

**Date:** Wednesday 5 March 2014

**Time:** 9.30am to 2pm (bus collecting at 9am)

**Venue:** Cornwall Air Ambulance Trust, Trevithick Downs, Newquay,  
TR8 4DY

Page No			Lead	Action required
<b>Main Board Business</b>				
	1.	<b>0930</b>	<b>Welcome &amp; Introductions</b>	CP
	2.		<b>Apologies for absence</b>	
	3.	<b>0935</b>	<b>Declarations of interest</b>	
1	4.a	<b>0940</b>	<b>Minute from previous LEP Board meeting</b>	
11	4.b		• LEP Board Actions	CP Note progress
12	5.a	<b>0945</b>	<b>Minute from previous LEP Management Team meeting</b>	
17	5.b		Management Team Actions	CP Note progress
	6.	<b>0950</b>	<b>Strategic Economic Plan/ Growth Deal</b> Clare Salmon and David Marlow attending for this item	SR/CS/DM Presentation (Paper to follow)
19	7.	<b>1105</b>	<b>Visitor Economy Strategy</b> Malcolm Bell attending for this item	SR/MB Discussion and Presentation
35	8.	<b>1135</b>	<b>Smart Grids</b>	SR Decision
		<b>1200</b>	<b>(LUNCH TO BE SERVED)</b>	

## Other Board Business

52	9.a	<b>1230</b>	Financial Report	RD	For info
64	9.b		CDC reports	CP/SR	For info and discussion
72	9.c		Letters of Support	CP	Support/not support
	10.	<b>1245</b>	<b>LEP Future Resource and Structure</b>	CP/SR	Confidential Report (Paper to follow)
	11.	<b>1355</b>	<b>Any other Business</b>		

### **1400 Date of next meeting**

LEP Management Meeting – 1 April 10am to 1pm

# CORNWALL & ISLES OF SCILLY

LOCAL ENTERPRISE PARTNERSHIP

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## 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 Board Room at Dairy Crest Limited (Davidstow), Camelford, Cornwall, PL32 9XW on Thursday 23 January 2014 commencing at 10.00 am.

Present: - Chris Loughlin (Vice-Chairman, in the Chair)

Anne Carlisle, Robert Davey, Tom French CC, Richard McCarthy, John Pollard CC, Gavin Poole, Roland Tiplady, Simon Tregoning, Andrew Williams

Observers: - Adam Paynter

Officers and Support Team: - Glenn Caplin, Jason Clark, Emma Coad, Trevor Doughty, Judith Hann, Mel Richardson, Sandra Rothwell, Clare Salmon, Matt Sidney, Theo Leijser

Apologies for absence: - Chris Pomfret and Julian German CC

### WELCOME AND INTRODUCTIONS

(Agenda No. 1)

LEP93 The Vice-Chairman (in the Chair) welcomed everyone to the meeting, in particular he welcomed Richard McCarthy, the new Isles of Scilly elected representative, Theo Leijser, the new Isles of Scilly Chief Executive, Adam Paynter, Portfolio Holder for Partnerships and Trevor Doughty, Interim Chair of the ESB.

### APOLOGIES FOR ABSENCE

(Agenda No. 2)

LEP94 Apologies for absence had been received from the Chairman, Chris Pomfret and Julian German.

### DECLARATIONS OF INTEREST

(Agenda No. 3)

LEP95 There were no declarations of interest.

## **MINUTES FROM PREVIOUS MEETING**

(Agenda No. 4)

LEP96 It was agreed that the minutes of the meeting held on 28 November 2013 were a true and accurate record subject to the following amendments:-

Attendance List – Deletion of the duplicated reference to “Robert Davey”;

Minute No. LEP 83 – Action 1 – deletion of the third bullet point of the action about delegated authority;

Minute No. LEP 83 – Paragraph (ii) of the debate – insert the words “high growth/high level” after the words “creation of”;

Minute No. LEP 87 – End of Year Financial Accounts – insert the words “and the need for verification of figures” after the words “time constraints”.

## **Action Sheet for LEP Board and LEP Management Meeting**

(Agenda No. 4.1)

### **LEP96.1 Action Sheet – LEP Board**

A summary of actions confirmed at the meeting held on 28 November 2013 had been circulated, details of which were noted, together with a summary of outstanding actions. The Board were informed of the following updates:-

Action 6 – Business Engagement – Sandra Rothwell advised that this action would be discussed later in the meeting under agenda item 7 regarding LEP Resource and Financial Update.

