

Date: Tuesday 27 January 2015

Time: 10:00 to 15:00

Venue: Perranporth Room, Health & Wellbeing
Innovation Centre, Treliske, Truro, Cornwall TR1
3FF

Main Board Business			Lead	Action required
1.	10:00	Appointments Committee <ul style="list-style-type: none"> Election of Chair and Vice Chair Board Director renewal <p>Session for Board Members only</p>	GP/CB	Decision
2.	10.15	Welcome & Introductions (to be joined by other observers) <p>Apologies for Absence (Lucy Edge, Andrew Williams, Julian German CC)</p>	CP	
3.		Declarations of interest	ALL	
4.	10:20	LEP Board 12 November 2014 <ul style="list-style-type: none"> Minutes Action Summary 	C P C	Decision Note progress
5.	10:30	A Case for Cornwall <ul style="list-style-type: none"> Overview of the Cornwall case for enhanced devolution <i>(previously</i> 	JP	Discussion
6.	11:00	Business Plan DRAFT <ul style="list-style-type: none"> Overview Budget/Investment Priorities Draft LEP Assurance Framework 	SR NC	Discussion Note progress

LUNCH (12:00)				
7.	12:45	CEO's Report - Letter of Support (recommendation to follow)	S R N	Decision
		- RSC (verbal)	SR	
8.	13:30	Future Economy Update - Financial Engineering Instruments (<i>report and Annex 1 and 2</i>)	AC/E B RD/S R	Note progress Decision
9.	14:00	Growth for Business Update - Growth Hub	ST/BH	Discussion
10.	14:15	Employment and Skills Board (Conditions for Growth) - <i>TO FOLLOW</i>	PM/JH	
Other Board Business				
11.	1430	• CDC Progress Reports ○ RGF ○ GPF ○ Enterprise Zone	SR/NC	Note progress
	1445	Any other business	CP/All	For information

Dates of next

meetings: LEP

Board 2015

24 March (*including Business*

Plan sign off) 13/14 May

22 July (*including Q1 Growth Deal performance*)

29 September

25 November (*including Q2 Growth Deal performance*)

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 A12, Advent House, Victoria Commercial Centre, Station Approach, Victoria, St Austell, PL26 8LG on Wednesday 12 November 2014 commencing at 10.00 am.

Present:- Chris Loughlin (Vice-Chairman, in the Chair)
Anne Carlisle, Robert Davey, Lucy Edge, Tom French CC,
Julian German CC, Paul Massey, Richard McCarthy, Gavin
Poole, Andrew Williams,

Also in attendance:- Andrew Kerr, Theo Leijser, Jason Clark, Sally Edgington

Officers and support team:- Sandra Rothwell, Mel Richardson, Emma Coad

Apologies for absence:- John Pollard CC, Chris Pomfret, Roland Tiplady, Simon
Tregoning, Julia Sweeney

WELCOME AND INTRODUCTIONS

(Agenda No. 1)

LEP151 The Vice-Chair, in the Chair welcomed everyone to the meeting. He introduced Sally Edgington, from BIS Local, whose role forms part of the HMG local growth team in the far South West for BIS.

APOLOGIES FOR ABSENCE

LEP152 Apologies for absence had been received from John Pollard, Chris Pomfret, Julia Sweeney, Roland Tiplady and Simon Tregoning.

Anne Carlisle had given apologies for late arrival.

DECLARATIONS OF INTEREST

(Agenda No. 2)

LEP153 There were no declarations of interest.

MINUTES FROM PREVIOUS MEETING

(Agenda No. 3)

LEP154 It was agreed that the Minutes of the Meeting held on 24 September, 2014, were a true and accurate record subject to it being recorded

within the minutes that several Board Members had left the meeting early and had not been present when some of the later decisions had been taken.

The Board thanked the Council for the Isles of Scilly for recording the minutes of the meeting.

Action Summary

LEP154.1 A summary of the actions confirmed at the meeting held on 24 September, 2014 had been circulated, details of which were noted together with a summary of outstanding actions.

The Board was informed that all actions had been completed or were ongoing and that there were no updates to report other than those included on the agenda.

EU AND ITI UPDATE

(Agenda No. 4)

LEP155 The Board considered a report presented by Emily Kent regarding the EU and ITI programme. The report provided a summary of the progress and challenges to date, the background to the EU and ITI update, details of the emerging and outstanding issues which required action, including details of the analysis and conclusion.

The Board was informed of the significant economic risk now caused by the delays to implementation of the ITI. National progress in responding to proposals on ITI content and structure, delays in release of the Operational Programmes and a lack of clarity as to the future of Community Led Local Development arrangements were delaying the process. Emily Kent provided the Board with details of the impact of the delay for the LEP and outlined the two options currently available to deliver the European Structural Investment Funds (ESIF). Reference was made to a letter sent to Local Authority Chief Executives and LEP Chairs following the recent meeting with DCLG to find out whether the Cornwall and Isles of Scilly LEP would like to see Limited Intermediate Body (IB) status to deliver ESIF 2014-2020.

