



**CORNWALL &
ISLES OF SCILLY**
LOCAL ENTERPRISE PARTNERSHIP

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MINUTES of a Meeting of the Cornwall and Isles of Scilly Local Enterprise Partnership held in the FibreHub, Trevenson Lane, Pool, Redruth, Cornwall, TR15 3GF on Wednesday 30 March 2022 commencing at 10.00 am.

Present:- Mark Duddridge (Chair)

John Acornley, Fran Grottick, Dan James, Steve Jermy, Poppy Naylor, Lisa Oakes, Clare Parnell, Lisa Roberts, Stephen Rushworth CC, Gordon Seabright, Linda Taylor CC, Ann Vandermeulen, and David Walrond.

Also in attendance:- Glenn Caplin-Grey, Nathan Cudmore, Nicola Stinson, Geraldine Baker, Carol Bransgrove, Josie Gough, Corinne Lancaster, Emma Coad and Debbie Osborne.

Apologies for absence:- Directors: Frances Brennan, Emma Stratton and Oliver Monk CC.
Officers: Paul Masters and Phil Mason.

WELCOME AND INTRODUCTIONS

(Agenda No. 1)

The Chair welcomed everyone to the meeting, in particular, Corinne Lancaster, Deputy Area Lead for Cornwall and Isles of Scilly, Cities and Local Growth Unit.

Apologies for absence had been received from Frances Brennan, Emma Stratton, Oliver Monk CC, Paul Masters and Phil Mason.

DECLARATIONS OF INTEREST

(Agenda No. 2)

There were no declarations of interest expressed.

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LEP BOARD (24 NOVEMBER 2021)

(Agenda No. 3)

Minutes

(Agenda No. 3.1)

It was agreed that the minutes of the meeting held on 24 November 2021 were a true and accurate record.

STRATEGIC MATTERS

(Agenda No. 4)

Chair Update

(Agenda No. 4.1)

The Chair provided the Board with a verbal update with reference to the following areas:

1. The opportunities ahead, particularly around tech metals which has recently seen private investment going into South Crofty, private investment in lithium and energy.
2. The impacts of covid-19, especially in relation to the labour and skills market and the resulting impacts on industries.
3. Cornwall's ambition to deliver an ambitious devolution deal. Reference was made to some key reasons to deliver on this, including; the opportunities of unlocking investment in tech metals, energy and digital sectors;
4. Businesses hit by inflation and fuel prices and the need to manage their cashflows e.g. the visitor economy, agriculture, construction; alongside labour market concerns e.g. health care, construction and issues around housing and those further from the labour market. Reference was made to the vital role of the Employment and Skills Board in supporting this.
5. Reference was made to the need to update business support programmes and the opportunities of the devolution deal to support this.

CEO Report

(Agenda No. 4.2)

The Board considered a report prepared by the LEP CEO regarding overall progress on operational activity.

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The LEP CEO highlighted the main points within the Governance, Finance, Risk, Policy and Performance areas of his report. The LEP CEO apologised for the delay in circulating the report in relation to agenda item 5.3 due to the delay in receiving the formal letter from Government regarding core funding arrangements for 2022/23, which the LEP is still yet to receive.

In the ensuing discussion the LEP Board Directors and Officers referred to the following areas:

1. Reference was made to the LEP's Annual Performance Review meeting which took place on 10 February 2022. The LEP CEO commented that the meeting had gone well and there were no large areas of concern. The Whitehall Representative confirmed that the formal letter would be sent out shortly and commented that she was pleased with how the LEP has performed.
2. Reference was made to the risk register, particularly those risks that had seen a change. Discussion followed in relation to Risk G (coronavirus) and the potential to show this as an increasing risk, alongside the need to further reference inflationary issues and potential mitigations.
3. Reference was made to the Economic Recovery Group and recent meetings looking at inflation data which is also being reflected in reports by the Chamber of Commerce and Federation of Small Business.
4. UK City of Culture – the LEP CEO expressed disappointment of not getting through to the final round but thanked the Board for their support. A formal feedback session is taking place in early April, after which detailed feedback will be provided to the Board. He commented that regardless of the result, the work had produced a good sector development plan. There is also the £1m Creative Industries and Culture Investment Programme, a report outlining how to structure the investment programme and next steps will be brought back to the Board for consideration and approval.
5. Reference was made to the Fishing Strategy appended to the report. The LEP CEO thanked Board members for their support, especially Clare Parnell.
6. Reference was made to Town Deal Boards. The LEP CEO thanked Board members for their support.

Steve Jermy, Board Director provided an update on the current position regarding the future energy horizon, with particular reference to the following areas:

1. Primary energy and Cornwall's energy transition. He highlighted 3 causes as to why this is happening which included; peak oil; conventional v unconventional oil; and renewable energy.

