



Cumbria
**Local Enterprise
Partnership**

unleashing potential through partnership

Minutes of the meeting of the Cumbria Local Enterprise Partnership held on Friday 18 May 2018 at Redhills, Penrith at 9.30 am

Board Members Present:

Jackie Arnold (Vice-Chair in the Chair), Cllr Kevin Beaty, John Coughlan, Cllr Colin Glover, Rob Johnston, Mike McKinley, Nigel Wilkinson and Cllr Stewart Young (Vice-Chair)

In Attendance:

Ms R Bryning - BEIS
Mrs J Currie - Board Secretary - Cumbria County Council
Mrs A Hatcher - Chair of the Technical Officers Group - Cumbria County Council
Mr Craig Ivison - Head of Skills, Cumbria LEP (Item 112 only)
Ms J Lappin - Chief Executive, Cumbria LEP

105 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr G Archibald, Mr J Jackson, Ms J Mennell, and Cllr A Smith.

106 **DECLARATIONS OF INTEREST**

Mr N Wilkinson declared a non-pecuniary interest in Agenda Item No 4 – Updates from the Chair and Vice Chair – Transport Information Advisory Group, as the company he manages is one of the funding members of Lakes Line Community Rail Partnership.

Mr N Wilkinson declared a pecuniary interest under the LEP Code of Conduct in Agenda Item No 9 – Northern Cultural Regeneration Fund Update, as the company he manages has a trading relationship with, and has offered a financial contribution to, Lakeland Arts.

Mr N Wilkinson declared a pecuniary interest under the LEP Code of Conduct in Agenda Item No 11 – Cumbria LEP Finance Report 2018/19, in relation to the Lake District China Forum, which links in to the Marketing Manchester China Campaign.

107 MINUTES OF PREVIOUS MEETING

RESOLVED that, the minutes of the previous meeting were agreed with the following amendments:-

Minute No 99 – LEP Director’s Report - Mobile Coverage in Cumbria, on the last line in the first paragraph amend the word broadband to mobile coverage.

Minute No 103 – Any Other Business – Recruitment of Chair, in the second paragraph amend the words non-numerated to non-remunerated.

Minute No 103 – Any Other Business – Appointment of Nuclear Representative on the LEP Board, add in that the wish of the Board was for the representative to live in Cumbria. In addition, in the last line change the word appointment to nomination.

108 UPDATE FROM THE CHAIR & VICE CHAIRS

Mr N Wilkinson declared a non-pecuniary interest in this, in relation to the Transport Information Advisory Group, as the company he manages is one of the funding members of Lakes Line Community Rail Partnership.

The Vice Chair (Private Sector) updated the Board on the following:

- Recruitment of Chair – this was progressing. A short list of 3 strong candidates had now been confirmed, and it was hoped that the new Chair would be in place in time for the next meeting of the Board in June.
- Appointment of Private Sector Board Members – the closing date for the position of private sector board members closed on 4 May and 10 applications had been received. The appointments would be finalised once the new Chair had been recruited, and candidates would be advised of this. The Board noted the update.
- Nomination of Nuclear Representative – the Vice Chair would be holding talks with the possible candidate for this post later on today.

The Vice Chair (Public Sector) updated the Board on the following:

- Barrow Waterfront – the Leader of Cumbria County Council had visited Barrow recently to launch the marketing campaign for the Barrow Waterfront Site. The project had been funded by Cumbria Local Enterprise Partnership and the Vice Chair felt that not enough recognition had been given to the LEP for this by the media. All Board members felt the LEP should undertake their own publicity campaign to advertise the fact that this project had been LEP funded. A number of possible options were suggested for how this might be done and the Chief Executive **AGREED** to action this (**Action: JL**). The Board also **AGREED** that the Chief Executive should liaise with Government to confirm national branding guidance for Growth Deal funding and ensure this was being followed (**Action: JL/RJ**).

- Transport Information Advisory Group – one of the issues raised recently from this group was about the poor performance of the services of the Arriva Rail North (Northern) Franchise. The Cumbrian Lakes Line had been particularly badly hit by this and the Leader of Cumbria County Council, the County Council's Cabinet Member for Highways and Transport and the LEP's Infrastructure Lead had all written a letter to David Hoggarth, Strategic Rail Director, for Transport for the North (TfN) to raise these issues. The Leader of the County Council would circulate both the letter, and the response received, to all LEP Board members (**Action: SY**).