Arising from the above, the Board discussed the potential impact as a result of the significant delays and gave consideration to the options available including escalating issues relating to the delayed programme via Cornwall and Isles of Scilly MP's in the first instance. The Board was informed that the LEP had a strategic responsibility to ensure delivery of the programme in accordance with the LEP Economic Strategy and that the ultimate decision on Limited Intermediate Body (IB) status was a decision for the Local Authority.

Reference was made to the significant delays and impact that they would have on the ability to spend the funding, reputation of the LEP, risk factors for the Local Authority, how the Growth Deal could be used to facilitate, benefits associated with IB and Operational Programmes (OP), and the roles and responsibility for the LEP.

The Board expressed concern regarding the delay and the impact that the delay

would have for the economy and delivery of the European & LEP Strategic Economic Plan, which potentially impacted the delivery of the two programmes.

In conclusion, the Board re-stated the case for the Cornwall and Isles of Scilly Operational Programme, to support the delivery of the ITI the LEP was willing to consider Limited Intermediate Body status to deliver European Structural Investment Funds providing that there was no additional delay with the programme.

Further to the above, Sandra Rothwell provided the Board with an overview of the European Social Fund (ESF) part of the Structural Investment Funds Growth Programme for England 2014-2020. Paul Massey outlined the work undertaken by the Employment and Skills Board (ESB) in preparation for the ESF allocation for Cornwall and the Isles of Scilly and advised that a sub-group of the ESB was proposed to identify solutions to bridge the funding gap.

Action 1: The Board notes the content of the report; and agreed to escalate issues relating to the delayed programme to appropriate Government Ministers.

Action 2: It was agreed to compose a letter outlining: (1) the economic impact of delay; (2) Solutions led by C&IoS to help speed the process including OP and IB status.

Action 3: It was also agreed that Sandra Rothwell and Jason Clark manage communications.

CORNWALL AND ISLES OF SCILLY ECONOMIC OVERVIEW

(Agenda No. 5)

LEP156 The Board considered a report providing an economic overview for Cornwall and the Isles of Scilly. The report, prepared by Cornwall Council, summarised the economic position to end September 2014.

Sandra Rothwell outlined the highlights contained with the report with reference to 'six critical pieces of economic information' namely:-

1. Strong business start up survival rates
2. Self employment
3. Productivity
4. Employment growth
5. The older workforce
6. Over dependence on small employers

She referred to the LEP targets and the overarching target for the Strategic Economic Plan, in particular the Gross Value Added (GVA) data derived from Cambridge Econometrics and the LEP target based on a 3% growth rate starting in 2013 and the Gross Domestic Product (GDP) target. The Board was informed that there had been changes to the methodology for calculating the figures.

In the discussion arising from the report, the Board referred to the following points:-

- (i) measures used to identify success;

- (ii) the level of GDP growth required to show an impact;
- (iii) the challenging targets set by the Cornwall and Isles of Scilly LEP in relation to GDP;
- (iv) the need for the Board to better understand the issues relating to growth;
- (v) the economic overview was welcomed, it was suggested that a dashboard be used in future reports;
- (vi) the questions detailed within the report were challenging, it was suggested that they could be used by Board Members in their business conversations;
- (vii) the Business Plan would focus the action being taken forward and would provide a link back to the figures;
- (viii) there was a discussion regarding the aspirations of businesses and the potential barriers and obstacles to expansion and growth;
- (ix) there was discussion regarding the direction of the Economic Monthly Update.

Action 4: the Board noted the content of the report, and agreed that a standing item on an economic overview for Cornwall and Isles of Scilly would be a helpful addition to Board meetings and that the format be amended to include a dashboard.

CHIEF EXECUTIVES REPORT

(Agenda No. 6)

LEP157 The Board considered a report prepared by Sandra Rothwell focusing on Core Activity and Growth Deal. The report provided an overview of the core activities regarding governance, staff issues, structure, communications, South West LEP's and Growth Deal 1 and 2/Top Up.

Sandra Rothwell updated the Board on each of the core activities, highlighting the following areas:-

Governance

A full report on all governance arrangements going forward (from financial year 2015/16) would be provided to the Board at the January meeting as part of the sign off process for the 15/16 Business Plan and budget.

The Board was informed that further to the last meeting a Company Secretary had been appointed and an Annual Accounting Service procured.

Staff Issues

The Board was provided with an update on the details of the staff recruitment.

Structure

The structure proposed following a review of on-going and future arrangements was discussed. Following the Away Day on 9 October, 2014 there was now a clear focus on the three 'driver' Boards and the four primary relationships. In the discussion, reference was made to the need to avoid duplication, relationship

with ITI Boards and the level of coverage achievable by the Local Action Groups, and the reporting mechanisms for the three 'driver' Boards.