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2. Global energy context and the impacts of world events.
3. Predicaments or problems, including economics, politics, societal and international.
4. National impacts, including economy (cost of living, rising inflation), phases and response (economic stimulus and energy transition).
5. Regional challenges, including energy; fishing, farming and food; essential services such as emergency services and infrastructure services.
6. National opportunities, including onshore energy, floating offshore wind and tech metals.

Arising from the above, the Board noted the contents of the report and overall progress on operational activity.

Action 1: the LEP CEO to provide detailed feedback in relation to the UK City of Culture Bid.

Action 2: the LEP Executive to bring a report back to the LEP Board on the Creative Industries and Culture Investment Programme structure and next steps.

Levelling Up White Paper

(Agenda No. 4.3)

The LEP CEO provided an update on activity associated with the Levelling Up White Paper and County Deals with particular reference to the following areas:

1. Cornwall is one of nine areas that will begin negotiations with Government on new locally devolved powers.
2. He commented that the Board has been supportive of devolution and investments into the region. He confirmed that through County Deals economic investment decisions would move from LEPS to local authorities.
3. Having decision making powers locally will help make those investments happen.
4. Reference was made to the benefits of Level 3 as outlined in the report.
5. Reference was made to Shared Prosperity Fund (SPF) and the prospectus that will be published setting out the boundaries. Local authorities will then write an investment plan. He commented that the LEP will be part of the consultation process.
6. Reference was made to the organisational impacts on the LEP as outlined in the report. There is expectation that, in areas of County Deals, the local authority will integrate LEP functions of supporting local businesses and hosting the strategic business voice. The LEP CEO

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commented that we are into the last 12 months of LEPs as we know them and therefore need to think of this year's delivery plan as a legacy.

In the ensuing discussion the LEP Board Directors and Officers referred to the following areas:

1. Cornwall Council Leader commented that there had been positive discussions with Government. Level 3 is all about ambition and it is important that Cornwall is ambitious however, Cornwall Councillors would need to consider and agree this. There is a Full Council meeting in May where the Council will vote on governance arrangements for changes in relation to a directly elected leader.
2. The Whitehall Representative commented that it is a credit to the LEP and Council that Cornwall has been selected as a trailblazer in the first tranche. She confirmed that the SPF prospectus will arrive imminently.
3. Reference was made to what the LEP can do, through their sectors, to help make the case for Level 3. The Cornwall Council Leader commented that the LEP can help raise the profile and benefits of Level 3.
4. Reference was made to the strong LEP Employment and Skills Board and not to lose them in the transition.

Decision:

1. **That the LEP Board recommends that Cornwall Council pursue a Level 3 devolution and the transformational opportunities afforded through an enhanced devolution model to unlock:**
 - a. **the UK's first net zero region (inc. FLOW, tech metals, space/data)**
 - b. **levelling up within Cornwall, including through a devolved Shared Prosperity Fund which matches previous EU investment.**
 - c. **innovative solutions to the housing and energy crisis**
2. **A LEP 'Devolution Deal' Task and Finish group be established to provide the private sector voice in ongoing discussions with Cornwall Council, Council of the Isles of Scilly and Government.**

Tourism Strategy

(Agenda No. 4.4)

The Head of LEP Commissioning provided an introduction to the Tourism Strategy and welcomed Tim Light (Chair, Visit Cornwall Board) and Malcolm Bell (CEO, Visit Cornwall) to the meeting.

Malcolm Bell provided an update on the Tourism Strategy with particular reference to the following areas:

1. Tourism history.
2. Background to and work so far – 2030 and Beyond.

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3. Tourism in Cornwall – key facts at a glance.
4. Cornwall’s Tourism – positives and negatives.
5. The challenges for Cornwall to deliver the vision.
6. A vision for the future.
7. Strategic priorities:
 - a) Ensure all tourism is safe, sustainable, regenerative, accessible and widely accepted by the host communities.
 - b) Increase the visitor economy competitiveness and the value derived for the benefit of the Cornish economy and communities.
 - c) To maximise tourism’s contribution to the circular economy.
 - d) Assist in the drive to make Cornwall the first Net Zero region in the UK.
8. How do we start to achieve the vision.
9. Destination Leadership – suggested structure.
10. Flagship transformation projects.
11. Actions – Visit Cornwall.
12. Levers for change – Asks for Devolution Deal
 - a) Pilot and introduce Compulsory Registration for all accommodation.
 - b) Investigate and consult on possible supply side controls through licensing or planning controls.
 - c) Investigate and undertake feasibility studies (working closely with the private sector) on the options for increasing contributions to support management costs.
13. Next steps.

In the ensuing discussion the LEP Board Directors and Officers referred to the following areas:

1. Cornwall Council Leader confirmed that asks around accommodation registration had gone into the County Deal proposal and change of use as an intervention to help local housing.
2. Reference was made to the University of Exeter in talks about a tourism centre of excellence for the circular economy.
3. Reference was made to registration being crucial but also licensing.
4. Reference was made to a devolution task and finish group and the need to re-invigorate the work Visit Cornwall did in relation to an events strategy.

