



Cumbria
**Local Enterprise
Partnership**

unleashing potential through partnership

Minutes of a Meeting of the Cumbria Local Enterprise Partnership held on Friday, 31 March 2017 at 9.30 am at Cleator Moor Civic Hall and Masonic Centre

Board Members Present:

George Beveridge (Chair), Jackie Arnold (Vice Chair), Giles Archibald (substitute D Fidduck), Kevin Beaty, Rob Johnston, Mike McKinley, Julie Mennell, Duncan Peake, and Stewart Young (Vice Chair),

In Attendance:

Graham Haywood	LEP Director
Alison Hatcher	Cumbria County Council
Craig Ivison	LEP Head of Skills
Jackie Currie	Cumbria County Council

61 APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr J Jackson, Mr D Fidduck (substitute Mr G Archibald) and Mr M Starkie.

62 DECLARATIONS OF INTEREST

Mr D Peake declared a pecuniary interest in Agenda item No 6b – Cross-a-Moor Project, as he is a Director with Holbeck Homes.

Ms J Mennell declared a potential pecuniary interest in Item 8 – Slls Update as the University of Cumbria would be submitting a bid in to the Institute of Technology Fund.

Mr R Johnson declared a pecuniary interest in Agenda item No 9 – Skills Update as the Chamber of Commerce was a partner in some of the projects contained within this report.

63 MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on Friday 27 January 2017 were agreed with the following amendment:-



Minute No 49 – Matters arising not covered elsewhere on the agenda - Kevin Beaty asked the Chair and LEP Director to speak to officers at Eden Arts, rather than Eden District Council.

64 UPDATE FROM THE CHAIR & VICE CHAIRS

The Chair reported on the following:-

- Transport for the North – the Chair was pleased to report on progress with transport. He felt that progress had been made with raising the profile of Cumbria with Transport for the North which was a great achievement. Chris Grayling MP, the Secretary of State for Transport had visited Cumbria recently to announce Highways England funding for improvements to junctions where the A595 and the A66 joined together. The Chair took the opportunity to discuss with him a number of road and rail infrastructure issues facing Cumbria. The LEP Board welcomed this.
- New Sponsor Minister – the Chair had met recently with Cumbria LEP's new sponsor minister Jesse Norman MP. He would be visiting the county in the next couple of months.
- Northern Powerhouse – the Chair had attended a conference in Manchester recently and had chaired one of the sessions with John Humphries. It had proved to be an excellent networking session.
- Northern Powerhouse Strategy – round table sessions had been held yesterday with Andrew Percy, Parliamentary Under Secretary of State (Minister for the Northern Powerhouse), Baroness Neville-Rolfe (Treasury Minister) and Lord Prior (BES Minister) to discuss the NP Strategy
- Brexit – the Chair had met the Prime Minister recently in Birmingham where rural/agriculture issues and the EURATOM Treaty had been discussed.

The Private Sector Vice Chair updated on the following:-

- Launch of the Northern Powerhouse Investment Fund – the availability of funds for business had been launched recently in Penrith and the response had been positive from the business audience present.

65 MATTERS ARISING NOT COVERED ELSEWHERE ON THE AGENDA

There were no matters arising on this occasion.

66 INVESTMENT PANEL UPDATE REPORT

a) Investment Panel Update

The Private Sector Vice Chair presented a report which updated on progress against the existing Cumbria LEP Growth Deal as well as other LEP Programmes monitored by the Investment Panel.



The report also highlighted a lack of expenditure against the EPDF funding programme and a risk of an inability to commit all remaining funding within the remaining programme timescales.

Cumbria LEP had a Growth Deal funding profile of £19,556,536 for 2016/17. As had been reported previously, performance and financial reporting from individual projects had made it clear that underspend was likely.

The total 2016/17 Growth Deal claim was expected to be in the region of £14,365,143. This was a shortfall of £5,191,343 against the profile.

It was important to highlight that this figure included a planned £1m payment to Carlisle Airport whose State Aid notification was now expected in April rather than the original January date given. It also included £2m for the Port of Workington project which had been due to be paid upon conclusion of a Contribution Agreement between Network Rail and the County Council. This Agreement had not been finalised and all parties were working to bring this to a satisfactory conclusion as quickly as possible.

