Title: Local Enterprise Partnership Board
Date: Wednesday 16 May 2018
Time: 10.00 am to 3.00 pm
Venue: Dunheved Suite, Launceston Business Space, Dunheved House, Dunheved Road, Launceston, PL15 9FB

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<td>Ministerial Review of LEP's: update on emerging recommendations (Pages 44 - 46)</td>
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6. **Performance and Assurance**

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<td>6.1</td>
<td>Chair’s Update</td>
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<td>Nominations Committee - Board Director Resignation (Pages 64 - 66)</td>
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<td>Employment and Skills Board Update Report (Pages 67 - 74)</td>
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<td>Any Other Business</td>
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**LEP Board meetings 2018**

25 July 2018 – Headland Hotel, Newquay

26 September 2018 – Isles of Scilly

28 November 2018 - TBC
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 Oak Suite, Alverton Hotel, Tregolls Road, Truro on Wednesday 14 March 2018 commencing at 1.00 pm.

Present:-  
Professor Mark Goodwin (Interim Vice Chair)
John Acornley, Lucy Edge, Bob Egerton CC, Frances Grottick, Paul Massey, Adam Paynter CC, Phil Seeva CC, Gavin Poole, Louise Rowe, Sarah Trethowan and Andrew Williams

Officers and Support team:-  
Sandra Rothwell, Adam Wilkinson, Paul Masters, Tim Bagshaw, Theo Leijser, Jonathan Eddy, Wayne Rickard, Greg Slater, Carol Bransgrove, Emma Coad

Apologies for absence:-  
Directors: Mark Duddridge (Chair), Emmie Kell, Roland Tiplady
Officers: Kate Kennally

WELCOME AND INTRODUCTIONS
(Agenda No. 1)

The Board was advised that apologies for absence had been received from the Chair, Mark Duddridge. In the absence of the Chair, Professor Mark Goodwin chaired the meeting.

Apologies for absence had also been received from Roland Tiplady, Emmie Kell and Kate Kennally (Paul Masters representing).

The Board welcomed Adam Wilkinson, Interim LEP CEO/Service Director for Economic Growth who would be providing cover following the departure of Sandra Rothwell until a permanent appointment was made to the role. The Board was informed that this would be the last meeting for the current LEP CEO, Sandra Rothwell. The interim Vice Chair, on behalf of the Board, expressed huge thanks to Sandra for her massive contribution to the work of the Local Enterprise Partnership over the last 7 years and wished her well in the future.

The Board was advised that representatives from Saffery Champness and Nordicity, and Falmouth University would be attending to present a paper
in relation to the creative industries sector. Jessie Hamshar would also be attending the Board meeting to present the New Frontiers paper.

DECLARATIONS OF INTEREST
(Agenda No. 2)

The following declarations of interest were expressed:-

Lucy Edge advised that she had an interest in Agenda Item No. 5.2 (CEO’s Report) due to Avanti having made a bid for Regional Growth Fund Round 2. She advised that she would not take part in any related discussion on that item.

John Acornley advised that he had an interest in Agenda Item No. 4.1 (Digital Clusters) due to his role in the Plymouth Science Park. He advised that he would not take part in any related discussion that item.

LEP BOARD (31 JANUARY 2018)
(Agenda No. 3)

Minutes
(Agenda No. 3.1)

It was agreed that the minutes of the meeting held on 31 January 2018 were a true and accurate record subject to the following amendment:

Page 12 – Shared Prosperity Fund – second paragraph – the words “advising that a paper would be submitted to the March Board meeting” be deleted and replaced with “it had been suggested that a paper be submitted to a future LEP Board meeting”.

Action Summary
(Agenda No. 3.2)

Actions confirmed at the meeting on 31 January 2018, details of which were noted. The Board noted that all actions arising from the last meeting had been completed.

STRATEGIC MATTERS
(Agenda No. 4)

Sector Engagement and Support Update (Creative focus)
(Agenda No. 4.1)

Theo Leijser left the room at this point.

The Board considered a report prepared by the Head of LEP Governance and Operations. The report outlined the overall progress in regard to creative industries, space and energy.
The Head of LEP Governance and Operations drew attention to the Human Centred Space Action Plan booklet tabled at the meeting and referred to the Human Centred Space event held at Eden on 6 March advising that it had been a very positive event, providing the start of a strong engagement opportunity with the sector going forwards.

The Board was advised that the first meeting of the LEP’s Creative Industries Task Force, chaired by Board Director Emmie Kell had been held on 20 February.

The Board was advised that representatives from Saffery Champness and Nordicity, the consultants appointed by the study’s joint funders (CiOS LEP, Cornwall Council and Falmouth University) together with representatives of Falmouth University had been invited to present to the Board in relation to the creative industries sector in particular in regards to the screen-based sector.

Representatives of the consultants and Falmouth University provided the Board with an overview of the Strategy for the screen-based sector in Cornwall and the Isles of Scilly with specific reference to the following areas:-

- Introduction and background to the Strategy
- Details of the Global trends: challenges and opportunities
- Details of the Global trends in relation to augmented reality (AR), virtual reality (VR), and mixed reality (MR)
- State of Play in relation to what CIoS has to offer
- State of Play in relation to the challenges CIoS faces
- Details of the support options
- An overview of the Strategy
- Strategy market focus
- Strategy sector support
- Strategy talent pipeline
- Strategy infrastructure and networks
- Summary and next steps – timely, well placed, strategic, delivery

Paul Massey arrived at this point.

In response to the issues raised in discussion, representatives advised that:-

i. The Board was informed that the Creative Nations Nesta report provided details in regard to forecasts and analysed the productivity levels across sectors;

ii. In regard to skills it was commented that the digital side of the skills sector would be better suited to Cornwall and Isles of Scilly. CIoS had all the key elements in place to begin developing a digital screen cluster, with a focus on immersive technologies;
iii. In regard to productivity it was emphasised that the key was to get smaller businesses to scale up; there were a number of businesses already in the process of expanding;

iv. Reference was made to broadband ‘not spots’ and how this impacted connectivity particularly in rural areas. The Whitehall representative advised that there were a number of solutions available and funding streams that could be accessed to address the issues of connectivity in rural areas. He referred to the South West Rural Productivity Commission which had identified digital connectivity as an area that required further action. He suggested that the key not spot areas be identified;

v. Whilst it was acknowledged that collaboration with other digital clusters was important it should also be acknowledged that these clusters should be recognised as competition for national funding opportunities;

vi. The assets and USP’s of the CIoS had been well described, there was, therefore, a need to identify the gaps in the sector. Reference was made to the benefits associated with a ‘swarm’ as opposed to cluster model, this would provide a link across all sectors;

vii. Reference was made to the links with Further Education and the work being undertaken in this area to create skills across all sectors;

viii. In regard to Further Education the availability of skills at this level did not create an issue; the problem arose when students left Further Education and how they could be kept in CIoS, there did not appear to be any central thing that brought them all together;

ix. The Whitehall representative advised that the Employment and Skills Board could assist in tackling the issues regarding retaining young people when they leave Further Education. The Board noted that Department for Culture, Media and Sport (DCMS) were examining this area, it was expected that a sector deal would be coming through shortly to support industry development, the Whitehall representative confirmed that he would assist the LEP broker a meeting with DCMS to pick up on the broader conversation regarding this area;

x. The Governments recent announcement regarding adapting Apprenticeship Schemes may assist SME’s to access funding to provide apprenticeship opportunities. The Whitehall representative confirmed that he would be willing to discuss further the issues regarding Apprenticeship Schemes;

xi. It was commented that Yorkshire had benefitted from both private and public sector funding arrangements for the screen-based sector.

The LEP Board thanked the representatives of Saffery Champness and Nordicity and representatives of Falmouth University for attending the meeting.
Arising from the presentation and comments above, the LEP CEO outlined details of the proposed way forward regarding the Screen Strategy with particular reference to the following:

- The creative industries group to take this forward and to ‘deep dive’ into these areas;
- The role the Employment and Skills Board could take to assist with some of this and the need for conversation between the Apprenticeship Agency and Employment and Skills Board;
- Investment opportunities arising from the British Business Bank launch in the summer;
- Specific reference had been made within the ‘New Frontiers’ document in relation to the creative enterprise zone concept;
- The availability of funding from the Coastal Communities Fund;
- The need to unlock the Broadband ‘not spots’ in rural areas;
- Alignment work in respect of the space and satellite agenda;
- Reference was made to physical works in terms of infrastructure;
- It was confirmed that a dedicated post had been included within the service re-structure to look at the apprenticeship programme;
- Having considered Creative at this Board, it was agreed that there was a need for a Board paper and focused discussion on Energy at the July Board meeting.

**Action 1:** The LEP Executive to work with the creative industries group to look into and take forward some of the comments in relation to the presentation and Screen Strategy.

**Action 2:** The LEP Executive to liaise with the Whitehall representative to broker a meeting with the Department for Culture, Media and Sport and include within that discussion and subsequently deliver mechanisms that support the use Apprenticeship Schemes by all sizes of businesses.

**Action 3:** The LEP Executive to add an energy focussed item to the LEP Board agenda in July.

### 2018-2022 Business Plan
(Agenda No. 4.2)

The Board considered a report prepared by the LEP CEO regarding the 2018-2022 Business Plan. The report sought approval of the 2018-2022 Business Plan and 2018-2019 Operational Plan and LEP Budget, copies of which were appended to the report and had been circulated to Board Directors prior to the meeting.

The LEP CEO outlined the report with reference to the following areas:
• Since the last LEP Board meeting in January, a workshop had been held with Board Directors to go through the proposed Business Plan and 18/19 Operational Plan in further detail;
• The Board was informed that the Business Plan and Operational Plan were still in draft form and could be amended.

In the ensuing discussion reference was made to the following areas within the Business Plan:

i. Economic Environment and Measures - Work should be undertaken with the Local Nature Partnership to develop the environmental growth indicator;
ii. The LEP Executive will develop an ‘easy to access’ dashboard for the key indicators that will sit behind the Business Plan;
iii. Relevance of the visualised high level strategic risks to implement Vision 2030 questioned and the mitigation process associated with the risks - a clearer introduction needed;
iv. Reference was made that the vision is joint between the two local authorities and the private sector for economic development in the region and how this approach should be referenced – and then page 11 is the ‘how’ the vision will be realised, demonstrated;
v. Confirmation that the Track Record and highlight figures would be amended in March 2018 with the latest position;
vi. In regard to the proposal for the May Annual Event it was considered that this event would be premature given the recruitment process for a LEP CEO; it was considered more appropriate to hold this in the Autumn with the Annual Report being published in May;
vii. Reference was made to the Resourcing Table and the budget allocations over the next four years; it was noted that there was a significant reduction in budget allocation for the LEP and that there would be a need to achieve savings going forwards, it was however, noted that Core Funding had been confirmed to the end of March 2020; it was considered that a four year plan provided a better approach;
viii. In regard to the Resourcing Table, the Whitehall representative suggested that paragraphs providing a factual explanation would be useful;
ix. Reference was made to the need to move away from revenue funding towards capital funding; it was noted that whilst some budget headings had reduced others had increased;
x. It was acknowledged that further information would need to be added to the Employment and Skills Board headline under Building Great Careers;
xi. There was a view that whilst a structure chart was useful within the Business Plan, photographic images of Board Directors were not necessary given that more up to date images could be included on the LEP Website; it was noted that the LEP website would shortly be undergoing a refresh following recent reviews of the governance arrangements for the LEP.
In the ensuing discussion reference was made to the following areas within the Operational Plan and Budget (Annex 1 and 2):

i. It was noted that the Operational Plan 2018/19 would be reviewed by the interim LEP CEO to make the section smarter; comments in relation to the measuring outputs were noted;

ii. Confirmation that reference to the Shared Prosperity Fund was incorporated within the cross cutting section on Advocacy;

iii. Reference was made to the information provided in regards to those members of the Executive Team who were leading on activities; it should be noted that specific team plans sat behind each of the activities;

iv. In regard to the Budget 2018/19 it was noted that final details of the carry forward figure would not be available until the end of the financial year; comments made at the workshop regarding details of salary breakdown costs had been taken on board;

v. It was considered that details of previous and actual year’s budget figures would be useful for comparison;

vi. Clarification was provided on the breakdown of the figure for the Enterprise Zone Business Rate Reserve line within the budget; it was acknowledged that further clarification should be sought in regard to the balance figure;

vii. It was acknowledged that whilst details had been provided on the costs required to wind-up the LEP should the need arise, this could be better referenced in the budget;

viii. Reference was made to Annex 6 of the Business Plan in regard to CDC commissioning specification and it was agreed to remove this section;

ix. The Whitehall representative commented in regard to the Ministerial Review which it was expected would steer LEP’s towards being private sector led.

Decision: That subject to the comments referred to above being taken on board and final editing sign off by the LEP Chair and Cornwall Council Cabinet Member for Planning and Economy the LEP Board approved both the 2018-2022 Business Plan and 2018/19 Operational Plan and LEP Budget.

Action 4: The LEP Executive to make the necessary amendments to the Business Plan, with final editing sign off by the LEP Chair and Cornwall Council Cabinet Member for Planning and Economy.

New Frontiers Update
(Agenda No. 4.3)

Jessie Hamshar attended for this item.

The Board considered a report prepared by Steven Ford, Cornwall Deal Programme Lead and Charlotte Morgan, Devolution Deal and Policy Officer. The report was seeking endorsement from the Cornwall and Isles
of Scilly LEP Board regarding the principles of the ‘New Frontiers’
document.

Jessie Hamshar attended the meeting, and provided the Board with an
update regarding the ‘New Frontiers’ document advising that significant
changes had been made to the document since it was last presented to
the LEP Board in January based on feedback received, details of which
were included within the report. The Board was advised that in addition to
the feedback received at the last meeting, additional input had been
sought from a number of LEP Board Directors, Cornwall Council Cabinet
Members, NHS Colleagues, the University of Exeter, blue light services
and a range of other partners. The ‘New Frontiers’ was due to be
presented to a number of other boards including the Local Nature
Partnership, the Health and Wellbeing Board and Cornwall Council
Cabinet.