Board members had grave concerns about the lack of services being operated on the Lakes Line and welcomed the issue being raised with TfN's Strategic Rail Director. Members suggested that figures should be obtained to show the lost opportunity costs of this service not being delivered and the economic impact of this for Cumbria, based upon the best available data. One of the Board members suggested Cumbria Tourism and the Lakeline Rail User Group would be able to help with this, and in drafting a letter to Arriva Rail North.

Board members felt that David Brown, Managing Director, Arriva Rail North should be invited to a future Board meeting to discuss this. This was **AGREED**.

109 **MATTERS ARISING FROM THE MEETING OF THE CUMBRIA LOCAL ENTERPRISE PARTNERSHIP HELD ON FRIDAY, 20 APRIL 2018**

The Chief Executive took members through the matters arising report, and highlighted the following:-

- Full Business Case - James Walker Ltd

Resolution: that, the Board approve £2.6m of Growth Deal Funding for the James Walker project subject to the identified conditions.

The current position was that an offer letter had been issued by the Executive, containing the necessary conditions. However, for the avoidance of doubt a Grant Funding Agreement was still to be issued.

- Mobile Coverage in Cumbria

The Chief Executive said that having spoken to Mobile UK it was clear that in the first instance they were looking at a high-level round table discussion with stakeholders, rather than a meeting, with stakeholders, and proposed that this should take place after a meeting of the Board, as a working lunch, with relevant lead partners also invited to attend.

It was **AGREED** that the LEP should try to secure this high-level discussion after the Ordinary Meeting of the LEP Board on 13 July, if Mobile UK could accommodate this, or alternatively following the next earliest available Board meeting.

- Carlisle Airport

The issue of the lack of public transport links from the airport to the rest of the county was raised again. The LEP Board understood that there were plans to introduce these from next year, but had major concerns about what would happen in the meantime.

The Airport Launch would be taking place on 4 June and the Chief Executive asked whether the LEP wished to co-ordinate attendance. Members recognised the value of doing this and confirmed that it would look to try to do this for events with a longer lead-in.

RESOLVED that the report be received and noted.

110 **BORDERLANDS INCLUSIVE GROWTH DEAL**

The Board received a presentation from the County Council's Senior Manager – Economic Development on the Borderlands Project. The presentation covered the following:

- Context
- Background
- Themes
- Our Ask
- Next Steps

The presentation detailed:

- The Borderlands – an area of opportunity
- The Borderlands Challenges
- Borderlands Inclusive Growth Deal - background
- Borderlands Inclusive Growth Deal – objectives
- Borderland Themes – Inclusive Growth
- Energy
- Digital Borderlands
- Transport Connectivity
- Rural productivity
- Business
- Destination Borderlands
- Quality of Place
- Skills
- Borderlands and the Cumbria LEP, and
- Next steps

The Leader of Eden District Council said he felt that this was a positive project but he was unclear on how his authority would fit into this. He felt that the issues experienced within Eden in relation to the lack of broadband coverage could well be address through this project but he was unclear how to engage in this. Other public sector organisations had raised similar questions.

The County Council's Senior Manager – Economic Development said the work in relation to digital would be for the benefit of the whole of the county and all district councils had been engaged in the ask for this.

One of the Board members said he was aware that Open Reach had been installing fibre cables across a number of locations in Cumbria but that this had not been opened up to all providers to use. The Senior Manager **AGREED** to investigate this **(Action: AH)**.

The Leader of Cumbria County Council that the Borderland Project was not a County Council project and he paid tribute to the Leader of Carlisle City Council, who was leading on this project for Cumbria. The Leader of Carlisle City Council reassured the LEP that the Borderlands Project would have benefits for the whole of Cumbria, and that the project was being strategically driven.

Members also had before them a report from the Senior Manager – Economic Development, which updated on the development of a Borderlands Inclusive Growth Deal with the UK and Scottish Governments.

A commitment was made in the Budget in November 2017 to negotiate a Borderlands Deal. Subsequent to this announcement there had been a number of meetings held with MPs, MSPs and Ministers confirming the intent to do a 'deal' for the Borderlands region. On 2 May, the Prime Minister confirmed that John Stevenson would be the Champion for the Borderlands Deal on the English side of the Border.

The Borderlands Inclusive Growth Deal was a partnership that brought together the five cross-border local authorities of Carlisle City Council, Cumbria County Council, Dumfries & Galloway Council, Northumberland County Council and Scottish Borders Council to promote the economic growth and competitiveness of the area that straddled the Scotland-England border.

