



Title LEP Board

Date 20 July 2016

Time 10am to 3pm

Venue Training room, Foundation building (ground floor), Eden Project, Bodelva, PL24 2SG

			Lead	Action
1.	10:00	Welcome and Introductions (<i>Observer - none</i>) Attendance from Government officials: <ul style="list-style-type: none"> • Simon Ridley, DCLG Director General • Kate Jones and Gemma McMillan, DCLG Growth Unit Apologies for Absence (None)	MD	
2.	10:05	Declarations of Interest	ALL	
3.	10:10	LEP Board 18 May 2016 a) Minutes b) Action Summary	MD CB	To note To note
Operational Matters				
4.	10:20	Growth Deal 3 submission	MD/SR	Decision
5.	10:50	Nominations Committee a) Nomination for a new Cornwall Council representative to replace Cllr Tom French b) Nomination for a LEP Board Director representative to sit on the ITI Board c) Nomination from the Board to be a Tourism lead d) Director Competency Survey Update	MD	Decision Decision Decision To note
6.	11:00	CEO's Report	SR	To note

7.	11:15	Performance, Compliance and Risk Report <i>(once a quarter)</i>	NC	To note
8.	11:20	Audit and Assurance Committee	CL	No Report
Strategic Business				
9.	11:20	Chairman's Report (verbal)	MD	To note
10.	11:30	Cornwall and Isles of Scilly priorities and issues	Simon Ridley/All	Discussion
LUNCH (12:30pm to 1:15pm)				
11.	13:15	SEP Refresh	MD/SR	To note
12.	13:45	Cornwall Deal Update <i>(Clare Salmon and Steve Ford attending)</i>	JP/KK	To note
Other activity				
13.	14:30	a) Growth Hub Board b) Aerohub Plus Enterprise Zone Board c) Food Enterprise Zone Update d) Local Transport Board e) Islands Futures	ST GP AW RT SS/TL	To note To note To note No report To note
14.	14:55	Any other business	ALL	

**Dates of next Meetings
LEP Board 2016**

28 September - LEP Board Away Day (Eden)

30 November - Room 2 Chy Trevail Office, Beacon Technology Park, Bodmin



**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 The Flying Boat Club, Tresco, Isles of Scilly, TR24 0QQ on Wednesday 18 May 2016 commencing at 10.15 am.

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

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

Officers and support team:- Sandra Rothwell, Kate Kennally, Theo Leijser, Matt Silver, Jemma Pender, Jacquie Rapier

Apologies for absence:- Tom French CC and Roland Tiplady.

APOLOGIES FOR ABSENCE

(Agenda No. 1)

Apologies for absence had been received from Directors Tom French CC and Roland Tiplady.

WELCOME AND INTRODUCTIONS

(Agenda No. 1)

The Chairman welcomed everyone to the meeting, in particular Jemma Pender, LEP Liaison Officer, Council of the Isles of Scilly and reinforced the importance of bringing everyone together to hold the meeting on the Islands.

DECLARATIONS OF INTEREST

(Agenda No. 2)

There were no declarations of interest.

Minutes of the meeting held on 30 March 2016

(Agenda No. 3a)

It was agreed that the minutes of the meeting held on 30 March 2016 were a true and accurate record.

Summary of Actions

(Agenda No. 3b)

Actions confirmed at the meeting on 30 March 2016, details of which were noted together with a summary of outstanding actions.

The Board was updated on the current position of Action 1 and reminded to feedback any comments on 'Hot Topics' to the LEP Executive Team.

The Board was updated in relation to Action 3 by confirming dates were being set for the Audit and Assurance Committee.

The Board was updated in relation to Action 8, the Growth Hub and advised questions and responses had been circulated.

The Board was updated in relation to Action 9 and it was confirmed meetings were being held with CUC Partners

CEO REPORT

(Agenda No. 4)

The Board considered a report (previously circulated), 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

Staff

She advised that all staff with the LEP Executive had now completed their appraisals for 2015/16 and new objectives for 2016/17 had been set.

Governance

It was noted that due to the closedown of financial year 2015/16 the Cornwall Council accountant had not yet produced an up to date budget sheet for the first month of the 2016/17 financial year. A first quarter budget sheet would be provided at the July 2016 meeting.

The LEP CEO reminded the Board of their requirement to register declarations of interests in accordance with the Companies Act 2006. She further advised that as part of updating the LEP's Local Assurance Framework and in order to remain compliant, the LEP Executive would shortly be contacting Directors, as required annually, to update their declaration of interests, maintained by the LEP Executive.

Budget, Compliance and Risk

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

In terms of corporate risk, the LEP CEO requested the Board should be aware of the following:-

1. CP3 Programme Management, there was an increasing risk around capacity to oversee investments and programmes under LEP control linked to Growth Deal 3. She referred to short term mitigation through securing additional capacity.

