



**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 Sea View Suite, St Austell Conference Centre, St Austell Business Park, St Austell, PL25 4FD on Wednesday 29 March 2023 commencing at 10.00 am.

Present:- Mark Duddridge (Chair)

Clare Parnell, John Acornley, Fran Grottick, Emma Hunt, Steve Jermy, Martin Siegert, Emma Stratton, Linda Taylor CC, Louis Gardner CC, Oliver Monk CC, Lisa Oakes, Ann Vandermeulen and David Walrond.

Also in attendance:- Glenn Caplin-Grey, Nathan Cudmore, Carol Bransgrove, Geraldine Baker, Anwen Jones, Henry Seymour and Debbie Osborne.

Apologies for absence:- Directors: Poppy Naylor and Dan James
Officers: Phil Mason and Nicola Stinson

WELCOME AND INTRODUCTIONS

(Agenda No. 1)

The Chair welcomed everyone to the meeting. The Chair gave thanks to John Acornley whose term comes to an end in May 2023 and therefore this would be his last formal Board meeting and to Frances Brennan who has now stepped down from the Board.

Apologies for absence had been received from Poppy Naylor, Dan James, Phil Mason and Nicola Stinson.

DECLARATIONS OF INTEREST

(Agenda No. 2)

There were no declarations of interest expressed.

LEP BOARD (30 NOVEMBER 2022)

(Agenda No. 3)

Minutes

(Agenda No. 3.1)

It was agreed that the minutes of the meeting held on 30 November 2022 were a true and accurate record.

Action Sheet

(Agenda No. 3.2)

The LEP Board noted the summary of ongoing actions following the meeting on 30 November, however, updates would be given as part of today's agenda. The Chair asked that the CEO cover the issue around Subsidy Control and the creative monies later on the agenda.

STRATEGIC MATTERS

(Agenda No. 4)

Chairs Update

(Agenda No. 4.1)

The LEP Board was provided with a verbal update on the following areas:

1. Within the Chancellor's recent statement it was announced that the government is committed to empowering democratically elected local leaders at every opportunity. To this end, the government intends for the functions of Local Enterprise Partnerships (LEPs) to be delivered by local government in the future. Therefore, the government is minded to withdraw central government support for LEPs from April 2024. DLUHC and the Department for Business and Trade will now consult on these proposals, before confirming a decision. The government will publish an updated policy position to confirm next steps by the summer. The LEP Chair highlighted that this doesn't impact on activity locally, in terms of the ambition to align with the devolution agenda. The LEP is now focusing on convening for businesses and sectors and is currently working with industry on proposals.
2. Currently looking at unlocking FLOW opportunities with private and public investment. Working with the National Grid and The Crown Estate on infrastructure development. Vision document currently being designed and will be shared once ready. The Chair reminded the Board that FLOW infrastructure development is part of a live process ongoing. The Chair confirmed that the Great South West (GSW) is supportive of FLOW. Ann Vandermeulen, Board Director would welcome a discussion about relationships with these opportunities and

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aligning with the Local Skills Improvement Plan (LSIP). Fran Grottick, Board Director, offered support in relation to FLOW and although not currently a member of the GSW will need to ensure relationships are managed in any new structures. Steve Jermy, Board Director informed the Board that he had recently briefed the GSW Chairs on FLOW and the LEP Chair informed the Board that Lord Robin Teverson, Chair of the Local Nature Partnership, has been working with The Crown Estate and has been feeding back on our behalf.

3. There is a need to ensure that when LEPs are dissolved there is an ongoing legacy and local geographic representation is maintained. Important to ensure the business voice of Cornwall and the Isles of Scilly is still heard.

CEO Report

(Agenda No. 4.2)

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

The LEP CEO highlighted the main points within the Governance, Finance, Risk, Policy and Performance areas of the report.