The key messages from the Borderlands Partnership in relation to the Borderlands Deal were:

The Borderlands Inclusive Growth Deal;

- was unique. It was an ambitious approach to cross-border working between Governments, local authorities and partners.
- aimed to tackle the economic challenges – the need to attract more people to live in the area and improve how well businesses performed
- was focused on ways to make the area more attractive to existing and potential residents, investors and visitors.

The Borderlands Partnership:

- was working together to deliver positive change across the region to encourage growth, help existing businesses and to encourage new businesses to set up in the area;
- had been established to unlock the potential for sustainable and inclusive growth

Whilst not everyone would see a project in their town, the projects/programmes would benefit the whole area.

The newsletter, attached as an appendix to the report, provided further detail on the themes that were being developed for inclusion within the Deal.

The County Council's Senior Manager – Economic Development informed the Board that a Borderlands Conference would be held at the Easterbrook Hall in Dumfries on 18 June. It would be an opportunity to meet with other interested parties and for further dialogue on the Deal. Key speakers would include: David Mundell MP, Secretary of State for Scotland; Keith Brown, MSP, The Cabinet Secretary for Economy, Jobs and Fair Work and; Jake Berry, MP, Northern Powerhouse and Local Growth Minister.

RESOLVED that Board Members,

- (1) note the attached newsletter;
- (2) note the invite to the Borderlands Conference that will be held at Easterbrook Hall in Dumfries on 18 June 2018 and advise the County Council's Senior Manager – Economic Development if they wish to attend.

111 **DEVELOPING CUMBRIA'S LOCAL INDUSTRIAL STRATEGY**

The Chief Executive presented a report which updated the Board on the next steps to ensure the development of a high-quality Local Industrial Strategy that would act as a catalyst for private and public-sector investment and would drive forward growth and prosperity in Cumbria.

The Government produced the 'Industrial Strategy; building a Britain fit for the future' White Paper on 27 November 2017, outlining its plans to boost productivity and the earning power of people throughout the UK. The emphasis on growth and people meant that Cumbria LEP was looking at producing a socio-economic document rather than a purely economic document, such as the Strategic Economic Plan (SEP).

The White Paper identified five foundations of productivity:

- Ideas: the world's most innovative economy;
- People: good jobs and greater earning power for all,
- Infrastructure: a major upgrade to the UK's infrastructure,
- Business Environment: the best place to start and grow a business and
- Places: prosperous communities across the UK.

Government had recognised that the best people to drive forward local economies were those who lived, worked and did business in them. It had therefore committed to work in partnership with places to develop the Local Industrial Strategies. The expectation was that the strategies would be long term, based on clear evidence

and aligned to the national Industrial Strategy. In non-Mayoral Combined Authority areas, the development would be led by the Local Enterprise Partnership.

Importantly the Industrial Strategy reaffirmed government's commitment to LEPs and working with the 38 LEPs to drive forward the ambitions of the Industrial Strategy. However, it also recognised that the performance of LEPs had been 'varied' and would therefore be working with LEPs to ensure that strong public and private sector leadership, robust governance and accountability, financial reporting and effective and inclusive partnership arrangements were in place.

There was also an expectation that the strategy would be used as a catalyst to establish new ways of working between national and local leaders in both the public and private sectors, with Universities, college and other local institutions identified as key to this.

Government was clear that any strategy must be evidential and as such it was clear that the LEP needed to get the evidence base right, covering the whole scope of the document. Therefore, work in this area over the next 4-6 weeks would concentrate on refining the evidence base and market testing this to gain traction with partners.

Board members were advised that Stephen Nicol had been appointed to support the development of the strategy and that he would attend the 15 June meeting to outline progress.

Plans to hold strategy development consultation events were discussed and Board members noted the plans.

The Board also noted that in terms of timing it was proposed that these events be arranged for late June/early July to provide sufficient planning time and to allow the new Chair to bed into the role.

RESOLVED that, the Board

- (1) note the expectations of the Local Industrial Strategy;
- (2) note Phase 1 progress;
- (3) agree the process for the Phase 2 development of the LIS as summarised at Annex B;
- (4) agree that the appointed consultant is invited to the next Board meeting to hear members' views on the development of the LIS;
- (5) agree that Board Members will play an active role in leading the consultation events.

Members **AGREED** that this should be a substantive item at the next Board meeting.

