

<b>AGENDA</b>			
<b>Title:</b>	C&IoS LEP EZ Board		
<b>Time/Date:</b>	Thursday 10 December 2020, 14:00 – 17:00		
<b>Venue:</b>	Microsoft Teams		
<b>Membership</b>	<b>Represented by</b>	<b>Attendees</b>	<b>Organisation</b>
C&IoS LEP	Steve Jermy (SJ) - Chair Mark Duddridge (MD)	Miles Carden (MC) Mandy Cosgrove (MCo) Matt Hodson (MH) Mike King (MK) Nicola Lloyd (NL)	Spaceport Spaceport CDC CDC CDC CDC
Cornwall Council	Glenn Caplin-Grey (GCG)	Gail Eastaugh (GE) Matthew Vowels (MV) Iain Mackelworth (IM)	CDC CDC CC
Goonhilly Earth Station Limited	Ian Jones (IJ)	Jordan Whaley (JW) Josie Gough	CC BEIS, Cities & Local Growth
A&P	Drystan Jones (DJ)	Piran Trezise (PT) Mike Spicer (MS) Stacey Sleeman (SS) Clare Connaughton (minute taker)	GES A&P Clos LEP CC

<b>AGENDA</b>		<b>Lead</b>	<b>Time Slot</b>
1.	<b>Welcomes and Introductions</b>	SJ	14:00 - 14:05
2.	<b>Apologies for Absence</b>	SJ	14:05 - 14:10
3.	<b>Housekeeping</b>		
	a) Conflict of Interest declarations	SJ	14:10 - 14:15
	b) Approval of Minutes of last meeting	SJ	14:15 - 14:25
	c) Action Summary	SJ	14:25 - 14:30

4.	<b>South Side CAN Infrastructure Update</b>	MV	14:30 – 14:40
5.	<b>Spaceport Update</b>	MC	14:40 -14:50
6.	<b>Business Plan &amp; Rates Model</b>	IM	14:50 - 15:00
7.	<b>Freeports</b>	IM	15:00 – 15:20
8.	<b>Assembly, Integration &amp; Testing</b> <ul style="list-style-type: none"> <li>• Demand reports for Space &amp; Aerospace</li> </ul>	GE	15:20 – 15:45
9.	<b>Aerospace EZ Site Updates</b> <ul style="list-style-type: none"> <li>a) Aerohub</li> <li>b) Goonhilly</li> </ul>	MK PT	15:45 – 15.50 15:50 – 15:55
10.	<b>Marine EZ Site Updates</b> <ul style="list-style-type: none"> <li>a) Context:               <ul style="list-style-type: none"> <li>i. Wave Hub Sale</li> <li>ii. South West Floating Offshore Wind Accelerator</li> </ul> </li> <li>b) Falmouth Docks</li> <li>c) Hayle</li> <li>d) Tolvaddon</li> </ul>	SJ  DJ MH MH	15.55 – 16:00  16:00 – 16:05 16:05 – 16:10 16:10 – 16:15
11.	<b>Rate Relief and EZ Growth Fund</b> <ul style="list-style-type: none"> <li>a) Rate Relief Renewals &amp; Rate Relief Approvals</li> <li>b) EZ Growth Fund update and applications</li> <li>c) EZ Covid-19 Sub Board</li> </ul>	JW JW JW	16:15 – 16:20 16:20 – 16:25 16:25 – 16:30
12.	<b>Performance Data</b> <ul style="list-style-type: none"> <li>a) Ministry of Housing, Communities &amp; Local Government (MHCLG) Data Report Q2 2020</li> </ul>	JW	16:30 – 16:35
13.	<b>Investment Pipeline and Opportunities</b> <ul style="list-style-type: none"> <li>a) Pipeline Opportunities</li> <li>b) Marketing Update</li> </ul>	MK MK	16:35– 16:40 16:40 - 16:45

14.	<b>Risk Register and Report</b>	SJ	16:45 - 16:50
15.	<b>Any other business</b>	SJ	16:50 – 17:00
16.	<b>Next Meeting</b> Thursday 11 February 2021 @ 14:00, Teams.	SJ	