2. CP4 Devolution, she advised of the significant risk on the failure to deliver the EU funded financial instruments initiative due to time constraints and referred to a response mitigation as detailed in a recommendation set out at Section 8 of the report.

National and South West Engagement

The LEP CEO referred to the next meeting of MPs and Peers which was scheduled to take place on 5 July and referred to key items, as set out in the report and invited Directors to put forward any further significant items via the LEP Executive or at the Board Meeting.

It was noted that Simon Ridley, (Director General at DCLG), would be in attendance at the July Board Meeting and a separate item would be included on that agenda to discuss issues, details of which were set out in the report.

It was requested that a briefing note be prepared incorporating National and Regional implications to be forwarded to Simon Ridley in advance of the Board Meeting to ensure he fully understood all of the issues.

EU Programmes

The LEP CEO provided an update following the ITI Board Meeting that had taken place on 11/05/2016, and confirmed that recognition for strategically dedicated resources was in place to deal with specific issues.

Financial Instruments, the LEP CEO advised work was continuing on taking forward the Board's ambitions for a Financial Engineering Instrument, primary funded under the ERDF Programme.

The following issues were raised for potential future assistance:-

1. South West Marine Planning Framework had potential to raise as a LEP issue, working together within the business framework was an important part of development for the South West.
2. The CEO of the Council of the Isles of Scilly advised in regard to the Housing Bill and the recent proposed amendment made by the House of Lords which had been rejected by Parliament, he advised that the aims of which would be a disaster for the Isles of Scilly.

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

1. The strategic economic plan was important to Cornwall Council, by 2021 local authorities would not receive funding by Central Government, future support would be via locally generated funding. It was therefore important that Cornwall Council's Medium Term Financial Strategy identified to work closely with the LEP and the Council of the Isles of Scilly in taking forward schemes to understand and develop connectivity.
2. Without relationships the deliverability of private and public sector drive would be undermined.
3. It was important that process structures were in place to ensure visibility of links between boards.
4. Prior to the July meeting it would be valuable to hold an 'Away Day' to pull together thoughts on the new phase of delivery.

5. A report on lessons learnt had been requested at speed to ensure we did not make the same mistakes again in readiness for discussion with the Secretary of State.
6. The aging workforce landscape would have impact upon the business economy.

It was noted that the Financial Instrument (FI) Steering Group had been focussing on pursuing an Entrusted Entity route, following confirmation by the Managing Authority, (DCLG). It was currently pursuing 2 options: British Business Bank or a wholly owned bespoke 'holding company' of Cornwall Council.

Robert Davey, Chairman of the FI Group, in providing an update, advised of the importance of delivery within timeframes, examination at each stage would identify clarity on key components. The implications of failure to meet target deadlines would require a proportion of the funding to be redistributed within programme together with reputational risk.

It was noted that the LEP Board would have a full report to consider before a final commitment to co-finance was agreed.

It was also noted that the ITI Board would also receive a full report before being requested to provide advice to the Managing Authority to commit to the ERDF Programme.

Decision:

The Board agreed that:

- (i) A briefing note be prepared outlining the national and regional issues affecting Cornwall and the Isles of Scilly to be sent to Simon Ridley (Director General at DCLG) in advance of his attendance at the July Board Meeting. The LEP Executive to prepare the note and circulate to the Board beforehand.***
- (ii) That authority be delegated to the LEP CEO with lead support of Robert Davey, (Board Director and Chair of the Financial Instrument Steering Group) in consultation with the Chairman of the LEP and Chairman of the ITI Board to finalise negotiations in regard to arrangements for any holding company/fund of funds its investment strategy, the subsequent procurement of fund managers and overall governance of the Financial Instrument in Cornwall and the Isles of Scilly.***

Action 1: The LEP Executive to prepare a briefing note outlining the national and regional issues affecting Cornwall and the Isles of Scilly and circulate to the Board in advance of sending to Simon Ridley (Director General at DCLG)

GROWTH DEAL 3 UPDATE

(Agenda No. 5)

The LEP CEO delivered an update on the continued progress of the development of the Growth Deal 3 Cornwall and Isles of Scilly investment packages. She advised that Government had now outlined a limited amount of detail regarding the next steps on the Growth Deal process, full details were set out in the report. It was noted that due to the limited time available to consult in detail with the Board, it was proposed that the original Investment Panel be reconvened with delegated authority to support the

Executive in finalising the investment package. The Investment Panel would also form the 'Director Team' to work through the Government 'challenge sessions' with the Secretary of State.

The LEP CEO further advised that it was critical for the process to keep elected Members briefed together with local MP's and peers. She further advised of 2 MP's who may be able to work with the Panel to provide Governmental type challenge. It was noted that MP's were critical in the process in providing 'ministerial soundings'.

