



COUNCIL OF THE ISLES OF SCILLY

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Publish date: 11 April 2018

To: Councillors A Davis, R Francis, H Legg, D Marcus, E Rodger,
J Smith, S Watt, J Williams, E Moulson (Chairman),
Lady K M Berkeley, R Dorrien-Smith, Mrs F Grottick (Vice-
Chairman), A Guy, Mrs A Mumford, M Nelhams and S Sims

Dear Member,
You are requested to attend a meeting in the **Council Chamber - Old Wesleyan Chapel**, as follows:-

Committee: **FULL COUNCIL**
Date and Time: *Thursday, 19 April 2018 at 9.30 am*

The Agenda is set out below. If you have any queries regarding the content please contact the administration department via committee@scilly.gov.uk or phone 01720 424522.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Theo Leijser'.

THEO LEIJSER
(Chief Executive)

A G E N D A

- 1 Declarations of Interest
Members and Officers should declare relevant interests, stating the agenda item number and the reason for the declaration.
- 2 Minutes of Previous Meeting (Pages 1 - 16)
To confirm as a correct record the draft minutes of the meeting of the Council of the Isles of Scilly held on 22 March 2018.
- 3 Chairman's Announcements
- 4 Questions under Standing Order 14
- 5 To Consider reports from Committees, including the receipt of Minutes and/or Draft Minutes for information (Pages 17 - 24)
- 6 To Consider Motions in accordance with Standing Order 12
- 7 Members Updates
- 8 Urgent Items

PART 1 REPORTS REQUIRING A DECISION

- 9 P/18/014/FUL Land at Parting Carn, St Mary's (Pages 25 - 34)
Report of Senior Officer: Planning and Development Management
- 10 New Frontiers (Pages 35 - 94)
Report of Chief Executive
- 11 The Future of Public Health Nursing
Report of Senior Manager: Services to Our Community, Consultant in Public Health (Children) LATE report, to follow
- 12 One Vision Governance (Pages 95 - 98)
Report of Senior Manager: Services to Our Community

PART 2 REPORTS FOR INFORMATION ONLY

- 13 Updates from Lead Members (Pages 101 - 114)
- 14 Scrutiny recommendations to Council (Pages 115 - 118)
Report of Officer: Policy & Scrutiny
- 15 Appointment of Data Protection Officer (Pages 119 - 124)
Report of Monitoring Officer

PART 3 REPORTS CONTAINING EXEMPT INFORMATION

None

MINUTES OF A MEETING OF THE FULL COUNCIL HELD ON THURSDAY, 22 MARCH 2018 AT 9.30 AM

Present:	Councillors E Moulson (Chairman) A Davis, R Francis, H Legg, D Marcus, E Rodger, J Smith, J Williams and Mrs F Grottick (Vice-Chairman)
In Attendance:	Mrs Helen Childs, NHS Kernow A Brown, Section 151 Officer (via teleconference)
Apologies:	Councillors S Watt, Lady K M Berkeley, R Dorrien-Smith, A Guy, Mrs A Mumford, M Nelhams and S Sims
Staff Present	Monitoring Officer, Senior Manager: Strategic Development, Officer: Democratic Services and Member Liaison, Senior Manager: Infrastructure & Planning, Senior Manager: Services to Our Community, Chief Executive and Senior Officer: Infrastructure

C53/18 Declarations of Interest

The Council observed a minute's silence to remember the victims of the Westminster Bridge terrorist attack one year previous.

Councillor J Smith reported a non-disclosable interest in item 14.

Councillor R Francis reported a non-disclosable interest in item 14.

The Vice-Chairman reported a non-disclosable interest in item 9, as the applicant was a relative and that she would leave the room for that item.

C54/18 Minutes of Previous Meeting

It was noted that there was an incomplete sentence at C46/18 that needed to be deleted.

Resolved:

That with the above amendment the draft minutes of the meeting of Council held on 22 February 2018 (C30/18 – C52/18) be agreed as a correct record and be signed by the Chairman.

C55/18 Chairman's Announcements

The Chairman invited Councillor A Davis to speak.

Councillor A Davis praised the Park House staff for their recent award win, and he also paid tribute to previous staff members of the facility, and said that the Council should treasure the service.

He said that it was vital that the governance of the service be retained on the islands, whatever the outcome of wider health governance discussions taking place at present, because mainland governance would look at the service differently to how the islands see it.

The Chairman agreed and said that Members would never cede local governance of Park House.

The Vice-Chairman said that she had attended many meetings recently, including events to support the Islands Partnership, notably their destination management plan event, which was so vital to the economic viability of the islands.

The Chairman said that he would alter the running order of the agenda to suit circumstances.

C56/18 Questions under Standing Order 14

None

C57/18 To Consider reports from Committees, including the receipt of Minutes and/or Draft Minutes for information

None

C58/18 To Consider Motions in accordance with Standing Order 12

None

C59/18 Members Updates

None

C60/18 Urgent Items

None

PART 1 REPORTS REQUIRING A DECISION

C61/18 Planning Application P/18/002/FUL Land at Green Bay, Bryher

(The Vice-Chairman left the room)

The Senior Officer Planning and Development Management presented her report entitled 'P/18/002/FUL Land at Green Bay, Bryher: Application for the proposed material change of use of land only for ancillary boat hire use (Amended Plans)'.

Councillor D Marcus said that it was worth noting that there were no local representations against the application.

Resolved:

That the application for a change of use of land for the use specified be approved subject to the conditions set out in the appendix.

(The Vice-Chairman returned to the room)

C62/18 Integrated Strategic Commissioning

The Chief Executive presented the report of the Officer: Policy and Scrutiny entitled 'Integrated Strategic Commissioning'.

He said that it was important to note that the report deals only with the strategic commissioning and not the provision for delivery, which would be a consideration at a later date.

Mrs H Childs was in attendance to answer questions on the process.

The Chairman said to Mrs H Childs that Members considered that the report represented an outline business case, not a full one, and so would be very difficult to accept it.

Mrs H Childs explained that the report represented a proposal and was the start of the journey, but it was important to approve the report in order to progress towards a full business case in Autumn 2018, but at present the report was seeking to give approval to begin working together to look at the issue of strategic commissioning in more detail.

She said that power still resided with the Council as one of four equal partners in the process, and that the work would have to pass through all 'gateways' before delegation was ever approved.

The Vice-Chairman said that she supported integration in principle but that it was vital for clarity around practical implications of joint strategic commissioning to be sure that the islands were being best-served by doing so.

She felt that the current recommendations seemed unclear, and that she would not approve something that she couldn't explain to a member of the public in the street should they ask what had been approved after the meeting.

She remarked that there needed to be more democratic input into the document, and that the report as it stood was the first glance Members have had of any report relating to the issue.

Councillor J Williams agreed and wanted more clarification on the working of the joint committee, and a summary of opportunities and threats as commissioners and as a community, and also more clarity around the impact on roles of the two Health and Wellbeing Boards.

Mrs H Childs replied that the Local Government Association was working with them to explore the use of a sub-committee of the Health and Wellbeing Board to deal with commissioning, but the process had yet to be established.

She said that opportunities and threats would be mitigated by the 'gateways', and that pertinent issues could be included in a gateway criteria if the Council so wished.

She felt that there was more could be done, and done better, by working together as commissioners, and that the process would aim to be

completed at pace, but at times there would be a need to slow down to ensure that key issues were properly considered.

Councillor J Williams felt that capacity could be an issue with governance, as there was a need for the Council to be represented at every meeting in Cornwall.

Councillor H Legg asked what 'system control total' meant.

Mrs H Childs replied that it was a financial term to set out the limit to work within for Cornwall and the Isles of Scilly.

Councillor A Davis felt that the process was trying to wind the clock back to much previous years, at great expense. He said that the problems faced by the islands were laid bare when he himself witnessed a failure of the transport system when islanders try to access care on the mainland. He said that some years ago the GP's were commissioned by the local authority to be care providers, and that gave a lot of freedoms to the system which had subsequently been lost, to the detriment of local people.

Councillor D Marcus asked how gateways were going to be 'checked' in the Work Plan.

The Chairman emphasised that it would be the Council who would determine if gateway checks have been met.

The Vice-Chairman said that she would feel more reassured if such a process was enshrined in a protocol, as she did not want the Council to start a process that could not be stopped further down the line. She said that Councillors were understandably wary of the process as it was quite new to them, and the documentation was very dense.

The Chairman agreed, and said that it was vital that 'non-negotiable' issues such as Park House governance are not unintentionally compromised by passing through a gateway.

Councillor A Davis felt that the islands would be lucky to have 1 of 4 seats, and that the island representative would be sure to shout for what the islands want and attend all meetings, even if it meant leaving the islands well in advance to get to the meetings.

The Senior Manager: Services to Our Community remarked that she felt that joint commissioning was the best opportunity for the islands to change things for the better, and that in order to do that we had to have a seat at a big table. She said that she had received no indications so far that any of the key services of the islands were 'at risk', and that Mrs H Childs' report and presentation had been reassuring.

The Vice-Chairman proposed an alteration to the recommendations, but the Senior Manager: Services to Our Community said that all issues were covered by the recommendations of the report.

Councillor D Marcus said that it was important for Members to receive additional paperwork by September 2018, which was not explicit in the report.

Mrs H Childs confirmed that it would be received by Members by then.

Councillor D Marcus proposed the recommendations as set out in the report.

Councillor H Legg seconded it.

The Vice-Chairman asked that recommendation 3 be amended to be clear that the Council had not yet given approval to begin the mobilisation phase, just that it endorses a move towards it.

Councillor D Marcus amended his proposal so that recommendation 3 reads "That members endorse the move to a mobilisation phase and request a detailed business case be developed for further consideration in Autumn 2018, subject to Gateway Check 2 that will be presented to Full Council for ratification in June 2018.

Councillor H Legg confirmed he was content to second the amended proposal.

Resolved:

1. That the requirements of Gateway Check 1 and the approach to integrated strategic commissioning be approved in principle.
2. That the use of 2018/19 to test the concept, reviewing and refining the proposed model for an Integrated Care System be supported.
3. That the move to a mobilisation phase be endorsed and that detailed business case be developed for further consideration in Autumn 2018, subject to Gateway Check 2 and presented to Full Council for ratification in June 2018.