The Board noted that it was proposed that the Cornwall and Isles of Scilly
Leadership Board would ‘sign off’ New Frontiers during its meeting on 20
April 2018. The ‘sign off’ was intended to add weight to the final
proposition so that evidence of strong partnership support for all elements
of the New Frontiers proposal could be provided, even though the
responsibility for delivery would still reside with the component boards
and organisations.

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

i. Reference was made to the target audience of the ‘New Frontiers’
future devolution proposition and the need to ensure the right
balance to ensure it was user friendly;
ii. In regard to the Isles of Scilly perspective it was commented that
further clarification would be sought;
iii. There was a need to ensure that the vocabulary within the
proposition was accurate and that it was appropriately cross
referenced;
iv. In regard to the housing delivery, infrastructure and planning
section of the proposition reference was made to the conflicts
between the public and private sector regarding land values and the
need for a dialogue to achieve a balance;

In response to issues raised in discussion, Jessie Hamshar advised that:

i. An A3 summary would be included as part of the ‘New Frontiers’
future devolution proposition;
ii. The overall proposition had been designed for a Government
audience; in terms of the public facing document it was the
ambition to hold a media campaign with infographics. The design of
which could be brought back to the LEP Board for comment;
iii. It was acknowledged that the language used in regard to the
housing delivery, infrastructure and planning section of the
The proposition could be pursued further and that discussions could be held with Board Directors involved in the Construction Strategy.

Arising from the presentation and comments above, the LEP Board Directors agreed that the proposition would benefit from an infographic summary.

The Whitehall representative reflected on the document and partnership work involved in the development of the ‘New Frontiers’ future proposition document and provided the Board with guidance on how they should proceed with the Cornwall and Isles of Scilly proposition in terms of attracting attention and ensuring the headlines were noticed. The challenges of co-ordinating the various documents, were acknowledged. He emphasised the need to ensure sequencing was appropriate given the opportunity provided to the LEP Board to feed into the New Frontiers document and the importance for the LEP of the 10 Opportunities document alongside it.

The LEP Board thanked Jessie Hamshar for attending the meeting.

**Decision:** The Cornwall and Isles of Scilly LEP Board endorsed the principles of the ‘New Frontiers’ future devolution proposition for Cornwall and the Isles of Scilly and notes the document is still subject to final editing.

**PERFORMANCE AND ASSURANCE**

(Agenda No. 5)

**Chair's Update**

(Agenda No. 5.1)

The LEP Board was informed of the following activities undertaken by the Chair since the last LEP Board meeting:

- Attendance at the re-launch of the Cornwall Lecture on Space
- Attendance at the Tourism Summit Dinner
- Attendance at the Islands Futures Board meeting on 13 February 2018
- Attendance at the SW LEPs’ Chairs and CEOs’ meeting on 16 February 2018
- Set of conversations with South West MP’s

Forthcoming activities of note included:

- 20 March – Attendance at the LEP Network CEO/Chairs workshop and dinner
- Attendance at the DWP Challenge Panel
- 28 March - Attendance at the Final 10 Opportunities event
- 12 April - Attendance at the ITI Board
- April - Attendance at the Cornwall Business Week
CEO Report
(Agenda No. 5.2)

The Board considered a report, prepared by the LEP CEO which focussed on an overview of operational activities, regarding capacity and governance, business plan progress, performance, programmes and other activity.

Capacity and Governance

Capacity

The Board was advised that the capacity review between the LEP and Cornwall Council was now complete for the core LEP team, with all external recruitment being complete to fill remaining vacancies in supporting teams.

Board Recruitment

Interviews for the position of Non-Executive Directors had been held on 1 February 2018. It was noted that the LEP Nominations Committee had circulated a written resolution recommending 5 individuals as Directors of the Company.

The Whitehall representative commented that the Ministerial Review would review the overall recruitment process, the comments of Board Directors would be feed into the review.

Governance, Protocol and Reporting

The Board was advised that revisions to the draft Assurance Framework had been approved by the Accountable Body Section 151 Officer and that the LEP Executive had written to the Ministry for Housing, Communities and Local Government confirming compliance with the Ney recommendations, which had led to a revised Assurance Framework being published to the LEP website ahead of the 28 February deadline. The Board was informed that linked to the this, the LEP Executive had completed the process of applying for 2018-19 LEP Core Funding with a submission being made this week.

The Board was informed that a written response to the Annual Conversation held in December 2017 had been received. As anticipated and agreed at the meeting there were areas that had required further improvement as well as areas of strength. Those identified actions from Annual Conversation which had been highlighted were being addressed.

The Whitehall representative informed the Board that the National Team had decided not to proceed with a ‘deep dive’ for Cornwall and the Isles of
Scilly LEP. This did not preclude a ‘deep dive’ being undertaken in the future.

The Board Directors complimented the Executive Team, in particular the LEP Executive and Governance Manager on work undertaken as part of the Assurance Framework Review ensuring compliance with the deadline.

Business Plan Progress 2017/18

The LEP CEO outlined details of the 2017/18 budget which detailed commitments to end January 2018.

Board Directors were asked to note the revised risk register appended to the report. In response to comments regarding risk and risk appetite, the LEP CEO provided details regarding the frequency of risk reviews and details of the reporting mechanisms and the types of risk. The CEO’s report provided an overarching view of the corporate risk and where necessary matters of compliance escalated to the Board. The Board were reassured that mechanisms were in place to report risk. Further to comments regarding risk reporting details were provided in regard to the current timeline for reporting risks.

There were no matters of compliance to escalate.

Business Plan Delivery Highlights

Financial Instruments

The Board was advised that the British Business Banks’ procurement of a fund manager for the Cornwall and Isles and Scilly Investment Fund (CIoSIF) was launched on 26 February. Board Directors noted that the first formal meeting of the CIoSIF, chaired by John Acornley had taken place on 7 March 2018. It was expected that the fund would launch to business by June 2018. In the ensuing discussion reference was made to the benefits associated with the procurement of a fund manager, and communication of the fund launch. The LEP CEO advised that promotion of the fund launch would be undertaken once the fund manager had been appointed.

Growth Deal Update

The LEP CEO drew attention to the summary of confirmed performance and risk profile appended to the report. The Board was informed that work had been undertaken with applicants to bring forward spend for the GD 1 & 2 projects were possible. It was noted that only 5 projects remained active and further pressure would be applied to applicants to accelerate spend. Unavoidable delays in contracting GD3 projects had resulted in lower than anticipated spend profile for GD3 for 2017/18. The Board was informed that the interim LEP CEO and Head of Investment and Growth would be working to ensure the spend profile for GD3 was achieved.
The Whitehall representative referred to recent conversations regarding the delivery of GD3.

The LEP CEO advised that as part of the Governance Review the Investment Panel would have a role requiring performance on delivery and that in future an investment panel report would be submitted to Board meetings.

**PA3 Call (SME Competitiveness)**

The LEP CEO drew attention to ERDF PA3 call advising that the meeting with the Managing Authority had been productive, with the Managing Authority reassuring the BSDB that they would work to expedite applications to ensure that those projects with near end dates could reassure staff in the first instance that the project would be continuing.

**Current outstanding ESF calls**

The LEP CEO referred to the number of projects which had remained outstanding for well over 12 months and the issues to be considered in this regard as detailed in the report. She confirmed that no response had yet been received to the letter sent from the Cornwall and Isles of Scilly Leadership Board to ministers to highlight risk of returning ESF to Brussels at the end of the year due to underperformance.

Arising from the above, reference was made to the role of the Employment and Skills Board, the communications piece in respect of the Goonhilly announcement and the current position in regard to the Shared Prosperity Fund. The Whitehall representative provided an update on the current position regarding the Shared Prosperity Fund from the Government perspective.

**Action 5: The LEP Executive and John Acornley to have a conversation regarding SPF and engagement with local stakeholders and report back to a future LEP Board meeting.**

Theo Leijser returned at this point.

**Governance Review**

(Agenda No. 5.3)

The Board considered a report prepared by the Head of LEP Governance and Operations regarding the progress so far in reviewing and revising the LEP Governance and team structure. The Head of LEP Governance and Operations outlined the report advising that Appendix 1 provided a detailed tabular breakdown of the proposed governance structure for the Cornwall and Isles of Scilly LEP in 2018 and beyond, the Board was advised that the principal addition to the governance structure was the proposal to implement new industry advisory groups to support three
priority sectors for 2018 from within the overall 10 Opportunities approach.

In the ensuing discussion regarding the above, reference was made to the following:-

- hierarchy of the panels and sub-groups – the investment panel in particular to sit alongside Nominations and Audit and Assurance committees;
- the impact that the loss of Board Directors in 2018 would have on the LEP and how this should be reflected on the risk register;
- details of the lead in regard to the Space industry; the need to incorporate details of Board Directors sitting on each of the Board panels; clarification in regard to the Enterprise Zone status at Goonhilly;
- as part of the roles and responsibilities as detailed in Appendix 5 to the report it was suggested that the role of Vice-Chair be included;
- clarity in respect of the role and responsibility of the Nominations Committee;
- clarification in regard to the conflicts of interests for those sitting on panels and sub-groups;
- it was acknowledged that the Articles of Association for the LEP should be refreshed;
- need to distinguish between public and private sector within the terms of reference for the Nominations Committee;
- need for the Executive Team to address issues in regard to skills and succession planning;

Decision: Subject to a few amendments following discussions at the Board, the LEP Board approved the revised LEP Governance arrangements.

Action 6: the LEP Executive to amend the revised LEP Governance arrangements following comments by the LEP Board.

Enterprise Zone Board Update Report
(Agenda No. 5.4)

The LEP Board noted the report and progress across the Enterprise Zones.

Gavin Poole highlighted the main areas of the report with particular reference to:-

Overview

- confirmation that 31Ten had completed a Rates Model for Cornwall EZs which would be presented to the postponed EZ Board meeting in May;
- based upon rates forecast up to the end of March 2018 the EZ Growth Fund reserve stood at £847,480;
Marine Hub Cornwall

- a refreshed Marine Hub Cornwall website had gone live on 1 March, 2018;
- Marine Hub Cornwall would be exhibiting in London between 13-15 March;

Aerohub+

- Work was ongoing to develop Plot 2 on the Aerohub Business Park;

Spaceport Cornwall

- It was expected that an announcement on the grant award would be made in March 2018, further details were awaited;
- It was anticipated that the Space Industry Bill would receive Royal Assent shortly;
- Reference was made to the Space presentation at Eden, which had been attended by over 100 businesses and had been positively received;
- Reference was made to the Human Centred Space Action Plan 2018-2030 tabled at the meeting.

Employment and Skills Board Update Report
(Agenda No. 5.5)

The LEP Board noted the report in relation to the Employment and Skills Board.

LEP Audit and Assurance Committee Update
(Agenda No. 5.6)

The LEP Board noted the report in relation to the LEP Audit and Assurance Committee.

The meeting ended at 5.20 pm.

[The agenda and reports relating to the items referred to above are attached to the signed copy of the Minutes].
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<td><strong>STRATEGIC MATTERS</strong> (Agenda No. 4)</td>
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<td>Sector Engagement and Support Update (Agenda No. 4.1)</td>
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<td>The LEP Executive to work with the creative industries group to look into and take forward some of the comments in relation to the presentation and Screen Strategy.</td>
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<td>The LEP Executive to liaise with the Whitehall representative to broker a meeting with the Department for Culture, Media and Sport and include within that discussion and subsequently deliver mechanisms that support the use Apprenticeship Schemes by all sizes of businesses.</td>
<td>TB</td>
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<td>3</td>
<td>The LEP Executive to add an energy focussed item to the LEP Board agenda in July.</td>
<td>TB</td>
<td>Ongoing</td>
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<tr>
<td>4</td>
<td><strong>2018-2022 Business Plan</strong> (Agenda No. 4.2)</td>
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<td></td>
<td>The LEP Executive to make the necessary amendments to the Business Plan, with final editing sign off by the LEP Chair and Cornwall Council Cabinet Member for Planning and Economy.</td>
<td>AW/TB</td>
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<td><strong>PERFORMANCE AND ASSURANCE</strong> (Agenda No. 5)</td>
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<td><strong>CEO Report</strong> (Agenda No. 5.2)</td>
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<td>5</td>
<td>The LEP Executive and John Acornley to have a conversation regarding SPF and engagement</td>
<td>EK</td>
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## Summary of Actions from 14 March 2018

<table>
<thead>
<tr>
<th>No</th>
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<tr>
<td>6</td>
<td>with local stakeholders and report back to a future LEP Board meeting.</td>
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<td></td>
<td><strong>Governance Review</strong></td>
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<td>(Agenda No. 5.3)</td>
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<td>6</td>
<td>The LEP Executive to amend the revised LEP Governance arrangements following comments by the LEP Board.</td>
<td>TB</td>
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Exempt - Not for Publication
Exempt - Not for Publication
Exempt - Not for Publication
Social Enterprise is an emerging sector within Cornwall & the Isles of Scilly. The SSE Cornwall Lloyds Bank for Social Entrepreneurs programme has played a pivotal role in developing the sector and improving the business acumen skills of social enterprises across the region.

As one of a national network of global schools (9 in the UK, 2 global), SSE Cornwall has been delivering social enterprise start-up programmes over the last decade and continues to achieve outstanding results from its participants.

Following our successful 5-year Lloyds Bank for Social Entrepreneurs ‘start up’ programme (2012 – 2017); SSE Cornwall secured a further 5 years ongoing investment for our Lloyds Bank for Social Entrepreneurs ‘start up’ & ‘trade-up’ programmes.

A condition of investment from Lloyds Bank / Big Lottery Funded programme is that each school secures match funding. The two-year Cornwall & Isles of Scilly LEP investment to date, has been crucial to the successful delivery of the Lloyds programme to date. As can be seen from our bi-monthly reports; the programme has supported 20 ‘trade up’ students with another 20 currently being recruited for our 2018/19 start-up programme which will commence in October.