Communications

Areas of concern (in relation to content) linked to future communications for the LEP Board were highlighted and discussed in relation to the delay in the EU Programme, impact of Council budget decisions, specific issues in relation to the Government's announcement of a £10m investment in tourism in the North of England and the future engagement with Combined Universities Cornwall (CUC).

Arising from the above, the Board discussed the specific issues in relation to the tourism investment in the North of England and the LEP's position on a similar type of investment for the South West. The Board referred to the Council's budget decision in relation to Falmouth Docks and re-iterated the Board's previous position that the LEP was keen to encourage and facilitate business partners putting forward a business case for the proposal.

With regard to future engagement with CUC the Board would await the announcement of the future structure of the CUC.

The Board expressed the view that a key focus for businesses should be on outputs and responding to challenges.

South West LEP's

An update was provided on issues discussed at the Chairs, South West LEP's meeting on 3 November, 2014. In response to one of the issues discussed, the Board indicated that the LEP response to the devolution agenda was that it was a political discussion and that a joint LEP statement would be prepared to support this view.

Growth Deal 1

The Board was informed that quarterly reports were proposed on implementation.

Growth Deal 2/Top Up

The Board was provided with an outline of the three emerging priority areas for investment as detailed within the report.

Action 5: The Board notes the content of the report;

Action 6: The Board confirms future structural arrangements;

Action 7: The Board notes a highlighted risk in relation to funding-related communications between end of 2014 and May 2015;

Action 8: The Board notes progress on Growth Deal 1 Implementation Arrangements;

Action 9: The Board agrees priorities for Growth Deal 2/Top Up.

FUTURE ECONOMY

(Agenda No. 7)

LEP158 The Board considered a report relating to the work completed to date to inform the development of the Future Economy (FE) priority. Elisia Bott and Steve Ford attended this meeting and provided the Board with an overview of FE in relation to Smart Specialisation and Green and Marine as detailed within the report.

During discussion the following points were raised:-

- (i) it was commented on the alignment of skills education with specific reference being made to those areas which were lacking i.e. aerospace and how this could be resolved to meet demand to drive the economy;
- (ii) the importance of education courses being relevant to developing industries and how the work undertaken by the Employment and Skills Board meets these challenges;
- (iii) the County was in a good position to align skills with growth markets ahead of developed regions;
- (iv) reference was made to the issues faced by the Isles of Scilly in relation to water, waste and sewage to ensure that they were sustainable for the future;

Action 10: the Board noted the work completed to date to inform the development of the Future Economic priority.

GROWTH FOR BUSINESS

(Agenda No. 8)

LEP159 The Board considered a report prepared by Rebekah Hood who attended this meeting, regarding the development of Growth Hub for Cornwall and the Isles of Scilly.

During discussion the following points were raised:-

- (i) The Growth Hub would provide an opportunity to open doors for all businesses from any sector or size, at any point in their 'lifecycle' and whatever plans for the future;
- (ii) There was a need to be clear on the focus of the LEP and what should be targeted to drive productivity;
- (iii) Reference was made to the timescales for implementation;
- (iv) It was commented on the delivery model and the potential benefits of a partnership model, and potential impact for the Local Authority associated with the process and the need to ensure the right strategic direction;
- (v) The role of the LEP overseeing the Growth Hub, ensuring that it was in the right strategic direction;
- (vi) The Government had indicated a requirement for universal coverage and that the national programme could marry with the local bespoke services;
- (vii) The Board discussed the membership of the 'phase two' Growth for Business Board, it was acknowledged that the Board should be private sector led, however, there was a need to consider the

number of Local Authority seats to achieve a balance, and the potential benefits associated with the membership of the group incorporating an economist.

Action 11: That the Board notes the content of the report with progress to be reported at a future meeting.

Action 12: That the Board agrees future proposed membership of the Growth for Business Board

Action 13: That the Growth for Business Board continues to lead on the detailed development of the Growth Hub (GH) and is asked to consider; (1) the opportunity to liaise with local authorities for future GH resourcing; (2) reconsider language used to describe GH to ensure it is business facing; (3) confirm procurement arrangements as soon as possible.

LEP APPOINTMENTS COMMITTEE - FEEDBACK

(Agenda No. 9)

LEP160 The Vice-Chairman, in the Chair provided the Board with an update on the current position regarding the LEP Appointments following a recent meeting of the Appointments Committee.

OTHER BOARD BUSINESS

(Agenda No. 10)

CDC PROGRESS REPORTS AND EZ PROGRESS

LEP161 A report setting out progress by Cornwall Development Company since the last Board meeting on the delivery of the Regional Growth Fund (RGF) Round 2, Growing Places Fund (GPF) and the Enterprise Zone (EZ) was presented by Sandra Rothwell.

ANY OTHER BUSINESS

(Agenda No. 11)

LEP162 Isles of Scilly - Update

The Board was provided with an update on the current position regarding the water issues on the Isles of Scilly.

NEXT MEETING

LEP163 It was noted that the next Board meeting was scheduled to take place on 27 January 2015.

The meeting ended at 2.35 pm.

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