<b>MINUTES</b>			
<b>Title:</b>	Cornwall and Isles of Scilly Local Enterprise Partnership Enterprise Zone (EZ) Board		
<b>Date:</b>	Thursday 22 October 2020		
<b>Time:</b>	14:00 – 17:00		
<b>Venue:</b>	Microsoft Teams		
<b>Membership</b>	<b>Represented by</b>	<b>Attendees</b>	<b>Organisation</b>
C&IoS LEP	Steve Jermy (SJ) Chair Mark Duddridge (MD)	Miles Carden (MC) (part) Matt Hodson (MH) Mike King (MK) Gail Eastaugh (GE) Matthew Vowels (MV) – <i>joined 15:22</i> Iain Mackelworth (IM) Jordan Whaley (JW) Piran Trezise (PT) Mike Spicer (MS) Clare Connaughton (minute taker)	Spaceport CDC CDC CDC CDC CC CC GES A&P CC
Cornwall Council	Glenn Caplin (GC)		
Goonhilly Earth Station Limited	Ian Jones (IJ)		
A&P	Drystan Jones (DJ)		

<b>AGENDA ITEM &amp; NOTES</b>	<b>ACTION</b>
--------------------------------	---------------

<b>1.</b>	<b>Welcomes and Introductions</b>	
1.1	Introductions were made.	
<b>2.</b>	<b>Apologies for Absence</b>	
2.1	Matt Hodson, Stacey Sleeman, Nicola Lloyd, and Josie Gough.	
<b>3.</b>	<b>Housekeeping</b>	
<b>3a</b>	<b>a) Conflict of Interest declaration</b>	
3a.1	There was no conflict of interest declared.	
<b>3b</b>	<b>b) Approval of Minutes from the last meeting</b>	
3b.1	The previous minutes were agreed as a true and accurate record.	
<b>3c</b>	<b>c) Action Summary</b>	
3c.1	The action summary was reviewed and updated (as below).	
<b>4</b>	<b>South Side CAN Infrastructure Update</b>	
4.1	Demolition has started on site with Gilpin as the contractor; funding is a combination of a Homes England loan, and Growth Deal Funding. Getting Building funding has been secured for a new Hanger facility. Further development has been planned. The local supply chain opportunities were noted.	
<b>5</b>	<b>Spaceport Update</b>	
5.1	Phase 1 infrastructure has moved to delivery phase, procurement has started for the £1 million runway works due to commence in January 2021. The demolition on the South Side of the airport will commence shortly, which will support the Spaceport programme too.	
5.2	Dave Pollard, Education and Outreach Manager has been commissioned to deliver Spaceport Cornwall to schools in Cornwall and Isles of Scilly.	
5.3	The Programme is on target to launch in 2022. The major risk to the Programme is funding from Central Government as Covid-19 grants have been the priority for funding. In addition, the Airport's viability	

5.4	<p>has been impacted by Covid and the negative economic effects of the pandemic with the travel sector. There are still possible sources of funding for Spaceport and CAN, such as Shared Prosperity Fund.</p> <p>Spaceport is recognised by Central Government as part of Cornwall's recovery plan and MC has responded to the Government's funding consultation documents to ensure the Spaceport Programme is secure.</p>	
6 6.1	<p><b>Business Plan &amp; Rates Model</b></p> <p>The Business Plan will now be presented to CDT in November 2020; an updated draft will be circulated after the meeting. IM will complete the paper within the next few weeks. CDT have arranged to visit Falmouth Docks.</p>	
7 7a.1  7b.1  7b.2	<p><b>Aerospace EZ Site Updates</b></p> <p>a) Aerohub Land-side - plot 14 is on the market again but has had some interest, plot 11 lease is moving along. MV is working on a deal for 6 industrial units and 2 office suites. There are 2 offices and 1 industrial unit remaining. An update on Sector 3 demand survey will be presented at the next meeting.</p> <p>b) Goonhilly – Goonhilly 6 antenna to be tested before it goes into operation phase next year. Near Space customer contracts done for new antenna service, focus on global deep space network overseas with Australia and USA, in collaboration with UKSA. Working on a business case for 'Getting Building' funding for Space AI and a project with the NHS and Falmouth University on satellite communications.</p> <p>IJ attended a meeting at Downing Street with the Space Agency regarding deep space rollout programme. A spending review to be submitted alongside partners, Artemis and NASA.</p>	

