



Title LEP Board
Date 30 November 2016
Time 10am to 2:45pm *followed by informal Board discussion on capacity review*
Venue Conference Centre, Bedruthan Hotel and Spa, Mawgan Porth, Cornwall, TR8 4BU

			Lead	Action
1.	1000	Welcome and Introductions (<i>Observer - none</i>) Attendance from Government officials: <ul style="list-style-type: none"> Simon Ridley, DCLG Director General and Gemma McMillan, DCLG Growth Unit Apologies for Absence (Andrew Williams, Chris Loughlin)	MD	
2.	1005	Declarations of Interest	ALL	
3.	1010	LEP Board 20 July 2016 a) Minutes b) Action Summary	MD CB	To note To note
Strategic Matters				
4.	1020	Open discussion on key strategic issues, to include: 4.1 The 'view' from Government 4.2 Policy update (1. Science and Innovation Audit; 2. Industrial Strategy). 4.3 South West Growth Charter 4.4 Cornwall Devolution Deal and Futures Group 4.5 Impact of Autumn Statement (briefing to follow) 4.6 Growth Deal 3 position	ALL SRi MG/SRo SRo JP/KK SRo SRo/NC	Verbal Decision: To agree next steps and direction
Tea and coffee available in the Venue Bar adjacent to Conference room				

5.	11:30	SEP Refresh	MD/SRo	Decision
Lunch 1230 to 1300 available in the Venue Bar adjacent to Conference room				
Operational Matters				
6.	1300	Nominations Committee	MD	To note/Discussion
7.	1320	Audit and Assurance Committee • Sign off of Annual Report and Financial Statements 15/16	RD	Decision
8.	1340	Chairman's Report (verbal) NED Engagement Update	MD ALL	To note
9.	1355	CEO's Report	SRo	Decision
Tea and coffee available in the Venue Bar adjacent to Conference room				
10.	1420	Performance, Compliance and Risk Report	NC	To note
11.	1425	Growth Deal Implementation: CIOs Local Transport Board	NC	Decision
12.	1430	Any other business	ALL	
1445 Close of formal Board business Simon and Gemma to depart for Enterprise Zone Tour				
1500 to 1630		• LEP Board away day actions • Capacity Review Update	MD/SRo	Discussion

Dates of next Meetings LEP Board 2017

18 January (Launceston Business Space)
15 March (tbc)
24 May (Isles of Scilly) – *Business Networking*
19 July (Cornwall Council, Truro)
20 September (tbc) – *Business Networking*
22 November (tbc)



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

CORNWALL AND ISLES OF SCILLY LOCAL ENTERPRISE PARTNERSHIP

MINUTES of a Meeting of the Cornwall and Isles of Scilly Local Enterprise Partnership held in the Training Room, Foundation Building (ground floor), Eden Project, Bodelva, PL24 2SG on Wednesday 20 July 2016 commencing at 10.00 am.

Present:- Mark Duddridge (Chairman)
Chris Loughlin (Vice-Chairman)

Robert Davey, Julian German CC, Professor Mark Goodwin, Emmie Kell, Paul Massey, John Pollard CC, Gavin Poole, Daniel Pugh CC, Steve Sims, Roland Tiplady, Sarah Trethowan and Andrew Williams.

Officers and Support team:- Sandra Rothwell, Kate Kennally, Theo Leijser, Carol Bransgrove, Neil Clark, Jonathan Eddy, Emma Coad

Apologies for absence:- Lucy Edge, Simon Ridley, Kate Jones and Gemma McMillan

APOLOGIES FOR ABSENCE

Apologies for absence had been received from Lucy Edge, the senior representative from DCLG, Simon Ridley and his two colleagues who were unable to attend due to the recent changes in Government.

WELCOME AND INTRODUCTIONS

(Agenda No. 1)

The Chairman welcomed everyone to the meeting, in particular Daniel Pugh.

The Board was advised that several items on the Agenda for the meeting would be taken out of order due to the late apologies from the DCLG representative.