112 TOWARDS A CAREERS STRATEGY FOR CUMBRIA

The Head of Skills presented an update on the development of a Careers Strategy for Cumbria in response to issues raised by LEP Employer Panels.

The LEP Skills Investment Plan, published in 2015, highlighted the issue of a fragmented and inconsistent Careers and Enterprise Education offer in the county.

Since publication the LEP had worked with 8 employer panels. Each sector panel had consistently raised the need to develop and implement a consistent, coherent, all age careers, enterprise, information, advice and guidance offer. The LEP had also, in partnership with the Careers and Enterprise Company, developed the Enterprise Advisor Network in Cumbria, working with employers to support the development of careers education in almost 40 schools and colleges across the county.

The panels had highlighted some areas of good practice but were concerned that the lack of a coherent offer lay at the heart of recruitment difficulties, with many sectors concerned at the lack of information available to potential recruits about the range of opportunities available within Cumbria. Many employers also expressed concern about the image of their sector being presented, in particular to young people.

In order to start to address these concerns the LEP held the 'Generating Solutions' event in November 2017, which brought together employers, representative organisations, agencies, education and skills providers and young people to develop solutions to this issue.

At the same time the Department for Education (DfE) published 'Careers Strategy: making the most of everyone's skills and talents.' The strategy promoted the concept of a Careers Hub. The hub would draw together a range of support for up to 40 schools and Colleges within a geography, to enable them to deliver a careers education offer that was aligned to the Gatsby Benchmarks, the recognised standards for careers education in schools and Colleges.

There would be 20 Careers Hubs pilots across England, and there would be a competitive process for hubs led by the Careers and Enterprise Company. The prospectus published by Careers and Enterprise Company identified LEPs as lead bodies for bids. The deadline for the submission of a bid is 25 May 2018.

The LEP Skills Team has worked with the Future Workforce Group to develop a possible bid, recognising the opportunity this presents for Cumbria.

The model of support for establishing a co-ordinated programme of careers education developed by the LEP aligned closely to the model set out in the hub prospectus. The numbers of schools in the hub model matched the number of schools in the Enterprise Advisor Network, and the model of geographically focused Careers Education groups across the county aligned closely to the hub criteria.

However, a Careers Hub would only address some of the challenges set out by employer panels and the Generating Solutions event. Consequently, the LEP Skills Team was developing a draft Careers Strategy for Cumbria which addresses the following areas of need:

- Co-ordination of employer experiences for young people – the ask of employers to support Apprenticeship growth, pre-16 work experience, the range of activities suggested in the DfE Careers Strategy and the development of T Levels is considerable. The employers on Employer Panels, who attended the generating solutions event have asked for support in co-ordinating this
- A programme of support for school and college careers leaders – employers have asked that careers education in schools is led by a senior leader with the necessary skills and experience to develop a coherent and consistent offer. These careers leaders will require support in developing their programmes
- Effective tools to communicate labour market information to students – it is recognised that much of the information available to students is either not used effectively, is not fit for purpose or is not delivered in a way that will engage young people. This needs to change if young people are to understand the full range of opportunities in the county
- Co-ordination of STEM activities – it is recognised that there is a lot of STEM support available to schools across the county. However, it is often un-coordinated leading to duplication of effort. There needs to be a co-ordinating activity to ensure that the county maximises the STEM support available.
- Support for primary schools – it is recognised that the focus of much careers education is on secondary students. However, the LEP and CEC have been approached by primary schools that are interested in developing careers and enterprise education for their students.

This proposal built on successful pilot activity developed in the North East. The draft strategy would be presented to the Board at the June meeting.

The LEP Board's Lead on Skills asked Board members to support the proposals contained in the report.

The LEP Chief Executive asked for an amendment to the recommendations to be agreed, which was that the words 'and the Accountable Body' be included at the end of recommendation 1(a). This was **AGREED**.

RESOLVED that, the Board agrees to

- (1) delegate authority for the development of a bid for a Careers Hub to the Future Workforce Group and the Accountable Body
- (2) delegate authority for the development of a Careers Strategy for Cumbria and funding model to the Employment and Skills Advisory Group.

113 NORTHERN CULTURAL REGENERATION FUND UPDATE

Mr N Wilkinson declared a pecuniary interest under the LEP Code of Conduct in this item, as the company he manages had a trading relationship with, and had offered a financial contribution to, Lakeland Arts.