Attending this meeting will be two of our current Lloyds Bank for Social Entrepreneur ‘Trade Up’ students. Hearing directly from them will enable the Board to hear directly the value of the Cornwall & of Scilly LEP investment to this unique programme for Cornwall.

The LEP has currently committed investment for the first two years of programme delivery, it is hoped that having heard our update a further 3 years investment will be committed.
Julian Bose – Dadpad  [https://thedadpad.co.uk/](https://thedadpad.co.uk/)

Inspire Cornwall CIC has created an innovative new range of bespoke products that provide information for new dads, in collaboration with the NHS. The product range includes the DadPad, a physical a set of cards, an App version, and the a recently created Neonatal version of the DadPad.  [www.thedadpad.co.uk](http://www.thedadpad.co.uk)

Julian is a psychologist with a background working as a probation officer and has first-hand experience of working with men and families facing problems following the birth of a first child. He identified a market of up to 700,000 new dads a year, and an NHS looking at mental health prevention strategies and engaging dads in the care of their babies from birth. Since being on the Lloyds Trade Up Programme Julian has developed the Neonatal DadPad, gained social investment from Resonance and secured a major contract nationally with Mothercare. The Trade Up programme has extended Julian’s network, assisted him to make new contacts for corporate contracts and provided him with new resources for measuring the social impact of his products.

He has been a valuable member of the Trade Up cohort sharing his learning and success with his peers.

Jo Long – Jump with Jo [http://jumpwithjo.co.uk/](http://jumpwithjo.co.uk/)

Jo Long is the founder and Director of Jump with Jo CIC. Jump with Jo provides mobile active fun for children in Cornwall and aims to encourage and inspire children to become more active. [http://jumpwithjo.co.uk/](http://jumpwithjo.co.uk/)

Jo is a fully qualified children's fitness instructor promoting exercise and fitness in childhood by providing running classes, children's soft play using unique play accessories called Pony Cycles & zumba parties. She mainly operates in rurally isolated parts of Cornwall around Penzance as well as engaging with communities in Camborne, Helston and St Ives.

Jo was supported in the initial stages of developing her social enterprise by coming on the Lloyds Bank Social Entrepreneurs Start Up programme in 2015. She returned to progress onto the Trade Up programme with SSE in 2017. Being on the Lloyds Trade Up programme has enabled Jo to grow her social enterprise and she has recently employed someone else to assist her in the delivery of her services creating a part-time job (0.6FTE) in an area of the county suffering from high unemployment.

Prepared by: Sally Heard  Chief Executive School for Social Entrepreneurs Cornwall  
Date: 23 April 2018
**Recommendation(s)**

1. That the Board notes the contents of this report.
2. That the Board endorses that the LEP takes overall ownership and oversight of the creation of the new Action Plan for the sector – to be developed and delivered by the Marine Hub team and partners.

1. **Executive Summary**

   The Cornwall & Isles of Scilly Marine Renewables Roadmap 2015-2025 (henceforth titled the MRE Roadmap 2015) was published in 2015 to provide a direction for the public-sector in targeting investment support that could catalyse the evolution of a successful marine renewable energy sector in Cornwall.

   In mid-2017, work was initiated by Cornwall Council (CC) to review the Roadmap, through the establishment of an ad-hoc working group, led by the newly established Marine Hub, a public sector funded organisation sitting within Cornwall Development Company (CDC) and Marine Offshore Renewables Group (MOR Group), the trade body representing the offshore renewable energy business operating in Cornwall and the South West, supported by public and private sector experts from the CIOS ORE and marine technology sector (henceforth titled the Working Group).

   This purpose of this position paper is to:

   - first, set out the Working Group’s interim findings and preliminary conclusions;
   - second, make recommendations for the remaining actions needed to update the Roadmap and provide better strategic direction to ensure that the public-sector resources targeted at the sector are being efficiently and effectively used.
   - third, take forward the work carried out by the LEP in relation to the sector, as outlined in the ‘10 Opportunities’ document and Vision 2030.
Background
UK is a world leader in marine renewables, with Cornwall one of the UK’s three leading marine renewables regions, alongside Scotland and Wales. (See industry definition as appendix to this paper.)

The publication of the MRE Roadmap 2015 sought to leverage this position. With good progress made since then, an update is now called for.

Between 2015-2018, solid foundations have been laid to build on our world leadership and accelerate the growth of the sector. Meanwhile technologies have also progressed. For example, we have seen rapidly growing interest in tidal range and tidal stream (eg Swansea Bay, Maeygen) as well as other rapidly growing areas such as floating wind whilst some other marine technologies have progressed at a slower rate, as convergence is sought on the most effective and efficient system designs.

The renewables sector is the fastest growing sector worldwide, with most renewables offshore. As the sector matures, this is also a catalyst for the development of related marine technology areas, such as autonomous vessels, robotics and advanced manufacturing as well as a wide range of other marine tech applications and services – all of which represent additional economic growth opportunities for Cornwall.

Skills and capability have begun to be enhanced through a series of initiatives, the Marine Enterprise Zone has been launched, funding and support has been made available through the ERDF funded Marine-i project, and there have been important advances towards closer partnership between the public and private sectors, including the establishment of Cornwall Marine Hub and the continued work of the Marine Offshore Renewables Group, the industry body that represents offshore renewables in Cornwall and the South West, and Cornwall Marine Network, which includes a wide range of organisations from across the Cornish marine and maritime sector.

This progress has helped position Cornwall and Isles of Scilly as world leaders in the sector. However, there is remaining work to be done to ensure that this position is secure for the long term and to generate the jobs growth and economic benefits that are within our grasp. This will be realised as marine energy deployments are enabled and global export opportunities are embraced.

In particular, whilst these developments described above have been promising, they have not been accompanied by the parallel development of a public-private sector governance mechanism to ensure that the resources allocated and public-sector work undertaken in the sector’s support is properly directed, integrated and monitored.

A key issue is ownership, and the first finding of the work group is that the CIOS Marine Renewables Roadmap needs to be owned by an entity that is business-led and public-sector supported. This entity needs to have the wherewithal to: provide
strategic direction for the public-sector resources being used by the sector, human, infrastructural and financial; ensure that the effort therein is properly directed and coordinated; hold to account those organisations and individuals responsible for delivery.

Local enterprise partnerships have been established for just this purpose, and the obvious entity to own the CIOS Marine Renewables Roadmap is the CIOS LEP. This document provides a summary for the CIOS LEP of the work undertaken to date by the CIOS Marine Renewables work group and sets recommended actions to be undertaken over the next 6 months needed to complete the CIOS Marine Renewables Strategy.

2. Impact/Outcomes/Issues

Our Working Group’s Ambition
By 2030, Cornwall and the Isles of Scilly will be at the forefront of world markets in marine offshore renewables and marine tech, with a vibrant and growing private sector. This world-leading private sector will in turn be supported by a world leading public sector, the two working together in a highly productive collaboration with a deeply rooted culture that fosters innovation. The sector will create high value jobs bringing prosperity to the local economy, contribute to the UK’s energy security and carbon reduction goals and export technologies and services worldwide, whilst also directly contributing to Cornwall’s recently released energy vision for 2030.

Offshore Renewables – Strategic Context
To create the right strategy for the development of Cornwall’s growth in offshore renewables and marine tech, we need a clear understanding of the wider strategic context.

This includes but is not limited to:

**Global trends in Energy and Climate Change** – where there is increasing evidence not only of the impact of fossil fuels on the climate but also that these fossil fuels are at or around peak production and there will need to be a way to replace them as they become more scarce and expensive. This trend is being accelerated by legislation designed to reduce carbon emissions. Eg the European Commission 20-20-20 targets, the EU Renewable Energy Directive and the UK Climate Change Act.

**Global trends in the Offshore Renewables sector** – including Floating Offshore Wind and Wave, Tidal Stream Energy, Tidal Range Energy, Ocean Thermal Energy Conversion (OTEC) and Ocean Current Energy. The ocean energy resources therein represent, with geothermal, the last of the world’s unexploited renewable sources capable of delivering power at grid and industrial scale.

The UK Industrial Strategy – which highlights three of the four Grand Challenges facing the country as being growing the Artificial Intelligence and data driven economy, achieving clean growth, and becoming a world leader in mobility and transport.

The BEIS Clean Growth Strategy – which states that we will maximise the advantages for UK industry from the global shift to clean growth – through leading the world in the development, manufacture and use of low carbon technologies, systems and services that cost less than high carbon alternatives.

National Marine Strategies, including the National Shipbuilding Strategy, the National Maritime Strategy and the Future of the Sea Report – which considers the role that science and technology can play in understanding and providing solutions to the long-term issues affecting the sea. It outlines a number of recommendations to help the UK utilise its current expertise and technological strengths to foster trade links, build marine capacity across the world and collaborate to tackle climate change.

Local Economic Strategies, including the Cornwall Maritime Strategy, the Environmental Growth Strategy for Cornwall and The Local Enterprise Partnership vision for Cornwall – as laid out in ‘10 Opportunities’ which highlights the marine sector as ‘a marine superpower’ contributing £500 million per annum to the region’s annual GDP.

Rapid Pace of change – this can and does lead to uncertainty in many areas (eg Brexit, changes to Government policy framework for renewable energy and pricing) and means that we need a strategy and plan that is agile and flexible.

CIOS Offshore Renewables Status – Strengths & Weaknesses

County wide strength in renewable energy - Cornwall is fast becoming one of the UK’s exemplar regions for renewables. We have seen 550% growth since 2010 and with 32% of the region’ electricity generated by local renewable sources in 2016. (Source: Local Enterprise Partnership for Cornwall and Isles of Scilly, 10 Opportunities, published 2018).

This widespread understanding of the renewables opportunity in both the local private and public sectors is an ideal foundation for continued growth in the offshore renewable energy sector.

The working group’s review of the CIOS ORE Sector’s status revealed both strengths and weaknesses:

Strengths:
- Ambitious and innovative private sector – Cornwall is home to a significant number of innovative businesses in this sector, including offshore renewables and marine tech companies, many of which are exporting around the globe.
- An outstanding infrastructure - including the 15- hectare Marine Enterprise Zone, access to national and international grant funding and exceptional research
facilities such as FabTest and Wave Hub, plus one of the world’s largest natural harbours at Falmouth and a range of smaller but capable ports.

- **Finance for RD&I** – including Cornwall and Isles of Scilly Development Fund (CIOSIF) – a £40m investment fund to support access to finance where barriers exist for SMEs and seek to address an equity gap in start-up, early stage and development capital and the Marine Challenge Fund.

- **Depth of expertise and know how** – this is embedded in the experience, knowhow and RD&I capabilities of the private sector, supported by leading local academic institutions including the Universities of Exeter and Plymouth.

- **Established Community Energy sector** – an active and engaged local community energy sector supported by a revolving loan facility established with Cornwall Council to retain the financial benefits of renewable energy development within Cornwall. (The loan facility, managed by the Low Carbon Society, currently has an active loan book of £3.1 m).

- **Talented skills base** – Although further skills development work is needed for the long term, there is support to skills development related to the Marine sector in Cornwall including Falmouth Marine School covering a comprehensive selection of courses from introductory to degree level including Marine Engineering, Science & Biology, whilst Cornwall Marine Network, an organisation dedicated to supporting the Marine sector in Cornwall offers access to a programme of training skills developed specifically for the Cornish Marine Sector.

**Weaknesses:**

- **Private and public sector collaboration** – While some excellent work has been done over recent years, there is significant scope for improvement in this area. We need to ensure that the two sectors understand the overall strategy for the region and fully appreciate the benefits of working more closely together. When they operate at their best, private and public sector collaborations can become true creative alliances that can achieve exceptional results. We need to make sure that we have clearly identified our common goals and objectives, that the public and private interests have been balanced in our approach, and that there is clear, open and constructive dialogue between the private and public sectors as well as clear routes for the private sector to influence public sector at local and national policy level, especially on spatial planning.

- **Public sector support needs to continually improve its effectiveness** – In such a competitive and fast-moving industry, we need to ensure that the mechanisms for providing public sector support are working as efficiently and effectively as possible, and that the governance and decision-making processes allow the private sector to perform to its full potential. We need to make sure that the public sector are speaking the language of the private sector and that we understand their specific needs and challenges, including for example long term skill needs eg apprenticeships for practical skills. The private sector needs to be reassured that the public sector have a clear, rational and fair decision-making process and that they are being supported so far as possible. The public sector could for ex-ample provide support to the industry by working with the Duchy and Crown Estate on strategic planning, identifying MRE deployment areas.

- **Private businesses do not play a large enough role in building the sector** – The majority of businesses are focused on their own, individual commercial goals and do not understand the broader strategy for the sector or
how they can play an important part in helping to develop the local marine industry. There are also barriers such as limited time and a degree of cynicism about the public sector. While the public sector can help to set the vision and provide vital infrastructure and support, it will be the creativity and entrepreneurship of the individual business that will build a truly sustainable industry for the future. Many of the local businesses we speak to have a strong commitment to Cornwall and want to see the wider industry flourish. Some are already working in partnership with other businesses to share resources and expertise or collaborate on larger projects. We have an important role to play in helping to nurture, inspire and lead the long-term growth of the industry.

- **We need clearer models of ‘best practice’** – The way that public/private sector collaboration operates in our marine industry operates needs to be first class, in line with the demands of modern, innovative businesses, and reflecting best practice lessons learnt anywhere in the world. We need to ensure that we have clear, objective and transparent processes that are fully understood by the private sector. Roles and responsibilities must be tightly defined, so that it is clear what is expected of both parties on each project and there are clear goals and deadlines for delivery. We should also be regularly reviewing our processes to see if there is any way that they can be improved and fine-tuned.

- **Cornwall and the sector has to continually raise its profile** – We operate in a complex, global market with many competing players. Making clever use of the resources we have in order to communicate Cornwall’s proposition to a worldwide audience of businesses and inward investors is both a priority and a constant challenge. In order for a relatively small region to stand out in a crowded marketplace, Cornwall will need to punch significantly above its weight in the way that it communicates its message. This will require us to tightly target the specific kinds of high-value businesses that we want to attract and make it clear that we understand their particular needs and requirements. It will also require us to be clear about the unique strengths that Cornwall has in terms of skills, resources and infrastructure and to focus our communications around these assets, so that our message has the best possible chance of cutting through. In addition, the sector does not currently have a strong enough profile to attract the highest calibre young people into careers in the sector.