NOMINATIONS COMMITTEE

(Agenda No. 5)

Nomination for a new Cornwall Council representative to replace Cllr Tom French

(Agenda No. 5a)

The Chairman asked Daniel Pugh to leave the room whilst this item was being considered.

The Board considered a report prepared by the Chairman and the Executive and Governance Manager regarding the resignation of Tom French CC as a Director of the Company and to consider the nomination of a new representative from Cornwall Council as a Director of the Company.

Decision:

- (i) The Board approved the resignation of Tom French as a Director of the Company;**
- (ii) The Board approved the appointment of Daniel Pugh as a new nominated representative from Cornwall Council;**
- (iii) That the Company Secretary be instructed to make all necessary updates to the books and registers of the Company.**

Action 1: The Company Secretary be asked to make the necessary updates to the books and registers of the Company.

DECLARATIONS OF INTEREST

(Agenda No. 2)

There were no declarations of interest.

LEP BOARD 18 MAY 2016

(Agenda No. 3)

Minutes

(Agenda No. 3a)

It was agreed that the minutes of the meeting held on 18 May 2016 were a true and accurate record.

Arising from the above, it was noted that the start time of the meeting on 18 May had been delayed; the flights from Cornwall had been delayed due to bad weather leading to the late arrival on the Isles of Scilly by Board Directors this had unfortunately meant that a number of 'for information' items on the Agenda could not be considered due to time constraints.

Action Summary

(Agenda No. 3b)

Actions confirmed at the meeting on 18 May 2016, details of which were noted together with a summary of outstanding actions.

GROWTH DEAL 3 SUBMISSION

(Agenda No. 4)

The Board considered a report prepared by the LEP CEO and the Performance and Compliance Manager in relation to Growth Deal 3. Further to the report, briefing papers were circulated at the meeting providing further details in regard to the investment programme.

The Chairman advised that a recent 'snapshot' of the LEP's proposal had been tested with Government officials and via a 'challenge session' with Ministerial input (for the LEP, Lord Heseltine).

The LEP CEO advised that further to the last meeting the Investment Panel had been reconvened, they had worked with the Executive team to allow the programme to meet the government timetable and help ensure the best bid possible. She advised that feedback from the 'challenge session' was that the programme had been sold well in person. She outlined the issues that had been raised as part of the snapshot of the programme, full details of which were set out in the report. She referred to the work that had been undertaken since then by the Investment Panel to address those issues to ensure that the programme would meet the Government's timetable for submission.

The Performance and Compliance Manager advised that due to the Devolution status in Cornwall the LEP was able to submit a programme submission rather than non-devolution LEP areas across the country who were having to submit on a project by project basis. He confirmed the final submission deadline was 28 July 2016 and that there would be a requirement to work on the submission right up to the deadline date.

He referred to the interrelated programmes as detailed in the papers which related to the A391 Upgrade, securing a Delegated Housing Fund, a collaborative Spaceport bid and Financial Engineering Instrument.

The DCLG representative provided the Board with feedback from his perspective in regard to the 'challenge session'. In doing so he referred to a number of areas of focus for the Board, in particular Falmouth Dredging and the Government's current position in regard to the Spaceport.

A full and detailed debate ensued, the main points of which were noted as follows:-

- (i) it was recognised that programmes within the Growth Deal were to be prioritised;
- (ii) the LEP should be ambitious where bids were strong and a case could be made;
- (iii) after careful consideration the Board did not believe that there was a strong business case to include the Falmouth Dredging Project in the programme;
- (iv) image quality in regard to the Deal could be improved;
- (v) reference was made to the suitability of the road networks to cope with additional traffic generated by developments. It was commented that Growth Deal 1 & 2 were addressing some routes and the Growth Deal 3 included transport schemes and referenced an upgrade to the A391;
- (vi) the Board should ensure programmes were capable of withstanding robust challenge based on evidence and that could be justified when inspected;
- (vii) there was a need to emphasise through appropriate communication that CIOs was a place for business growth and not just for tourism; as part of the communication there was a need to manage expectation;
- (viii) the DCLG representative reiterated the Government's position in regard to the provision of a Spaceport; this was acknowledged by the Board;
- (ix) the Board was reminded that behind each of the programmes was a suite of projects some of which required further work and clarity;
- (x) the Growth Deal accelerated capital investments for growth; the European programme delivered revenue as well as capital growth in areas such as RD&I and skills;
- (xi) an increased allocation to the Spaceport programme would not have the ability to 'buy' a Spaceport; however, capital investment funds could be used to better cater for space activity. Aerospace, Enterprise Zones and Spaceport would be taken forward as part of the Science and Innovation Programme. The Space