C63/18

Annual Governance Statement 2016/17

The Section 151 Officer presented his report entitled 'Annual Governance Statement 2016/17'.

He said that it was important for Members to only approve the report if they felt comfortable with the assurances given, and the how the issues raised had been mitigated and agree with the controls put in place.

He said that the document was for 16/17, and so there would still be concerning issues within the report, though the report for 18/19 would be much more comforting due to the financial system improvements being put in place.

The Chairman pointed out a potential error on page 13 of the report where six reports were noted but only 5 were listed.

The Section 151 Officer said that he would check that.

The Vice-Chairman said that both herself and the Chairman were keen to sit with the incoming Section 151 Officer to discuss the report in more detail.

Councillor D Marcus remarked that the document looked too similar to previous years and that in some parts large chunks of text were seemingly copied and pasted, and that he had not seen a risk assessment in over a year, and so felt the report did not instil confidence for Members.

He proposed that the document not be accepted and an improved version be brought back to next Council.

Councillor R Francis said he was uncomfortable with the document as he was not a councillor in 16/17, and was unsure why the document was before Members.

The Section 151 Officer replied that the report was very similar to the 2015/16 Annual Governance Statement as there were a number of live issues shared across both years, but Members should remember it's a historical document, though Members were quite right to be concerned by its contents.

Councillor E Rodger asked if there was going to be another 12 months before Members could look at the 2017/18 Annual Governance Statement.

The Section 151 Officer said that the document accompanied the Annual Accounts, which were due to be published in September 2018, and at that point a draft version of the 17/18 Annual Governance Statement could be brought before Members then.

Councillor D Marcus said that he would withdraw his proposal with that caveat.

Resolved:

1. That the Annual Governance Statement 2016/17, as set out in Appendix 1, be approved for signing by the Chairman and the Chief Executive.
2. That a draft version of the 2017/18 Annual Governance Statement be brought to Members in Autumn 2018, following the publication of the Annual Accounts.

C64/18

Annual Treasury Management Strategy 2018/19

The Section 151 Officer presented his report entitled 'Annual Treasury Management Strategy 2018/19'.

He said that the Council had committed to borrowing £1,000,000 and that the Public Works Loan Board borrowing rates were presently very favourable, so the loan would be paid at a rate of 2.3%.

He pointed out that the Authority were under borrowed by around £5,000,000 and that he would act when the cash flow position was low and interest rates were favourable in order to secure cheap long term borrowing.

Councillor J Williams asked over what period such a loan would be taken, and also if there were ethical considerations over any long-term investments.

The Section 151 Officer replied that the loan period would likely be 40 years.

He added that the foremost considerations for investments were security, return and yield, and would likely be with a bank or building society. He said that there was no ethical borrowing policy, and that the word 'ethical' was highly subjective.

Councillor J Smith said that he would like to see some work done in this area in future years to move the Council to a position where it invested ethically.

The Chairman agreed, though caveated that it was indeed a subject for the future.

Resolved:

1. That the Annual Treasury Management Strategy 2018/19, as set out in Appendix 1, be approved.
2. That the Prudential Indicators and Treasury Indicators 2018/19 – 2020/21 as detailed in section 2 and 3.2 of Appendix 1 be approved.
3. That the Annual Investment Strategy 2018/19 as detailed in section 4 of Appendix 1 be approved.
4. That the Minimum Revenue Provision Policy 2018/19 as detailed in section 2.3 of Appendix 1 be approved.

C65/18 Revenue Monitoring

The Section 151 Officer presented his report entitled 'Revenue Budget Monitoring 2017/18'.

The Chairman highlighted that Active Scilly had seemingly made a huge amount of savings and asked why that was the case.

The Chief Executive replied that it was due to a myriad of reasons, including recruitment issues, and how the team are now focused on attracting income, as well as finding in-year efficiencies. He caveated that there were still large bills expected for the year, such as heating and fuel costs.

Councillor J Williams asked if, in future reports, Adult Social Care as a service area could be split apart from Park House. He also asked if the invoicing issue for Park House had been resolved.

The Senior Manager: Services to Our Community replied that the invoicing issues had been resolved. She also highlighted that no agency staff had been used in 6 months at Park House and that some further grant income had been used to support the service.

Councillor J Smith remarked that a vast element of savings seem to have been based on posts not being filled, and that it was therefore not a reliable solution to budgetary pressures and needing further addressing.

He also asked about why the budget relating to the Porthmellon Enterprise Centre was over-spent.

The Senior Manager: Planning and Infrastructure said that it had spent within its budget but the income anticipated had not materialised, and so work was ongoing to fill the vacant units.

Resolved:

1. That the Revenue budget monitoring position as at 28 February 2018 be noted.
2. That delegated authority be given to the Section 151 officer, in consultation with the Chairman and Vice Chairman, to decide upon any reserve movements required to ensure the 2017/18 year end draft accounts are submitted to the external auditor.

C66/18

Member Allowances

The Monitoring Officer presented his report entitled 'Review of the Members' Allowances Scheme'.

He said that he should have included in the report the legal requirement for a local authority to publish a scheme for basic allowances for Members by 31 March of each year for the ensuing year.

The Chairman said that Members were not totally content with the report, but it was essential to approve the scheme by 31 March, and a further review could be conducted in-year.

Councillor R Francis said that he was unsure why travel and incidental expenses were a factor in paragraph 9 of the report. He felt that Members had been put in an unfair position when they had already set the budget for the year for allowances and expenses, and were then faced with a report which gave options contrary to that budget.

Councillor D Marcus agreed that it was not a satisfactory situation, especially as the report from Dr Hall was written in January 2018 and could have been discussed and factored-in to budget decisions in February 2018.

The Section 151 Officer pointed out that the budget for 2017/18 had been set in January 2017, not in February 2018.

Councillor E Rodger felt that some Members deserved to be better recompensed for the time and effort required to discharge their roles.

Councillor D Marcus said that he agreed with the methodology used by Dr Hall but at the same time it was clear that many working people on Scilly could not afford to financially justify a substantial loss of income to be a councillor on the islands. He said it was vital for the Lead Member roles to be accompanied by goals, targets and responsibilities in order to ensure that they justify remuneration.

Councillor J Smith said that he agreed with this stance, though Members found it hard to approach the discussion as they were conscious of the public perception of this, but it was clear that pay for councillors on Scilly was in some cases an impediment to seeking public office and that he would defend an increase to the public if necessary. He said that he would support the increase to the Member basic allowances as outline in the report, but not backdated, and he wished to see the remainder of the issues discussed more fully at a subsequent meeting of the Democratic Processes Panel (DPP).

Councillor A Davis said that it was odd to see enhanced Special Responsibility Allowance (SRA) payments were prioritised for Chairmanship of Licensing and Inshore Fisheries Conservation Authority (IFCA), but not forthcoming for the Lead Member for Adults, which seemed to show that the authority prioritised licensing and fishing above caring for old people.

Councillor J Williams said that any further discussion to be held on the matter by the DPP be carefully considered and as transparent as possible to ensure that the public are aware of all aspects of the conversations and considerations of Members when making their decisions, on what is a sensitive subject for many.

The Vice-Chairman said that although a 20% increase in the basic allowance seemed a lot, it was a direct result of many years of failure by Members to address large shortfalls in the allowances scheme compared with all other local authorities, even with a 20% increase the islands would barely move from the bottom of the list for what other unitary authorities award their Members.

She said she would support the increase in basic allowance, backdated as suggested in the report, and then defer all other discussions until discussed by the DPP, and she also wished not to approve recommendation 2 of the report, and instead retain the current position in relation to approved duties.

Councillor R Francis proposed that Members keep within the budget that they have set, and then refer to the DPP, and then revisit at Council and consider possible changes to the budget.

Councillor A Davis seconded this proposal.

A vote was taken and was lost.

Councillor J Smith proposed that the increase in basic allowance as recommended in the report be approved, and not be backdated but to begin on 1 April 2018, and that all other SRA's remain the same as present and be further discussed by the DPP.

The Vice-Chairman seconded this proposal.

Resolved:

That the recommendations of the report of Declan Hall not be implemented in full, and that the following be implemented and incorporated into the Council's Members' Allowances Scheme:

1. That the basic pay for Members be set at £4,209 per annum from 1 April 2018.
2. That all SRA's are unaltered from the present Members' Allowances Scheme.
3. That a further review of the Members' Allowances Scheme takes place through the Democratic Processes Panel as soon as possible.

C67/18 Airport Fees and Charges

The Senior Manager: Infrastructure & Planning presented his report entitled 'Airport Commercial Fees and Charges for 2018/19'.

He said that he had discussed and agreed a number with the Isles of Scilly Steamship Company (IOSSCO) on estimated passenger movements on which to base the fees, and it was mutually considered to be challenging but achievable.

He said that an incentive should be agreed if passenger numbers reached 98,000.

Councillor J Smith asked why there was such difficulty in covering all costs with the current levels of fees and charges.

The Senior Manager: Infrastructure & Planning replied that the running of an airport was a complex and costly area of work, with lots of controls, but that there would always be variances, some of which would be outside of the control of the authority. He said that costs would include such things as training requirement, and vital repairs for equipment and vehicles.

Councillor J Smith asked why there was such optimism on attaining 98,000 passengers.

The Senior Manager: Infrastructure & Planning replied that, based on trends, there were expected to be 100,000 passenger movements in 2017/18, but was likely only to reach 92,000 and this was quite likely to be a result of capacity issues experienced by both the airport and the Skybus service.

He said that European Geostationary Navigation Overlay Service (EGNOS) may be partially implemented in 2018/19 which should also yield a slight increase in days or hours available for flying.

Councillor E Rodger declared a non-registerable interest as a director of the Islands Partnership, and asked if it would be proper for the 3% discount on fees and charges to be shared with the Islands Partnership, who are responsible for attracting visitors to the islands.

The Senior Manager: Infrastructure & Planning said that he would take the idea under advice and give consideration to it.

Councillor D Marcus asked about the start date for car parking charges at the airport.

The Senior Manager: Infrastructure & Planning replied that it was more complex than first considered, and there was the potential issue of parking enforcement at the airport to have wider consequences for parking than first thought.

Councillor J Williams asked if there was any update around a replacement fire appliance.