In order to assist with the underspend, it had previously been agreed that the County Council could cashflow any Growth Deal underspend from its Capital Programme. Underspend would then be rolled forward into 2017/18 to ease the existing burden on that year.

The Growth Deal programme was still over-committed in 2017/18 and Cumbria Infrastructure Fund support would be made available to help cashflow Growth Deal projects with CIF funding repaid from 2018/19.

In relation to the Regional Growth Fund, programmes were now in the monitoring and evaluation phase. Annual monitoring had taken place with applicants providing returns confirming their job creation position.

The RGF3 programme was targeted to create 267. The programme was forecast to create/safeguard 332.13 jobs, with actuals currently at 361. This figure was comprised of a number of projects that had overachieved on their job creation target, however there were a number of projects that had not yet achieved their contracted jobs.

Whilst a programme approach could be taken at this stage for the achievement of outputs, there was a contractual requirement for projects to have created, and maintained the level of jobs included within their funding agreement over a three year period. It was therefore proposed that annual monitoring continued to take place, with the achievement and underachievement of outputs reported to the Investment Panel.

With reference to the EU Funding the Chancellor had committed to fund all eligible and contracted projects after the point the UK left the European Union. In order to underpin this, all ESF projects would be subject to additional and more detailed value for money analysis as well as the need to demonstrate a clear link to national priorities.



Cumbria had three EAFRD funding calls currently open. £1.3m was available to support the development of tourism infrastructure throughout rural Cumbria. £1.5m was available to support rural business development through capital grants to enable farm diversification or business innovation and growth. In addition, £1.5 would support food processing businesses to develop supply chains, enable export as well as business growth.

At the ESIF Committee on 21 March, DCLG stressed that Cumbria currently had only 27% of its ERDF committed with just three further funding rounds. There was thus a considerable risk of underspend. Whilst no decisions had been taken, it must also be highlighted as a risk that some of the remaining allocation could be considered for transfer to other areas that were over-performing.

There were a number of reasons for a lack of ERDF spend including:-

- A lack of locally available match funding – particularly for revenue activity.
- The inability to support key Cumbrian sectors including agriculture, tourism, retail and nuclear.
- The fixed £500,000 minimum grant request (meaning projects must be circa £1m minimum size).
- A lack of development capacity locally to bring forward and nurture projects.

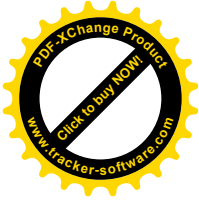
The LEP would continue to work to raise interest in EU funding and to work with potential projects to secure funding. Open calls would be utilised to help assist with access to the funding. Further updates would be provided to the LEP Board at future meetings.

The Cumbria Infrastructure Fund was established to promote the delivery of key infrastructure needed to unlock developments that helped generate jobs and homes. £6,162,467million of funding was made available to support activity in this area.

CIF had committed £8,239,854 (including the commitment to cashflow the Growth Deal programme). Repayments totalling £2,374,965 had been repaid to the fund. A balance of £207,858 was currently in the fund.

The Investment Panel considered three applications for funding. The first from Ashall Properties Ltd for £2.5m to provide support to design and build a 127 room Holiday Inn Express hotel on a site in the centre of Barrow. The Investment Panel considered the request but concluded that the project should be commercially viable as well as there being insufficient CIF funding available. The Investment Panel declined to support the project.

An application for £1.735m to underwrite developer contributions needed to match Highways England funding towards a new junction at Cross-A-Moor was considered. The project was subject to a separate paper on the Board's agenda. The Investment Panel agreed to recommend to the Board that CIF funding support was provided. There would be sufficient CIF funding available in 2019/20 to accommodate this request.



The Investment Panel also considered a request to provide a total of £100,000 of funding towards;

- Scheme development works on enhancements to the Cumbria Coastal Line (£40,000); and
- Scheme development of strategic highway schemes on the A595, A66 and A590 as well as the Whitehaven Relief Road.