element would accurately reflect the programme of works particularly in regard to work at Goonhilly Enterprise Zone. Focus was on SME growth in Space.

Decision:

- (i) that the Board agreed to the 'headline' content of the Cornwall and Isles of Scilly Growth Deal 3 bid. In particular:**
- (ii) the total investment programme in the order of £311.6m, of which the requirement for Growth Deal would be £116.9m. Although the Board agreed that the Investment Panel, in signing off the final submission could change those numbers if they felt appropriate.**
- (iii) a bid based on four work programmes with the total number of outputs as follows:**
 - **Jobs: 10,000**
 - **Skills/Apprenticeships: 12,000**
 - **Homes: 4,400**
 - **Workspace: 33,000m²**
- (iv) That the Board agreed to continue delegated responsibility to the LEP Investment Panel for final sign off of the detailed Growth Deal 3 submission, on the basis of this snapshot overview, by the deadline of 28 July 2016;**
- (v) the Board agreed to delegate responsibility to the LEP Investment Panel to allocate an appropriate level of funding to the Science and Innovation Programme**
- (vi) the Board confirmed that no allocation of funding is made to the Falmouth Dredging element of the programme.**

NOMINATIONS COMMITTEE

(Agenda No. 5)

Nomination for a LEP Board Director representative to sit on the ITI Board

(Agenda No. 5b)

The Board considered a report prepared by the Chairman and the Executive and Governance Manager regarding LEP representation on the Cornwall and Isles of Scilly Integrated Territorial Investment (ITI) Board.

Decision:

The Board approved Lucy Edge being the LEP representative on the Cornwall and Isles of Scilly Integrated Territorial Investment (ITI) Board.

Nomination from the Board to be a Tourism Lead

(Agenda No. 5c)

The Board considered a report prepared by the Chairman and the Executive and Governance Manager to consider the nominations from the Board to be a Tourism lead.

Julian German outlined the report, advising that the role had arisen as part of the Devolution Deal and would feed into the Heritage and Culture workstream area. The Nominations Committee had discussed the possible nominations and had felt that due to the wide remit, it would be beneficial to have both private and public sector representatives working together to cover not just tourism but to also include creative industries and culture.

The Board raised issues in regard to lead Directors being given specific roles and responsibilities and suggested that this was an area that could be further explored as part of the away day in September.

The Board discussed the possible involvement of an LEP Director on the Visit Cornwall Board in an advisory capacity.

Decision:

- (i) the Board approved Emmie Kell as lead Director for creative industries and culture;**
- (ii) the Board approved Daniel Pugh as lead Director for tourism;**

Action 2: the fundamental principle in regard to roles and responsibilities for lead Directors be discussed as part of the Away Day in September;

Action 3: The Executive to explore involvement in an advisory capacity on the Visit Cornwall Board

Director Competency Survey Update

(Agenda No. 5d)

The Board noted a report prepared by the Chairman and the Executive and Governance Manager which provided an update on progress to date in relation to the Director Competency Survey and the proposed timescales.

The LEP CEO outlined the report advising that it was proposed to hold a Board Away Day on 28 September 2016. It was noted that the LEP Executive had begun a procurement process to procure an external consultant facilitate the Away Day.

Arising from the above, a Board Director requested it be recorded that he was concerned in regard to the cost of procuring consultants to facilitate the Away Day.