### **LEP Management Team – Notes of the meeting held on 18 December 2013**

The notes of the LEP Management Team meeting held on 18 December 2013 had been circulated. It was agreed that the summary of actions sheet in respect of the Management Team meeting would be discussed at the next Management Team meeting. Reference was made to Action 6 about Smart Grids, with clarification being sought on the nature of the proposal.

## **GOVERNANCE ISSUES**

(Agenda No. 5)

LEP97

### **Endorsement of IOS Director, Richard McCarthy**

(Agenda No. 5.1)

LEP97.1 The Board was advised that Richard McCarthy had been appointed by the Isles of Scilly Council as the new Isles of Scilly representative. In accordance with the adopted Model Articles there was a requirement for the existing Directors to formally appoint Richard McCarthy to the Board.

Richard McCarthy left the room during consideration of the appointment.

It was resolved that Richard McCarthy be appointed as a director of the Company.

Following the appointment the Board welcomed the new director.

***Action 1: The Company Secretary be requested to make the appropriate filing at Companies House.***

#### **Chair and Vice-Chair**

(Agenda No. 5.2)

LEP97.2 (The Vice-Chairman, in the Chair, left the room for consideration of the appointment)

The Board was advised that there was a requirement to appoint a Chairman and Vice-Chairman at this meeting as the current term of office for the current Chairman and Vice-Chairman would come to an end in January 2014. At the Board meeting in November 2012, the Board had agreed to extend appointments until January 2014. The Board gave consideration to both appointments for Chair and Vice-Chairman of the LEP Board.

Arising from the above, Gavin Poole advised that the Board may wish to consider the length of the term of office and the introduction of an informal annual review for the positions. The Board considered that any review should be taken by the entire Board not just the private sector Directors.

Chris Pomfret had confirmed that he was willing to stand as Chairman for a further term and Chris Loughlin had indicated that he would be willing to stand as Vice-Chairman for a further term.

The Board discussed the need to consider succession planning as part of the annual review, a staggered approach to the appointment of Board Directors, and recognition of the executive role undertaken by the Chairman.

The Chair and Vice Chair appointments were proposed by Robert Davey and seconded by Andrew Williams.

**Action 2 :**

***Chris Pomfret be appointed Chairman of the LEP Board for a further period, up to 3 years, subject to the introduction of an informal annual review with Board Directors.***

**Action 3 :**

***Chris Loughlin be appointed as Vice-Chairman of the LEP Board for a further period, up to 3 years, subject to the introduction of an informal annual review with Board Directors.***

**STRATEGIC ECONOMIC PLAN/GROWTH DEAL AND SIF**

(Agenda No. 6)

LEP98 **1. EU Structural and Investment Fund (SIF) Update**

Glenn Caplin provided the Board with a summary and update of the current position regarding the European Structural and Investment Fund (SIF) Strategy with particular attention to the following areas: -

Intervention Logic – an adopted methodology had been agreed with the Department of Communities and Local Government (DCLG);

ITI – following consultation with DCLG, further debate regarding ITI was proposed for the Management meeting in February;

Opt-ins – it was considered that the decision made by the Board not to opt-in at this stage had been the correct option; an additional month had been given to respond;

Transport – DCLG had agreed to support the Board's case with the European Commission, there was work to be undertaken to articulate and present the position, it was noted though that there was no guarantee of success;

Community Led Local Development (CLLD) – an agreement had now been reached on a geographical map indicating functionality and community boundaries;

Financial Instruments – a report had been commissioned regarding financial instruments, however, it was noted that there was still work to be undertaken in respect of this area of work;

Outputs – there was a need to stretch the outputs to meet the Government requirements;

DEFRA – funding allocations from the SIF and LEADER had been announced, it was noted that extensive consultation had been undertaken by DEFRA and that there was pressure to ensure that funds were used in environmental farming schemes which had been reflected in the figures

provided. The Board agreed to focus the majority of EAFRD CIOs (£9.3m) allocation on delivering the LEPs agri-food proposals

In discussion arising from the update regarding the EU SIF, reference was made to the following points: -