**Strategic Objectives**

The Working Group agreed that the Roadmap had provided a key foundation and helped focus much of the public-investment being made in the sector, but that what was now needed was an explicit strategy, and resourced action plan, to help provide direction to the efforts now under way, termed for convenience the CIOS Offshore Renewable Energy Strategy 2018-2030 (ORE Strategy 2018).

The Working Group agreed that such a strategy would likely need to focus on the development of the sector, in three phases, short, medium and long term, and with clear objectives for each:

- **Short Term (2018-2020)** - to establish an efficient and effective working partnership between private and public sectors, including influencing the Cornwall supplementary planning policy, and providing high quality support to offshore renewables and marine tech businesses as they build capacity and experience and...
expand further into UK and international markets, in the process establishing the local sector’s reputation, nationally and internationally.

- Medium Term (2021-2025) - to continue to help businesses accelerate their exports through building capability across marine renewables and emerging marine tech areas as well as preparing the ground for significant offshore renewable deployments off the Cornish coast through infrastructure enhancement, including through pilot arrays.
- Long term (2026-2030) – to support the large-scale deployment of offshore renewables, to contribute to Cornwall Council’s 2030 renewable energy targets and put Cornwall in a position to export energy to the rest of the UK. The delivery of these objectives will in turn stimulate the development of a range of innovative marine tech solutions which will help establish the Cornwall marine tech sector as a global centre of excellence for marine innovation.

The Working Group further agreed that this strategy would need to be owned by a business led entity with the wherewithal to first facilitate the formulation of the strategy and second direct, oversee and hold to account those organisations and individuals responsible for its implementation.

3. Recommended Actions

A Five Point Strategic Action Plan has been developed to deliver these Aims and Objectives.

ONE: To significantly improve collaboration between the private and public sectors. This to be achieved through a thorough examination of those current partnership mechanisms and engagement, with the objective producing a series of industry led recommendations, which will improve the quality and comprehensiveness of collaboration. Examples for consideration include;

- Greater use of online technology to facilitate communications, enabling better informed engagement, better decision making and more coherent action in support of the private sector.
- Facilitating access to leading edge centralised market intelligence for the sector.
- An innovative approach to apprenticeship programmes to develop the labour pool for the long term.
- Enhancing spatial planning activities to incorporate the marine space in line with the currently evolving South West Marine Plan. Activities to include resource and constraint mapping to guide the potential designation of strategic marine energy development areas. Alongside this action we will also seek to complete complimentary activities to expand the current Cornwall Renewable Energy supplementary planning documentation (SPD) to incorporate marine energy technologies. The goal here is to streamline required consenting and licensing processes whilst maximising stakeholder buy in. The action will also enable rationalised geographical targeting of investment support into services and infrastructure necessary to enable the successful deployment of marine renewable energy technologies.

TWO: To carry out a comprehensive analyses of all aspects of current public sector support and governance for the sector with the objective of
The scope of this to cover business support, skills training, investment support and strategic infrastructure improvement, as well as to include a critical assessment of the current structure and effectiveness of the existing governance and decision making mechanisms that oversee the allocation of these resources. This would also cover analysis of resource and restrictions (eg shipping lanes, MoD radar coverage) so as to establish opportunities for MRE deployment across different MRE technologies. The goal of this action is to create an outstanding calibre of public sector support that empowers the private sector, promoting growth. Examples for consideration could include:

- Cornwall Council to work with the Duchy, Crown Estate and MMO to look at strategic development areas for different MRE technologies. This is especially pertinent in the intertidal area that could be utilised for tidal range generation and is under shared responsibility of Cornwall Council as the local planning authority and MMO.

THREE: To stimulate private sector engagement in sector wide initiatives and activity designed to help build the sector overall. To achieve this, private sector engagement mechanisms are to be appraised and improved mechanisms implemented. Time pressure is a key barrier to involvement, combined with low awareness and understanding of public sector strategies and activities. This is essential to ensure that maximum private sector ideas are contributed to the process and to ensure that there is private sector buy in to the overall short, mid and long term strategy.

FOUR: To become an exemplar region for ‘best practice’ public/ private sector collaboration. The first step is to research and collate lessons that can be learned from outside the county. This to include a review of lessons learnt from comparable public/ private including collaborations and other tech sectors, as well as review of governance in other regions competing internationally in offshore renewables and marine technology. As well as looking at public/ private sector collaboration, this will include collaboration within the industry, for example with other regions.

FIVE: To continue to establish an improved ‘shop front’ for the region and sector through improved promotion of Marine Hub and the MOR group locally, nationally and internationally. This would entail a thorough evaluation of the sector’s current marketing and PR resources and mechanisms.

Outline timetable:

May 16th 2018: Agreement with LEP board
June 2018: Public/ private consultation
July 2018: Any revisions to road map identified through consultation
August 2018: Commissioning of any consultancy resource required / allocation of tasks through Working Group
October 2018: Debrief of reviews and consultancy
November 2018: Working group to present Action Plan incorporating findings and recommendations from reviews
December 2018: Implementation work as required to put new systems and processes in places
January 2019: Launch of new Delivery Plan

4. Conclusions and Next Steps

Offshore renewables and marine technology offer huge potential for Cornwall & the Isles of Scilly and the region has already established an outstanding reputation, both nationally and internationally. This sector is poised for exceptional growth and will play a pivotal role in the health of the local economy, supporting the creation of high-value jobs and the continued development of vital inward investment and export business.

This Position Paper sets out the key challenges that need to be met in order to take the sector to the next level in Cornwall & the Isles of Scilly. We recommend this Position Paper to the CIOS LEP and trust that it meets with their full approval.

We believe that the way forward is for the LEP to take ownership and oversight of the creation of the new Action Plan for the sector, led by the Marine Hub and to ensure that all the necessary activities required to deliver this are allocated and resourced. This will ensure that we continue the powerful momentum that has been built up over recent years.

I think the ask of the board at this stage is to accept the paper in order that the Marine Hub Cornwall led working party can consult more widely with industry to ensure we have private sector buy-in, knowing that there is LEP ownership of the position.

Moving forward, may be revisions which will need to be considered before finalising the action plan. I think the ask of the board at this stage is to accept the paper in order that we (the Marine Hub Cornwall led working party) can consult more widely with industry to ensure we have private sector buy-in, knowing that there is LEP ownership of the position.

Moving forward, I suspect that there may be revisions which will need to be considered before finalising the action plan. In the event that any element of the action plan requires additional resource (over and above what the Marine Hub Team can provide within its current budget) then it is anticipated that this would be met from applications to the EZ Growth Fund.

At this stage, there is no requirement for any resource over and above what the Marine Hub Team can provide within its current budget to move the roadmap refresh process to the next stage.

5. Financial Implications

There are no financial implications associated with this report.

6. Appendices

Research into the MRE industry has highlighted some confusion around the categorical definition of ‘non-onshore’ renewable energy sources.
- Marine Renewables Energy (marine energy or marine power) relates specifically to those energy generating activities utilising the action of the seas’ tides and/or waves.
- Offshore Renewables Energy relates to energy producing activities that do not take place onshore (i.e. on the land territory of the UK and dependencies) and includes wind.

For ease of reference, all three renewable energy sources are referred to under the umbrella term ‘Marine Renewable Energy’ (MRE).

**Section 151 (finance) Officer commentary and sign off**

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<tr>
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<th>Ellie Willcocks</th>
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<td>Comments:</td>
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Date of Board Meeting: 16 May 2018
Report Title: Ministerial Review of LEPs
Author: Tim Bagshaw
Contact: tim.bagshaw@cioslep.com

Decision Required by the Board Y/N: N
For Information Only Y/N: Y

Recommendation(s)

1. That the Board notes the ongoing Ministerial review of LEPs, discussions undertaken to date – and the timeline toward delivery of recommendations for action from the review.

1. Executive Summary

The Industrial Strategy White Paper Government committed to a review of LEPs’ roles and responsibilities, leadership, governance, accountability, financial reporting and geographical boundaries, such that they have a clearly defined set of activities and objectives.

In order to take external advice on the review, Ministers Jake Berry (MHCLG), Lord Henley (BEIS) and Robert Jenrick (HMT) have convened an advisory panel. The panel provides a broad perspective from leading figures in business, local government, academia, business representative organisations and LEPs. The panel has met in December 2017 and January 2018.

The Advisory Panel consists of expert stakeholders from business, academia and the public sector and has met three times, with a fourth scheduled in May. The panel has discussed:

The review is running alongside the full implementation of the Mary Ney recommendations on assurance and accountability, consultation with LEPs and Local Authorities and gathering feedback from across Whitehall.

2. Impact/Outcomes/Issues

The purpose of the review is to:

- **Define** with greater clarity the strategic role of LEPs’ in driving growth and productivity for business; people; ideas; infrastructure; and place.
• **Strengthen business leadership** and corporate governance to ensure that LEPs remain diverse private sector-led organisations that can shape and challenge local economic decision making, through the adoption of best practice.

• Establish **clear accountability** through rigorous financial reporting and enforcement of transparency in decision making.

• Assess the impacts of **boundary overlaps** to ensure clarity, transparency and representation of functional economic areas.

• **Improve organisational capability** and planning certainty, including looking at options for a common incorporation model; how LEPs are resourced and the standardisation of organisational structures and reporting.

• Define the **relationship between LEPs and Local Authorities**, as well as new organisational structures such as Mayoral Combined Authorities.

**Headlines from the Panel discussions so far include:**

• That clarifying the mission of LEPs is integral and that this must be kept simple.

• Strong business leadership and effective partnership working is a key determinant of a successful LEP.

• LEPs need to have arrangements that enable them to set a strategy for long term change and economic improvement.

• LEPs must have clarity on their roles and responsibilities, and on how to effectively measure their output and impact.

• More must be done to ensure LEPs have a small number of targeted objectives rather than an expansive list of activities.

• The review could consider increasing the proportion of private sector representatives that sit on LEP boards and that promoting a diverse and representative private sector voice in LEPs is essential to their success.

• The review should agree approaches for promoting effective leadership, including fixed terms for chairs.

• That LEPs must be clearly distinct and that the review should explore in detail how local government provides support to LEPs, such that LEPs are able to provide a strong and independent private sector voice.

• More can be done to identify best practice LEP performance. Organisations such as the LEP Network could have a greater role sharing best practice and in activities such as peer review and regulation.

• That increasingly objective measurement of LEP performance should be welcomed. This strengthens governance and promotes best practice across the sector.
• Government could consider a more nuanced range of actions and support with regards underperforming LEPs.

• In addition, advisory panel members also agreed the review should be mindful that:

• LEPs should have a broad remit in driving growth and should not be restricted to allocating funding alone.

• LEPs should not be reduced to a support function for the economic development arm of a local authority.

• Imprecision on LEPs’ role risks ‘mission creep’ and impedes their ability to focus on driving local growth.

• That in setting out any revised expectations, these should reflect LEPs’ strategic role and be precise when describing LEPs’ outputs and activities.

• That whilst Government could be more prescriptive in setting out some of its expectations of LEPs, it should recognise that LEPs are local organisations and should retain local autonomy.

3. Next Steps

• 8 May: Meeting with LEP CEO / Directors on emerging recommendations
• Early May: Final advisory group meeting
• Late May: Meeting with LEP Network advisory group
• Anticipated conclusion of LEP Review ahead of parliamentary summer recess

4. Financial Implications
N/A

**Section 151 (finance) Officer Commentary and sign off**

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1. To note overall progress across operational activity.

1. CAPACITY AND GOVERNANCE

Capacity
The expanded and strengthened LEP Executive is now fully functional and delivering activity. Alongside the core LEP team focused on Governance, Communications and Business & Innovation, leads for Programme Management and People & Prosperity/Skills are also in post and have provided content and input to the agenda for this Board meeting. The Chair will provide an update on the recruitment exercise for the new Chief Executive.

An induction meeting and briefing for new intake of Board Directors was held on the 30 April and papers for this Board meeting also detail proposed next steps for further Board change and succession planning through 2018/19.

Governance, Protocol and Reporting
Alongside the implementation and establishment of the new team and enhanced capacity for delivery, the LEP Executive has continued with its detailed review of LEP governance. The team is working closely with the Audit and Assurance and Nominations Committees and influenced by the implemented recommendations of the Ney Review, the forthcoming revision of the National Assurance Framework and Grant Thornton’s supporting work on review of governance.

Following the submission of the 2018/19 LEP Core Funding application, the Ministry of Housing, Communities and Local Government (MHCLG) have confirmed that, in line with last year, we will receive our allocation of £500,000.
We continue to work on the actions that came from the Annual Conversation back in December and have recently provided an update to the Assistant Area Director on progress:

**Governance**
- The new assurance regime is in place and the first meeting of the revised Investment Panel took place in April.
- Work is ongoing to review the Accountable Body role – including a review of the fixed fee arrangement. We have had continued support in this work through independent review undertaken by Grant Thornton. More detail on these points under Agenda item 6.3.
- The LEP website has been ‘refreshed’ and relaunched in April making the access of key information easier.
- The minimum requirements for the NEY Review were met by the 28 February 2018 deadline.

**Delivery**
- An update on Growth Deal including underspend is provided under agenda item 4.1
- We are actively building in milestones to all Growth Deal 3 projects.

**Strategy**
- We have undertaken a major review of performance indicators, which now feature in our business plan.
- We have also prioritised a sector focus for 18/19 and beyond through our work with 10 Opportunities and are actively engaging with the Cities and Local Growth Assistant Director to explore opportunities to link with Government on these priorities.

2. BUSINESS PLAN PROGRESS 2017/18

The 2018/19 budget is attached at Appendix 1.