The Chief Executive presented a report which provided an update on the new £3.29m World Heritage Cumbria project, which had secured funding from the Northern Cultural Regeneration Fund.

In August 2017, the Department for Culture Media and Sport (DCMS) launched a £15million legacy fund to amplify the impact of the 2018 Great Exhibition of the North. The intention of the fund was to make capital grant awards to 3-4 large projects of around £3-4m each.

LEPs were invited to submit a single bid to the Fund for a single capital project that could demonstrate long-term financial sustainability. Projects could only apply for up to 70% of total project costs and be able to clearly demonstrate a match funding package.

During Autumn 2017, the LEP invited project applications from local partners which were assessed using the DCMS criteria, including deliverability, value for money, strategic fit and risk.

Delegated authority was given to a subset of the LEP Board to consider the applications received, which resulted in World Heritage Cumbria, submitted by Lakeland Arts and the Wordsworth Trust being selected for submission to the NCRF. In March 2018, the bid was successful alongside two other bids from Blackpool and Bradford.

World Heritage Cumbria was a package of transformational capital investments, totalling £33.1m, across three key cultural and heritage assets at Windermere Jetty, Dove Cottage & Museum and Abbot Hall Gallery & Museum.

The Chairman of the Lake District National Park Authority sought clarification on the terminology used to describe the project, as World Heritage Cumbria and World Heritage Lakeland were both used. The Chief Executive advised that she would provide clarification on this (**Action: JL**).

The programme of activity would be delivered over three years from 2018/19-2020/21 with Windermere Jetty the most advanced and already in progress.

Lakeland Arts would act as the lead partner for the project, with responsibility for oversight of all elements of the project, including providing financial and monitoring returns to the LEP, who would then submit to DCMS.

NCRF, funding would be paid to the LEP's Accountable Body upfront under Section 31 of the Local Government Act in line with a funding profile, which would be confirmed in the offer letter. The offer letter from DCMS was still awaited.

The Accountable Body would be responsible for undertaking further due diligence on the projects in advance of contracting with Lakeland Arts Trust to identify the conditions for the grant funding offer.

The Chief Executive said that the Assurance Framework required project investment decisions above £1m to be referred to the LEP Board, with a recommendation from the LEP Investment Panel. In this instance, the investment decision had already been made by DCMS. It was therefore recommended that the LEP Board delegated approval of the due diligence and funding conditions to the LEP Investment Panel. Board members were asked to agree this recommendation.

RESOLVED that,

- (1) the Board note the funding award of £3.29m from the DCMS Northern Cultural Regeneration Fund;
- (2) agrees to delegate responsibility to the LEP Investment Panel to approve the final conditions of offer to Lakeland Arts for the NCRF funding.

114 **CHIEF EXECUTIVE'S REPORT**

The Board received a presentation from the Chief Executive, which outlined the short-term plan to move the LEP towards excellence. The presentation outlined the ambition to move the LEP to one within the top quartile within the next 12 months and create a strong, positive and trusted brand. This would require the LEP to behave in a confident, clear, consistent, competent and importantly collaboratively way. The following development themes had been identified:

- Governance and accountability
- Strategy
- Programme
- Accountability and finance
- People
- Systems and process
- Workplace
- Communications

It was important that strong progress was made quickly and a work programme had been developed to achieve this, secure some quick wins and encourage all of our partners to engage in moving the LEP forward. Clearly, the Board would be critical in achieving this.

The Chief Executive then presented a report to the Board which updated them on activity since the last meeting, including:

Governance and Accountability

Deep Dive - the deep dive report had yet to be received. However, the likely findings could be anticipated and were likely to relate to the need for a governance structure that 'designed in' the highest standards of propriety and transparency, robust scrutiny framework, a strengthened code of conduct and clear arrangements for

managing conflict of interest. These issues although readily resolvable, would take time and effort to resolve, and good progress was already being made towards addressing these through the response to the S4W report and Mary Ney recommendations. However, it would be helpful to look systemically at governance and accountability and the LEP could now take the opportunity to develop a draft response for consideration by the incoming Chair. The Board was invited to agree that some preparatory work was undertaken for consideration by the incoming Chair on his/her arrival.

Assurance Framework – a review was being completed on the Assurance Framework to ensure that it was fully consistent with recent Board approved changes and effectively addresses Board agreed feedback from the S4W report, Mary Ney recommendations and was in keeping with best practice in LEP governance and accountability. The Board was invited to agree that these amendments would be presented to the June meeting of the Board.