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

1. Reflecting on activity, i.e. FLOW. Steve Jermy, Board Director offered his support to providing a more detailed overview on FLOW at the next LEP Board.
2. With regards to the Chancellor's Statement, LEP legacy functions will continue to be aligned with the devolution deal. LEP Funding will end in March 2024 and the next Delivery Plan will act as a LEP legacy plan. An integration plan is currently being worked on, with a focus on governance and legacy activities. A survey has been issued by government to all LEPs which is being completed by the LEP Executive Team and Local Authorities to support Government understanding of legacy arrangements. This will see a lot of debate between LEPs and combined Local Authorities across the country, however, the devolution deal sets the framework for the CloS LEP region. The LEP Devolution Task and Finish Group will consider next steps. Through the Audit and Assurance Committee, legal advice was sought on Director's liabilities which Committee members were content with.
3. In relation to Shared Prosperity Fund (SPF), there is a good pipeline of projects with more ready to be announced over the next few days. The new Subsidy Control regime has increased some assessment times, but the Board can be reassured there is a long list of private sector projects in the pipeline. The People and Skills strand has been brought forward to Year 2 so timelines are currently being reassessed to manage any funding gaps. Louis Gardner CC, Board Director highlighted that this won't be opened up for applications immediately but will be

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later in the year. Some organisations have already made contact but just because this has been brought forward it is not the responsibility of SPF to continue those already funded by ESF. The LEP CEO highlighted that the Growth Hub continues to work well and will be shifting focus as part of a transition from ERDF activities, with a report going to the CloS Economic Prosperity Board on 19 April 2023.

4. In relation to the DCMS Create Growth Programme, we are 1 of 6 regions delivering the programme in England, alongside our consortium delivery partner, Creative UK. There will be Innovate UK and Knowledge Transfer Network (KTN) funding available for businesses across Cornwall and the Isles of Scilly with a competition later in the year for additional funding.
5. In relation to Tourism, the LEP has supported a regional approach to the DCMS led Local Visitor Economy Partnership opportunity, which will see a top tier of destination management across England. Currently being worked on with government and Visit Britain.
6. In relation to Clean Energy, the LEP Executive continues to develop, and programme manage a variety of initiatives, with recent commissions on Microgrid and Biomethane due to report shortly.
7. The LEP CEO reiterated the LEP Chair comments in relation to John Acornley and Frances Brennan and thanked them for their advice and guidance over the last few years.
8. From March 2023 Careers Hub CloS will be 1 of 4 areas nationally to deliver a primary careers hub with 75 schools in Cornwall and the Isles of Scilly as part of an initial 1 year pilot. The programme will involve teacher Continuing Professional Development (CPD) delivered by Teach First and a focus on developing careers in the curriculum, employer encounters and parental engagement.
9. Ann Vandermeulen, Board Director asked whether there could be some mapping of all the separate funding streams undertaken and how they will work together. The LEP CEO agreed to take this away and work with the People and Prosperity Manager.

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

Action 1: LEP CEO to work with People and Prosperity Manager on a mapping exercise of all funding streams.

Action 2: A more detailed overview on FLOW to be brought to the next LEP Board in July 2023.

CloS Investment Fund Update

(Agenda No. 4.3)

John Acornley, Board Director, gave a summary of the Cornwall and Isles of Scilly Investment Fund (CloSIF) which provides commercially focussed finance through a

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Debt and Equity Fund. An Advisory Board which monitors the fund meets quarterly and includes 3 nominated LEP representatives, government representatives and British Business Bank (BBB). Initial Fund deployment ends in December 2023 which requires deployment of £2.5m per quarter until December. The fund has just recently been evaluated and BBB are providing an overview today.

The £200m South West Investment Fund is the first in a series of new Nations and Regions Investment Funds being launched by the British Business Bank. It will deliver a £1.6 billion commitment of new funding to drive sustainable economic growth. The South West Investment Fund will offer a range of commercial finance options with loans from £25,000 to £2 million and equity investment up to £5 million. The new fund will cover the entire South West region including Bristol, Cornwall and the Isles of Scilly, Devon, Dorset, Gloucestershire, Somerset and Wiltshire.