Further to the Budget and Business Planning meeting on the 22 February, principal items to note are as follows:

- A larger than anticipated carry forward of funds from 2017/18
- Productivity Led Growth looks a disproportionately large number – but includes; carried forward Spaceport bid commitments from 17/18; Spaceport bid commitment for 18/19 and carried forward Enterprise Zone contribution from 17/18
- We have undertaken work to ensure that the commitments for 18/19 are all very likely to happen commitments
- The reserve of £203,666, is proposed to be carried forward to 19/20 and, alongside anticipated further core funding would provide the operating budget for 2019/20
- Each of the Vision 2030 key themes has a small remaining budget to support activity. It is only likely that by underspend here we will increase the 19/20 carry forward

We have also had confirmation of further Growth Hub funding allocation, subject to submission of our proposal, of a further £205,000 per annum for the next two years. We are continuing our discussion with BEIS on alternative approaches to using these
funds and in particular to building a strengthened approach to supporting Scale Up businesses.

There are no matters of **compliance** to escalate.

In terms of **corporate risk**, the Board should note the revised risk register at Appendix 2. The Board should note the revised risk register format which is as a result of the governance review and work with the Audit and Assurance Committee to review the way performance and risk is captured and reported to the Board. The LEP Executive would welcome any comments or feedback the Board may have.

There are no known programmes or projects that are considered as red risk for escalation to the Board.

### 2.1 BUSINESS PLAN DELIVERY HIGHLIGHTS:

#### Financial Instruments

British Business Bank procurement of a fund manager for the Cornwall and Isles of Scilly Investment Fund (CioSIF) is nearing conclusion, with contract award expected by mid-May. Prospective fund managers have now been notified of the outcome of the OJEU process and the standstill period preceding any award ends at midnight 10 May. The next meeting of the CioSIF Advisory Board, chaired by John Acornley, will take place on 11 May. The Bank is proposing a series of launch events on 28 and 29 June 2018, to be confirmed.

#### Shared Prosperity Fund

Additional significant activity on the UK Shared Prosperity Fund (SPF) is on hold pending the launch of the Governments consultation. No date for this has been set yet but could be anytime between June and October 2018 with an expectation that the fund will not be launched until 2021/22. Key principles have been agreed by Cornwall Council Cabinet and these have also been discussed by the LEP Board. The work undertaken to date has been useful in preparing the groundwork for the consultation when it is launched but it is recognised further work and engagement will be required with local partners once the detail of the consultation is known. It is too early to predict any detail on the scope and scale of the UK SPF.

Preparation work for the SPF is continuing and the focus of the Economic Growth team and LEP executive has now shifted to the following activity:

- **Working with partners to develop the concept of “Adopting a more Inclusive Growth Approach”**. A workshop was held on 13 March 2018 and involved members of the Council’s Overview and Scrutiny Committee as well as a representative of the Private sector, Social Enterprise, Public sector, Voluntary Sector and the Creative Sector. The outcome of the workshop will be a set of principles that will be used by Cornwall Council to inform an approach to inclusive growth. This will then be used as the basis for further discussions with local stakeholders regarding the UK SPF.
- **Working on a revised set of indicators that can be used to track progress towards the outcomes and targets identified in Vision 2030 and how any future funding will help to deliver the aspirations identified in that document.** A draft of this work was presented to the LEP board at the workshop on 22 February and the feedback from that meeting is now being used to refine the work.
John Acornley has agreed to chair the UK SPF Steering Group and a meeting of this group is being arranged in May 2018. In the absence of the consultation the group will begin to consider how we might structure a future economic development programme so that some more detailed economic analysis can be undertaken on the various scenarios. This can then be used as part of the discussion with government and local stakeholders.

A further presentation of this work and how the UK SPF can help to deliver continued progress towards our Vision 2030 objectives will be provided at a future LEP Board for consideration.

**Growth Hub and Skills Hub**

To improve the consistency of reporting we have moved from LEP bi-monthly reporting to quarterly reports in line with ERDF reporting requirements. Figures reported below relate to the period between 1 January and 31 March 2018.

To date the Growth & Skills Hub has had:

<table>
<thead>
<tr>
<th></th>
<th>01.01.18-31.03.18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website users</td>
<td>8,442</td>
</tr>
<tr>
<td>Phone calls</td>
<td>407</td>
</tr>
<tr>
<td>ERDF 3hr assist</td>
<td>201</td>
</tr>
<tr>
<td>Non eligible 3hr assists</td>
<td>30</td>
</tr>
</tbody>
</table>

“How satisfied or dissatisfied are you with quality of service?”

<table>
<thead>
<tr>
<th>Rating</th>
<th>01.01.18-31.03.18</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Very Dissatisfied</td>
<td>0.00%</td>
</tr>
<tr>
<td>2 – Dissatisfied</td>
<td>0.00%</td>
</tr>
<tr>
<td>3 – Neutral</td>
<td>16.67%</td>
</tr>
<tr>
<td>4 – Satisfied</td>
<td>38.89%</td>
</tr>
<tr>
<td>5 – Very Satisfied</td>
<td>44.44%</td>
</tr>
</tbody>
</table>

**Business Regulatory Support**

As part of the of the LEP led Business Support devo work stream Business Regulatory Support (BRS part of the ‘Better Business for All’ initiative) was aligned to the [www.ciosgrowthhub.com](http://www.ciosgrowthhub.com) in March 2017 to ensure a seamless service for business across all business support and local business regulatory services. Q1 figures for 2018 are shown below:

<table>
<thead>
<tr>
<th>1. Number of incoming businesses request assists via the BBFA hub:</th>
</tr>
</thead>
<tbody>
<tr>
<td>330 = ( 62 new business 19% / 268 81% existing business )</td>
</tr>
</tbody>
</table>
### 2.2 FUNDING PROGRAMMES:

#### Programme Performance

The following summarises our key overall output targets. These targets relate to programmes directly under LEP control. This is still ‘a work in progress’ and further integration across our programmes is ongoing. The Board should note that the majority of the outputs will be realised towards the end of the programme due to the significant investment relating to enabling infrastructure. This is also highlighted in output returns to HM Government.

<table>
<thead>
<tr>
<th>PROGRAMMES TO 2021</th>
<th>Jobs</th>
<th>Status Against Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Target</td>
<td>To Date</td>
</tr>
<tr>
<td>Aerohub Enterprise Zone</td>
<td>500</td>
<td>348</td>
</tr>
<tr>
<td>Growth Deal¹</td>
<td>5726²</td>
<td>29</td>
</tr>
<tr>
<td>CC - Regional Growth Fund</td>
<td>5201</td>
<td>5150</td>
</tr>
<tr>
<td>CC- Growing Places Fund</td>
<td>No target</td>
<td>939</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8427</strong></td>
<td><strong>6466</strong></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>NB: Does not include Growth Hub at this stage¹</th>
<th>Business Supported</th>
<th>Status Against Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Target</td>
<td>To Date</td>
</tr>
<tr>
<td>Aerohub Enterprise Zone</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>Growth Deal</td>
<td>No target</td>
<td>0</td>
</tr>
<tr>
<td>CC - Regional Growth Fund</td>
<td>No target</td>
<td>124</td>
</tr>
<tr>
<td>CC- Growing Places Fund</td>
<td>No target</td>
<td>3</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>55</strong></td>
<td><strong>141</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Leverage</th>
<th>Status Against Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerohub Enterprise Zone</td>
<td>n/a</td>
</tr>
<tr>
<td>Growth Deal</td>
<td>£264,000,000</td>
</tr>
<tr>
<td>CC - Regional Growth Fund</td>
<td>No target</td>
</tr>
<tr>
<td>CC- Growing Places Fund</td>
<td>No target</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£264,000,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Homes</th>
<th>Status Against Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerohub Enterprise Zone</td>
<td>n/a</td>
</tr>
<tr>
<td>Growth Deal</td>
<td>7000</td>
</tr>
<tr>
<td>CC - Regional Growth Fund</td>
<td>n/a</td>
</tr>
<tr>
<td>CC- Growing Places Fund</td>
<td>No target</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7000</strong></td>
</tr>
</tbody>
</table>

¹ Programmes fund to 2021, although some target achievement dates go beyond 2021.
Growth Deal (GD) Update:

A Growth Deal report has been provided at Agenda Item 4.1.

Cornwall and Isles of Scilly Growth Programme Update

Projects
- Contracted projects: 82

ESIF Total Investment
- ESIF total investment: £259,573,247
- Investment by sector (number):
  - Public sector: 40
  - Private Sector: 27
  - VCSE: 15

Match Funding
- Total match: £95,288,260
- Private match: £52,471,924
- Public match: £42,816,336

ESF
- ESF projects: 27
- ESF total investment: £52,034,663
- ESF remaining allocation: £86,020,333

ERDF
- ERDF projects: 55
- ERDF total investment: £207,538,584
- ERDF remaining allocation: £77.77m

Live calls:
- EAFRD - RDPE Calls. Business development, Food processing and Rural tourism infrastructure - £6.5m. Find out more

www.cornwallislesofscillygrowthprogramme.org.uk

Construction Strategy Update

We have secured £440k ESF for the sector to develop our skills offer and are continuing good discussions across the Construction Sector, including:
- An opportunity has been identified to develop a Construction Skills Academy focussed on a Pre-Apprenticeship programme for young people in Years 12 and 13, and extending to introductory ‘taster sessions’ for all ages down to Junior School level. We are progressing this potential development around the Nansledan site with Kier, Cornwall Training Group and Cornwall College,
- We are meeting Building Plymouth and CITB to discuss further SW options, funding and working together on the public image of the sector, opportunities and careers, as well as grounds for skills development programming,
- 75 businesses from across the region attended the recent ‘Construction Summit’ where priorities were reviewed, as well as the key challenges and opportunities impacting on the delivery of Cornwall’s development programmes. Priority activities identified focussed on Skills and Recruitment alongside enhanced sector
coordination in terms of managing the built environment delivery in Cornwall through a strategic client group approach,

- Other core priorities focused on improving productivity and strengthening the region’s engagement and use of new approaches to construction, technology and digitisation.

- The £440{k will help to develop improvements in available skills training, more flexible approaches to delivery, create new programmes of support, enhance the opportunities associated with apprenticeships including developing higher level options linked to the professions such as architectural technician, surveying and management.

- We are planning a focused Housing and Construction conference for the Autumn to further develop the collaborations necessary to address the challenges we have and meet development aspirations.

GLOBAL PRESENCE

Great SW

Alongside ongoing collaborative work on items such as Marine, Energy and Rural detailed previously we have also begun discussion on an overarching approach for the Great South West initiative. This will focus on three key areas of activity:

a. Transport – the formation of the sub regional transport body to advocate need for key transport infrastructure to Government.

b. Rural – taking forward the main recommendations of the South West Rural Productivity Commission – and a particular focus on lobbying for increased support for Broadband and 4G/5G reach into rural areas.

c. Trade – Engaging DIT and exploring opportunities for South West collaborative activity on trade and export – particularly in Marine (building on the collaborative South Coast Marine Cluster), Aerospace and Nuclear.

A revised Steering Committee with representation from Cornwall and the Isles of Scilly will meet in May, June and July with an initial action to agree the priorities above and then to construct letter to James Brokenshire – ‘We want to work with you on this basis. If you like our approach, our ideas will you help us with our approach to other ministers’ – and then approaches to other key departments, BEIS, DfT, DIT etc. The LEP working group will also develop timetable of key events for first 12 months – e.g. appropriate trade missions, supporting rural activity – and also a proposed event in London in September, engaging government departments and positioning asks of government ahead of autumn / spring statement, Budget.

Upcoming call announcement: Competitive £115m UKRI Strength in Places Fund

Announced in the Industrial Strategy White Paper (Nov 2017) this call will support collaborative programmes based on research and innovation excellence in places right across the UK which can demonstrate a strong impact on local productivity and enhance collaboration between universities, research organisations, businesses, local government and LEPs in England and relevant agencies in the devolved nations.

- Detailed programme design is under development, a call announcement for EOIs is expected in late Spring 2018 [https://www.ukri.org](https://www.ukri.org)
- It will be a competitive fund for collaborative bids between research organisations and business, with appropriate strategic engagement from local leadership.
• SIPF is not a follow on fund for Science and Innovation Audit support. However, SIA data is part of the evidence that consortia may draw upon, dependent on the economic geography making the bid.
• Fund will focus on driving and accelerating clusters.
• Stakeholder events will be held across UK, led by UKRI and supported and co-delivered by the devolved administrations.

3. COMMUNICATIONS

Summary (from 15 January to 26 April 2018):

<table>
<thead>
<tr>
<th></th>
<th>15.01.18-28.02.18</th>
<th>01.03.18-26.04.18</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newsletter</td>
<td>1,673</td>
<td>70</td>
<td>1,743*</td>
</tr>
<tr>
<td>LinkedIn</td>
<td>235</td>
<td>46</td>
<td>281</td>
</tr>
<tr>
<td>Twitter</td>
<td>2,517</td>
<td>170</td>
<td>2,687</td>
</tr>
<tr>
<td>Attendance/engagement</td>
<td>269</td>
<td>310</td>
<td>579</td>
</tr>
<tr>
<td>Views of 10 opps</td>
<td>1,815</td>
<td>596</td>
<td>2,411</td>
</tr>
</tbody>
</table>

*Note: the LEP is currently going through a repermissioning exercise to comply with new GDPR laws which involves asking subscribers to confirm that they wish to continue receiving LEP communications. We therefore expect this number to fall when we report to July’s Board.