Annual General Meeting – the Annual General Meeting had been scheduled for 13 July 2018. The AGM should provide the opportunity for the LEP to demonstrate its commitment to the highest standards of openness, transparency and public accountability to all of our stakeholders. In order to meet these commitments, the AGM needed to be ‘declared’ and widely publicised. Therefore, it would seem sensible to review the timing of the AGM to ensure that there was sufficient time to notify all stakeholders and to undertake the necessary preparatory work (production of Annual Report, logistics etc).

It was also important that the new Chair be provided with the opportunity to lead this event, alongside the Board, and that it was seen as a highly successful, positive event for the LEP. The Board was therefore invited to consider whether the AGM be re-scheduled for 14 September 2018, subject to the incoming Chair’s diary commitments.

Board members discussed this preparatory work should be done towards moving to a declared and publicly advertised AGM for next year, but that for this year the LEP should go ahead with the planned AGM on 13 July 2018, which would not be open to the public. The Chief Executive noted this and would ensure that an appropriate agenda was drawn up, reflecting changes that the Board had agreed to its assurance framework at recent Board meetings. **(Action: JL)**. Instead, it was proposed that a public stakeholder event be organised for September and that a proposal on this be presented at the July meeting. This was **AGREED**.

Code of Conduct - all team members, secondees and those that operated on LEP business had agreed to the Code of Conduct and signed a declaration to this effect. A briefing session took place on 1 May to ensure that all officers understood what was required of them.

Hospitality Register - the Board was asked to note that a specific hospitality policy and register was being introduced for officers, in line with best practice on transparency and accountability. This would require declarations over £25, rather than the £50 for Board members, and would require monthly notifications This would ensure that team members were guarded against any accusations of undue influence by external bodies.

Strategy

DEFRA Health and Harmony Consultation – the UK Government, through the Department of Environment, Food & Rural Affairs (DEFRA), published a consultation document, “Health and Harmony: the future for food, farming and the environment in a Green Brexit” in which it sought opinion on how farming activity should be supported once the UK exits the EU and was no longer party to the Common Agricultural Policy (CAP).

The Board agreed that the LEP, led by Nigel Wilkinson, should develop a joint response with Cumbria County Council to the consultation, with officers from across the Council’s environment, public health, planning and regulatory teams and the LEP’s Rural and Visitor Economy Advisory Group working to develop this. A copy of the joint response was appended at Annex A, and Board members were invited to note this.

Energy Plan - the consultation on the Energy Plan had been postponed to ensure that the document was formally approved by the Board prior to consultation; and to allow further development work. This further work would strengthen alignment with the emerging Industrial Strategy, national energy strategy and Borderlands Growth Deal. The Board was invited to agree that the revised consultation draft will be presented to the Board at its next meeting on 15 June 2018.

Cumbria Coast Line Rail Project - it had been anticipated that the Strategic Outline Business Case (SOBC) for the Cumbrian Coastal Rail project would be submitted to the May Board meeting. However, the costings for development of the Outline Business Case from Network Rail and work on clarifying developers’ contributions were still to be finalised.

Jim Jackson had led a very positive teleconference with Tricia Hayes, Director General DfT, to discuss the scheme. At this meeting DfT confirmed that they were willing to consider the Strategic Outline Business Case, once the costs had been finalised and developer contributions clarified. In terms of timing it was made clear that the SOBC needed to be submitted by end of May/early June to be considered pre-Recess. In order to meet this timescale, it would be necessary to request Board approval to the submission of the SOBC in correspondence. Board members were asked to agree that the SOBC be approved in correspondence.

Programme Delivery

Business Support - several meetings had taken place with BEIS to discuss the Growth Hub and moving forward to the next contracting round. The LEP now had a very clear understanding of the issues that must be 'designed in' in order to ensure strong performance against the five principles. The LEP Executive team would be working closely with John Coughlan, as Board sponsor, to ensure that the specification addresses these.

Importantly, BEIS had now agreed to pay 2018/19 funding in advance, rather than arrears, which was the position when the Chief Executive took up post. At this point in time there was no confirmed timescale for an offer letter, so the Executive was focusing on preparing the necessary paperwork to proceed as soon as an offer letter was received.

Relationship Management

Government - Richard Harrington, MP, Minister for Business and Industry, kindly offered to meet with the Chief Executive, when he met the Board at its April meeting. This invitation had been followed up by his office, which was looking to secure a June date for this meeting.