The work would directly feed into Highways England's Investment Strategy as well as Transport for the North planning work.

The Investment Panel agreed to support the development works utilising the interest earned on CIF repayments which was revenue funding. The support was provided recognising the urgent nature of the request as well as the critical need to influence important transport planning. The Investment Panel also stipulated that if there was any underspend within the LEPs Strategic Budget in 2017/18 for Strategic Studies this should be utilised to replenish the CIF funding utilised for the above studies.

RESOLVED that the report be received and the recommendations set out above be approved in relation to the development works on highways schemes.

b) CIF Application Cross-A-Moor Junction

Mr D Peake declared a pecuniary interest in this as he was a Director with Holbeck Homes.

The Private Sector Vice Chair presented a report which introduced the Cumbria Infrastructure Fund application from South Lakeland District Council. This sought up to £1.735m to underwrite developer contributions needed to match a £3.050m contribution from Highway England towards the cost of a new junction at Cross-a-Moor near Ulverston. As the funding request was in excess of £1m, the decision rested with the LEP Board

The South Lakeland District Local Plan had identified a range of significant housing sites in south Ulverston however there was a significant capacity constraint at the junction of the A590/Pennington Lane/Main Road (Cross-a-Moor junction).

Assessment had shown a roundabout to be the most appropriate solution for this location. The estimated cost of this was £5.085m and Highways England had, in principle, agreed to provide £3.050m funding with match funding proposed on the basis of £1.735m in developer contributions and £300,000 committed by SLD.

To provide necessary confidence with respect to the deliverability of the scheme Highways England had asked that yet unsecured developer contributions be underwritten. The level of funding to be underwritten was significant, in excess of what the Councils' could provide. Therefore South Lakeland District Council had submitted an application to use CIF to underwrite the £1.735m contributions that would need to be secured.

By using CIF in this manner it was intended that a significant Highways England investment could be secured and major housing growth unlocked.



Following the confirmation of the CIF funding Highways England would be able to confirm their contribution (subject to due diligence) before starting and would undertake further scheme development and land assembly. It was anticipated that construction of the junction would commence in 2018/ 19 and be completed by 2019/20.

The Investment Panel at its meeting on 21 March 2017 agreed to make a recommendation to the LEP Board to support the project.

RESOLVED that the LEP Board provide CIF funding for up to £1,735,268 to South Lakeland District Council in order to deliver a new junction at Cross-a-Moor near Ulverston.

c) Growth Deal Reprofileing

Members had concerns about the number of times the spend for Growth Deal had had to be reprofiled. The Private Sector Vice Chair said the same comments and frustration had been expressed by the Investment Panel but this was a multi year programme, that had annual expenditure limits.

The Private Sector Vice Chair tabled an update on GD3, which confirmed the Growth Deal 3 allocation and funding profile over the next 4 years. The award of the £12.66m was as follows:-

	2017/18	2018/19	2019/20	2020/21
Growth Deal 3 Allocation	£2,949,222	£2,389,419	£1,222,513	£6,098,846
Existing Growth Deal	£4,174,371	£3,667,649	£5,595,752	£5,595,752
Total	£7,123,593	£6,057,068	£6,818,265	£11,694,598

The LEP Board was concerned that the profile given by DCLG bore no resemblance to the funding the LEP submitted a bid for. This was disappointing.

The LEP Board had concerns about the threshold for bids to the EAFRIID fund, which they felt should be lower, to attract more bids to this funding stream, and could improve the possibility of obtaining match funding. They asked that this be formally raised with Ministers at DEFRA.

67 INDUSTRIAL STRATEGY

The LEP Director presented a report to enable the Board to comment on the Draft Response to the Government Consultation Paper – “Building our Industrial Strategy” and propose changes to enable preparation of the final version of the Response.

The LEP Draft Response as a “first” Draft was circulated to the Board, the Technical Officers and Partners on the 21st March. Comments would be received and integrated into the Response until Friday 7th April. It was hoped that a final version would then be circulated to the Board for final comments and then the Board were recommended to authorise the Chair to sign off the final submission.