CEO'S REPORT

(Agenda No. 6)

The Board considered a report, prepared by the LEP CEO which focussed on an overview of operational activities regarding Staff, Governance, Business Plan progress, Budget Plan progress, National and South West Engagement, Communications together with strategic activities.

Operational Activities

Governance

The Board was reminded to return completed register of interest forms to the LEP Executive.

Budget, Compliance and Risk

The LEP CEO highlighted the latest budget figures (as at 31 May 2016) which had been appended to the report.

It was noted that no matters of compliance required escalation to the Board.

In terms of corporate risk, attention was drawn to the revised risk register appended to the report.

Performance

Growth Deal

The LEP CEO advised that Growth Deal 1 and 2 Programmes continued to be delivered on time and in budget.

Devolution Deal

The LEP CEO highlighted areas in regard to Business support, Financial Engineering Instruments and Enterprise Zone elements linked to the Devolution Deal.

The Board was provided with an update on the latest position on the deliverability of the FEI packages. The LEP CEO advised that the issue was being escalated to ensure delivery as part of the Devolution Deal. The DCLG representative confirmed that Ministers were conscious of the issues in regard to FEI.

Engagement

The Board was informed that there had been key meetings since the last Board meeting, as detailed within the report. Included within the report was an overview of the meetings held with MP's and Peers.

Emmie Kell referred to a creative industries engagement event she had attended with other LEP's at Pinewood Studios.

South West LEPs

It was noted that the regular meeting of the south west LEPs took place on 27 June 2016. The meeting had focussed on Growth Deal 3 and ensuring a clear and aligned message from across the south west. To support this position a draft statement had been prepared and had been included with the LEP CEO's report. The LEP CEO invited comments from the Board to clearly articulate the south west LEP agenda.

In the ensuing discussion reference was made to the following areas:-

- (i) need for clarity in regard to debates about the potential development of a SW powerhouse;
- (ii) engagement with Peers to ensure a joined up focus for Cornwall and the Isles of Scilly;
- (iii) importance of communication going forward and need to align the message in regard to Brexit with all partners;
- (iv) the need to push delivery of Financial Engineering Instruments at a national level.

PERFORMANCE, COMPLIANCE AND RISK REPORT (ONCE A QUARTER)

(Agenda No. 7)

The Board noted a report prepared by the Performance and Compliance Manager regarding progress to date in relation to Performance, Compliance and Risk.

AUDIT AND ASSURANCE COMMITTEE

(Agenda No. 8)

The Board was informed that there was no report in respect of the above item.

CHAIRMAN'S REPORT (VERBAL)

(Agenda No. 9)

The Chairman advised that activities undertaken since the last meeting had been referred to within reports on the Agenda.

ECONOMIC IMPLICATIONS OF THE EU REFERENDUM RESULT (REVISED AGENDA ITEM)

(Agenda No. 10)

Glenn Caplin from Cornwall Council attended for this item.

The Board was advised that Simon Ridley, Director General of DCLG was no longer able to attend the Board meeting due to the changes in Ministerial leadership at DCLG. It was noted however that he had committed to reschedule his visit as soon as possible.

In view of the above, the LEP Executive had prepared an overview paper outlining the economic implications of the EU referendum result on Cornwall and Isles of Scilly and, potential impact on the work of the CIOs LEP in the short to medium term.

The LEP CEO provided an overview on the background to the paper, advising that the paper followed on from the LEP Board briefing on 29 June 2016 which had clarified initial statements from the LEP and Cornwall Council as well as briefings on Article 50 and associated implications. It was commented that further work was in progress to fully understand all implications, opportunities and risks which would be on-going throughout the summer 2016.

John Pollard provided an update on the recent summit hosted by Cornwall Council exploring the economic and social impact of the result for Cornwall. He advised that the response was very positive with a good conversation from around the table (it was noted that comments expressed on the day had been recorded and would be made available). Andrew Williams confirmed that he had attended on behalf of the LEP and agreed that the outcome had been positive; there had been a large number of organisations present, with a particularly strong voice coming from the voluntary sector. It was disappointing that Cornish MP's had not been able to attend the summit; however, their reasons for not attending were understood.