Meetings had or were being scheduled with all key government contacts responsible for the LEP agenda, including BEIS Relationship Managers (Ben Pledger, Sami Falou and Rebecca Bryning); BEIS Growth Hub Team, DIT, DfT, Highways England, Homes England, ERDF and ESF. The Board would be kept updated on the outcomes of these meetings. Board members were also invited to note that Ben Pledger, Deputy Director, Cities and Local Growth Unit, would now be the LEP's Senior Relationship Manager, working with Sami Falou and Rebecca Bryning. Additionally, it was anticipated that a Whitehall-based Director would also take on the role of LEP Senior Sponsor, and once this was confirmed the Chief Executive would update members. **(Action: JL)**

Local Partners - An introductory letter had been sent to all key stakeholders including MPs, LA Leaders and Chief Executives and key business and intermediary contacts. Meetings had been or were being arranged to identify the key LEP-related issues for all partners.

The Chief Executive was also attending the next meeting of Cumbria Chief Executives to outline the development process for the Local Industrial Strategy and to update more generally on LEP business.

Wider Partners - Networks were also being re-established with the LEP Network, other LEP Chief Executives, Northern Powerhouse leads and wider partners. This work will be taken forward over the coming months.

Developing the Team

Resourcing - work was underway to develop a more secure and sustainable resource base for the LEP in order to deliver on the ambition to be recognised as a top performing LEP. Discussions were taking place to ensure that current secondees contracts were extended beyond June/July 2018, to provide sufficient time to develop more sustainable funding sources.

Developing the LEP Executive - the team was implementing a 'Toward Excellence' Plan, which would cover all aspects of the Executive's work to ensure that these were delivered in line with best practice expectations. There was also a focus on team development and ensuring that all team members had the necessary support and equipment to do an excellent job.

Systems and Processes

Information Technology – there was a need to develop a fully cohesive and consistent set of systems and processes to ensure that the LEP's business was discharged to the highest standards of effectiveness and efficiency. Work was therefore underway to develop a consistent IT system, on which all LEP team

members, secondees, 'loans' and associates would operate using a consistent platform and LEP branded materials.

Communications

Communications Strategy - the Team was working to develop a communications strategy, which addressed all aspects of the LEP's business. Members noted that a first draft would be presented to the Board for consideration at its June meeting.

LEP Newsletter - the next edition of the LEP Newsletter was being produced and would be circulated to the Board, once available.

Events Calendar - a full events programme was being drawn up to ensure that the Board was fully sighted on all planned events in advance and had the opportunity to shape and contribute to these. This would include the Local Industrial Strategy consultation events.

Manchester Airport – Cumbria partners had been offered space at the airport and the LEP was working with these partners to develop a campaign. The draft communication campaign would be presented to the Board at its June meeting. **(Action: JL)**

Redhills

A meeting had taken place with the relevant senior leads in Cumbria County Council to review the current arrangements at Redhills. This was a very productive meeting and was likely to result in revised operating terms, which would work more effectively for both parties.

John Coughlan asked about the underpinning plan to deliver these changes and Jo Lappin confirmed that this was in place. This was very much at operational level but would be shared with John Coughlan, for information. **(Action: JL)**

John Coughlan asked when it would be possible for the Board to see the deep dive report into the Cumbria LEP. Colleagues from BEIS said the document was currently going through sign off within Government and it was hoped that the document would be available in June 2018. Jackie Arnold, Chair of the Meeting, advised that summary feedback had been provided and that this would be shared with the Board in correspondence **(Action: JA)**.

RESOLVED that, the Board

- (1) Agree that some preparatory work is undertaken on developing a governance and accountability proposal for the incoming Chair's consideration and Board approval;
- (2) Agree that a revised version of the Assurance Framework is presented to the Board at its June 2018 meeting;
- (3) Agree that the revised Energy Plan consultation draft will be presented to the Board at its June 2018 meeting;

- (4) agree that the Cumbria Coast Line Strategic Outline Business Case is approved by the Board in correspondence;
- (5) note the response to the DEFRA Health and Harmony Consultation attached as Appendix A to the report;
- (6) note that a first draft communications strategy will be presented to the Board for consideration at its June meeting;

115 **LEP FINANCE REPORT 2018/19**

Mr N Wilkinson declared a pecuniary interest under the LEP Code of Conduct in this item, in relation to the Lake District China Forum, which links in to the Marketing Manchester China Campaign.