8	<b>Marine EZ Site Updates</b>	
8a.1	<p>a) Context</p> <ol style="list-style-type: none"> <li>I. <b>Wave Hub sale</b> – Progressing, KPMG is the commissioned agent for the sale, phase 2 of the sale involves bids by Christmas 2020.</li> <li>II. <b>Floating Offshore Wind RD&amp;I Support Bids</b> – ERDF PA4 <i>Cornwall FLOW Accelerator</i> bid, valued at £6.4M, will be submitted shortly ; Strength in Places Fund South West FLOW Accelerator bid, valued at £64 million will be submitted by end-Nov.</li> <li>III. <b>Freeports</b> – JW shared a link to the Government response to their Consultation. The LEP have commissioned a specialist to undertake a scoping and feasibility study to review the potential of a freeport. There is a strong link to FLOW and EZs. It was suggested to join other South West agencies to consider a regional bid.</li> </ol>	
8b.1	<p>b) <b>Falmouth Docks</b> – DJ presented PowerPoint presentation on the Cornwall Marine EZs. Links with Goonhilly and other partners where crossovers occur. <b>DJ</b> and <b>PT</b> to discuss Strength in Places Funding offline.</p> <p><i>IJ left the meeting at 15:01.</i></p>	<b>DJ &amp; PT</b>
8c.1	<p>c) <b>Hayle</b> – There are some EZ rateable property within the private sector led development on North Quay which will be a revenue source for EZ Growth Fund, when completed. Hayle MRBP has 100% occupation, Phase 2 is progressing, Planning permission has been granted and the tender for a main construction contractor will be issued next month.</p> <p><i>MV joined 15:22.</i></p>	
8d.1	<p>d) <b>Tolvaddon</b> – A project has been held up by issues with WPD, zones 2&amp;3 still free but interest received, zone 4 lease progressing.</p>	

<p><b>9</b></p> <p><b>9a</b></p> <p>9a.1</p> <p><b>9b</b></p> <p>9b.1</p> <p><b>9c</b></p> <p>9c.1</p>	<p><b>Rate Relief and EZ Growth Fund</b></p> <p><b>a) Rate Relief Renewals and Rate Relief Approvals</b></p> <p>There were no rate relief renewals or approvals for this period. It was noted applications and renewals for the next financial year, need be in by January 2021, ready for Board assessment in February 2021.</p> <p><b>b) EZ Growth Fund update &amp; applications –</b></p> <p>Greenwall – Plan to use the grant to move to Sector 2, projection of 10 jobs over the next 3 years. After discussion the Board agreed to defer the decision to written procedure to allow more time for further information.</p> <p>Bennamann – The grant is to cover business rates at Sector 2 for the next 4 years. <b>Recommendation</b> – Approved with conditions are noted within the report.</p> <p><b>c) EZ Covid-19 sub board</b></p> <p>GC-G thanked Board members for agreeing to divert funds to assist support to business sector, which in turn assisted numerous small businesses during Covid-19 lockdown. Amount remaining is £102K.</p>	
<p><b>10</b></p> <p>10.1</p>	<p><b>Performance Data</b></p> <p>Q1 Data Report was submitted on 21 August 2020; Q2 Data Report is due on 20 November 2020. Hopefully more businesses will be able to provide data as the option to move the form online is being considered.</p>	
<p><b>11</b></p> <p>11a.1</p> <p>11b.1</p>	<p><b>Investment Pipeline and Opportunities</b></p> <p><b>a) Pipeline Opportunities</b></p> <p>There is a good pipeline for Sector 2, which is running out of space. The Investment Report was circulated with the meeting papers.</p> <p><b>b) Marketing Update</b></p> <p><b>MK</b> to send the evidence of marketing to JW; CDC in touch with DIT regarding Freeport and FLOW opportunities.</p>	<p><b>MK</b></p>
<p><b>12</b></p>	<p><b>Risk Register and Report</b></p>	



12.1	The risk register was sent with the meeting papers.	
<b>13</b>	<b>Any Other Business</b>	
13.1	Bennamann Ltd is exploring a new technology involving the storage of liquid air, and EGS is looking into possible funding sources for feasibility work for this new venture. IM has suggested to Bennamann to bid for EZ Growth Funding and / or Strength in Places funding. There is also a link with CAN EZ and solar farm power.	
13.2	The meeting concluded at 16:09.	
<b>14</b>	<b>Date of next EZ Board Meeting:</b>	
14.1	Thursday 10 December 2020 @ 14:00, Grenville / Teams.	