The CC CEO stressed the importance of Cornwall being 'open for business' and maintaining a positive outlook and that focus should not be lost on the economic development work being undertaken in deprived communities.

Glenn Caplin referred to papers circulated at the meeting, advising that the aim was to provide a snapshot of the current position across the 3 EU Structural Funds. Attention was drawn to the key points listed within the papers and the guidance that had been issued by HMG Managing Authorities.

The Board noted the information in the paper in relation to export data for Cornwall and the Isles of Scilly, impact from potential loss of Foreign Direct Investment, relationship with London, and the immediate position on the work of the LEP.

A full and detailed debate ensued the main points of which were noted as follows:

- (i) the Board noted the impact the EU referendum result was having for South West Universities working with European partners;
- (ii) engagement with businesses was important to ensure the LEP was delivering the right message,;
- (iii) communications should be done hand in hand with Cornwall Council's communications team;
- (iv) there was concern that the role of the LEP in the delivery of EU funding was not clearly understood;
- (v) the LEP had a role in Cornwall and the Isles of Scilly to close the economic gap; despite the EU referendum result the task still remained the same however the method of achievement was different;
- (vi) the next 6 months were crucial in understanding the overall issues and the issues for Cornwall and the Isles of Scilly. During that time though there were things the LEP could feed into;
- (vii) the Board noted that there was a strong voice coming from CIOs and that this message should be delivered to businesses to ensure business confidence was maintained;
- (viii) Financial Instruments; it was commented that there was an urgent need to resolve the next steps for Financial Instruments;
- (ix) the DCLG representative welcomed the positive approach by the LEP Board. He referred to the organisational changes within Whitehall Departments and how the new positions and moves could impact the LEP. He advised that the LEP should maintain communication with DCLG representatives and in particular to engage closely with both Julia Sweeney and Tom Walker as well as their MP's;
- (x) the Board discussed the potential for creating a specific group to address the EU referendum issues, which would speak with 1 voice providing a consistent message across the County;
- (xi) the DCLG representative advised that in relation to the EU programme he did not know how long the 'pause' would be, however, DCLG were conscious of the impact of the delay;
- (xii) reference was made to the how the change in currency rates impacted the figures and size of the programmes.

Arising from the above and in summary the Board was informed that:

- (i) work was continuing with projects on a business as usual basis;
- (ii) Cornwall Council and the CIOs LEP would work closely to provide a positive message to maintain business confidence;
- (iii) the Business Strategy would not change as a result of the EU referendum;
- (iv) the result provided an opportunity for the CIOs LEP moving forwards;
- (v) the EU referendum result may necessitate working with different LEP's across the Country and the need to rethink strategic lobbying;
- (vi) the Isles of Scilly was operating on a 'business as usual' basis.

Action 4:

- (i) align capacity between the CIOs LEP, Cornwall Council and key partners going forwards and ensure joined-up communications;**

- (ii) the CIO S LEP to take a leadership role in regard to business intelligence over the summer;**
- (iii) establish a clear timeline and link opportunities of Growth Deal and Devolution to solutions for the EU situation. To produce a worked-up way forward by September 2016;**
- (iv) in relation to the visitor economy, the CIO S LEP to emphasise through Visit Cornwall that everyone was welcome. Emmie Kell and Daniel Pugh agreed to meet with Malcolm Bell to ensure clear 'open for business' messaging.**

SEP REFRESH

(Agenda No. 11)

The Board noted a report prepared by the Chairman and LEP CEO regarding progress on the Strategic Economic Plan (SEP) refresh. It was noted that the refresh was nearing completion of further analysis and addressing gaps in our evidence base. The Board was informed that consultants SQW had been procured to bring all the work together into a single cohesive strategy which would be tested and consulted with the LEP Board over the summer and with wider stakeholders after that.

CORNWALL DEAL UPDATE

(Agenda No. 12)

Steve Ford and Clare Salmon attended the meeting for this item to provide a presentation on the progress to date in regard to the Cornwall Devolution Deal

The Board noted a report prepared by John Pollard and Steve Ford regarding progress with the Cornwall Devolution Deal.