The LEP CEO provided a detailed summary of the 8 schemes, full details of which were set out in the report:-

1. Workspace – Bespoke and speculative build, working with Cornwall Council to operate a devolved workspace package. In regard to the Isles of Scilly, it was noted that there were links to one public estate for potential growing economy creating a workspace commercial portfolio.
2. Innovation and Financial Instruments – expression of interest from the private sector, discussion had commenced to align growth deal.
3. Transport and Infrastructure – the programme was being led by Cornwall and the Isles of Scilly Local Transport Board.
4. Port Infrastructure and Marine – Key strategic investments required to support the wider marine sector. Aerohub – A single strategic investment with multiple partners.
5. Low Carbon Energy – Linking to private investments and the Low Carbon Enterprise Zone.
6. Employment and skills –both colleges were working on bids.
7. Cultural Creative Infrastructure – developing bids, although some degree of risk on deliverability.

Stand Alone Special Case

It was noted that two projects were emerging which would fall beyond reasonable scope of the Growth Deal 3 package, but with strong alignment and had been highlighted as Government priorities with potentially National significant investments:-

1. The initiative to dredge Falmouth Harbour.
2. Spaceport opportunity.

It was noted that in respect of the initiative to dredge Falmouth Harbour, it required significant private funding to enable potential match funding from the public sector.

Action 2: The LEP CEO to circulate a list of Peers to the Board.

Decision:

The Board agreed that:

- (i) the original Growth Deal Investment Panel be reconvened to support the Executive in finalising the Growth Deal 3 investment package.***
- (ii) The Membership of the Panel be confirmed as Mark Duddridge, (Chairman LEP), Directors Lucy Edge and Julian German. It was also felt that Sarah Trethowan and Mark Goodwin should join the Panel.***

- (iii) The Investment Panel to form the core 'Director Team' to work through the Government 'challenge sessions' with the Secretary of State.***
- (iv) The full Board to be kept informed of progress through written updates.***
- (v) The Board to formally agree any submission through either written procedure, or if time, at the Board meeting on 20 July 2016.***

PERFORMANCE, COMPLIANCE AND RISK REPORT

(Agenda No. 6)

Due to time constraints this item was not considered at the meeting.

NOMINATIONS COMMITTEE

(Agenda No. 7)

Due to time constraints this item was not considered at the meeting.

AUDIT AND ASSURANCE COMMITTEE

(Agenda No. 8)

Due to time constraints this item was not considered at the meeting.

CHAIRMAN'S REPORT - VERBAL UPDATE

(Agenda No. 9)

Due to time constraints this item was not considered at the meeting.

ECONOMIC UPDATE

(Agenda No. 10)

Due to time constraints this item was not considered at the meeting.

SEP REFRESH

(Agenda No. 11)

Due to time constraints this item was not considered at the meeting.

CORNWALL DEAL UPDATE

(Agenda No. 12)

John Pollard CC advised that a Programme Manager was now in place. In regard to the Health element, there was much work required to pull respective partners / providers together.

The CEO (Cornwall Council), advised that a key milestone was the first anniversary of the Deal for Cornwall being set up, the Monitoring Board would be considering an evaluation framework to identify what differences were being made to better improve the economy of Cornwall. She further advised that by 2021 the size of the Cornish Economy would have to be large enough to sustain the level of public services.

DRIVER BOARDS

(Agenda No.13)

The progress across all 3 Driver Boards, namely Growth for Business, Future Economy and Employment & Skills was noted.

Food Enterprise Zone Board Update

(Agenda No. 14a)

Due to time constraints this item was not considered at the meeting.

Local Transport Board

(Agenda No. 14b)

Report on the Future of the Local Transport Board

(Agenda No. 14c)

Due to time constraints this item was not considered at the meeting.

Islands Futures

(Agenda No. 14d)

During the afternoon session a presentation was delivered at the Porthmellon Enterprise Centre in regard to the following:-

Energy Infrastructure Plan for the Isles of Scilly

A general debate and question and answer session ensued in relation to the following:-

1. 'Cabling' upgrade, if approved, would commence end of 2017.
2. In regard to the future role out and home owner access, currently the Local Plan was being reviewed; reference would be made to incorporating 75% of all social housing delivered through the partnership providing a 'live laboratory'.
3. Creating an 'off grid' system.
4. Encouragement of solar power due to the lack of storage facilities required.
5. The potential for turning power into a different use.
6. The potential for synthetic methane carbonated fuel for use in the boating environment.
7. Potential for making 40% energy savings and creating new opportunities for business to emerge.
8. Engaging the Islands population in change.
9. Persuading the islanders to take up more electric vehicles.
10. A large percentage of the Islands population currently lived in fuel poverty
11. Engagement with academic institutions; Falmouth and Exeter Universities, Cornwall College to raise aspirations for young people skills.
12. Future interaction with the islands population to promote change in perception and use of electric vehicles over a period of time.

THE FLYING BOAT CLUB - TRESCO

(Agenda No. 15)

The Chairman thanked Robert Dorien-Smith, owner, Flying Boat Club for enabling the LEP Board to hold the meeting at the facility.

The meeting ended at 12.50 pm.

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