## Appendix 1: Action Tracker

### C & IoS LEP EZ Board

#### Action Tracker 22/10/2020

Ref & Date	Action	Owner	Status			Notes
			Complete	Ongoing	Not Complete	
22/10 8b.1	Strength in Places Funding – to discuss offline	PT/DJ				
22/10 9b.1	Amend date on Greenwall GF application and re-circulate for Extraordinary meeting	JW				
22/10 11b.1	MK to send CDC marketing cost to JW	MK				
11/6 12b.c	Arrange meeting to discuss possibility of CDC managing Wave Hub to the new buyer, when sold	MK			X	
27/3 5.1	EZ Business Plan – IM to bring back the completed plan to the next EZ Board meeting in June	IM		X		Skills review needs doing, Employment Skills



						Board to be established. Liaise with this Board. On agenda.
<b>27/3 6.3</b>	PT to speak to SJ and MH on connecting FLOW with GES	<b>SJ</b>		<b>X</b>		Have met, need 2 <sup>nd</sup> one, include Catapult Have one in NY
<b>9/12 14.3</b>	<b>Universities EZs</b> – Possible Internships within EZs’ sectors. Glenn to propose with Uni of Falmouth	<b>GC</b>		X		Carry forward, overtaken by events but ongoing

Most recent at top

DRAFT

**CORNWALL ENTERPRISE ZONES  
STRATEGIC RISK REGISTER**

Last Update	May-20
-------------	--------

REF	RISK CATEGORY	SITE	RISK DESCRIPTION	IMPACT (Score 1-5)	LIKELIHOOD (Score 1-5)	PREVIOUS RISK RATING MAR 20	CURRENT RISK RATING MAY 20	CURRENT MITIGATION IN PLACE	ADDITIONAL MITIGATION REQUIRED	RISK OWNER
R10	Commercial	All	<b>Cash Flow</b> - There is a time lag between investment in zones and retained rates income. In the absence of a facility to borrow against future retained rates income the scale of investment will be limited to funding immediately available within the EZ Growth Fund pot.	4	4	16	16	Review of options by CC to consider investment up front borrowed against future business rates income. 31Ten appointed and completed rates modelling. Proposal presented to EZ Board October identified a preferred model for forward funding projects.	Business Plan is being developed to seek approval from CC and LEP for forward funding for the rates income into the EZ Growth Fund to accelerate the delivery of the EZs.	Iain Mackelworth
R9	Commercial	All	<b>Market Failure</b> in the Commercial Property Market restricts and limits the pace and scale of development impacting on retained rates income into the EZ Growth Fund, in some instances withdrawal of interest.	4	3	12	12	More substantial support to businesses to encourage interest and location to EZs. Accelerate the use of EZ Growth Fund to bridge investment gap and CC to develop Workspace Development Programme (WDP) to plug the gap on commercial investment. CC secured Cabinet support to make capital available for Aerohub Plot 3 and MRBP Phase 2. Positive decision for PA3 (Growth Programme) with three projects invited to Full Application.	Meeting to be held with A&P and GES to consider potential projects. Secure CC approval to use EZ Growth Fund to support capital development. ERDF Full Application submitted in December 2019 awaiting decision.	All Partners
R12	Reputational	All	<b>Impact</b> - EZ initiative fails to deliver significant economic benefits leading to adverse publicity.	3	3	12	12	Monitor impact of EZ initiatives and take appropriate action when required. Process in place to monitor growth of EZs. Data reporting to MHCLG on a quarterly basis. Programme Evaluation of EZ has been completed.	Review of targets as part of the Business Plan to ensure they are SMART.	Iain Mackelworth
R15	Operational	All	<b>COVID-19</b> - impact on the delivery of the EZ through falling enquiries and disruption to project development and delivery.	4	3	12	12	Review and implement advice from Cornwall Council and Public Health England. Introduce remote working and reduce the need for physical attendance at meetings.	Continue to manage enquiries to mitigate impact reacting quicker.	Iain Mackelworth
R15	Strategic	Marine Hub	<b>Energy Policy</b> - Government policy does not support development of next generation of marine renewables technology which is undermining development of the sector and the EZ.	3	3	9	9	CC/LEP and CDC working with regional partners and stakeholders to put together the case for government support. Strong support in the Industrial Strategy. LEP wrote to Energy Minister May 2018 regarding lack of revenue for next generation technologies. Public/Private sector partnership established. Meetings held with Energy Minister in July with LEP, CC and Wave Hub - feedback positive. Ministerial submissions submitted in October setting out the case for floating wind - recommendations accepted by Minister.	Marine Hub working with LEP Energy Team on further lobbying. Follow up response to Ministerial submission.	Matt Hodson