Several Board members made comments about the draft and the LEP Director asked all Board members to send comments in writing to him as soon as possible to enable the final response to be submitted by the deadline of 17 April 2017..

RESOLVED that, comments be sent to the LEP Director as soon as possible and that the Chair be authorised to agree the final response before submission.

68 SKILLSUPDATE

Ms J Menzell declared a potential pecuniary interest in this item as the University of Cumbria were planning to submit a bid in to the Institute of Technology fund.

Mr R Johnson declared a pecuniary interest in this as the Chamber of Commerce was a partner in some of the projects, particularly the EDGE2 project.

The LEP's Head of Skills and Employability presented a report which set out progress made in implementing the Skills Plan and proposed a series of action to further address skills issues across the county.

At the meeting of the LEP Board on 11 March 2016 the Skills Investment Plan was approved.

The investment plan, and associated implementation plan, developed in partnership with employers and providers of education and training, sets out a series of challenges facing the economy from a substantial decline in the working age population, the need for higher level skills in a changing economy, the number of hard to fill vacancies, the year 11 out-turn from schools, the need for a coherent approach to careers education, information, advice and guidance (IAG) and issues facing employers engaging with the skills system.

The report specifically updated on:-

- Employer Panels
- Skills Implementation Plan Delivery
- Employment and Skills Advisory Board
- Partnership Development
- Delivery of Skills Projects
- Area Based Reviews
- Institute of Technology

Employer Panels

A key principle in establishing these panels was not to duplicate the work of existing groups. Consequently, the Skills Team had been working, with key partners to establish these groups.



Progress towards this objective is detailed below:

- Nudear – agreement has been reached with the CoNE Skills Group to act as the employer panel for the Nudear sector
- Logistics – agreement has been reached with the Cumbria Transport Group to act as the employer panel for the logistics sector
- Health and Social Care – following several meetings with representatives from the sector a framework has been established for the employer panel
- Construction – discussions are taking place with the sector to establish this group
- Rural Economy – discussions are taking place with the sector to establish this group. Two potential groups have been identified
- Visitor Economy – a meeting with a potential group is planned for early April
- Advanced Manufacturing – this remains a work in progress.

The role of the employer panels would be to consider the detail of the LEP Skills Investment Plan and inform the development of curriculum and support to meet identified skills needs in their sector.

Skills Implementation Plan delivery

The information and intelligence from the employer panels would flow to the supply side of the system through the LEP Skills Team via the four theme groups established to support the aims set out in the Skills Investment Plan. The progress in establishing these groups is detailed below:

- Future Workforce – the group has been established with membership and terms of reference agreed. The group has met twice and is focusing its work on the co-ordination and coherence of Careers Education, Information, Advice and Guidance in the county and growing Apprenticeships for young people. The theme lead was Cumbria Colleges.
- Current Workforce – the establishment of this group remains work in progress. The theme lead was the Growth Hub.
- Addressing Unemployment and Under-employment – this group has been established with membership and terms of reference agreed. The group is focusing its work on establishing work academies, literacy and numeracy needs, level 2 qualification programme, re-skilling and community learning. The theme lead was Cumbria County Council.
- Advanced and Higher Level Skills – the establishment of this group remains work in progress. The theme lead was University of Cumbria.

Employment and Skills Advisory Board

The information and intelligence from the employer panels and theme groups would be brought together at the LEP Employment and Skills Advisory Group. It was proposed that this meeting would be held in April, with the group comprising:

- Chair
- Representatives from each of the employer panels
- The Chairs of each of the theme groups



- A representative of Cumbria Colleges
- A representative of the Work Based Learning Provider Forum
- LEP Head of Skills and Employability
- Observers including Skills Funding Agency, Education Funding Agency.

The Advisory Group would also receive regular updates on the performance of strategic skills focused projects such as Edge and Key from lead partners in these projects.

Partnership Development

The Skills Investment Plan could only be delivered in partnership with employers, education and training institutions and agencies. To further the aims of the Skills Investment Plan, the LEP Skills Team had delivered a wide range of support to local organisations.

