and CC teams in their work if there was a set of agreed principles that could be communicated with government teams that were working on a 'no deal scenario'. The suggested principles with the overarching aim of ensuring that CIOs were no worse off as a result of Brexit were:

1. Protection of Less Developed allocation in return for allocation fully delivered and programme targets met;
2. No roll back on IB & ITI responsibilities and flexibilities;
3. ITI Board inclusive partnership approach remains;
4. Changes to eligibility should not replace core/mainstream funding;
5. Any changes must be rural proofed;
6. £1.193m BEIS 2014-2020 annual funding to England Less Developed region continues until 2020.

In the ensuing discussion the LEP Board Directors and Officers referred to the following points:-

1. Clarity in regard to leadership; need for assurances regarding the processes being undertaken and by whom;
2. The role of the Cornwall Leadership Board was outlined, through it CIOs had lobbying powers to government, speaking as one voice with a consistent message;

3. Reference was made to the importance of the consultation response on the UK SPF;
4. Details of the work undertaken by the SPF Steering Group to inform government was outlined; it was hoped that this work would be acted upon by Government;
5. Reference was made to the role of the MP's in the county; the Board was informed that the LEP was having regular conversations with MPs.

In response to issues raised in the debate, the Whitehall representative confirmed that a definition for rural proofing was available. He commented that UK SPF was not a successor to ESIF and that the 'red lines' for successor funding would be set out by government nationally, it was unlikely there would be any negotiations on this arrangement.

The Board noted and endorsed the principles with the overarching aim of ensuring that CIOs were no worse off as a result of Brexit.

3 LEP Energy Strategy (Agenda No. 5.4)

The Board considered a report prepared by the Innovation Lead which sought to endorse the current draft 3 LEP Energy and Delivery Plan.

The LEP CEO outlined the report advising that 3 LEP areas (CIOs, HotSW and Dorset) had worked to develop an Energy Strategy and Delivery Plan over the last 12 months with substantial input from industry and other energy experts. The work was fully funded by BEIS who had also funded a £1m SW Hub to provide resource to 7 SW LEPs to deliver their strategies. The Board was informed that the Strategy and Delivery Plan were still at draft stage and needed further work.

In the ensuing discussion the LEP Board Directors and Officers referred to the following points:

1. Having considered the draft Energy Strategy and Delivery Plan the CIOs LEP were of the opinion that there was a need for further work to be undertaken to develop the Strategy and Delivery Plan before the final document could be approved by the LEP;
2. Reference was made the utilisation of energy experts and utility companies in the development of the Strategy;
3. It was commented that this particular sector may benefit from a regionally based strategy; there was capability for the CIOs LEP to take the lead on the development of the Strategy and Delivery Plan;
4. Reference was made to the growing risk of losing autonomy; it was questioned if the deployment to a regional group was appropriate.

In response to issues arising from the debate the LEP CEO confirmed that he would explore the brief for the commissioning work. LEP lead Board

Director, Steve Jermy, agreed to work with the LEP Executive to provide a LEP Board response to the partnership and to then liaise with the partnership on the next iteration of the Strategy.

The Board noted the content of the report.

Action 4 : the Innovation Lead be informed of the LEP Board's comments in regard to the draft 3 LEP Energy Strategy and that a further report be brought back prior to final sign off.

Action 5 – LEP CEO to review procurement arrangements

EXCLUSION OF PRESS AND PUBLIC

(Agenda No. 6)

It was agreed that the press and public be excluded from the meeting during consideration of the following business on the grounds that they would be likely to involve the disclosure of exempt information of the following description:-

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Investment and Oversight Panel Update

(Agenda No. 6.1)

The Board considered an exempt report prepared by the Head of Investment and Growth regarding an update from the Investment & Oversight Panel.

The LEP CEO provided an update on the recent activity regarding the Cornwall & Isles of Scilly Local Enterprise Partnership's Growth Deal (GD), Regional Growth Fund (RGF), Growing Places Fund (GPF) and Cornwall & Isles of Scilly Investment Fund (CIOSIF) as presented to the Investment & Oversight Panel on 5 September, 2018.

Decision:

- 1. The LEP Board noted the outcome of the LEP Investment & Oversight Panel held on the 5 September 2018; and specifically:**
- 2. That both projects, as detailed in the report, be approved in principle, subject to the submission of a full application and business case, and successful appraisal. Final decision of award of funding to be delegated to the LEP Investment & Oversight Panel.**
- 3. Recommendation 2 above be put on hold until the LEP CEO and Section 151 Officer review the process.**

Spaceport Update
(Agenda No. 6.2)

The Board received an update from the LEP CEO in regard to the Spaceport.

During the discussion reference was made to the following points:

1. Development of a business case;
2. Benefits associated with the announcement being made at Farnborough Airshow;
3. Award of grant from the UK Space Agency;
4. Availability of advice and guidance from a Chief Economist at DEFRA.

Action 6: The LEP Executive to include an item on the next LEP Board agenda to discuss the Business Case.

LEP Review Draft Implementation Plan
(Agenda No. 6.3)

The Board considered an exempt report prepared by the LEP CEO regarding the LEP Review.

The LEP CEO outlined the report advising that as previously discussed at the last Board meeting, the Government had published its 'Strengthened Local Enterprise Partnerships' review, setting out a series of recommendations to enable and support enhanced delivery of LEP activity ahead of the production of Local Industrial Strategies and the development of the Shared Prosperity Fund (SPF) which it was anticipated would replace some elements of the European Structural Investment Fund (ESIF).

During the discussion reference was made to the review recommendations, timetable for implementation, work to be undertaken to ensure compliance with Government and direction of travel and actions taken.

It was noted that the Strengthened Local Enterprise Partnerships review made reference to the need for an 'independent secretariat' and the Board discussed the government's evolving view on the scope and implementation of this part of the review. The Board noted their strong support for current arrangements on the grounds of value for money, strategic alignment and the unique economic conditions of Cornwall and Isles of Scilly.

Decision:

- 1. The LEP Board endorsed the direction of travel and actions attached as appendix 2 as the basis of the LEP Review Implementation Plan;**
- 2. The LEP Board delegates final sign off of the Implementation Plan and submission by 31 October deadline to the LEP CEO, Chair, Vice-Chair and Chair of the Audit and Assurance Committee.**
- 3. The LEP Board requested a further meeting to discuss options for future Executive arrangements**

Re-admission of Press and Public

(Agenda No. 6.4)

The press and public be re-admitted.

LEP Risk Register

(Agenda No. 7.1)

The Board noted the LEP Risk Register.

The Board was informed that in regard to CP8 that the new full-time LEP CEO was in post and therefore that risk would be closed.

The meeting ended at 2.45 pm.

[The agenda and reports relating to the items referred to above are attached to the signed copy of the Minutes].