R5	Strategic	All	<b>Brexit</b> - Uncertainty regarding access to European market and to European funding streams undermines investor confidence in Cornwall - potentially stalling EZ development and delivery of outputs. Risks include, (a) challenges to the market by lack of investment and (b) licensing or regulatory issues (c) availability of skills and labour	3	3	9	9	Plan for post EU Exit legacy being developed by LEP/CC including New Frontiers. Work with People and Prosperity Team on availability of skills. Work with Cornwall Council to manage impact of Brexit on Cornwall. Partners to contribute to the Local Industrial Strategy consultations.		Emily Kent
R6	Strategic	All	<b>Competition from other regions</b> - Lack of visibility of Aerohubs by potential investors and relocating companies / competition from other regions with larger resources and funding offers - opportunities to attract businesses to the EZ sites are missed / businesses attracted to locate elsewhere.	3	3	9	9	Competitor analysis undertaken for Aerohub. Marketing and branding proposition developed based upon Cornwall's unique offer. Collaboration with other regions through WEAF and UKSA where appropriate. Marketing budget approved to revisit marketing activity. choose cornwall website live.		Mike King
R14	Governance	All	<b>Resourcing</b> - insufficient or continuity of resourcing impacts on ability to handle enquiries and manage deal flow leading to loss of investment	4	2	8	8	CC have appointed agents Vickery Holman to handle Aerohub business park enquiries. CC have completed recruitment to provide additional capacity to support Programme Management including EZ. EZ Growth Fund application for marketing approved. EZ Growth Fund application for Aerohub Development Manager approved at Octobers EZ Board. CDC have appointed a Letting Manager which will include EZ property. Appointment of EZ Development Manager completed.	EZ Business Plan to be created to request forward funding against future rates income which will include a budget allocation for the continued activity of the EZ.	Iain Mackelworth
R8	Commercial	All	<b>Demand</b> - Lack of demand for space resulting in slow pace of development.	4	2	8	8	Marketing by CDC and partners generating investment leads. Strong pipeline in certain sectors. Conversion is the main challenge (see Risk 9)		All Partners
R4	Strategic	Aerohub & GES	<b>Spaceport Policy</b> - Bid unsuccessful or commercial partner is not secured resulting in loss of spaceport status for Cornwall Airport Newquay with the loss of significant high value investment.	3	2	6	6	Funding commitment from UKSA of £7.8m. MoU signed with Operator, Virgin Orbit. Political lobbying underway £0.5m approved in principle from CloS LEP Growth Deal.	Decision on £12m funding from Cornwall Council expected in November.	Miles Carden
R2	Governance	All	<b>MOU</b> - EZ delivery and management does not meet requirements of the MOU leads to loss of EZ status.	5	1	5	5	Implementation Plan submitted in line with requirements of MOU. Governance structure in place. CC collecting and reporting data on Aerohub & Marinehub EZ. GES have provided monitoring data.	None required.	Iain Mackelworth
R1	Governance	All	<b>EZ Governance</b> - lack of clarity over roles & responsibilities impedes decision making resulting in loss of potential investment.	4	1	4	4	Implementation Plan Agreed. Rates relief process and policy agreed. EZ Growth Fund investment policy agreed and application process and award process established. Terms of Reference approved by EZ Board in October and published on EZ website. National Local Assurance Framework received from MHCLG. Local Assurance Framework approved by LEP Board and published, March 2019.	EZ Board Terms of Reference to be updated in light of new LEP Assurance Framework.	Iain Mackelworth
R3	Reputational	All	<b>EZ Growth Fund</b> - Inappropriate investment from EZ Growth Fund does not deliver growth leading to adverse publicity.	3	1	3	3	Growth Fund investment policy approved by EZ Board. Application and decision process established. Applications are appraised prior to decision by EZ Board. Board papers are signed off by S151 Officer.	Review and approval of EZ Growth Fund policy at EZ Board to reflect changes to LEP Assurance Framework.	Jordan Whaley
R13	Reputational	All	<b>Displacement</b> - Use of rate relief to displace investment for existing premises or other sites leads to complaints and adverse publicity	3	1	3	3	EZ Board to approve all applications for rate relief. Rate Relief policy approved by EZ Board. Evidence of growth required for businesses relocating within Cornwall.		Iain Mackelworth