Delivery of Skills Projects

Cumbria LEP had played an active role in securing funding for a number of projects aimed at delivery objectives set out in the Skills Investment Plan. The LEP Skills Team was working with funding agencies and delivery partners to ensure that these projects secured maximum impact.

Area Based Review

The Department for Education published the final report for the Cumbria Area Review in January 2017. The report highlighted the following conclusions:

- Resolving the weak and unsustainable financial position of Barrow in Furness Sixth Form College through merger with Furness College. This process has now concluded with a merger of the two institutions
- Securing a high quality, sustainable further education presence in the north and west of Cumbria through a proposed merger of Carlisle College and Lakes College West Cumbria. The Carlisle College Corporation declined to pursue this option and was progressing a merger with Newcastle College Group
- Meeting the growing requirement for higher level skills from employers in Kendal through a strong further education partnership.
- Establish a legally constituted joint venture between the University of Cumbria, Carlisle College, Kendal College, Lakes College West Cumbria and Furness College with the primary purpose of supporting the Cumbria Skills Investment Strategy, through co-ordinating responses to available funding streams. This action is now in progress.
- A post-16 forum will be set up by the LEP and Cumbria County Council to complement the work of the joint venture, to address concerns about access to high quality information, advice and guidance and provision. Approaches have been made to the county council, provider network and voluntary and community sector to establish the forum. This will also provide the LEP with the opportunity to implement the provider delivery statement process to capture the contribution of the skills infrastructure to the skills priorities set out in the Skills Investment Plan.



Institute of Technology

In January 2017 the Government published the Green Paper 'Building our Industrial Strategy.' The paper invited responses to a number of questions on developing skills. The Green Paper highlighted a Government proposal for the development of Institutes of Technology (IoT), with applicants able to bid into a £170m fund to establish institutions that specialise in delivering higher level technical skills in STEM subjects at levels 3,4 and 5.

The key features of IoT were:

- Meet local economic need for higher technical STEM skills
- Develop a strong pipeline of provision at level 3 either as part of the offer or as a clear pathway to IoT provision at level 4 and 5
- Up-skill or re-skill the existing workforce; and
- Use innovative methods of delivery

The Government also set out critical success factors such as:

- Strong employer engagement in governance, leadership and curriculum design
- Specialise in teaching technical routes
- Offer high quality provision at level 3, 4 and 5
- Local focus to deliver qualifications
- Use IoT to raise the prestige of technical training in the local area
- Work collaboratively to avoid duplication; and
- Be financially sustainable

There were no defined delivery models.

It was expected that proposals would emerge from the Area Review Process, with proposals supported by:

- An FE College (unless there was evidence this was not appropriate)
- A confirmed fit with strategic economic priorities of the LEP, the local authorities; and local employers

There were two recommendations from the Area Based Review steering group that had relevance to possible IoT proposals:

- The formation of a joint venture to support the implementation of the Skills Investment Plan; and
- The proposal for Kendal College to stand alone, which was predicated on an ambitious growth plan that reflected LEP plans for higher level Apprenticeships and level 4+ provision.

It was recommended that the LEP Head of Skills and Employability worked with partners to further proposals that builds on expertise across the county, reflected the specification issued by the Department for Education and had a clear anchor with employers.



The Vice Chancellor of the University of Cumbria was disappointed that she had not had the opportunity to input into this report. She would have wanted to see it linked to the Skills Plan. She also said that with higher level skills we needed to be clear what the ask is. She asked for actions to be put in place to try to establish clearer plans for the higher skills required.

The LEP Director explained that this was an update on progress with the Skills Plan, it was not meant to be a performance monitoring report. However, he did agree to produce a skills performance/delivery monitoring paper for a future meeting of the Board (Action: GH).

Board members felt that broadband would be one of the crucial factors for the bids into the Institute of Technology Fund. They also asked whether Cumbria would be able to bring together ambition around this to enable a powerful single voice for Cumbria.

The LEP Director had not yet received any further details about the Institute of Technology bids but confirmed that if Cumbria submitted a number of competing proposals these were less likely to be successful than a single collaborative proposal.