Press releases issued since last report:

March 6: Space Action Plan targets thousands of jobs
March 15: LEP welcomes Royal Assent for Space Industry Bill
March 20: LEP announces new non-executive directors
March 28: Sector deal boost for creative industries
April 3: Spaceport Cornwall decision expected in May
April 18: Cornish students win £12,500 in national space challenge

Radio Cornwall monthly slot: 15 March (Sandra Rothwell) & 25 April (Mark Duddridge)
Newsletter issued 27 April

Forward planning – highlight meetings/events:
29 May LEP Network Management Board
6 June CIoS LEP EZ Board
6 June LEP Nominations Committee
7 to 9 June Royal Cornwall Show
19 June Creative Industries Taskforce workshop
20 June Great SW Steering Group
27 June CIoS LEP Employment and Skills Board
3 July CIoS Place Board
17 July CIoS LEP Quarterly MP/Peers meeting
18 July ITI Board
19 July CIoS Executive Group
24 July Great SW Steering Group
25 July LEP Board

Appendices
Appendix 1: 2018/19 Budget Monitor
Appendix 2: Corporate Risk Register
Appendix 3: Economic Update

Section 151 (finance) Officer Commentary and sign off

<table>
<thead>
<tr>
<th>Name</th>
<th>Ellie Willcocks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
<td>08.05.18</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
</tr>
</tbody>
</table>
### CIoS LEP Budget 2018/19

#### Core Unringfenced Income

<table>
<thead>
<tr>
<th>Income</th>
<th>Budgeted Income 2018/19 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public sector funding</td>
<td>150,000</td>
</tr>
<tr>
<td>Core Funding (BEIS)</td>
<td>500,000</td>
</tr>
<tr>
<td>Capital Interest Accrued 2018-19 estimate on capital funds</td>
<td>222,000</td>
</tr>
<tr>
<td>Draft Balance Q4 (revenue)</td>
<td>1,100,320</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,972,320</strong></td>
</tr>
</tbody>
</table>

#### UNRINGFENCED EXPENDITURE BREAKDOWN

<table>
<thead>
<tr>
<th>Administrative Costs</th>
<th>Budget 2018/19</th>
<th>Actual Spend</th>
<th>Commitments</th>
<th>Balance Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total salary and employee costs</td>
<td>472,000</td>
<td>472,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport</td>
<td>18,000</td>
<td>18,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total supplies and services</td>
<td>50,000</td>
<td>10,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Other support services</td>
<td>50,000</td>
<td>50,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total Administrative Costs</strong></td>
<td><strong>590,000</strong></td>
<td><strong>0</strong></td>
<td><strong>60,000</strong></td>
<td><strong>530,000</strong></td>
</tr>
</tbody>
</table>

#### Grants and Future Programmes

<table>
<thead>
<tr>
<th>Grants and Future Programmes</th>
<th>Budget 2018/19</th>
<th>Actual Spend</th>
<th>Commitments</th>
<th>Balance Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation &amp; Creativity</td>
<td>73,000</td>
<td>33,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Productivity Led Growth</td>
<td>505,163</td>
<td>465,163</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Inclusive Growth</td>
<td>42,000</td>
<td>2,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Building Great Careers</td>
<td>167,210</td>
<td>127,210</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Vibrant Communities</td>
<td>60,906</td>
<td>20,906</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Global Presence</td>
<td>35,000</td>
<td>35,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Comms &amp; Engagement Programmes Management</td>
<td>63,375</td>
<td>3,375</td>
<td>60,000</td>
<td></td>
</tr>
<tr>
<td>Economic Policy &amp; Analysis (incl SEP/GSW)</td>
<td>125,000</td>
<td>85,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Grants and Future Programmes</strong></td>
<td><strong>1,096,654</strong></td>
<td><strong>0</strong></td>
<td><strong>771,654</strong></td>
<td><strong>325,000</strong></td>
</tr>
</tbody>
</table>

#### Other Revenue

<table>
<thead>
<tr>
<th>Other Revenue</th>
<th>Budget 2018/19</th>
<th>Actual Spend</th>
<th>Commitments</th>
<th>Balance Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEP Company Transfer of Funds</td>
<td>82,000</td>
<td>0</td>
<td>82,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Other Revenue</strong></td>
<td><strong>82,000</strong></td>
<td><strong>0</strong></td>
<td><strong>82,000</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

**Total Budget** | **1,972,320**

**Total Expenditure** | **1,768,654** | **0** | **913,654** | **855,000**

**18/9 Reserve into 19-20 Delivery or closedown** | **203,666** |

#### Ringfenced Funds

<table>
<thead>
<tr>
<th>Enterprise Zone Business Rate Reserve</th>
<th>Balance/Grant 2018/19 £</th>
<th>Actual Spend</th>
<th>Commitments</th>
<th>Balance Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>905,852</td>
<td>33,750</td>
<td>872,102</td>
<td></td>
</tr>
<tr>
<td>Growth Hub</td>
<td>205,000</td>
<td>0</td>
<td>205,000</td>
<td></td>
</tr>
<tr>
<td>EIF - Ten Opportunities leverage</td>
<td>217,604</td>
<td>0</td>
<td>217,604</td>
<td></td>
</tr>
<tr>
<td>Others - incl LTB</td>
<td>86,471</td>
<td>0</td>
<td>86,471</td>
<td></td>
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<tr>
<td><strong>Total Ringfenced Funds</strong></td>
<td><strong>1,414,927</strong></td>
<td><strong>33,750</strong></td>
<td><strong>1,381,177</strong></td>
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</table>

#### Capital Funds

<table>
<thead>
<tr>
<th>RGF</th>
<th>Balance/Grant 2018/19 £</th>
<th>Actual Spend</th>
<th>Commitments</th>
<th>Balance Remaining</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>98,379</td>
<td>98,379</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Growing Places</td>
<td>4,031,922</td>
<td>4,031,922</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Growth Deal</td>
<td>9,215,383</td>
<td>9,215,383</td>
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</tr>
<tr>
<td><strong>Total Capital Funds</strong></td>
<td><strong>13,345,684</strong></td>
<td><strong>0</strong></td>
<td><strong>4,130,301</strong></td>
<td><strong>9,215,383</strong></td>
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</tbody>
</table>
### CLoS LEP Principal Board Level Corporate Risks and Uncertainties Register

<table>
<thead>
<tr>
<th>Key</th>
<th>Risk Level</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>The low, medium and high risk level is our estimate of the net risk to the Board after mitigation. It is important to note that risk is difficult to estimate with accuracy and therefore may be more or less than indicated.</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Increasing</td>
<td>Stable</td>
<td>Decreasing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assessment of direction of travel of risk level.</td>
<td></td>
<td></td>
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</table>

### CLoS LEP Principal Risks

<table>
<thead>
<tr>
<th>Lack of appropriate and adequate governance arrangements across all LEP activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need to ensure clear procedures and protocols are in place - meeting the requirements of Nolan principles and those outlined in the Assurance Framework</td>
</tr>
<tr>
<td>Lack of clear governance arrangements in place, resulting in end of programme support by BEIS</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lack of adequate resources in place</th>
</tr>
</thead>
<tbody>
<tr>
<td>An adequate budget (revenue and capital) and capacity in place to deliver LEP Core activity and LEP Business Plan priorities.</td>
</tr>
<tr>
<td>Reduced or withdrawn funding from Government and/or Cornwall Council reduces the capacity in place in the Executive, making delivery of Vision 2030/10 Opportunities and core business difficult or impossible (link to CP6).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Risk Score (as at 31 Jan)</th>
<th>Mitigation</th>
<th>Net Risk (Post Mitigation)</th>
<th>Direction Since Last Review</th>
<th>Comments or Control Measure/Action</th>
<th>Owner</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>CP1</td>
<td>Lack of appropriate and adequate governance arrangements across all LEP activity</td>
<td>4</td>
<td>Implementation of LEP Assurance Framework. Governance through Quarterly LEP Audit &amp; Assurance committee. Executive Team monitor and ensure good governance and compliance and regular appropriate reporting for both main Board and revised sub-Board and groups structure. Reviewed annually by CC Internal Audit (as accountable body). Reviewed as part of Annual Conversation with MHCLG. Assurance Framework now aligned to 2017 HMG guidance. MOU revised and aligned to new LEP/CC capacity review. External audit of governance to be undertaken in January 2018. Ney Review recommendations being addressed and built into governance review</td>
<td>4</td>
<td>Down</td>
<td>Work to the LEP Assurance Framework, the LEP/CC MOU and ensure alignment and compliance with the National Assurance Framework.</td>
</tr>
<tr>
<td></td>
<td>Lack of adequate resources in place</td>
<td>5</td>
<td>Core funding confirmed in principle to March 2020. This is dependant on completion of governance review (CP1). Growth Deal 3 invested strategically to support Vision 2030 priorities. Future investment for business through CLoS Investment Fund forthcoming and LEP support for Cornwall Council investment programme. Utilising all income streams where possible and taking forward work to realise financial sustainability and delivery of priorities. Note importance of Shared Prosperity Fund negotiations.</td>
<td>4</td>
<td>Down</td>
<td>Monthly Executive budget management meetings; budget report to every Board; full review of budget at bi-annual Audit and Assurance Committee; Annual Board review of budget and business planning process. New resource to monitor in detail Growth Deal and other LEP investment.</td>
</tr>
<tr>
<td>CP3</td>
<td>Poor overall financial compliance</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>To ensure strong financial controls are in place to support LEP core funding and external investment.</td>
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<tr>
<td></td>
<td>Cannot demonstrate adequate financial controls are in place, resulting in funding clawback.</td>
<td></td>
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<tr>
<td></td>
<td>Cornwall Council acts the LEP Accountable Body covered through the LEP AF. Monthly LEP/CC Finance and Monitoring meetings. Additional resource within the Executive Team provides monitoring and compliance assurances through detailed support for LEP investments. Additional and legal assurance through annual independent external audit of accounts.</td>
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<thead>
<tr>
<th>CP4</th>
<th>Inadequate programme management of external funding programmes and initiatives under direct LEP responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To ensure effective programme management leads to compliant activity and implementation focused on Strategic Economic Plan delivery.</td>
</tr>
<tr>
<td></td>
<td>Failure to deliver targets and priorities associated with initiatives such as the Enterprise Zone and Growth Deal.</td>
</tr>
<tr>
<td></td>
<td>Difficulties associated with external project delivery and ensuring timely and appropriate expenditure claims by third parties (links to CP3 above).</td>
</tr>
<tr>
<td></td>
<td>Lack of ability to manage these initiatives would result in loss of confidence from HMG, Local Government and business community.</td>
</tr>
<tr>
<td></td>
<td>New team resource in place to ensure strong programme management of external funding.</td>
</tr>
<tr>
<td></td>
<td>LEP Executive representation at all Programme Board/contract meetings and reports in detail to LEP Board on quarterly basis.</td>
</tr>
<tr>
<td></td>
<td>Regular finance and monitoring reviews with project delivery bodies.</td>
</tr>
<tr>
<td></td>
<td>CEO reports any escalation matters to every LEP Board if required.</td>
</tr>
<tr>
<td></td>
<td>All processes have been reviewed and updated as part of governance audit and impact of Ney Review.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CP5</th>
<th>Devolution Deal fails to be implemented</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Given the potential impact and importance of the DD, it is singled out as a specific initiative to oversee corporate level risks.</td>
</tr>
<tr>
<td></td>
<td>Demonstratable and regular business advocacy through the work of the LEP and progress achieved through business input.</td>
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<tr>
<td></td>
<td>Managed through regular contract meetings with the Communications Manager and the LEP PR &amp; Media agency, clear detailed risk register and a focus on KPIs for commms.</td>
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<tr>
<td></td>
<td>Communications Strategy in place with clear media protocols.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>CP6</th>
<th>Poor reputational management and communications</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To ensure position where there is strong Government, public and private sector reputation and engagement and a clear independent business voice to the work of the LEP.</td>
</tr>
<tr>
<td></td>
<td>To ensure effective communications for all LEP activity - manage any difficult publicity as well as good news stories.</td>
</tr>
<tr>
<td></td>
<td>Loss of confidence in the LEP to lead economic growth for Cornwall and Isles of Scilly among retained Board members.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CP7</th>
<th>Failure to deal with impact of referendum result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Loss of EU funds and lack of clearly defined exit arrangements leads to inability to delivery SEP.</td>
</tr>
<tr>
<td></td>
<td>Major project investments do not happen. Loss of business confidence to invest. SEP priorities and KPI’s not delivered.</td>
</tr>
<tr>
<td></td>
<td>A detailed and programme of engagement with business and industry in support of Vision 2030 and 10 Opportunities priorities.</td>
</tr>
<tr>
<td></td>
<td>Communications Strategy and protocols in place with Local Authorities and key delivery bodies/programmes (written into all funding contracts with the LEP).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CP8</th>
<th>Replacement of LEP CEO and Board Director changes in 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ensuring good transfer from current postholder through interim arrangements to new full time CEO.</td>
</tr>
<tr>
<td></td>
<td>Protracted time period in securing interim postholder and eventual full time postholder leads to loss of momentum in LEP delivery and loss of external confidence in LEP capability.</td>
</tr>
<tr>
<td></td>
<td>Failure to respond to loss of Board Director expertise as composition of Board changes in 2018/19 leads to lessening of LEP impact at Board level.</td>
</tr>
<tr>
<td></td>
<td>A strong LEP Executive team established with strong support from Cornwall Council Economic Growth Service focussed on Vision 2030 and 10 Opportunities priorities ensures strong continued LEP delivery throughout the transition period.</td>
</tr>
<tr>
<td></td>
<td>LEP Nominations Committee will lead the recruitment process ensuring appropriate private sector involvement and timely delivery.</td>
</tr>
<tr>
<td></td>
<td>LEP Board Nominations Panel leads on effective succession planning allocating responsibilities to new Board members and sanctioning targeted new Board director recruitment where expertise / skills not available amongst retained Board members.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CP9</th>
<th>Capacity review undertaken Q2/17/18 - increased resource in place to respond to the priorities of Vision 2030 and 10 Opportunities.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Nominations Panel established, comprising of the LEP Chair, CEO’s of both Local Authorities, and two other LEP Directors.</td>
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<table>
<thead>
<tr>
<th></th>
<th>LEP CEO</th>
<th>Open</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Greg Slater</td>
<td>Open</td>
</tr>
<tr>
<td></td>
<td>Tim Bagshaw</td>
<td>Open</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Revised severity of risk following the audit findings report - revised actions being taken to address those comments.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LEP conducts its Financial affairs through the Accountable Body, Whole LEP approach reviewed and audited annually by independent external body.</td>
</tr>
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| | Closed 24/05/17 |
| | Closed 24/05/17 |

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United Kingdom
Overall the economy continues to grow both in output and employment terms. On the downside inflation remains at a high level – currently 2.5% and consumer confidence is negative. GDP quarterly growth was 0.4% in Q4 2017 the same as the Q3 figure but below the Q4 2016 level of 0.7%. The labour market remains positive with employment at record highs and unemployment down (the rate is the lowest since 1975). Economic inactivity rates are the joint lowest since 1971. The housing market saw prices 4.4% up on an annual basis, continuing the gradual decline over recent months with latest monthly mortgage lending down on the same month a year previously. Consumer inflation continues to fall back from the peak, down to 2.5% in March, while producer prices showed another fall to 2.4%. Business confidence slowed in March, (with the inclement weather being regarded as a factor), Manufacturing and Services both slowed and Construction saw a sharp drop, however permanent jobs growth remained sharp. Household finances deteriorated at the fastest pace for seven months, while consumer confidence increased by 3 points in March 2018 to -7.