Malcom Bell confirmed that a summary document was being produced and will be circulated to the Board.

Action 3: The LEP Executive to circulate the Tourism Strategy summary document to the LEP Board when finalised.

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Isles of Scilly Museum and Cultural Centre

(Agenda No. 4.5)

The Strategic Director for Place, Economy and Environment for the Council of the Isles of Scilly provided an update on the Isles of Scilly Museum and Cultural Centre with particular reference to the following areas:

1. Project update.
2. Progress – revenue package to get to Royal Institute of British Architects (RIBA) Stage 3 with outline business case by June.
3. Progress to RIBA Stage 3.
4. Emerging plans.
5. Community consultation.
6. New website now live.
7. Cultural programme continues, with support from Arts Council England and also looking at outdoor spaces to bring people together.
8. Project capital funding overview (total project costs around £11m).
9. Next steps
 - a. Need revenue to maintain progress.
 - b. Investment priority project for SPF/Levelling Up.
 - c. Complete capital funding.

Enterprise Zones Board Update

(Agenda No. 4.6)

The Board considered a report prepared by the Head of Investment and Growth which provided an update on activity associated with Cornwall's Enterprise Zones and highlighted the key issues to the Board.

The LEP CEO and Steve Jermy, Board Director outlined the report and highlighted the key points referenced within the report, with particular reference to the following:

1. Performance at the Enterprise Zones continues to be strong.
2. Aviation Centre is complete and moving on to fit out.
3. Marine Hub is full and construction of phase 2 is underway.
4. Re-purposing of the Enterprise Zones Board to be a Green Industrial Revolution Board with a more strategic focus. A report will be brought back to the next LEP Board meeting for consideration and approval.

The LEP CEO expressed his thanks to the Head of Investment and Growth, who will be leaving the Council at the end of the week, for all his hard work and support.

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The Board noted the update on activity associated with the Cornwall Enterprise Zones.

Any other business

(Agenda No. 4.7)

None.

EXCLUSION OF PRESS AND PUBLIC

(Agenda No. 5)

The Board agreed to exclude the press and public from the meeting for items 5.1, 5.2 and 5.3 due to the confidential nature of the items.

Nominations Committee Update

(Agenda No. 5.1)

The Board considered an exempt report prepared by the LEP CEO which provided an update on the co-opting arrangements following the LEP Nominations Committee meeting on 1 March 2022 and sought approval to appoint an individual onto the LEP Board as a Co-opted Director and Member of the Company for a fixed term of one year.

The LEP Chair drew attention to the main points detailed in the report.

Decision:

- 1. The LEP Board approves Professor Emma Hunt as a Co-opted Director and Member of the Company for a fixed term of one year, with such appointment to take effect immediately, with the relevant updates to the Company's statutory registers and Companies House filings to be made following the conclusion of this meeting.**

The LEP Chair sought volunteers from Board to join the LEP Nominations Committee and asked those wishing to join to let either him or the LEP Executive and Governance Manager know. The Whitehall Representative commented that she would be happy to be the Government support on the Committee.

Action 4: Board Directors to let the LEP Chair or LEP Executive and Governance Manager know if they wish to join the LEP Nominations Committee.

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Investment and Oversight Panel Update

(Agenda No. 5.2)

The Board considered an exempt report prepared by the LEP CEO which provided an update on the recent activity within the remit of the Cornwall and Isles of Scilly Local Enterprise Partnership Investment and Oversight Panel.

The LEP CEO drew attention to the main points detailed in the report.

The LEP Chair expressed his thanks to the LEP Executive Programmes Team in the delivery of the LEP's programmes.

The LEP Board noted contents of the report.

2022/23 Draft Delivery Plan and Budget

(Agenda No. 5.3)

The Board considered an exempt report prepared by the LEP CEO in relation to the draft 2022/23 Delivery Plan and Budget. The LEP CEO apologised for the delay in circulating this report due to not yet receiving the letter from Government outlining the LEP's core funding arrangements for 2022/23.

The Whitehall Representative gave assurances to the Board that there would be some form of funding for LEPs in 2022/23 and that the formal letter will be sent shortly.

The Board Directors expressed their concern and disappointment that Government had not yet confirmed core funding arrangements for 2022/23 which meant that they could only consider a base budget at the meeting. A revised budget would be brought back to the Board once formal funding confirmation from Government had been received.

Decision:

- 1. That the Board approves the draft 2022/23 Delivery Plan at appendix 1 and budget at appendix 2, subject to any comments the Board may have.**

NOTED THAT: Fran Grottick (IoS Council), Linda Taylor CC, Gordon Seabright and Ann Vandermeulen abstained from voting on the above decision.

Any other confidential business

(Agenda No. 5.4)

Levelling Up Round 2 bids

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The LEP CEO and Whitehall Representative provided an update on the Levelling Up Round 2 bids, including the deadline.

The meeting ended at 12.46 pm.

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