The Senior Manager: Infrastructure & Planning replied that a new vehicle had been procured and would hopefully arrive and be in service by the start of 2019.

Councillor D Marcus felt that it was vital for the airport to stand separate to the local authority, both in terms of finance and management, where it could be braver and more radical with the decisions it needs to make to survive and also grow as a regional airport.

The Chief Executive replied that the airport was already financially self-reliant, as was legally necessary.

Councillor J Smith said that, with any increase, the Council should be very clear to the public on what the impact is on them, and why it was important to do so.

Resolved:

1. That the revised Investment and Replacement Plan for the Airport set out in the Appendix be approved.
2. That an increase to commercial fees and charges (Passenger Load Supplement and fees relating to landing and freight) for the Airport for 2018/19 of 6% be approved.
3. That an incentive scheme be applied whereby a discount of 3% is triggered once 98,000 passenger journeys have been recorded at St Mary's Airport following the implementation of the increased fees and charges, which will apply only to commercial fees and charges for flights made after the 98,000 target has been met and for the remainder of the 2018/19 year.
4. That the determination of all other fees and charges at the Airport be delegated to the Senior Manager: Infrastructure & Planning and

Airport Accountable Manager in consultation with the Chairman of Council and the Section 151 Officer.

C68/18 Appointment of Section 151 Officer

The Monitoring Officer presented his report entitled 'Appointment of Chief Financial Officer/Section 151 Officer'.

The Chairman thanked the outgoing Section 151 Officer, Mr Andy Brown, for his hard work and sound advice to the Council.

Resolved:

That Russell Ashman be appointed as the Council's Chief Financial Officer and Section 151 Officer with effect from 1 April 2018.

C69/18 Infrastructure Fees and Charges

The Senior Officer: Infrastructure presented her report entitled 'Infrastructure Fees & Charges 18/19'.

Councillor H Legg pointed out that the calculations of percentage savings were based on the wrong column in the charts.

Councillor R Francis said that there was a large increase in farm and garden waste costs, though this was intentional as there would be a planning application to come before Council in the future that would cater for a cheaper way to deal with that type of waste.

Councillor J Williams asked why there was no cost attached to the disposal of cooking oil.

The Senior Officer: Infrastructure replied that there was an adequate supply of income to cover the costs of disposal, so it became cost-neutral to the Authority, but rather than charge a nominal fee to attract income it was considered more beneficial to remove all costs to ensure that nobody would choose to dispose of cooking oil down the drains.

Councillor D Marcus asked for an update around recycling.

The Senior Officer: Infrastructure replied that the pilot scheme for mixed dry recycling at McFarlands Downs was to be rolled-out to the rest of the community, and to commercial customers to bring to the site themselves. She added that a collection vehicle was still being sought to suit all collection needs of the community, but in the meantime a second-hand vehicle had been secured to facilitate Phase 1 of the collection scheme, which is aimed at collecting in the more rural areas of St Marys, not Hugh Town.

Councillor H Legg asked when recycling for off-islands would be available.

The Senior Officer: Infrastructure replied that it was likely to start in early April.

Councillor J Smith asked for a rationale around the vast increase, beyond inflation, for commercial waste.

The Senior Officer: Infrastructure pointed out that Members had previously agreed those figures as part of the agreed savings plan, and was done on a cost-recovery basis.

Resolved:

That the proposed Fees & Charges for Infrastructure Services as set out in the report for the financial year 2018/19 be approved.

(Councillor J Smith left the meeting).

C70/18 Homelessness Strategy 2018-23

The Senior Manager: Strategic Development presented the report of the Housing Officer entitled 'Homelessness Strategy 2018-2023'.

Councillor D Marcus asked if the £500 from central government would cover the additional work identified in the report.

The Senior Manager: Strategic Development said she was unsure at present, and the money was earmarked for training.

Councillor J Williams said that he welcomed the report and the policy.

Resolved:

That the Homelessness Strategy 2018-2023 be adopted.

C71/18 Environmental Health Enforcement and Compliance Policy 2018

The Senior Manager: Strategic Development presented the report of the Senior Officer: Environmental Health entitled 'Environmental Health: Enforcement and Compliance Policy 2018'.

She said that the ethos of the service was to provide help and advice first, and to enforce where that fails.

Resolved:

That the Environmental Health: Enforcement and Compliance Policy 2018 be approved.

C72/18 Committee Calendar 2018-19

The Officer: Member Liaison & Democratic Services presented his report entitled 'Committee Calendar 2018/19'.

Councillor D Marcus felt that evening meetings were costing the Authority more money and should be stopped.

The Officer: Member Liaison & Democratic Services advised that such a topic could be covered as part of the DPP meeting(s) to be held soon.

Councillor H Legg asked that tide times be considered when setting meeting times.

Councillor J Williams asked if the timing of the Scrutiny Committee meeting in December was advisable, with regard to feeding into the budget-setting process.

The Section 151 Officer replied that it was a good time and should remain.

Resolved:

That the calendar be approved for 2018/19 meetings.

C73/18 Community Fund Application

The Chief Executive presented the report of the Assistant: Democratic Services & Corporate Development entitled 'Community Fund Applications'.

Members briefly discussed the applications.

Resolved:

1. That the Community Fund application from the St Mary's Christmas Lights Fund for £700 a year for each year of this Council's term be approved, subject to the provision of a set of accounts or financial statement which are determined by the Section 151 Officer, in consultation with the Chairman of Council, to be acceptable and not to give rise to any reason not to award the funding.
2. That the Community Fund application from the St Mary's Theatre Club for £340 be approved.

C74/18 Review of Management and Operations

The Chief Executive presented his report entitled 'Review of Management and Operations'.

Members discussed the formation of a panel.

Councillor H Legg asked that the Panel be mindful of keeping costs down and remarked that the Authority did not have the £25,000 sum to conduct an effective review of management and operations.

The Vice-Chairman said that there may be avenues of funding that could be accessed, perhaps with the help of partners such as the Local Government Association.

The Chief Executive said that he was already in talks with the improvement arm of the LGA, to seek both financial and HR support around this, and would report to Members once more was known.

Resolved:

1. That the objectives for the review of management and operations as set out in paragraph 6. 2 be approved.
2. That a panel comprising the Lead Member for Place and the Vice-Chairman of Council be formed to oversee the commissioning

process and contract implementation subject to the outcome of discussions with the Local Government Association and funds being made available.

PART 2 REPORTS FOR INFORMATION ONLY

C75/18 Schedule of Delegated Planning Applications

This report was for information only.

C76/18 Updates from Lead Members

This report was for information only.

PART 3 REPORTS CONTAINING EXEMPT INFORMATION

None

The Meeting ended at 12.10 pm

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Draft minutes received for information:

- **Inshore Fisheries Conservation Authority**
5 April 2018

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MINUTES OF A MEETING OF THE INSHORE FISHERIES &
CONSERVATION AUTHORITY (IFCA) HELD ON THURSDAY, 5 APRIL
2018 AT 6.30 PM

Present: Councillor A Guy (Chairman)
Councillors H Legg and S Watt
R Francis, MMO appointee
T Allsop (VC), MMO appointee
N Jenkins, MMO appointee
Mrs K Sugar, Natural England
Ms W Lethbridge, MMO

Apologies: D Milligan, MMO

Staff Present The Chief Fisheries and Conservation Officer, & the
Democratic Services and Member Liaison

IFCA8/18 Declarations of Interest

Councillor S Watt reported a non-registerable interest as a hobby fisherman.

Councillor H Legg reported a pecuniary interest as a commercial fisherman.

R Francis reported a pecuniary interest as a commercial fisherman.

N Jenkins reported a pecuniary interest as a commercial fisherman.

IFCA9/18 Minutes of Previous Meeting

N Jenkins asked if there was any update around landing of berried crawfish for recreational fishermen.

Ms W Lethbridge replied that the guidance makes no such reference but for clarity she would get a definitive answer outside of the meeting.

Resolved:

That the draft minutes of the meeting of the Inshore Fisheries and Conservation Authority held on 11 January 2018 (Min no's IFCA1/18 – IFCA7/18) be considered a correct record and be signed by the Chairman.

IFCA10/18 Urgent Items

The Chairman said that there would be a verbal update from the Marine Management Organisation (MMO) Officer at item 9.

PART 1 REPORTS REQUIRING A DECISION

IFCA11/18 ANNUAL PLAN

The Chief Fisheries and Conservation Officer presented his report entitled 'Annual Plan and future priorities'.

He said that the priorities for the year were consolidation and getting on-track, with communications issues to be resolved so that the community were fully aware of the work of the IFCA.

He added that it was important to start thinking about medium-term planning, such as needs and funding, and that in 12 months time it was hoped that there would be exciting research projects ready to begin. He said that he had listed ideas in the report but they were only suggestions for Members.

Councillor H Legg asked that some research be undertaken around potential scrubbing of sulphur dioxide from cruise ship exhausts which could be pumped overboard into the water and has the potential to cause harm particularly in the shallow waters around Tresco Channel at low tide.

The Chairman felt it was a good point.

The Chief Fisheries and Conservation Officer said it was something that could be looked at.

Mrs K Sugar said that water quality issues reside usually with the Environment Agency, who she believed were trying to get more involved on the islands.

The Chairman said that he believed that the Environment Agency had no jurisdiction on Scilly, but it should be looked into.

Councillor R Francis asked about discharge of effluent from cruise ships while moored around the islands.

The Chairman remarked that he believed cruise ships to have desalination plants on-board that neutralised effluent and put into holding tanks that were responsibly emptied when visiting ports.

The Vice-Chairman said that he had taken part in Sea Search investigations around Nut Rock following the mooring of cruise ships in that area. They found no invasive species, and found no rubbish or anything that concerned them. There was very minimal evidence of them ever being there, in terms of damage to the environment.

Mrs K Sugar pointed out that cruise ships were regulated by Annex IV of (International Convention for the Prevention of Pollution from Ships) MARPOL 73/78 Annex which prohibit the discharge of sewage into the sea within a specified distance from the nearest land, unless otherwise provided.

Councillor H Legg replied that he was unsure if the regulations applied to harbours or open mooring areas, and was worth looking into.

The Chairman asked that the Chief Fisheries and Conservation Officer look into these issues.