Cornwall and the Isles of Scilly
Reflecting the usual seasonal situation, Jobseeker numbers have now started to fall following the increase over the winter months. In March there were 2,764 JSA claimants, down by 84 or 2.9% on the February total of 2,848. A fall in the March total compared to February is usual. The JSA count rate was 0.8%, down 0.1 point on the February figure. Over the year, March 2018 compared to March 2017, the numbers fell by 388 (-12%), from 3,152 to 2,764. The rate fell 0.2 points from 1.0% to 0.8%. Unemployment numbers, a more useful indicator, have fallen substantially over the last year from 9,700 down to 7,500. Over the year the number of residents in employment rose marginally, from 245,400 to 248,300. The employment rate was 76.4%, higher than the 75.1% average for England.

The latest claimant count figures show a total of 4,835 in March, up by 5 on the February total of 4,830. Compared to March 2017 the total was down by 380 or 7.3% from 5,215.

In March - there were 2,910 job postings in Cornwall and the Isles of Scilly. This was up by 580 (25%) from 2,330 in February but down 21% from 3,670 in March 2017. [Changes in vacancy levels can be an early indicator of what might happen to the economy in the future].

Qualifications
The latest skills data from the Annual Population Survey for 2017, indicated that 33.9% of those aged 16-64 had a qualification at NVQ4+ level, up slightly on the previous year’s figure. However, the proportion with no qualifications was also up, to 5.1%, reversing the falls of previous years.
Housing
In February, house prices in Cornwall averaged £229,407, up on the January total of £227,459. This was an increase of 0.9% compared to an increase of 0.2% for England and -0.1% across the UK. Compared to February 2017 house prices in Cornwall were up by £15,900 or 7.5%, compared to increases of 4.1% for England and 4.4% for the UK.

According to Zoopla\(^1\), in March there were 4,253 properties for sale with 563 to rent, a total of 4,816 properties. Compared to February 2018, the number of dwellings for sale increased by 3%, while the numbers for rent were down by 14%. Compared to March 2017 properties for sale were down by 1% while those for rent were down by 14%.

Chamber of Commerce survey Q1 2018
The latest Cornwall Chamber of Commerce survey takes the data up to Q1 2018. Compared to Q4 2017, there were negative readings\(^2\) for 8 of the 12 indicators, with 3 positive. The most negative changes were ‘UK sales – increased’ -19%, ‘Operating at full capacity’ down 15%.

Over the year, 6 indicators had seen a deterioration, particularly ‘UK sales – increased’ minus 6 points. While 6 had seen an improvement, particularly ‘Attempting to recruit’ up 9 points from 46% to 55%.

In terms of businesses operating at full capacity, the latest figure of 33% is down on the Q4 2017 figure of 48% and down 2 points on the Q1 2017 figure of 37%. This is the lowest figure since 2013, only the next data release will show whether this is a blip or not.

Lending
The latest data from UK finance gives figures up to Q3 2017. The figures show that the value of residential mortgage loans outstanding stood at £6,716 million up from £6,707 in Q2 2017. This is the second quarter where there has been an upward move since Q4 2105. SME loans saw a slight rise in Q3 2017, from £1.30 billion in Q2 2017 to £1.31 billion. The total was also down from the Q3 2016 figure of £1.33 billion. At a UK level, unsecured loans have raised concerns over the ability of people to deal with debt. Figures for Cornwall reflect the upward movement in loans since Q4 2013 from £245 million to reach £313 million in Q1 2017. However, in Q2 2017 the total fell back to £309 million with a further fall to £302 million in Q3.

Commercial property
In March there were a total of 208 commercial properties for letting and 224 for purchase. Retail comprised the largest sector in the 'to let' category accounting for 48% of the total, while Leisure/hospitality was the largest sector in the 'to buy' category at 61%.

Prepared by: Peter Wills
Date: 26 April 2018

\(^1\) http://www.zoopla.co.uk/house-prices/browse/cornwall/

\(^2\) A plus reading for 'had experienced recruitment difficulties is regarded as negative!
Date of Board Meeting: 16 May 2018
Report Title: Governance Update
Author: Tim Bagshaw
Contact: tim.bagshaw@cioslep.com

Decision Required by the Board Y/N: N
For Information Only Y/N: Y

Recommendation(s)
1. That the LEP Board notes the contents of this report and the ongoing work on LEP and Sub Groups Governance.

1. Main Governance items from the Nominations Committee – 25 April 2018

   a. The Committee reviewed the split of representatives from different sectors on the Board against the requirements as detailed in item 17 of the Articles of Association.

   With the recruitment of the new Non-Executive Directors the Board is made up of 20 individuals – of which there are 14 private, 5 public and 1 voluntary/academic Directors on the Board. Several Board Directors could be viewed as representing several sectors – but nonetheless the LEP Board is strongly private sector led with good and appropriate public sector representation.

   Following the outcome of the Ministerial Review of LEPs and after the release of the revised National Assurance Framework, the LEP Executive, in consultation with the Board, will undertake a review of the Articles of Association.

   b. Succession Planning - It is also a requirement to include a designated SME representative on the Board (as per the National Assurance Framework Guidance). Sarah Trethowan is the current Board SME representative. Sarah will not be standing for a second term from September and Andrew Williams, who amongst activities has represented the Board on Rural matters, will step from his six year term in November. The Committee therefore asked the LEP Executive to initiate a targeted search for a Rural SME representative new Board Member in September. Until such time as a new Board Director is appointed, an existing Board member will be asked to provide SME representation.
c. Succession Planning – Gavin Poole will step down from his six year term in June. Gavin has brought legal expertise and knowledge to Board discussion and has chaired the Enterprise Zone Board, Space Board and attended various other LEP sub / supporting groups. The Committee agreed that a targeted approach for someone with legal expertise and to also include other attributes, for example, working with the business community be undertaken and to be done in house. The LEP Executive will review the current NED role profile to ensure the additional attributes discussed at the meeting were included. The Executive to then undertake targeted recruitment for a legal representative.

d. Succession Planning – The Committee discussed the various Sub-Boards, Groups within the Governance Structure and the groups on which the Board is represented, in light of existing Board members standing down and new Board members joining. An updated Governance Chart detailing individual Board Director representation will be provided at the July Board, following discussions between the Chair and individual Board members.

e. Election of a new Vice Chair – following a written procedure notice circulated to the Board on 20 February, Professor Mark Goodwin has acted as Vice Chair for an interim period ahead of a formal Board nominations and voting procedure, initiated as part of the new Board Director intake in May. This interim period is now coming to an end and the Committee agreed that all Board Directors should be given the opportunity to put their name forward for Vice Chair and therefore a communication will be sent to the Board asking for nominations. The Committee also agreed that a specific job description should be drawn up for the Vice Chair position using the existing Chair Job Description as a template.

f. Board Skills Matrix - As part of the ongoing review of Governance and reflections at the LEP Board on 14 March 2018 and following the recent recruitment of five new Board Directors it was felt necessary to review and update the understanding of the skills and competencies across the Board, to support future delivery; and to identify any skills gaps, for future recruitment, or to source through other means as required.

The Committee recommended that the LEP Executive inform the Board of its intention to undertake a Director self assessment and skills matrix exercise during the summer. The Nominations Committee will consider the proposed forms at their meeting on 6 June and a full report will be brought to the July LEP Board.

2. Grant Thornton Independent Review of Cornwall and Isles of Scilly LEP Governance

As the Board will be aware, the LEP Executive commissioned Grant Thornton to undertake a governance review of our processes and procedures. This consisted of two phases – the first was to review the refreshed Assurance Framework to ensure, in their opinion, that the LEP was compliant following the Mary Ney Review. This phase was completed by 28 February 2018 deadline. Phase two consists of reviewing the LEP’s systems and control measures and as such the LEP Executive provided Grant Thornton with a number of documents to review, for example, the corporate risk register, governance protocols and governance structure (review of the main LEP Board and its sub groups).

The LEP Executive have received an interim draft report from Grant Thornton which makes recommendations/suggestions of possible improvements. The LEP
Executive are meeting with colleagues from Grant Thornton shortly to review and provide comments on the draft and a full report will be brought to the July LEP Board.

**Registers of Interest and Code of Conduct**
As you will be aware, we have recently updated our Assurance Framework following the Mary Ney review into LEP governance and transparency arrangements. One of the recommendations within the Ney review was to ensure that all Directors complete a register of interest form for publication on the LEP website.

As a result of the Mary Ney Review, the Ministry of Housing, Communities and Local Government issued a new bespoke register of interest proforma for the collection and publication of the information which ensures all categories of interest are systematically considered. The Executive would like to remind Directors of the importance of ensuring that individual register of interest forms are regularly reviewed and updated.

Another recommendation within the Ney review is a requirement for LEPs to have a code of conduct, which all board members and staff sign up to, which explicitly requires Nolan Principles of Public Life to be adopted as the basis for this code. The Executive would like to remind Directors of this code of conduct (which is available on the LEP website).

3. **LEP/Accountable Body**
The Board will also be aware of the actions that came out of the Annual Conversation to which the LEP Executive are working their way through them. Action 3 required the LEP and Cornwall Council to review the fixed fee element within the LEP/CC MOU. The Board should note that the LEP Executive are working with the Accountable Body with the aim of replacing the fix fee element with one overarching Service Level Agreement (SLA) with schedules for each support service. This will ensure that the fee becomes transactional and transparent. The revised draft SLA will be shared with the LEP Audit and Assurance Committee for comments/approval.

4. **Financial Implications**
There are no financial implications associated with this report.

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**Section 151 (finance) Officer Commentary and sign off**

<table>
<thead>
<tr>
<th>Name:</th>
<th>Ellie Willcocks</th>
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</thead>
<tbody>
<tr>
<td>Date:</td>
<td>08.05.18</td>
</tr>
<tr>
<td>Comments:</td>
<td></td>
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</tbody>
</table>
Date of Board Meeting: 16 May 2018
Report Title: LEP Nominations Committee Report
Author: Mark Duddridge / Carol Bransgrove
Contact: cbransgrove@cioslep.com

Decision Required by the Board Y/N: Y
For Information Only Y/N: N

Recommendation(s)
1. That the Board approves the resignation of Gavin Poole as a Director of the Company.
2. That the Company secretary be instructed to make all necessary updates to the books and registers of the Company.

1. Executive Summary
The Cornwall and Isles of Scilly Local Enterprise Partnership Nominations Committee met on 12 September 2017 and 25 April 2018 where they considered any appointments/reappointments/resignations of any Director over the next few months in order to allow for the necessary process to begin at the next relevant LEP Board meeting.

2. Impact/Outcomes/Issues
It should be noted that Gavin Goole will come to the end of his second 3rd year term with the LEP Board on 18 June 2018. A signed letter of resignation is attached at appendix 1. The resignation letter, if accepted by the Board, will take effect from 17 June 2018. It should be further noted that, in accordance with article 22.3 of the Company's articles of association, Gavin Poole would also be removed as a member of the Company with effect from 17 June 2018.

3. Options available and consideration of risk
The LEP Nominations Committee has therefore put forward the above recommendations for Board Director consideration.

4. Financial Implications
N/A

5. Appendices
Appendix 1 - Letter of resignation from Gavin Poole.

Section 151 (finance) Officer Commentary and sign off
Name: Ellie Willcocks

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The directors
The Cornwall and Isles of Scilly Local Enterprise Partnership Limited
PO Box 723,
Pydar House,
Pydar Street,
Truro
TR1 1XU

FAO: The Chair

Dear Mark,

27th April 2018

Resignation

I was appointed as a director on 18th June 2012. The articles of association of the company state that the maximum term held by any Private Sector Director shall be six years.

Please accept my resignation as a director of the company with effect from 17th June 2018. I have no claim or right of action of any kind outstanding for compensation or otherwise against the company or any of its officers or employees.

I am delighted to have been able to contribute to the wellbeing of Cornwall and the Isles of Scilly through the LEP. I will have some happy memories (and wry frustrations) to reflect on.

I wish the board and the executive team every success in continuing to deliver the vision for the region.

Yours sincerely,

Gavin Poole
Recommendation(s)

1. To note the contents of the report and progress.

1. Introduction

The Employment and Skills Board has delegated authority to ensure:

- That the Employment and Skills Strategy is governed effectively with adequate, monitoring and performance reporting in place.
- That the Employment and Skills Strategy is regularly reviewed to ensure that it is fit for purpose.
- That there are detailed annual workplans, setting strategic priorities and activities for the Board, co-ordinated by the People and Prosperity Team.
- That there is robust evidence to underpin strategic decision making and priority setting.
- That the board is the strategic voice for Employment and Skills rated activity in Cornwall and the Isles of Scilly.

The Employment and Skills Board was re-shaped in 2017, with the first formal meeting taking place in January 2018. This first meeting offered new and existing members the opportunity to understand the role of the Board and its remit; as well as being able to hear more about the background and skills that other members bring. Members of the board were clear that they wanted to move from a period of strategic preparation to one of delivery and action; agreeing that the current strategy and priorities are fit for purpose, they felt that detailed action plans and performance monitoring were necessary to ensure delivery of the strategy going forward.