Both Steve Ford and Clare Salmon presented details on the Cornwall Devolution Deal with particular emphasis on the 8 work streams forming the pillars of the Deal, details of the devolved powers, emerging outcomes, details of theme review reports, details of the drivers and what they would deliver, next steps, and details of emerging asks from Devolution Deal 2.

Steve Ford outlined his role in relation to Devolution Deal 1 explaining how the different work streams operated at different paces and that part of his role was to analyse any issues and flag those up.

John Pollard advised that work was being undertaken to progress Devolution Deal 2 as soon as possible.

Arising from the presentation reference was made to the following areas:

- (i) reference was made to the Housing Investment ask in Devo 2 and the predicted number of new homes by 21/22 and the delivery method and mechanisms for affordable homes. It was commented in regard to the need for appropriate infrastructure and road networks to support the level of development in the 'ask';
- (ii) the importance of the Green Agenda moving forward was critical; there did not appear to be any reference to this in the opening statements;
- (iii) the Economic Development Funding Programme element of Devo 2 was welcomed; it was essential that there was joined up work with education providers as part of this element;

- (iv) the Isles of Scilly was not formally part of the Cornwall Devolution Deal – although aspects led by the LEP did have an impact. Due to the unique nature of the Islands it had not been considered appropriate to be part of the Cornwall Deal; its future relationship with Deal arrangements was under discussion
- (v) reference was made to the Licence-Lite project; it was confirmed that a paper was being submitted to Cabinet in Autumn and that this work could be progressed as an aside to the Devolution Deal;
- (vi) flood resilience was a key area of focus going forward, it was suggested that this area could once again be looked at as part of the Devo 2;
- (vii) concern was expressed in regard to the ability to deliver the level of development quoted within the Housing Investment 'ask' of Devo 2. Reference was made to the availability of contractor resources, both locally and nationally.

The LEP Chair thanked the Devolution team for attending the meeting.

Growth Hub Board

(Agenda No. 13a)

The Board noted a report prepared by Sarah Trethowan and the Business Stakeholder and Relationship Manager regarding the Growth Hub.

Sarah Trethowan outlined the report, she suggested that information could be signposted to the Growth Hub email address.

It was noted that there had been a spike in interest from the creative industry.

Aerohub Plus Enterprise Zone Board

(Agenda No. 13b)

The Board noted a report prepared by Gavin Poole and Miles Carden regarding progress on the Enterprise Zone (EZ) and the creation of the new EZ at Goonhilly Earth Station.

Gavin Poole outlined the report, advising that the EZ Board meeting scheduled for 21 July, 2016 had been cancelled due to on-going work and capacity pressures following Farnborough.

He confirmed that the EZ had been successfully represented at the Farnborough International Airshow on 11-14 July, 2016.

Food Enterprise Zone Update

(Agenda No. 13c)

The Board noted a report prepared by Andrew Williams and David Rodda regarding the Food Enterprise Zones at the Norton Barton site, Trewithen Dairy site and the submission from Better Bodmin.

Andrew Williams outlined the report and highlighted the following areas as detailed in the report:

- (i) that an Local Development Order (LDO) had been adopted on the Norton Barton site;
- (ii) that the progress on the Trewithen Dairy site was ongoing;

- (iii) that in order to deliver the two FEZ's additional funding had been required and that this had been sourced from Cornwall Council;
- (iv) additional progress by Better Bodmin with their FEZ proposal.

Local Transport Board

(Agenda No. 13d)

The Board was informed that there was no report in respect of the above item.

Islands Futures

(Agenda No. 13e)

The Board noted a report prepared Steve Sims and Theo Leijser providing details of the progress to date in regard to the Islands Futures work.

ANY OTHER BUSINESS

(Agenda No. 14)

It was noted that the LEP Board meeting in November would be held at the Chy Trevail Office, Bodmin Technology Park, Bodmin.

The meeting ended at 3.00 pm.

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