Resolved:

That the report be noted and that feedback be sought into the research priorities for the ensuing year and beyond.

IFCA12/18 OPERATIONAL UPDATE

The Chief Fisheries and Conservation Officer presented his report entitled 'Chief Officer's Operational Update'.

He said that the IFCA boat was on the water, and winter maintenance was not as expensive as first feared.

In term of a replacement vessel he said he would like to revisit the specifications of the new boat using a small task group to work with him outside of meetings, and then present options to the members of IFCA in June 2018.

He also reported that the department had moved offices recently, and that a job advert for a new Scientific and Enforcement Officer had been advertised.

Councillor R Francis raised his prior concerns that the IFCA could be spending money that may not be replaced post 2020, and with that would come struggles to afford to maintain a larger boat, and it would be unfair to ask the Council to make up that shortfall.

He said that the funding picture post 2020 was unclear and was becoming increasingly more concerning as it was widely considered that sea fisheries could become a bargaining chip during the Brexit negotiations.

The Chairman replied that the decision to fund a new, superior, vessel had already been taken by the IFCA and would be achieved, and all that remained was to determine the specification of said vessel.

He nominated R Francis and the Vice-Chairman to comprise the working group requested by the Chief Fisheries and Conservation Officer.

The Chief Fisheries and Conservation Officer said that funding was uncertain, but that the IFCA could only deal with issues in front of it and nobody knew what the future would hold for IFCA funding, or even IFCA's themselves.

Councillor S Watt asked for further information around the South Marine Spacial Plan who had scheduled a follow-up meeting in March for the islands.

The Chief Fisheries and Conservation Officer replied that the meeting did take place but was marred by technical issues which meant he was only able to listen, not speak. He said the key discussion points were around

water quality, but that it was wise to wait for the next iteration phase to be published and then seek to respond.

Councillor S Watt asked about the new enforcement regulations and when they would be unveiled.

Mrs K Sugar remarked that they were already out for consultation through Citizen Space online, which was where DEFRA consulted online, and was called 'Consultation on the Introduction of the Sea Fishing (Enforcement) Regulations 2018'. She said that she would forward the link to the Officer.

Councillor S Watt said that he was aware that warrant training could be done outside of the annual courses, if necessary, as he learned from Eddie Derriman the National Enforcement Training Officer.

The Chief Fisheries and Conservation Officer replied that he was very interested in that but only if the cost was not prohibitive.

The Vice-Chairman said that he had offered to take out the Chief Fisheries and Conservation Officer around the island marks, at no cost to the Authority.

The Chairman thanked the Vice-Chairman.

Resolved:

That the report be noted.

IFCA13/18 COMPLIANCE AND ENFORCEMENT

The Chief Fisheries and Conservation Officer presented his report entitled 'Compliance and Enforcement update'.

The Vice-Chairman said that he attended a government meeting in December where Inshore Vessel Management Systems (IVMS) were discussed, and it was thought that an exemption would be made for the smallest vessels.

He added that there was also discussion around byelaws and the delays being experienced by all IFCA's, and it was said that it was an administrative capacity issue due to Brexit creating a huge number of work-streams.

R Francis said it would be helpful for local fishermen to be made aware of any developments around IVMS between now and June, as it would be helpful to them and some considerations could start to be given by them around some of the safety aspects.

The Chief Fisheries and Conservation Officer remarked that monitoring control was vital and required getting an overall picture of the district with better data and better knowledge to help decision making. He said that it was important to establish a baseline for what was happening right now, such as knowing how much gear was going in the water and where it was,

and that he would ask at the Fisherman's Meeting to see if they would share.

Councillor S Watt agreed, and though MMO returns were used to calculate fishery amounts before it was not an accurate methodology and did not include wet fish.

Resolved:

That the report be noted.

IFCA14/18 CONSERVATION AND ASSESSMENTS

The Chief Fisheries and Conservation Officer presented his report entitled 'Conservation and Protected Area Assessment Update'.

He said that good progress had been made since 2014 on the Habitat Regulations Assessment (HRA), and the table in the report is an audit-trail of actions done and actions outstanding.

He said that the Bristow to the Stones Marine Conservation Zone (MCZ) was slightly unusual in that it lay outside of the Special Area of Conservation (SAC), which meant that the regulations that apply for SAC's would not apply there.

Resolved:

That the report be noted.

IFCA15/18 NATURAL ENGLAND UPDATE

Mrs K Sugar, the Natural England Marine Lead Adviser, presented her report entitled 'Natural England Update'.

The Vice-Chairman said that sea-grass areas were easily affected by bad storms, particularly a season of bad storms as have just occurred, as the sea-grass gets choked in sand that gets moved on the sea bed. He said he would shortly be undertaking a follow-up of a seagrass area he had marked previously and will look at it in the following week and give an update on any movement he finds.

Councillor S Watt said he was concerned about the Highly Protected Marine Areas (HPMAs) in that the last sentence of her appendix stated that 'there are no plans to bring forward the Isles of Scilly non-ground disturbance areas as any kind of Highly Protected Area designation'. He said that it was not very assuring and open to change, and asked for some reassurance that this would not develop into a 'no-take zone'.

Mrs K Sugar replied that it was very likely not to happen, and that DEFRA did commission a review by CEFAS which had still yet to be published, and although it was not ruled out it was still highly unlikely.

Resolved:

That the report be noted.

IFCA16/18 MMO UPDATE

Ms W Lethbridge presented the report of David Milligan, the MMO Principal Officer entitled 'MMO Report to Isles of Scilly IFCA for Meeting 5th Sept'.

The Chairman thanked her for the update.

Resolved:

That the report be noted.

PART 2 REPORTS FOR INFORMATION ONLY

NONE

PART 3 REPORTS CONTAINING EXEMPT INFORMATION

NONE

The Meeting ended at 7.30 pm

Council of the Isles of Scilly report

**P/18/014/FUL Land at Parting Carn,
St Mary's: Application for a change of
use of land from agricultural use to the
storage and processing of green waste.**

Date 19th April 2018

Meeting Full Council

Part 1

Authors Lisa Walton, Senior Officer, Planning and Development
Management

Recommendations

1. If at the time of the meeting the responses from Natural England and the Environment Agency have been received and raise no or no significant objections, that members approve the application for a change of use of land for the use specified and subject to the conditions set out in the Appendix; **or**

2. If at the time of the meeting, consultation responses have not been received from both Natural England and the Environment Agency, that members delegate authority to approve this application to the Senior Manager for Infrastructure and Planning, subject to no objections or significant concerns being raised by these statutory consultees and subject also to the conditions set out in the Appendix.

1. This is an application for a material change of use of land from agricultural use to the processing and storage of green waste. No physical structures are proposed for the processing of green waste as it will be undertaken through a process of 'open windrow composting'. This process essentially involves the placing of green waste in long rows of composting up to a height of 4-5 feet, which are turned over regularly to enable oxygen to breakdown the material and to allow the venting of any waste gases that are produced. This process speeds up the composting process and the compost produced will be used on the fields at Parting Carn Farm.
2. Materials will be brought in from the Porth Mellon Waste Management site once a full load is ready to be moved and the frequency of movements will depend on the time of year. Materials will largely be residential green garden waste together with green waste from hedge cutting etc. The applicant has stated that there will be no net gain in vehicular movements as the green waste is already transferred from the waste site to the quay, where until recently it has been transported to the mainland for disposal.

Background and Relevant History

3. There is planning history for this particular site which includes the temporary use of this field in connection with the resurfacing works at the Airport, by the company Lagan. **P/14/004/FUL** was approved in 2014 for the temporary use of agricultural land for use as a mobile batching plant and construction compound, together with temporary residential accommodation for works associated with the upgrade of St Mary's Airport. Later in 2014 the land was again used for the purposes of works at the quay by the company Kier. **P/14/057/FUL** was approved in December 2014 for temporary concrete batching compound associated with the St Mary's harbour improvement works. In 2015 a further application was made to enlarge the site for the temporary residential use. **P/15/016/FUL** was approved for an extension of the batching plant site for siting of temporary sleeping cabins for Kier site staff.

Consultations and Representations

4. Consultations have been sent out to Environmental Health, to understand whether there are any environmental health impacts to be aware of or address. Comments are awaited. Natural England and the Environment Agency have been consulted due to the proximity of the site to the Higher Moors Site of Special Scientific Interest (SSSI). Comments are awaited and will be reported to members at the meeting (or as an addendum).
5. A site notice has been on display for a period of 21 days on the road to the front of the site. No letters of representations have been received. All plans

including consultation responses can be viewed online here:

<http://www.scilly.gov.uk/planning-application/planning-application-p18014>

Primary Legislation and Planning Policy

Primary Legislation

The Planning (Listed Buildings and Conservation Area) Act 1990

6. The site is within a Conservation Area where there is a requirement to ensure that any development preserves or enhances the character or appearance of the area, as embodied in Section 72 of the Planning (Listed Buildings and Conservation Area) Act 1990.

The Countryside and Rights of Way Act 2000

7. The Isles of Scilly is also a designated Area of Outstanding Natural Beauty (AONB). The legal framework for such areas is provided by the Countryside and Rights of Way Act 2000. The Act places a statutory duty on the Local Authority to have regard to the purpose of conserving and enhancing the natural beauty of the AONB when exercising or performing any functions affecting land within it.

The Conservation of Habitats and Species Regulations 2010

(Consolidation of Conservation (Natural Habitats, &c.) Regulations 1994)

8. It is a legal duty of a Local Planning Authority, when determining a planning application for a development, to assess the impact on European Protected Species ("EPS"), such as bats, great crested newts, dormice or otters. A LPA failing to do so would be in breach of Regulation 3(4) of the 1994 Regulations, which requires all public bodies to have regard to the requirements of the Habitats Directive in the exercise of their functions.