The Vice Chancellor agreed that the only proposition that made sense was for Cumbria to submit a countywide bid. Engagement with other further and higher education organisations would be crucial and there was a willingness and appetite for this but whether this would result in a countywide proposal coming forward she was not sure.

The LEP Board confirmed that they would wish to see FE and HE providers working together to collaborate on a Cumbria wide bid into the Institute of Technology Fund.

RESOLVED that,

- (1) the LEP Board agree the arrangements being put in place for employer panels
- (2) the LEP Board agree arrangements being put in place for the theme groups
- (3) the LEP Board agree the structure and arrangements for the Employment and Skills Advisory Group
- (4) the LEP Board note the support work carried out by the LEP Skills Team
- (5) the LEP Board note progress made with recommendations from Area Based Review
- (6) LEP Board agree that it has a preference for a single countywide proposal for an Institute of Technology in Cumbria;
- (7) A Skills performance/delivery report be produced for a future meeting of the Board.



69 M6 STRATEGIC CONNECTIVITY

The LEP Director presented a report which updated the Board on the development of an M6 Corridor Strategic Infrastructure Prospectus and sought feedback on the document.

The Strategic Economic Plan identified the Strategic Connectivity of the M6 Corridor as a key priority for growth and investment. The corridor also contained a number of important settlements, in particular Carlisle, Kendal and Penrith.

The LEP enlisted the support of the three M6 Districts and County Council to undertake the preparation of a prospectus to articulate the case for investment in strategic infrastructure to support the economy of Cumbria, deliver strategic development sites and to help integrate Cumbria into the wider Northern Powerhouse.

Strategic Connectivity of the M6 Corridor

Notwithstanding the priority given to the corridor within the SEP, the LEP had not undertaken any bespoke work to articulate specific opportunities along this route. Recognising this gap the LEP has enlisted the support of the three M6 Districts and County Council to undertake the preparation of:

- a) Strategic Infrastructure Prospectus – to articulate the case for investment in strategic infrastructure to support the Cumbria economy, deliver strategy development site and help integrate Cumbria to the northern powerhouse
- b) Strategic Investment Prospectus – to identify a framework of strategic investment opportunities along the corridor

Initial priority had been given to the preparation of the Strategic Infrastructure Prospectus, which was the draft document now being presented to the Board. It was critical to help promote the case for infrastructure investment.

The delivery of strategic road and rail upgrades necessitated funding support from Government. Major investments in the strategic road network and rail would be dictated by Route Investment Strategy 2 (for roads) and Control Period 6 (for rail).

Investment priorities for these would start to crystallise over the next year and would be guided by a range of strategic policy; including Network Rail Route Strategies for the North of England, Highways England Route Strategies and the Transport for the North Strategic Transport Plan (which would present a longer term, strategic approach to infrastructure in the north of England).

Cumbria County Council and Cumbria LEP had sought to engage in the development of these strategies and there appeared to be an increasing recognition of the importance of infrastructure enhancements within Cumbria. This was demonstrated by Transport for the North with their initial assessments identifying a number of priority corridors within Cumbria.

While progress was being made, there was critical need for the continued articulation of Cumbria's case. The fundamental role of the prospectus was to support this process. The document:



- a) Utilised existing evidence (both local and from partners) to articulate the case for infrastructure improvements; and
- b) Draws out the wider strategic benefits on investing in infrastructure along the M6 corridor; looking at key sites along the corridor and wider benefits for the “Northern Powerhouse” and within Cumbria.

Following the meeting of the LEP board it was intended that this document would be subject to final changes before design and publication was undertaken. The document would then be used to support engagement in particular with Transport for the North, Highways England, Network Rail and DfT.

Board members commented that they felt the document should include more detail on housing delivery and public transport links, and that the M6 connectivity was much wider than just the rail and road links.

At a previous LEP meeting colleagues from Northern Rail had attended and promised to deliver extra rail services between Carlisle and Newcastle and particularly express services. The Board was disappointed to note that none of these services had actually been delivered and they asked if it would be possible to invite the representatives back to the board to update on progress. This was **AGREED** (Action: GH).

RESOLVED that, the Board welcomed the prospectus and were happy for it to be used as the basis for engagement with appropriate Transport bodies.