Introductions were then made to Paul Jones and Ralph Singleton.

Paul Jones (British Senior Investment Manager - British Business Bank)

The Board were presented with a summary of feedback received from a recent CloSIF survey:

- Finance Additionality (self-reported by firms)
- Outcomes observed to date
- Follow-on finance
- Firm impacts
- Outcome additionality
- Strengths and improvements

In the ensuing discussion comments were made as follows:

1. Louis Gardner CC, Board Director asked whether the returned monies will be ringfenced for Cornwall and Isles of Scilly. Paul Jones responded to say that yes the money has to remain in its original allocated area, Cornwall and the Isles of Scilly.

Ralph Singleton (Head of Funds - FSE Group)

The Board were presented with a summary of the CloSIF:

- Fund Purpose
- CloSIF success to date
- Portfolio Summary
- Deployment
- Portfolio by Industry Sector (Marine 25%, MedTech 10%, Space & Data 10%, Renewable/sustainable 38%, Tech/software 30%, Floating offshore wind 18%, Food and Drink 7%)

In the ensuing discussion comments were made as follows:

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1. Louis Gardner CC, Board Director asked of the 942 jobs how many of those are new jobs. Ralph Singleton responded to say that 360 are new jobs and that will increase to 460 by end of this year. Linda Taylor CC, Board Director then requested a breakdown of those new jobs.
2. Fran Grottick, Board Director asked whether the Council of the Isles of Scilly could have helped more to encourage businesses to take advantage of the fund? Ralph Singleton responded to say that FSE have received enquiries from the islands, but with some have been either ineligible or related to property, however, a small number remain live. John Acornley, Board Director highlighted that the Fund is pushing for at least one investment on the islands before the end of the funding period.
3. Martin Siegert, Board Director asked where mining and critical minerals businesses would fit. Ralph Singleton responded to say that those types of businesses are difficult to fund due to the way they are structured.
4. LEP CEO was pleased that the fund had been managed well through the COVID19 pandemic. In terms of driving the fund towards strategic sectors is the balance of investment right? Ralph Singleton responded to say that given who has been funded so far then yes, the balance is right and promoted the fact that one of the companies has just been awarded a Kings Award for Innovation.

Enterprise Zones Board Update

(Agenda No. 4.4)

The Board considered a report prepared by the Capital & Project Funding Specialist which provided an update on activity associated with Cornwall's Enterprise Zones and highlighted the key issues to the Board.

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

1. The aspiration to broaden the work of the EZ Board to adopt a cluster- led approach to developing sectors and support the delivery of objectives related to the Green Industrial Revolution and Net Zero continues to develop.
2. Development of the new Board is dependent on progress on the County Deal and the future of the EZ and the LEP.
3. Creation of an Operations Centre at Aerohub which will be operated 24 hours 7 days a week and will be used by project developers. The Airport could be a central point for offshore navigation.
4. Cornwall Council Cabinet have now approved the Celtic Sea Power Business Plan.

Any other Business

(Agenda Item No 4.5)

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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 and 5.2 due to the confidential nature of the items.

23/24 Draft Delivery Plan and Budget

(Agenda No. 5.1)

The Board considered an exempt report prepared by the LEP CEO which provided the Board with the 2023/24 Draft Delivery Plan and Budget for the Board's consideration and approval.

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

Action 3: Directors to put their name forward to the LEP Executive Team to lead on any of the sectors.

Decision: The 2023/24 Draft Delivery Plan and Budget was approved by the LEP Board and for the unallocated amount to be utilised for LEP legacy activities in year.

County Deal and LEP Integration Plan Update

(Agenda No. 5.2)

The Board were provided with an exempt verbal update by the LEP CEO on the current negotiations on County Deal and LEP Integration.

Any other confidential business

(Agenda No. 5.3)

None

The meeting ended at 12.30pm.