Planning Policy

National Planning Policy Framework (NPPF) 2012

9. At the heart of the NPPF is a presumption in favour of sustainable development. The NPPF does not change the statutory status of the development plan as the starting point for decision making. Proposed development that accords with an up-to-date Local Plan should be approved and proposed development that conflicts should be refused unless other material considerations indicate otherwise. It is highly desirable that local planning authorities should have an up-to-date plan in place. With respect to general development and the Strategic Policies it is considered that the Local Plan remains up to date and conforms to the requirements of the NPPF.
10. Section 11 relates to conserving and enhancing the natural environment and paragraph 109 states that the planning system should contribute to and

enhance the natural and local environment by protecting and enhancing valued landscapes, geological conservation interests and soils; recognising the wider benefits of ecosystem services; minimising impacts upon biodiversity and providing net gains in biodiversity where possible, contributing to the Government's commitment to halt the overall decline in biodiversity; preventing both new and existing development from contributing to or being put at unacceptable risk from, or being adversely affected by unacceptable levels of soil, air, water or noise pollution or land instability.

11. Paragraph 192 identifies the need to front-load the planning system through pre-application engagement. This states that the right information is crucial to good decision-taking, particularly where formal assessments are required (such as Environmental Impact Assessment, Habitat Regulations Assessment and Flood Risk Assessment). To avoid delays the NPPF advocates early discussions with the local planning authority as well as expert bodies as early as possible.

Isles of Scilly Local Plan 2005

12. Policy 1 relates to environmental protection and seeks to permit development proposal only where they respect and protect the recognised quality of the island's natural, archaeological, historic and built environment. Proposals should (a) conserve or enhance the natural beauty, wildlife and cultural heritage of the Area of Outstanding Natural Beauty and protect the unspoilt character and good appearance of the heritage coast, (b) Preserve nationally important archaeological remains and their settings; (c) Preserve or enhance the character or appearance of the Conservation Area and preserve the architectural or historic interest of all listed buildings, including their features and settings; (d) safeguard the integrity and nature conservation objectives of Special Protection Areas (SPAs), RAMSAR sites and Special Areas of Conservation (SAC); (e) protect a statutorily protected plant or animal species and the wildlife, geographical and geomorphological interest and features of designated Sites of Special Scientific Interest (SSSI); and locally important biodiversity habitats, species and landscape features.
13. Policy 2 relates to Sustainable Development and seeks to permit development in situations where the development contributes to the sustainability of the islands' environment, economy or local community. Policy 2 requires development to ensure or facilitate the re-use of previously developed land or existing buildings for the economic, social and environmental benefit of the islands and local communities. This policy also seeks to ensure natural resources are utilised efficiently in the design, construction and future use of land and buildings, including where appropriate, energy conservation and the use of renewable sources of energy generation, minimising the consumption

and discharge of water and waste and by securing the recovery and re-use of suitable building materials.

14. Policy 4 of the Local Plan relates to Economic development. This policy essentially seeks to promote employment and economic activity based on the existing economy, including agriculture, and supporting opportunities that lead to modernisation and diversification of the islands economy.

Planning Assessment

15. The main planning issues are considered to be whether the proposed change of use of the land, which will be used for the processing of green waste, is acceptable in principle, particularly having regard to the impact on amenity and the wider Conservation Area; and the impact on the natural and historic environment.

Principle of Development

16. The proposal relates to an existing agricultural holding operating at Parting Carn Farm, where various aspects of farming take place, including the rearing of cattle and egg-laying chickens. The applicant has stated that the proposed change of use of land, which is currently used for grazing cattle, is required to deliver the Council's green waste contract, as awarded to the applicant in September 2017. The proposed site, within the wider Parting Carn Farm tenancy, has been relocated from a field that was south of Parting Carn Farmhouse, following concerns from both the Environment Agency and Natural England and the impact upon the Source Protection Zone (SPZ) for drinking water supplies. Application P/17/098/FUL was withdrawn by the applicant in February 2018. The applicant has selected this alternative site, previously used on a temporary period for various large scale projects, as set out in paragraph 3 above, as it is outside of the SPZ but equally as accessible and similarly well-screened.
17. The applicant is seeking to create a modest green waste storage, processing and composting facility within part of the existing farm which effectively broadens the types of waste that can be recycled on-island and reduces the need for costly mainland disposal. It is considered that the principle of the proposal is acceptable and accords with National Planning Policies, including paragraph 7 in terms of the environmental role of sustainable development, and Policy 2 of the 2005 Local Plan.

Impact upon the Conservation Area and AONB

18. As no physical alterations to the landscape are proposed, the main impact of the proposal will arise as a result of the visual 'rows' of composting green waste. Policy 1 relates to environmental protection and seeks to permit development proposals only where they respect and protect the recognised

quality of the island's natural, archaeological, historic and built environment. Proposals should conserve or enhance the natural beauty, wildlife and cultural heritage of the Area of Outstanding Natural Beauty and protect the unspoilt character and good appearance of the heritage coast, preserve or enhance the character or appearance of the Conservation Area.

19. The existing site is in a well screened location, currently laid to grass with clear hedgerow boundaries. There are no public rights of way through the site itself but the site is visible from the immediate vicinity both to the south from the paths that run from the airport road down to Salakee Farm as well as views from the road that bounds the north side of the site. Adjacent to the west boundary is a belt of mature trees, which offer significant shelter for this site and screens it from wider views. The site itself drops down from the north side and sits in a 'bowl' and is therefore considered to be relatively well screened. On this basis the wider impact upon the character and appearance of the Conservation Area and Area of Outstanding Natural Beauty will be minimised. Taking this into account the nature of the operations that will take place it is not considered that the change of use will cause an adverse impact on the Conservation Area nor give rise to harm to the scenic beauty of the landscape including the AONB and the Heritage Coast designations.

Impact upon the Natural and Historic Environment

20. The proposed site does not contain any designated heritage assets. There are no listed building or scheduled monuments, which could have settings affected by the proposal. As there are no known archaeological constraints at this site, it is considered that the proposal will be acceptable in terms of the historic environment of St Mary's.
21. The site is outside of any natural environment designations. The nearest Site of Special Scientific Interest (SSSI) is 'The Higher Moors and Porth Hellick Pool' which lies over 300 metres to the east of the application site. The site is primarily in favourable condition and whilst it is situated on lower land, relative to the application site, there is intervening higher ground which means any water run-off would not be directed to the SSSI. The proposal is not considered to affect this SSSI designation. Almost 400 metres to the south west is the 'Lower Moors' SSSI. This is also in a favourable condition. The position of the proposed site and the nature of the topography would suggest that there would not be any direct impact upon this designation.

Impact upon amenity and highway safety

22. There are no immediate residential properties within the vicinity of the application site. The nearest built form lies around 200m to the south west of the application site. The delivery of green waste to this site, which is unlikely to travel through Old Town, is considered to be significantly less than previously

approved temporary uses of this land. Whilst the proposed change of use is a permanent change of use it is not considered that it will give rise to any significant issues of amenity for adjacent land uses. The nature of the proposed use is such that it will not give rise to any loss of privacy. The type of composting being proposed is green waste materials only and not food waste. This significantly affects whether or not the site will be odorous or attract vermin. Green waste materials of the nature intended to be composted are not considered to be problematic in terms of the creation of noise, smells or vermin.

23. The proposed use will give rise to an increase in traffic movements, particularly on the days when the waste site at Porth Mellon reaches capacity. The applicant has stated that vehicular movements from the waste site will not be on a daily basis but will range from one, two or three trips a month depending on the season. On this basis the proposal is not considered to give rise to any adverse impacts on highway safety or traffic movement levels.

Environmental Considerations

24. The impact upon the environment is primarily whether the composting of green waste materials will give rise to any contaminated or harmful water run-off or ground water contamination. The position of the site within the landscape is such that whilst the land slopes down from the road, it rises up again just below half way down the site, which has the effect of creating a 'bowl'. It is considered that the percolation of water would drain in a south easterly or, more probably, a south westerly direction. Both directions are away from the two SSSIs which lie to the north east (Higher Moors) and south west (Lower Moors), which would remain unaffected by the green waste composting activities.
25. The applicant has stated that *“water run-off will be non-hazardous and any nutrients will be absorbed in the immediate vicinity”*. They also state: *“I think it is important to consider that all waste produced on the islands has an environmental impact, however it is imperative to find ways to minimise this impact and also find environmental benefits from any opportunities that may be presented: If green waste is processed on the island, the carbon footprint will be a lot less than the current arrangements; there will be a lot less movements by road (on island and on the mainland) and sea. The current export of green waste requires it to be transferred in expensive, single use, plastic lined bulk bags which are disposed of – these will not be required for an on-island operation; there is also an increased cost to the community of the shipping of green waste. By moving to an on-island solution, the cost and the environmental impact of freight will be reduced, the scale is so small that the on island environmental impact will be negligible and there will be a beneficial by-product which will help the islands move towards a circular economy and increased self-sufficiency”*.

26. The views of Natural England and the Environment Agency will be reported to members either in an addendum report or verbally at the meeting.

Other Considerations

27. The ministerial Statement 'Planning for Growth' and the National Planning Policy Framework have been taken into account in assessing this scheme.

Conclusion

28. It is acknowledged that the application proposes recycling development in a rural area by way of changing use of an agricultural field to provide an on-island solution for the disposal of green waste. This is a general consideration that needs to be weighed in the balance of all other planning considerations. Based on the scheme currently presented, it is recommended that this application is approved subject to the consultation responses from Natural England and the Environment Agency and the conditions set out in the Appendix. If at the time of the Full Council meeting, the responses from Natural England and the Environment Agency raise no or no significant objections, then it is recommended that the decision should be to approve this application. If no responses are received, at the time of the Full Council meeting, then it is recommended that the decision is delegated to the Senior Manager for Infrastructure and Planning to approve the application subject to no objections from statutory consultees and the conditions set out in the Appendix. If statutory consultees raise significant concerns, after the Full Council meeting, then it is recommended that the application return for a decision at Full Council in May to ensure Members are fully aware of any significant issues before a decision is made.

Financial implications

29. None

Legal implications

30. There is a requirement to determine planning applications within statutory timescales. In this case the application should be determined by 2nd May 2018. After this date the applicants can appeal to the Planning Inspectorate against non-determination of this application.
31. Members will note that the determination of this application, if a decision is made at the April Full Council meeting, will be before this 8 week determination date. Unless this application is deferred or additional planning conditions are imposed, the risk of an appeal challenge, if members approve the application, as recommended, is considered to be low.

32. Should members be minded to refuse this application, contrary to the recommendation then it should be noted that the risk of an appeal challenge would increase. Similarly should members be minded to disregard the advice of officers or statutory consultees, without good planning reasons to do so, then there is also a risk of Judicial Review.