# Cornwall Enterprise Zones – Strategic Risk Register

## 1 Introduction

The Cornwall Enterprise Zone Strategic Risk Register captures the risks that are common to both Aerohub+ and Marine Hub and are of strategic importance. The register is reviewed on a regular basis at the Enterprise Zone Operational Board. This paper summarises the key risks that are scored at 12 or above.

## 2 Key Risks (High to Low)

Risk Ref 9:	<b>Market Failure</b> in the Commercial Property Market restricts and limits the pace and scale of development impacting on retained rates income into the EZ Growth Fund, in some instances withdrawal of interest.	Current Risk Rating: 12
Mitigation:	More substantial support to businesses to encourage interest and location to EZs. Accelerate the use of EZ Growth Fund to bridge investment gap and CC to develop Workspace Development Programme (WDP) to plug the gap on commercial investment. CC secured Cabinet support to make capital available for Aerohub Plot 3 and MRBP Phase 2. Positive decision for PA3 (Growth Programme) with three projects invited to Full Application. Meeting to be held with A&P and GES to consider potential projects. Secure CC approval to use EZ Growth Fund to support capital development. ERDF Full Application submitted in December 2019 awaiting decision.	
EZ Board Action:	No action required at EZ Board.	
Risk Ref 10:	<b>Cash Flow</b> - There is a time lag between investment in zones and retained rates income. In the absence of a facility to borrow against future retained rates income the scale of investment will be limited to funding immediately available within the EZ Growth Fund pot.	Current Risk Rating: 16
Mitigation:	Review of options by CC to consider investment up front borrowed against future business rates income. 31Ten appointed and completed rates modelling. Proposal presented to EZ Board October identified a preferred model for forward funding projects. Business Plan is being developed to seek approval from CC and LEP for forward funding for the rates income into the EZ Growth Fund to accelerate the delivery of the EZs.	
EZ Board Action:	Agenda Item 6.	

Risk Ref 12:	<b>Impact</b> - EZ initiative fails to deliver significant economic benefits leading to adverse publicity.	Current Risk Rating: 12
Mitigation:	Monitor impact of EZ initiatives and take appropriate action when required. Process in place to monitor growth of EZ's. Data reporting to MHCLG on a quarterly basis. Programme Evaluation of EZ has been completed. Review of targets as part of the Business Plan to ensure they are SMART.	
EZ Board Action:	Agenda Item 6 & 11.	

Risk Ref 15:	<b>COVID-19</b> - impact on the delivery of the EZ through falling enquiries and disruption to project development and delivery.	Current Risk Rating: 12
Mitigation:	Review and implement advice from Cornwall Council and Public Health England. Introduce remote working and reduce the need for physical attendance at meetings. Continue to manage enquiries to mitigate impact reacting quicker.	
EZ Board Action:	No action for EZ Board.	