- (i) the Board made reference to the proposed geographical split of the CLLD as indicated on the map and the reasons behind the divisions to ensure the successful operation and governance of the proposal, it was acknowledged that the split would provide a different approach and that there had been some reluctance from LAG's however, it was considered that this was a workable approach. The Board agreed CLLD proposal and geography as presented;
- (ii) it was noted that the Isles of Scilly had purposely been kept separate and that there were justifiable reasons for this approach, the agreed methodology had not been applied in the case of the Isles of Scilly due to the uniqueness of the area;
- (iii) a considerable amount of work had been undertaken to develop the geographical areas using appropriate weighting and an agreed methodology to allocate budget areas, taking into account the uniqueness of some of the areas and the need to look at the overall programme and not at the geographical areas in isolation;
- (iv) the next stage of the process was to submit the proposal to Government with strategies specific to each area which would be reflected in the final submission on 31 January 2014.
- (v) figures in respect of the Financial Instruments had been challenged by the Government, work had been commissioned to look at the model, there were some concerns regarding the current position and the timeframe of the process. The demands for the investment were significant;
- (vi) it was commented that there was further work to be undertaken in respect of Financial Instruments in order to achieve a defensible piece of work;
- (vii) there was a need to ensure that the work took account of business growth past just the first stage, if this was not in place it could lead to a waste of the front end investment;
- (viii) reference was made to financing by banks and the barriers faced by businesses to draw down funding, the Board discussed the limits to be imposed and benefits to businesses of grant and loan funding which could be achieved within the restrictions imposed by the Government;

- (ix) having revisited their understanding of the implications of Financial Instruments it was suggested that a figure of 12.5% should be progressed with a view to increasing this figure at a later stage;

***Action 4: the Financial Instruments figure be lowered to 12.5% with a view to increasing the figure at a later stage.***

## **2. European Structural and Investment Funds Strategy – Employment, Skills and Social Inclusion**

The Board considered a paper provided by Judith Hann, prepared with support from a wide range of partners and individuals, regarding Employment, Skills and Social Inclusion activity for the EU SIF.

Judith Hann outlined the report detailing the main areas which included reference to the funding summary, the Opt-In offers and timelines, Outputs, Breakdown of activities, and the next steps. The Board was advised that since preparing the report reference to the possible Princes Trust Opt-In had been removed from the national programme.

***Action 5: Chris Pomfret, Gavin Poole, Rob Davey, John Pollard and Julian German be given authority to sign off the final EU SIF submission in consultation with the Isles of Scilly in order to meet the 31 January 2014 deadline.***

## **3. Strategic Economic Plan – for Cornwall and the Isles of Scilly (Growth Deal)**

Sandra Rothwell outlined the timetable for the Strategic Economic Plan for Cornwall and the Isles of Scilly, and the mechanisms of the strategy which included both the Growth Deal and Structural and Investment Fund Strategy. She explained the work undertaken since the last meeting and that a draft of the Growth Deal would need to be submitted by 31 March 2014. It was proposed that more detailed work on the Growth Deals would be undertaken at the Management meeting in February, 2014.

Since the last meeting several members of the Board had been invited to a meeting with the Rt.Hon Greg Clark, Minister of State and Baroness Kramer, Minister of State for Transport at which the Growth Deals had been discussed.

In the ensuing discussion regarding the Growth Deal Options, reference was made to the following :-

- (i) the need to ensure that the options submitted were competitive bearing in mind that they would be competing with projects throughout the Country;

- (ii) options put forward would need to be capable of being delivered promptly and that there was a need to ensure that the appropriate level of detail was included in the options;
- (iii) the Board discussed the role of the local MP's in the process and the need to obtain their support for the Growth Deal;
- (iv) it was commented on how the Growth Deal would sit with European programmes

### **Cornwall's economic priorities for transport**

Matt Sidney, Strategic Transport Manager, attended the meeting on behalf of Nigel Blacker and proceeded to explain in detail Cornwall's economic priorities for transport that had been put forward in the Growth Deal Transport programme. He advised that the priorities were capable of being delivered and that the outcomes could be achieved, they provided the highest transport priorities with a strong established case by the deadline of 31 March 2014.

### **Isles of Scilly Infrastructure Package**

Theo Leijser explained that the package of investment for the Isles of Scilly included waste, water and sewage to enable growth to take place. He advised that there remained some work to be undertaken within the timeframe. The Board acknowledged that there were risks around delivery of this package to meet the time constraints.

### **Raising aspiration**

This element related to a package of interventions to raise aspirations, universal entitlement to a world of work for all primary school children and provision of a bursary scheme for Higher Education. Trevor Doughty explained that the Employment and Skills Board considered that 15 age restriction created a barrier, investment should be provided at an earlier age to ensure that targets could be achieved. Statistics had indicated that students in Cornwall were not reaching national targets and that there were clearly issues to be addressed on raising aspirations. Judith Hann explained that the FE capital pot had been ring fenced for college estate investment, however, it was acknowledged at this point that the Board was not in a position to provide a business plan in time to meet the deadline. The Board was informed that from 2016 the Department for Business, Innovations and Skills (BIS) would be closer aligned with FE and commented that there was a need to ensure that education was aligned to markets.