Other implications

33. Due to the application being located in a sensitive environment, as denoted by the AONB, the application has been screened for environmental impacts through an Environmental Impact Assessment, Screening Opinion. This screening concluded that the development proposed does not constitute EIA development requiring an Environmental Statement.
34. The planning application engages certain human rights under the Human Rights Act 2008 (HRA). The HRA prohibits unlawful interference by public bodies with conventions rights. The term ‘engage’ simply means that human rights may be affected or relevant. This application has the legitimate aim of diversifying an existing business. The rights potentially engaged by this application, including the right to a fair trial and the right to respect for private and family life, are not considered to be unlawfully interfered with by this proposal.

Appendices

Appendix – Recommended Planning Conditions.

Approval

Senior Manager	Craig Dryden, Senior Manager Infrastructure and Planning	09/04/2018
Financial	[Andy Brown, Section 151 Officer] Only required if the report has financial implications.	[DATE]
Legal	Matt Stokes, Monitoring Officer	10/4/2018

Appendix – Recommended Conditions

- C1 The development hereby permitted shall be begun before the expiration of three years from the date of this permission.**

Reason: In accordance with the requirements of Section 91 of the Town and Country Planning Act 1990 (as amended by Section 51 of the Planning and Compulsory Purchase Act 2004).

Council of the Isles of Scilly report

New Frontiers

Date 19 April 2018

Meeting Full Council

Part 1

Authors Theo Leijser, Chief Executive

Recommendations

1. That members endorse the draft New Frontiers document, appendix 1 to this report, as a starting point for negotiations and scoping of future arrangements as part of the work plan for the Leadership Board

2. That members note that certain “asks”, as set out in New Frontiers, are not tailored to specific requirements for the Isles of Scilly. These “asks” will be refined during the inception process and require separate negotiation with Government

1. Cornwall Council, the Local Enterprise Partnership (LEP) and the Kernow Clinical Commissioning Group (KCCG), signed the Cornwall Devolution Deal in 2015. The Council of the Isles of Scilly was not party to this deal, but it was recognised that there would be policy implications resulting from the deal that could have an impact on the Isles of Scilly. The implementation of the Cornwall Deal was overseen by a devolution monitoring board, which has evolved into the Leadership Board for Cornwall and the Isles of Scilly. Both the Chairman and Vice Chairman of our Council are members of the Leadership Board.
2. New Frontiers is a proposition to Government for a series of inter-linked devolution, fiscal and policy enablers to be transferred to Cornwall and the Isles of Scilly. Its main purpose is to outline a series of 'asks' and 'offers' to Government that, taken collectively, will improve the economic, environmental and social resilience of Cornwall and the Isles of Scilly. Developed by a wide range of partners, New Frontiers is designed to build on the progress that Cornwall has made through its 2015 Devolution Deal.
3. As a partnership document, New Frontiers aims to underpin a number of key strategies from member organisations of the leadership board and other partners, including a strong focus on strategies such as the Local Enterprise Partnership (LEP) 10 Opportunities, the Strategic Economic Plan and Shaping Our Future. It is not solely focussed on devolution, with a balanced set of 'asks' that mix a range of policy, fiscal and sector based propositions that collectively will enable Cornwall and the Isles of Scilly to meet many of its strategic ambitions.
4. The timing of New Frontiers is driven by Brexit as our catalyst for change, and is designed to be a starting point for negotiations with Government to secure funding post Structural Funds, powers and sector based propositions that will help to deliver strategic ambitions for Cornwall and the Isles of Scilly. If we are successful in securing Government agreement to one or more of the propositions within the document, the detail will be shaped through negotiations and brought back for agreement through the appropriate governance structures.
5. New Frontiers is not a strategy; it is designed to support the delivery of specific elements of the existing strategies of Cornwall & Isles of Scilly Leadership Board members and partners. The proposition contains sections that are designed to strengthen our ability to plan in a post Brexit world, develop our distinctive strengths and take on more powers and responsibilities for a range of important services.

6. New Frontiers should be seen as a starting point for a negotiation: any agreements that are made with Government would need to come back through the appropriate governance structures. It is an articulation in a single document of the tools required to allow a wide range of partners to realise specific ambitions. Brexit is creating a point in time where shaping a proposition for Cornwall and the Isles of Scilly is timely. The full document can be seen in appendix one.
7. The Leadership Board and other partners such as the LEP have discussed and reviewed the draft New Frontiers document over the last few months. This includes input from our own Chair and Vice-Chair of Council.
8. The purpose of this report is to allow members to endorse the general direction of travel set out in the draft New Frontiers document. It is the intention that, subject to agreement, New Frontiers is 'launched' after the Cornwall and Isles of Scilly Leadership Board on 20 April 2018. The document has been discussed at the component member boards to ensure that it is supported by all partner organisations.

Financial implications

9. There are no immediate financial implications for this report. However, the individual asks that are pertinent to the Council may involve financial implications, but these would all need to be dealt with through the appropriate governance channels should any future agreement be made.
10. It should be noted that New Frontiers could potentially involve agreements worth tens of millions of pounds, but given that the document is setting out an initial negotiating position, it is difficult to provide exact figures at this stage.

Legal implications

11. There are no legal or governance issues relating to this document, but the appropriate governance for monitoring and managing progress of any agreement will need to ensure it closely aligns with existing structures. This will ensure that accountability and delivery can be adequately captured and reported to the Cornwall and Isles of Scilly Leadership board as the main strategic partnership board in Cornwall and the Isles of Scilly. This will not negate the primacy of the individual governance boards.

12. Legal support will be required to review the implications of any agreements which are proposed following the response from central government to the New Frontiers proposals.

Other implications

13. The benefits for businesses and residents will be significant, with job creation, environmental enhancements, affordable home provision, an inclusive growth approach to regional funding and a number of other policy and fiscal tools that are designed to enhance the resilience of our communities. The totality of the benefits is captured in the New Frontiers document.

Appendices

Appendix A: New Frontiers

Approval

Senior Manager	Theo Leijser, Chief Executive	10 April 2018
Financial	Only required if the report has financial implications.	[DATE]
Legal	Matt Stokes, Monitoring Officer	11 April 2018

Introduction

Brexit is a new frontier in our journey to build an economy that works for everyone in Cornwall and the Isles of Scilly. How we meet the challenges and seize the opportunities ahead will define our economy, our society and our place in the world for decades to come.

We cannot approach this new frontier in isolation. Our peninsula is a beautiful and fragile eco-system in which the resilience of our people, environment and economy are inter-dependent.

The newly created Cornwall and Isles of Scilly Leadership Board, born out of an independent governance review, provides the collective leadership we need to increase our environmental, economic and social resilience, and flourish beyond Brexit. We have long enjoyed excellent cross-sector collaboration, in a relatively simple administrative landscape surrounded by sea on three sides. The Cornwall and Isles of Scilly Leadership Board now provides integrated strategic leadership – with constituent members retaining responsibility for delivery – and is a key strength of our proposal.

Cornwall and Isles of Scilly leadership board



New Frontiers is the Cornwall and Isles of Scilly Leadership Board's proposition to Government, offering an opportunity to collectively re-appraise national thinking on the tools and levers required to unlock regional growth in a post Brexit world.

Our track record

Cornwall and the Isles of Scilly is a natural test-bed for new approaches to the grand challenges facing our society¹, with a proud history of invention and innovation. Just as we led the first Industrial Revolution and connected the first transatlantic communications cables, our peninsula is now leading the way in

¹ The vast majority of asks in this document are on a Cornwall and Isles of Scilly geography, but some are Cornwall specific

trailing smart technologies, space and satellite communications, creative and digital technologies, and green energy production.

As the first rural area with a devolution deal, Cornwall is a trailblazer for how devolved powers and funding can unleash the potential of non-metropolitan regions. Since 2015 we have used our devolved powers to deliver real benefits for the economy and people of Cornwall including:

- leveraging £17 million private investment into our bus network, enabling an extra 700,000 people to travel by bus, as part of our ground-breaking work to establish one integrated public transport system with the Cornish equivalent of London's Oyster card.
- generating business growth through our simplified Growth and Skills Hub, with all the extra business rates being kept in Cornwall, providing an extra £8 million funding for local services this year.
- leveraging £7.5 million private investment over three years into our Warm and Well programme, through which we are making the homes of 1,300 vulnerable households in Cornwall cheaper to heat every year.

Our catalyst for change

The 2015 Cornwall Devolution Deal was signed in the wake of the Scottish referendum campaign. The timing of New Frontiers is driven by Brexit, our catalyst for change.

Cornwall and the Isles of Scilly is an economy in transition. Two decades of European support have enabled us to put in place the foundations for growth: two universities, major road upgrades, the UK's fastest growing regional airport, start-up space with streamlined support for local businesses, digital connections that make Cornwall more technology ready than Greater Manchester. These foundations have helped our economy to diversify into new sectors, our people to develop higher skills, and our local wages to increase.

However, the improvements to people's lives have not been fast or far-reaching enough. 44% of households in Cornwall and the Isles of Scilly are "just about managing" with total earnings below £20,000. Exeter University research into why Cornwall voted to leave the European Union identifies deep personal insecurity, with people concerned about their ability to earn a decent living, and to access the public services they need.

People have put their faith in national and local government, rather than distant European institutions, to deliver an economy that truly works for everyone. The shape of new British approaches to regional funding, migration policy, regulations, agriculture and fisheries once we have left the European Union will be critical to our future resilience.

With University of Birmingham research showing that many regions outside of London are more exposed to the possible negative impacts of Brexit², we want to work in partnership with Government to meet its pledge to deliver an economy

² <https://www.birmingham.ac.uk/schools/business/research/research-projects/economic-impacts-of-brexit-on-the-uk.aspx>

that works for everyone, including everyone in Cornwall and the Isles of Scilly. As such, New Frontiers is not solely focussed on devolution. It sets out a mix of policy, fiscal and sector based propositions that collectively provide the enabling tools and levers for Cornwall and the Isles of Scilly to flourish beyond Brexit.