70 DRAFT RURAL AND VISITOR ECONOMY GROWTH PLAN

The Chair of the Rural and Visitor Economy Sub Group, Duncan Peak, introduced a report which presented the working draft of the LEP’s Cumbria Rural and Visitor Economy Growth Plan 2017.

The main themes of the plan were:-

Rural Economy	Maintaining and enhancing the special qualities of Cumbria Building on our strengths Building a location for future businesses Exploit the major new project opportunities for the local supply chain
Visitor Economy	Growing Cumbria’s international visitor spend Enhancing Cumbria’s ‘adventure capital’ cultural and heritage offer Capitalising on opportunities from business tourism Improving access to digital information and getting around Cumbria

The Board discussed in detail the priority areas for both the rural and visitor economy and the Chair of the Sub Group noted the comments made. He confirmed that the final version of the Rural and Visitor Economy Growth Plan would come back to the board in May for approval.



71 LEP DIRECTOR'S REPORT

The LEP Director presented a report which advised the LEP Board on key activity since the last meeting, and included information on:-

- Annual Conversation with BEIS
- Brexit Conference at the University of Cumbria
- LEP Organisation and Governance Review – timetable
- Infrastructure
- LEP Buddy Peer Review

Specifically he updated on:-

- Annual Conversation with BEIS– 14th December 2016

Belatedly BEIS had produced the write up of the Annual Conversation and a copy was provided to the Board. Subsequent to the Annual Conversation the Board had completed the Assurance Framework to ensure it was fully compliant with the new National Guidelines. The s.151 officer from the Accountable Body had written to DCLG confirming full compliance and match funding for 2017/18. Cumbria LEP was one of the first to complete this and BEIS had confirmed they would provide the Annual Funding to the Accountable body in the next few weeks.

- BREXIT Conference

The University of Cumbria hosted a Conference on the 10th March to an invited business, local government and cross-border audience. The focus was identifying the impact that BREXIT would have upon the Cumbrian economy. Different speakers, including the LEP, reflected on the possible opportunities for key sectors in Cumbria as well as the possible threats and the inevitable period of uncertainty over the next 2 years.

- LEP Organisation and Governance Review

Following sign-off by the Chair and Private Sector members of the Scrutiny Panel the Brief for Consultants was placed out to open Tender on Friday 10th March with proposals to be submitted by 4pm on the 30th March 2017.

The Brief required final recommendations to be prepared, discussed and agreed with the Chair and Private Sector Scrutiny Panel members for submission to the LEP Board in July 2017.

- Infrastructure

Coastal Pail Programme Board

The Board had agreed that a collaborative approach between Developers, existing Major Users and the LEP was the best way forward to ensure an integrated programme. The next



stage of pre-design work was being undertaken by Network Rail and partners had agreed to contribute to the costs, including a £40k contribution from the LEP.

The long-standing preference of the Cumbria LEP was for the needs of all rail users to be considered collectively in order to develop a package of interventions which would modernise the railway for the future.

The Cumbrian Coastal Railway Programme Board had been set up, chaired by the LEP to ensure that the line was considered in a strategic and coordinated manner. The Board had identified a number of priority projects. Shared funding had been agreed in principle and it was proposed that Cumbria LEP should lead this work.

The Cumbrian Coastal Railway was critical to the economy of Cumbria. It provided essential connectivity for passengers and freight and was vital to serving the current and future freight requirements of large industry in Cumbria. Enhancement of the line was a key priority in the Strategic Economic Plan.

Network Rail had estimated a cost of £80k for capacity modelling of which Cumbria LEP was proposing to contribute 50%. Developers had committed in principle to contributions of £15k each. The sum available (£100k in total) provided sufficient funding to progress capacity modelling and the technical elements of business case production.

It was proposed that Cumbria LEP lead these projects on behalf of the Programme Board, thus ensuring that progress was not reliant on any single developer.