### **Renewables – Geothermal**

The Board discussed the benefits created by Geothermal and the unique position of Cornwall, together with the benefits that may be created in the

economy if successful. It was considered that this was an area that should be pursued further.

### **Renewables – Marine**

The Board was advised that a package of projects was being developed regarding Marine renewables. Reference was made to the deliverability of the projects within the deadline.

### **Housing Investment Programme**

Clare Salmon advised that the composition of the housing fund had changed in December 2013 and therefore this area of work had had to be altered. The Board discussed whether housing was constraining growth and acknowledged that this particular issue was having a negative impact on the Isles of Scilly and that the transport package may unlock residential sites for development.

### **Digital and Satellite**

The benefits of Digital and Satellite Infrastructure were discussed, it was concluded that this should be included within the Growth Deal to ensure that new technology was tested.

The Board referred to the potential for investment in Construction, it was acknowledged that the provision of housing could not be included within this type of investment however it was an area that could be further explored. Roland Tiplady confirmed that when he next met with representatives of the construction industry he would discuss this area of work.

### **Smart Grid Pilot**

Reference was made to the inclusion of the Smart Grid Pilot and the ask from the Cornwall and Isles of Scilly Growth Deal.

### **Flooding**

It was commented that the Flood Investment Fund had been included, however, there was work to be undertaken to identify specific projects which could be targeted for funding.

Further to the above, the Board referred to potential schemes relating to E-health and Agric-tech and potential for inclusion within funding programmes.

In the summary the Board confirmed that they were satisfied with the priorities with specific attention being made to the transport investment pack, revenue part of the Children and Young People programme and

infrastructure for the Isles of Scilly, all of which it was considered would be deliverable within the set deadline.

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## **LEP FUTURE RESOURCE AND FINANCIAL UPDATES**

(Agenda No. 7)

LEP99 The Board considered a confidential report relating to LEP future resources and financial update. The aim of the report was to facilitate a discussion regarding the issues and to gain an understanding from Board Members on the way forward on the structure and role of the Board. The Board was informed that the outcome of today's discussion would enable a more detailed report to be provided at the February Management Team meeting to enable a final sign off by the Board in March.

In the ensuing discussion the Board made reference to the structure of the Board, role of Board Directors and the availability of resources to progress the LEP to 2020. There was a need to establish the principles of the LEP and understand the operation of the Board, engagement with key partners, elected members, private sector, role of an effective executive, forms of delivery and the commissioning role.

The Board agreed that the paper and discussion had been very useful and had helped facilitate the future direction of the Board with a view to further discussion at the Management Meeting in February.

## **OTHER BOARD BUSINESS**

(Agenda No. 8)

LEP100

### **CDC Reports**

(Agenda No. 8.1)

LEP100.1 The Board noted the progress being made on the Regional Growth Fund, Growing Places Fund and Enterprise Zone.

Sandra Rothwell drew the Boards attention to the High Risk areas within the Progress and Risk Report, January 2014, with particular attention on the risk level associated with Superfast Cornwall.

### **Letters of Support**

(Agenda No. 8.2)

LEP100.2 The Board noted that there were currently no requests for letters of support.

Mel Richardson advised of a potential request from an applicant with a sports related project who would be approaching the LEP for a regional growth funding grant. She sought the views of the Board on whether the nature of the request was in keeping with the LEP Strategy. It was the consensus view of the Board that it should be considered like all applications, on its business case, viability, value for money, jobs created/safeguarded and fit with RGF criteria.

#### **ANY OTHER BUSINESS**

(Agenda No. 9)

#### **LEP101 Royal Cornwall Show 2014**

Andrew Williams sought the views of the Board on the principle of the LEP being represented at the Royal Cornwall Show in 2014.

***Action 6: In principle the Board supported the LEP being represented at the Royal Cornwall Show in 2014 and it was therefore agreed that Andrew Williams and Simon Tregoning, together with Jason Clark assess the viability and potential value of the LEP attending.***

#### **Next meeting**

(Agenda No. 9.1)

LEP101.1 The next meeting of the Board would be held on 5 March 2014 which was scheduled to take place at Careers South West, Unit 5, Tamar Business Park, Penningillam Industrial Estate, Launceston.

***NB – after the meeting took place it was agreed that due to Chair and Board Directors attending the London Showcase event on 5 March, the venue be moved to Newquay to allow flights from Newquay.***

The next meeting of the LEP Management meeting was scheduled to take place on 13 February 2014.

The meeting ended at 3.30 pm.

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