2. Employment and Skills Strategy

Cornwall and the Isles of Scilly have growth targets which are supported by strong strategic foundations. The Council and the Local Enterprise Partnership (LEP) have a range of strategies, plans and policies which aim to make 'Cornwall and the Isles of Scilly a place where business thrives and people enjoy an outstanding quality of life'.

The Employment and Skills Strategy is a one of the core strategic documents which will assist Cornwall to thrive. The development and programming of employment and skills opportunities, which meet the needs of businesses, people and places, is critical if we wish to have a ‘healthy, skilled and productive workforce with access to rewarding jobs, clear progression pathways and opportunities for all’. The Employment and Skills Strategy priorities:

**SO1 Develop our highly skilled workforce:**
- Enable the demand and supply of skills to meet the needs of the future economy
- Retain and attract skilled individuals
- Improve the availability of STEM/STEAM skills
- Develop higher and degree level apprenticeships

**SO2 Drive employer and individual engagement and investment in skills:**
- Enable the demand and supply of skills (at all levels) to meet the needs of high employment sectors
- Improve workforce health and well-being
- Support small, micro, social and community businesses as well as those who are self-employed to engage with training
- Create an effective apprenticeship service for CIoS employers

**SO3 Enable people to access and progress in meaningful employment:**
- Build on models of good practice and find new ways of working with people who are furthest from the labour market
- Improve earnings and progression of lower paid workers
- Support those at risk of leaving the labour market
- Raise awareness of apprenticeship routes to progression for all staff

**SO4 Enable people to learn about career pathways and be equipped for the world of work:**
- Ensure a high standard of Careers Education, Information, Advice & Guidance is available and accessible to all people
- Enable schools, colleges, employers and others to deliver sustainable employer/school engagement and experiences
- Encourage development of enterprise and work readiness skills in young people
- Promote the value of the apprenticeship and vocational routeway

3. **Employment and Skills Board Priorities 2018/19**

3.1 **Good Governance:**
- **Review and update strategy outcomes and measures**
  The Employment and Skills Strategy currently has outcomes and measures in place, with an action plan which hasn’t been updated since the strategy was signed off. The People and Prosperity Team has undertaken a desktop review of existing and proposed measures, data sets and reporting timelines and will be proposing a new set outcomes and measures to the ESB on the 27th June 2018.

- **Quarterly and Annual performance reports**
Employment and Skills performance has not been regularly reported; the development and sign off of new outcomes and measures will enable the People and Prosperity Team to provide quarterly and annual performance and progress reports to Board. The performance reports will be supported by an Employment and Skills Dashboard.

- **ESB Annual Workplan**
  Based upon the existing priorities of the Employment and Skills Strategy; the proposed priorities taken to ESB on the 1st May 2018 will be mapped against the existing action plan to track the progress of delivery against these priorities, any barriers to delivery, any additions or removals; as well as any risks and issues that need to be monitored. Progress against the action plan will be reported to Board, by exception, on a quarterly basis.

- **ESB working (sub) groups**
  The ESB provides the strategic direction for the delivery of the Employment and Skills Strategy. The workplan for the board is large and varied and it is therefore too onerous for the board to scrutinise all aspects of the plan and its progress. It is necessary to have a small number of working groups, delegated by the ESB board, to look at certain areas of activity in more detail. A review of existing sub-groups is being undertaken so that alignment can be made to the workplan priorities discussed and agreed by the ESB on the 1st May. Further details of sub-groups and their remit will be presented to ESB on the 27th June 2018.

### 3.2 Devolution:
- **Audit of Devolution Deal – Employment & Skills**
  At the 16/17 annual conversation with Government Officials the LEP and Council were requested to undertake an audit of the current Employment and Skills Devolution agreement. The audit to focus on delivery, challenges, barriers and proposed amendments to the deal. This piece of work is currently underway and will be shared with ESB and more board when complete.

- **New Frontiers**
  The LEP has been working with the Leadership Board to develop a range of ‘asks’ as part of the next round of devolution conversations with Government. ESB discussed the Employment and Skills chapter of the New Frontiers document at their meeting on the 1st May 2018. The headline areas of feedback and action from the meeting:
  - The delivery of skills to underpin a prosperous Cornwall was not a strong enough focus for the document. It was felt that the risk of no further EU funding to support the delivery of skills programmes was not articulated sufficiently, to either influence the proposed Shared Prosperity Fund from UK Government or to demonstrate the impact that reduced funding would have on the delivery Vision 2030.
  - That the document was a good to start to opening a Skills conversation locally and with Government.
  - That the document did not reflect upon the national skills agenda and the impact of these for Cornwall, and the local flexibilities that may be required to delivery against national and local aspirations.
3.3 European Funding:

- **Strategic (Lead) Provider ESF and Co-ordination of existing and new employment and skills ESF projects**
  
  An update report around the delivery of Skills related ESF activity was delivered to ESB on the 1\textsuperscript{st} May, members of the board were keen to understand how the People and Prosperity Team could provide a strategic lead and co-ordination role for the remaining programme. It was agreed that a high level workplan would be prepared and presented to the next ESB on the 27\textsuperscript{th} June 2018.

3.4 Evidence base:

- **Skills Advisory Panel Phase 1**
  
  Working with DfE will enable the ESB to fully understand skills demand and supply, the local employment and skills landscape and barriers and blockages in the local market. The People and Prosperity Team has been working with DfE to agree the methodology and approach.

- **Skills analyst network**
  
  Support the SAP by creating and maintaining a skills analyst network, reporting findings and skills proposals for decision to the Employment and Skills Board; ensuring that we are linking skills and training to our sector approach.

- **Skills action plans**
  
  Work with the wider LEP team to develop skills actions plans for the space, creative and energy sectors.

3.5 Inclusion:

- **Delivery Partner Strategic Work and Health Unit Beacon**
  
  This proposal will test and trial how business engagement and local action could achieve the Government’s ambition to increase disability employment. The concept is testing local solutions and building on CIOSLEP work with business to date, and established local business infrastructure, by developing digital innovative approaches providing insight to tailor approaches for SME’s, changing employer behaviours and building confidence. This supports our key objectives to work with local areas and to support and incentivise employer action. It will to drive uptake of both Disability Confident and the Stevenson/Farmer review recommendations.

  Business engagement, partnership working, and innovation is at its core, and will be delivered through 4 components:

  - A digital component using digital analytics, ongoing assessment, and agile development processes to test and tailor digital solutions, content and direct communication to the business audience
  - Dedicated Business Engagement Manager
  - Clear narrative developed for business audiences to shape the work and health agenda
  - An evaluation and impact report

  We are now through to the final stages with this proposal for Innovation Funding from the Work and Health Unit (WHU), following our attendance at the Challenge Panel in London on 21\textsuperscript{st} March. The final decision is due after the WHU Board
meeting on 15th May. The fund will be approximately £460k from June 2018 to March 2020, which will enable us to build on our work to date as outlined above.

- **LINCOS EDRF match funding (Business Engagement)**
The LINCoS project supports the eHealth and eWellbeing Smart Specialisation agenda for Cornwall and the Isles of Scilly (CIoS). The project will seek to understand and address opportunities and challenges faced by SMEs in relation to inclusive growth; specifically relating to older workers and those with disability or long term chronic health conditions. The project will support CIoS SMEs to understand the issues and develop digitally-supported products, processes and services to address the market gaps. In addition, it will provide SMEs with access to expertise from within the LINCoS partnership and beyond, to facilitate improved ways of working. If successful this project will use the LEP to provide Business Engagement activities, closely aligned to the Beacon project above. The LEP will receive £45k of funding and will provide officer match of £12k.

- **Strategic Lead – ESF work and health call**
As previously mentioned the People and Prosperity Team will seek to provide a Strategic Lead focus as well as co-ordinating exiting ESF Skills projects. The proposed work and health call, being developed, will be integral to the delivery of the Employment and Skills Strategy, enabling people further from the labour market to gain skills and employment opportunities.

- **Prosperous Cornwall Standards (Inclusive Growth)**
The Council wishes to direct future activity and investment in economic growth to ensure both competitive and prosperous outcomes. We will use the Cornwall and IoS economic strategy, Vision 2030 to steer investment decisions that address opportunities and need on a whole economy, whole place basis. This includes developing a stronger focus on inclusive growth and making sure that inclusion and human capital are considered as part of the future ‘levelling up’ of Cornwall’s economy. The People and Prosperity Team has been working with a range of stakeholders to prepare a set of Inclusive Growth Standards (Principles) against which future business and service planning should be assessed. Further detail will be presented to ESB and Board as this piece of work develops further.

3.6 Building Great Careers:

- **Targeted Apprenticeship Programme and Campaign**
The Apprenticeship Strategy is embedded in the Employment and Skills Strategy. In line with the Governance activity set out above, the Employment and Apprenticeships Officer is reviewing the existing apprenticeship action plan to ensure that the is fit for purpose, and will propose updates, where necessary to ESB.

- **Careers and Enterprise Company (CEC) Investment Fund**
CEC Investment fund included LEP involvement in the assessment phase for 2017/2018 academic year with 3 of 5 projects funded in CIoS as outlined below:-
  - Cornwall College / Software Cornwall
The programme of activities in this application focused on high-value digital careers and builds upon the experience of Software Cornwall and Cornwall College over the past 2 years. The programme reflects the
lessons we have learnt and the experiences, interventions and courses that we believe will improve young people’s understanding of digital industries and careers both locally and globally. Activities included; Work Experience - Mission to Mars / School Assemblies / Volunteering Code Clubs / Monthly Tech Jams / Enterprise Education – Digital Gurus.

- CSW Group in partnership with Cornwall Education Business Partnership (EBP) with a focus on STEM for Year 7 including; Engaging schools & delivering STEM Enterprise days / STEM Clubs / Competitions: CREST & Big Bang Fair together with STEM related work experience for Years 10 & 12.

- Greenpower Education Trust - Project Shuman

SQW, an independent research company, has been appointed by the Careers and Enterprise Company to deliver independent evaluations of the Careers and Enterprise Company’s investment funds (as outlined above) and the Enterprise Adviser Network. The evaluation will explore how effectively the funds have been managed, and will be looking for emerging good practice and any early impacts on young people and the wider landscape of careers and enterprise provision.

- **Enterprise Advisor Network**
  - Working well in some schools with excellent engagement from EAs
  - CECs provision of a flexible offer for Cornwall with match funding confirmed until 2020
  - Team of multi skilled ECs now in post and well supported by Project Support Officer.
  - David Barton (CASH) sits on the CEC National Headteacher Advisory Group.
  - CIoS is currently above the national average in terms of progress towards the Gatsby benchmarks and other key metrics.

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<th>At end of reporting period</th>
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<tr>
<td>Number of Enterprise Coordinators (FTE)</td>
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<tr>
<td>Number of Enterprise Advisers signed up</td>
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<td>27 EAs working with 23 schools</td>
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<tr>
<td>8 EAs waiting to be matched with schools</td>
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<tr>
<td>Number of schools engaged</td>
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<td>Percentage of schools and colleges covered overall</td>
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**Key challenges to date**
- Maintaining consistent Staffing to grow the network
- Recruiting Enterprise Advisers
- Engaging Schools - staff time pressures, lack of direct funding to schools
- Lack of consistent Ofsted focus in providing a robust assessment of careers work in schools
• Schools tendency to promote traditional academic routes and recruit students in to their sixth forms
• Need a CRM system to record and track information, generate reports
• Need specific tools to measure Impact – Compass Assessment tool is a great starting point, we need more like this

**Enterprise Adviser recruitment**
Currently 38 Advisers recruited but representation needed for the Enterprise Advisers required, representing the following sectors as outlined in our 10 opportunities brochure.

1. Creative – Required
2. Space – Kat Hickey, Goonhilly and Stuart Moore, Avanti Communications
3. Energy – Required – we have a link with Lucy at Geosciences but she is not an actual EA
4. Digital – Nick Dixon, Falmouth Launchpad
5. Agri-Food, Jo from Kinsey Foods, Clare from Provenance Brands, St Austell Brewery
6. Tourism – Simon, Classic Cottages
7. Marine – Required
8. Mining – We have a link with Lee from Colas Quarry, but quarrying is different to mining and we would like a rep from the field of mining
9. Aerospace – Required
10. E-Health – We have a HR manager from the NHS but would also appreciate an E-Health specialist.

**Careers Hub**
A Careers Hub will help the Enterprise Adviser Network to ensure all Gatsby Benchmark for Schools and Colleges are delivered in each place of learning, so that careers outcomes are improved for all young people.

“A ‘Careers Hub’ is a group of between 20 and 40 schools and colleges, located in the same geographic area, working with universities, education and training providers, employers and career professionals, to ensure the Gatsby Benchmarks are delivered in each place of learning and that careers outcomes are improved for all young people.

Schools and colleges within a Hub should have a shared vision of how they will work together to improve outcomes for the young people in their area.” (CEC Careers Strategy Implementation Plan)

What benefits will a hub bring to Cornwall?
• Additional staffing resource in the form of a Careers Hub Manager.
• Build on the existing work of the Enterprise Adviser Network.
• The opportunity to be part of a careers cluster approach for the implementation of Cornwall’s Career Offer, ensuring that activity is targeted at the specific needs and issues within each cluster.
• Increased opportunities for the involvement of employers and business within CEIAG.
The opportunity to enhance and further develop approaches to working with specific groups of young people, such as young people with SEND, Care Leavers, Gypsy and Travellers community.

- A small Central Hub fund of approximately £1,000 per school.
- Further opportunities for the hub to bid to receive virtual wallets from The Careers & Enterprise Company approved providers through the employer encounters fund.
- The availability of ‘Careers Leader Training’ bursaries for staff in some schools

An expression of interest has been submitted to CEC and a full bid is being developed. It is proposed that the ESB sign off this bid, with delegated authority given to the Chair.

4. **Financial Implications**
There are no financial implications associated with this report.

### Section 151 (finance) Officer Commentary and sign off

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<tr>
<th>Name:</th>
<th>Ellie Willcocks</th>
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