Strategic Road Studies

Both Highways England and Transport for the North will be producing their next Investment Programmes in November 2017. In order to provide strong evidence to support Cumbria schemes identified by the West of M6 Road Studies some further detailed studies have been commissioned. They are being funded jointly by the LEP, the County Council and Highways England. These studies will provide Strategic Outline Business Cases for the A595, A590, A66 corridors and the Whitehaven Relief Route so that the evidence can be supplied to Highways England and TfN during the summer to try and get the schemes in the next Investment Programmes to give them the very best chance of securing funding.

LEP Network Buddy Review

As reported at the last Board the LEP Network had organised a Buddy Review exercise. Cumbria LEP had reviewed the Greater Lincolnshire LEP compliance via a review of their website, and had supplied a comprehensive review and telephone conference call.

The SE Midlands LEP had reviewed compliance of the Cumbria LEP via a website review and gave us some brief feedback on email.

Members asked for an update on the vacancies for a private sector representative on the Board. The LEP Director said this was advertised on the LEP website and had been viewed by a number of people. However, the closing date was not until 12 May. The Chair encouraged the Board to promote these vacancies to the private sector.



RESOLVED that,

- (1) the final write up of the Annual Conversation provided by BBSbe noted;
- (2) the work being progressed by the University of Cumbria in collaboration with other Universities and funded by ESRCbe welcomed;
- (3) the timetable for the Independent Review be noted;
- (4) the excellent progress being made by the Coastal Rail Programme Board, chaired by Jim Jackson, be welcomed and the report noted.
- 5) feedback from SE Midlands LEP from the LEP Network Buddy Review be noted.

72 FINANCE REPORT - 2017/ 18 CORE AND STRATEGIC REVENUE BUDGET

The LEP Director presented a report which provided the forecast revenue outturn position on the LEP's core and strategic funding spend for 2016-17 as at 28 February 2017.

In line with government requirements, the £0.250m core grant funding was being used to pay for the operational and staffing costs of the LEP with the £0.250m strategic grant funding being used to provide specialist support for work in relation to the development and delivery of the SEP and ESIF.

The total income available for 2016/ 17 was now £0.985m which included £0.315m carried forward from the prior year and £0.670m income (from DCLG and other partners) received during the year, matching funding was also received from partners in kind.

RESOLVED that, the Board note the current forecast outturn position of a £0.097m underspend for 2016-17, and also note that this relates to an underspend on the Core Budget of £0.071m and an underspend on the Strategic Budget of £0.026m.

73 LEP COMMUNICATIONS (STANDING ITEM)

It was AGREED that press releases be prepared for the following items:-

- Coastal railway
- Growth Deal Programme
- Cumbria LEP Government engagement activity

74 FORWARD PLANNER (STANDING ITEM)

The Forward Planner was noted. The following were added to the planner for the next meeting:-

- Increase in Housing Delivery – presentation by Jason Gooding, Carlisle City Council
- Cumbria Rural and Visitor Growth Plan – final sign off



The following items were identified to be added to the Forward plan with dates to be decided:-

Skills Plans – performance and deliverability
Northern Fail – follow up from previous meeting

The Chair and LEP Director would discuss this outside of the meeting.

75 ANY OTHER BUSINESS

Brexit

Following on from the item detailed in the LEP Director's report in relation to the Brexit conference hosted by the University of Cumbria the Vice Chancellor informed the Board that a further couple of conferences were planned and she would let members have the dates once known (Action: JM)

Board Membership

The Chair thanked the retiring District Council members of the Board for all the work they had done during their two year term of office on the LEP and wished them well for the future. The representatives replacing Mr Beaty, Mr Pidduck and Mr Starkie would be Mr Archibald, Mr Glover, and Mr Smith.

The Chair also thanked Mr Peake, one of the private sector representatives on the board, who was leaving to take up a new job in Durham, he had made a valuable contribution during his time with Cumbria LEP and the Board members wished him well for the future.

The public sector Vice Chair also reminded the board that Cumbria County Council elections were taking place in May, so there was also the possibility that there would be new public sector representative from Cumbria County Council on the LEP.

76 DATE & TIME OF NEXT MEETING

The next meeting will be held on Friday 19 May 2017 at South Lakeland District Council Town Hall, Kendal at 9.30am.

The meeting ended at 1.00 pm