Board members considered a report from the Chief Executive which provided them with an update on the budget position as at Annex A to the report. This included updated carry forward figures for the core and strategic budget.

The income and expenditure accounts showed that whilst there were some variations on a line by line basis, both the core and strategic budgets demonstrated a positive income and expenditure balance of £71,440 and £25,717 respectively, if all income streams were secured and current budget and commitment figures were respected.

Income

Currently, the LEP was waiting for government to release its core and strategic funding for 2018/19. Clearly, the availability of this funding was essential to the LEP's operations and the Executive was working closely with government to secure its early release.

The LEP was also working with the Accountable Body to follow up other outstanding contributions from Cumbrian partners, which should lever in an additional £125,000 of funding. Clearly, until government and Cumbrian partners income funding was received the LEP must adopt a very prudent approach to expenditure, given cash flow considerations.

In order to develop the type of Executive outlined within the S4W report it would be helpful to secure additional income streams and the Executive was currently exploring options to bring in additional income to deliver on business priorities. Any proposals would be worked up in close collaboration with the Accountable Body, given the LEP's unincorporated status.

Expenditure

There were limited opportunities to reduce expenditure given that the LEP runs on a very lean basis. In the short term the priority was to manage cashflow, until the contributions outlined in paras 3.2 and 3.3 were secured. Therefore, all expenditure was being predicated on living within the 2017/18 carryover figures, until additional income streams were confirmed.

The Leader of Cumbria County Council had concerns about the delay in funding being released by Government, which was currently being underwritten by Cumbria County Council, as the Accountable Body. He asked the Chief Executive to chase this up. The Chief Executive **AGREED** to write to the Director of Cities and Growth at BEIS to set out the current position and ask for an urgent resolution to this issue **(Action: JL)**.

RESOLVED that, the Board

- (1) notes the current financial position as at Annex A of the report;
- (2) that the Executive is exploring options to improve turnover.

116 **LEP COMMUNICATIONS (STANDING ITEM)**

It was **AGREED** that press releases be issued on the following:-

Barrow Waterfront
Local Industrial Strategy Events
Arriva North Rail Franchise concerns

117 **FORWARD PLANNER (STANDING ITEM)**

The LEP Forward Planner was noted.

118 **ANY OTHER BUSINESS**

Scarborough Tourism Economic Activity Model (STEAM) Analysis

Nigel Wilkinson reported some positive news about tourism in Cumbria from the recently published STEAM report.

In 2017 Cumbria and the Lake District received over 47 million visitors, made up of 40.7 million day trippers and 6.6 million overnight visitors. Between them, day and staying visitors combined to produce 62.7m tourist days. These visitors brought in £2.9 billion to the region's economy and provided employment for 37,796 full time equivalent (FTE) posts. As many tourism jobs are actually part time, or seasonal, the total number of people in tourism jobs is estimated at 64,992, around 20% of the county's total employment.

Between 2016 and 2017, there was an increase of 5.5% in tourist days, 4.8% in tourist numbers, and 6.4% in tourism revenue. This builds on increases in 2013, 2014 and 2015. In 2017 the county welcomed an extra 2.2m visitors, and generated an additional £175m, taking total tourism revenue to £2.9bn.

The Vice Chair thanked Nigel for the update.

GDPR

One of the members asked for an update on whether the LEP Board was complaint with the new GDPR regulations. The Chief Executive confirmed that this work was being undertaken by Osprey Communications on behalf of the LEP, as they issued the LEP's electronic communications.

SIS Growth Deal Application

One of the members asked for an update on the SIS Growth Deal Application, as he had heard that the project would not be supported. The Chief Executive advised that the LEP had met with the company on the previous day and it had been a positive, productive meeting. The LEP had agreed to give the company some additional support to develop a full business case and the Investment Panel would be asked for permission to approve this by written procedure, should the full business case be submitted significantly in advance of the next scheduled meeting **(Action: JL)**.

Local Government Reform

Board members were asked to note that local government reform was back on the agenda for Cumbria, and that the LEP may need to have discussions about this in the near future.

LEP National Review

The Chief Executive confirmed that members were aware of the LEP Review, which was currently being undertaken. Ministers were undertaking a national review of LEPs.

The results were expected pre-recess.

119 **DATE & TIME OF NEXT MEETING**

The next meeting would be held on Friday 15 June 2018 at Redhills, Penrith at 9.30am

The meeting ended at 12.25 pm