Our proposition

New Frontiers is not a strategy. It is a proposition to support the delivery of specific elements of our local economic, environmental and social strategies, and to unleash the full potential of Cornwall and the Isles of Scilly to contribute to the national vision and challenges within the Industrial Strategy and 25 year Environment Plan.

New Frontiers is structured around three sections setting out the policy, fiscal and sector levers that are needed to increase our environmental, economic and social resilience, through:

- **post-Brexit frameworks** for regional economic development funding, workforce migration, regulations, agriculture and fisheries that are designed to support all sectors of our economy, our environment and our society, and enable Cornwall and the Isles of Scilly to flourish beyond Brexit.
- **developing our distinctive strengths as a rural Industrial Strategy pilot** in clean growth, space and satellites, creative and digital technologies, as a wave two Local Industrial Strategy pilot capable of trailblazing the vision set out in the 25 year Environment Plan.
- **devolved powers and funding** that enable us to improve health outcomes for the most rapidly aging society in the UK, provide more affordable homes for local people, and secure fiscal freedoms and fair funding to support essential local services.

Each section contains a series of propositions which articulate a strong local 'offer', alongside our 'ask' of national government, to unlock clearly defined 'benefits'. This match between an 'offer' and an 'ask' is at the core of New Frontiers: this is a proposed partnership with Government that has contingent responsibilities on all sides. New Frontiers has the support of all local partners as our collective proposition to Government.

The propositions in New Frontiers demonstrate the breadth, complexity and ambition of partners working together for Cornwall and the Isles of Scilly. Our region is ambitious in high tech, knowledge based sector; home to world class clusters in areas such as creative industries; leading thinking on post-Brexit regulatory frameworks and funding; championing new ideas to unlock housing development; and constantly developing and refining our traditional strengths in top quality agri-food, drink and hospitality.

This willingness to innovate, surprise and redefine is at the core of our offer to Government. The UK cannot afford to stand still in a post Brexit world. Cornwall and the Isles of Scilly is committed to leading the way and demonstrating how

rural regions can thrive beyond Brexit – with the devolved powers, funding and sector deals to deliver both on our local strategic intent, and on national industrial and environmental strategies. Coupled with our commitment to continue to develop and enhance our 'double devolution' programme to town and parish councils and community groups, we will continue to strive to ensure that services are delivered at the most appropriate level, building on the innate capacity and resourcefulness of our communities.

The central theme of New Frontiers is resilience: a series of interlinked propositions which collectively will create the environmental, economic and social resilience for Cornwall and the Isles of Scilly to flourish in the post Brexit world. We look forward to a maturing partnership with Government which provides the tools for Cornwall and the Isles of Scilly to contribute fully to the national economy through sustainable, inclusive growth that delivers the very best outcomes for everyone living in our region.

DRAFT

1. Post Brexit frameworks

Brexit is a catalyst for change, giving fresh impetus to our drive for green and inclusive growth.

- Cornwall and the Isles of Scilly is an economy in transition. Two decades of European support have enabled us to put in place the foundations for growth: two universities, major road upgrades, the UK's fastest growing regional airport, start-up space with streamlined support for local businesses, and digital connections that make Cornwall more technology ready than Greater Manchester. This investment has helped our economy to become more productive, our people to develop higher skills, and our local wages to increase.
- However, the improvements to people's lives have not been fast or far-reaching enough. 44% of households in Cornwall and the Isles of Scilly are "just about managing" with total earnings below £20,000. Exeter University research into why Cornwall voted to leave the European Union identifies deep personal insecurity, with people concerned about their ability to earn a decent living, and to access the public services they need.

People have put their faith in national and local government, rather than distant European institutions, to deliver an economy that truly works for everyone. With University of Birmingham research showing that many regions outside of London are more exposed to the possible negative impacts of Brexit³, we want to work with Government to put in place the post-Brexit frameworks that will enable Cornwall and the Isles of Scilly to flourish. The approach which national Government takes to future funding, skills development, migration policy, regulations, agriculture and fisheries once we have left the European Union will be critical to our future resilience.

Economic Growth to 2030

Context

Cornwall and the Isles of Scilly's economic journey and trajectory are articulated in Vision 2030, our Strategic Economic Plan.⁴ We face a fantastic opportunity to be at the forefront of a new economy, one that prospers in a unique creative, entrepreneurial and productive landscape. The connection of business, people and place is at the heart of our strategy.

Cornwall Council and the Cornwall & Isles of Scilly LEP play a pivotal role in local economic leadership - as well as securing and delivering economic development funding for Cornwall and the Isles of Scilly. Whilst significant progress has been made regarding our relative economic performance, we still lag behind the rest of

³ <https://www.birmingham.ac.uk/schools/business/research/research-projects/economic-impacts-of-brexit-on-the-uk.aspx>

⁴ <https://www.cioslep.com/strategy/vision-2030>

the UK and much of Europe. Historic economic underperformance below the UK average dictates a need to ensure that productivity occupies our future approach as much as possible: we need to become a high productivity/high employment economy. Poor productivity and consequent low wages make it hard for businesses, and the region, to compete nationally and internationally. In 2016, GVA per head equalled 64.8% of UK average, the third year of an increase within the context of a significantly growing population. Add to this our dispersed rural settlement pattern (60% of the population live in settlements of less than 3,000), average annual earnings significantly below the UK average (77.4%) and lower than average number of residents with NVQ4+ and above - the future challenges are clear.

Cornwall Council estimates that two-thirds of our exports go to the EU: maintaining and growing these markets will remain important. Maritime, tourism, agri-food and logistic sectors (for example) will continue to have a strong trading relationship with other European regions. As the same time, a UK outside the EU can enable Cornwall and the Isles of Scilly to expand relevant markets elsewhere in the globe.

While nominal/relative GDP for Cornwall and the Isles of Scilly (in comparison with the EU average has relatively declined since 2003 (market value) the purchasing power per inhabitant has increased, as has the total value of the economy to over £11bn per annum: an annualised growth rate of 1.8%. Here, annual average growth rates for Cornwall and the Isles of Scilly have been impressive because of access to markets. Further devolution and economic innovation exploiting our unique assets can continue to add value.

The challenge for Cornwall and the Isles of Scilly is attracting evolving investment that can sustain this success. Despite progress made to date, it is becoming clear that if the UK had remained in the EU and the EU's Cohesion Policy retains its objective of economic cohesion, Cornwall and the Isles of Scilly would have expected to continue to receive funding as a 'Less Developed Region' in the 2021 to 2028 programme period. The estimated budget for this would have been in the region of c£500m of investment.

We are not strangers to our historic economic challenges and we've committed to focus on our opportunities. There were 33,000 more jobs in Cornwall and Isles of Scilly in 2014 than 2004. In 2014 over 105,000 working age adults held degree level qualifications, 43,000 more than 2004. Cornwall has a dynamic and thriving business community. Most of our businesses are SMEs with nearly 90% of them employing less than 9 staff. That means there is a lot of innovation, creativity and enterprising potential harnessed within our region.

The support that EU programmes and government investments such as RGF, Growth Deal, Coastal Communities etc have given to Cornwall and the Isles of Scilly in the last decades is a firm foundation to build upon and lessons learned can inform a successful UK wide succession programme.

The challenge for Cornwall and the Isles of Scilly is ensuring the continuation of economic growth in the context of the economic uncertainties facing the private sector as a result of Brexit negotiations, global uncertainties and reduced public sector funding at a time when we need to encourage greater business rate income

to replace the ending of block grant from Government. The social benefits of growth must also not be underplayed, and we need to ensure that our natural capital grows with it. We have a cohesive geography, a cohesive narrative and clear leadership. Our opportunity is to make that as inclusive as possible.

Ensuring a continuation of Cornwall and the Isles of Scilly's economic journey through an investment programme that delivers a whole system approach to economic development; increasing productivity and encouraging prosperity through a sustainable and inclusive approach to growth. Vision 2030 establishes a set of economic ambitions against six strategic drivers which provide the catalyst needed to continue our economic journey.

Unlocking Barriers

The Rationale for Change

Current European and UK Government economic growth programmes are siloed into programmes/funds/activity designed to produce outputs (e.g. number of business supported) rather than outcomes (e.g. productivity improvements in the supported business and progression for individuals), and historically it has been difficult to align separate programmes/funds at place or business level (e.g. a linked capital investment and associated skills provision). In order to maximise the collective impact of the support and to reduce delivery costs we believe a different approach is required.

Fund structure, eligibility and overly complex reporting mechanisms do not allow for a whole system or investment by investment approach. In Cornwall and the Isles of Scilly, this has resulted in an often disjointed approach, with projects that have been recognised as highly successful in meeting intended outputs remaining disconnected from the people that live and work in the vicinity, creating a perception that the impact has not reached those who need it most.

The complex process of reporting and audit often stifles innovation and ultimately distorts implementation, resulting in sub optimal, inefficient and ineffective delivery.

In a post-Brexit UK, the availability of economic development investment to act as a long-term economic catalyst is vital in securing the future growth of one of the UK's poorest regions at a time when it is critical to maintain investment and business confidence.

Our Ask

To avoid stalling or reversing our growth trajectory and preserve investment confidence, we are seeking to continue our planned investment programme according to four key principles:

1. A single pot programme from 2031-2030 comparable with other EU Less Developed regions as the most efficient and effective way to achieve an integrated approach to economic development and growth.

2. A multi-annual (10 year) programme design focused on local accountability (within a locally agreed framework) that builds on our current Intermediate Body status as this will ensure that it is better targeted, more easily accessed by local beneficiaries and is owned and recognised by stakeholders and partners.

Robust sanctions to drive good delivery against a structured but simplified audit regime will ensure compliance without overburdening.

3. Measurements of success to be linked to the quality of outcomes achieved in order to ensure a whole system approach to sustainable and inclusive economic growth.
4. Adopt an inclusive growth approach to the delivery of the UK SPF and other UK economic development funding as this will help to rebalance the economy and deliver shared prosperity.

Our Offer

Cornwall and the Isles of Scilly have been involved in the administration of Government, European Structural, rural development and fisheries funds for over 20 years. We are already operating Intermediate Body status for ERDF and ESF, which provides more local discretion over the allocation of structural funds than many other parts of the UK. In addition, via our arm's length economic delivery company (the Cornwall Development Company) Cornwall Council also acts as the "accountable body" for EAFRD and EMFF funds.

Over the last 20 years we have learned lessons on what works well, what does not work well, and how funding can best be managed at programme level and administered at project level to deliver better outcomes for local people and business. Well structured, targeted and locally controlled and informed regional economic development programmes can act as a catalyst for growth, and the transitional arrangements for post-EU funding need to be cognisant of lessons learned and build value onto existing investments.

We will use all the levers available to us to further increase our contribution to UK economic productivity. We aim to reduce the amount of economic development funding we receive from UK PLC over time, eventually becoming a net contributor through increasing the number of high growth and innovative businesses, improving the productivity of our business base, increasing skills levels, encouraging economic inclusion and reducing deprivation.

We will support:

- The strategic delivery of investment according to two clear agendas – Competitive Cornwall and Isles of Scilly and Prosperous Cornwall and Isles of Scilly

- An 'inclusive growth' approach to the delivery of the UK SPF and other economic development programmes as this will help to rebalance the economy and delivery shared prosperity across our region. We now have an opportunity to capitalise on the legacy of previous investments to become a thriving sustainable economy that not only delivers sustainable inclusive growth but that also contributes to the economic position of UK PLC and the reduction of welfare need.
- Private sector involvement in driving and delivering the programme to increase private sector match which will exceed HMG investment by 2030.
- The investment of legacy receipts and repaid loans as match funding to continue delivery of our ambitions for proposed financial instruments.
- Match fund capacity and expertise required to run the programme and act as the accountable body.
- Development of a Cornwall and the Isles of Scilly community development programme by investing in programme delivery and providing a cash flow facility to speed up investment.
- Development of an integrated growth and environmental skills and work hub to drive effective and agile private sector engagement and support.
- Alignment of a Cornwall and the Isles of Scilly investment programme with our local strategies, policies and funding including our Strategic Economic Plan, Environmental Growth Strategy, growth deal, Enterprise Zones, public and private sector match funding and skills, housing investment, employment and inclusion activity.
- Piloting approaches to SPF before launch in 2021/22 as an early test bed for fully integrated, locally delivered mechanisms and systems.

Benefits

Cornwall's 2030 Local Plan ambition is to create at least 38,000 new jobs, 52,500 new homes and 704,000 sqm of employment space. This proposal represents a key piece of the jigsaw in achieving that ambition. Our Vision 2030 and Local Plan targets were set in the context of delivering the current EU programmes unchanged until 2023 and the likelihood of a further EU investment programme (now understood to be likely to be a Less Developed Region programme) until 2030.

Over recent years, our GVA has begun to converge with the rest of the UK and productivity levels and average earnings have also increased. We now have an opportunity to capitalise on the legacy of previous investments to become a thriving self-sustaining economy.

Peripheral, coastal and rural economies such as Cornwall and the Isles of Scilly can make a significant contribution towards the UK economy, through an increased focus on digital connectivity and high value sectors, but the extent to which this is achieved as part of a wider re-balancing of the economy will depend on how future funds are structured around the needs of local people and economies. The Cornwall & Isles of Scilly LEP has just published its "10 Opportunities" document⁵ which is its pre-cursor for a local industrial strategy and

once finalised we would use this document to direct future economic development activity.

Agri-food and Fisheries

Context

In Cornwall and the Isles of Scilly the agri-food and fisheries sector has a turnover in excess of £2 billion annually and is valued at over 6% of our GVA (equivalent figure for England is 3%). The sector employs over 20% of Cornwall and the Isles of Scilly's working age population compared to 15% in Great Britain. The sector also has a significant role to play in the environmental and natural capital value of our region through managing a range of ecosystem goods and services.

In financial terms the various strands of the Common Agricultural Policy (Basic Payment Scheme, Agri-environment Schemes, LEADER, EAFRD Countryside Productivity and the EAFRD Growth Programme) are worth in the region of £100 million per annum to Cornwall and the Isles of Scilly, so the decision to leave the EU and the transition from the current CAP regime to a British Agricultural Policy is of critical importance.

Unlocking Barriers

The Rationale for Change

In a post-Brexit UK, the availability of financial support to act as a long-term economic catalyst is uncertain as details on any future Domestic Agricultural Policy are yet to emerge. However, the likely reduced levels of, or re-focussing of, the current Pillar 1 type CAP payments and Pillar 2 Rural Development Funds deliver a double challenge to the agri-food sector. The impact of these challenges will be felt across the direct supply chain and the wider economy of rural areas.

Finding ways to secure improvements in productivity and the future growth of one of the largest sectors in Cornwall and the Isles of Scilly are crucial to our overall Strategic Economic Plan (Vision 2030). Whilst the agri-food sector has grown considerably since 2000, further work is required to improve competitiveness, build efficiencies, address productivity issues and increase innovation to create growth across the whole of the supply chain.

Similarly, details of a new domestic Fisheries Policy are not yet available. However, it is clear that for the fishing industry, support from the EU Marine and Fisheries Fund has been an important source of investment for fishing vessels of all sizes, as well as in shore-based businesses. It has also been fundamental to the provision of essential port-based infrastructure. Identifying future sources of investment to continue to modernise port facilities and enable businesses to adapt to post-Brexit market opportunities will be an important component of the future success of the fishing industry.

Our Ask

⁵ <https://www.cioslep.com/strategy/10-opportunities>

We are seeking to build on our existing investment programme with future activity designed according to the following key principles:

1. The UK Shared Prosperity Fund (UK SPF) (or successor funding to the EU Rural Development and Fisheries Programmes) should take the form, at local level, of a streamlined single pot investment programme up to 2030 combining economic development funding for rural and coastal areas (including funding that is currently being delivered through programmes such as Countryside Stewardship, LEADER, EAFRD Growth and Countryside Productivity Programme's and EMFF) with other growth, infrastructure and skills funding schemes. Alternatively if the UK SPF is not going to support this activity, DEFRA need to consider a rural development programme as part of their future agricultural policy objectives.
2. Economic development funding for rural and coastal areas should be allocated to 'place level' and form part of the 'single pot' approach suggested above. At the very least, the financial support for the agri-food and fisheries sector should be aligned with UK SPF activity via an Agri-Food and Fisheries Sector Deal for Cornwall and the Isles of Scilly under the auspices of our local Industrial Strategy.
3. Adopt an 'inclusive growth' approach to the delivery of the UK SPF as this will help to rebalance the economy and deliver shared prosperity. We now have an opportunity to capitalise on the legacy of previous investments to become a thriving self-sustaining economy that not only delivers sustainable inclusive growth, but also contributes to the economic position of UK PLC.
4. The current Pillar 1 CAP payment system requires reform, and a transitional phase from the current system (5 years from 2020) will be required to lessen the negative impact on the agricultural sector. The replacement system needs to ensure that the environmental benefits derived from the current regime are not lost and that the income stabilisation role is also maintained in some way.
5. A programme design focused on local accountability (within a national framework) that builds on our current Intermediate Body/accountable body status will ensure that the programme is easy to access by beneficiaries, owned and recognised by stakeholders and partners; and easily accountable to and monitored by Government.
6. Delivery according to measurements of success, that are linked to the quality of outcomes achieved rather than outputs delivered, will ensure that a whole system approach to economic growth can effectively tackle areas of underperformance and optimise the productive capacity of regions.
7. The Cornwall and the Isles of Scilly fishing industry and environmental stakeholders should be involved in any negotiations and policy development affecting access to fisheries resources in the 6-12 nautical mile and the 12-

200 nautical mile zones, and access to quota allocation based on the distribution of stocks within UK waters.

8. The Government should take our high percentage of fish and shellfish catch exports fully into account when designing the UK fisheries policy and negotiating future trade deals.
9. Explore the potential for regional devolution of technical fisheries conservation measures. This could improve sustainability, increase profitability and promote stronger co-management of stocks, through a more responsive and proactive management regime.

Our Offer

The decision to leave the EU provides Cornwall and the Isles of Scilly, and the UK as a whole, the opportunity to create a more joined-up approach to the design and delivery of economic development programmes. As a rural and coastal region, the ability to join up activity supported by the UK SPF with any activity supported by any future Rural Development and Fisheries programmes is vital; as it will help us to develop a competitive and sustainable agri-food and fisheries sector after Brexit that works in harmony with the environment.

This approach will generate improvements by:

- Encouraging profitable, resilient, competitive and dynamic businesses through investing in improvements in their performance and encouraging supply chain efficiencies that will reduce the reliance of these businesses on the funds currently derived from CAP/CFP payments;
- Enabling the agri-food and fisheries sector to become an employer of choice by investing in businesses and individuals to maximise their potential and reduce the reliance of the sector on migrant labour;
- Creating value out of knowledge to facilitate the increased use of RD&I to understand the barriers to growth and identify the knowledge required to address them in the indigenous business base, as well as driving export trade in this globally important sector;
- Utilising the natural environment responsibly as a key economic asset by improving the management and use of natural resources in order to enhance the economic and environmental performance of the supply chain and the economic performance of rural and coastal areas.

Benefits

The agri-food and fisheries sector is one of the largest sectors in Cornwall and the Isles of Scilly. To meet Cornwall's 2030 Local Plan ambition for new jobs and growth, the role of this sector in helping us achieve our ambitions will be of

paramount importance. The Isles of Scilly have equally challenging targets to meet.

Through a greater focus on productivity and fostering a more joined-up and place-based approach to the delivery of future rural development, coastal and fisheries funding programmes, alongside or as part of the UK SPF, this sector can adapt and flourish in the post-Brexit world.

Employment and Skills

Context

To deliver against our economic growth aspirations, Cornwall and the Isles of Scilly needs to ensure that we can create the right environment for our people, businesses and places to build better careers, in an inclusive and prosperous way. Cornwall and the Isles of Scilly has set a clear vision in regard to these aspirations: we will have a 'healthy, skilled and productive workforce with access to rewarding jobs, career progression and opportunities for all' in a 'place where every household both contributes to and benefits from our growing economy'.

Underpinning the delivery of the Cornwall and Isles of Scilly LEP's 2030 vision will be a strong 'local' strategic and leadership approach. The Employment and Skills Board, supported by a dedicated People and Prosperity Team, will embrace this responsibility to successfully deliver and co-ordinate our Employment and Skills Strategy. This approach will be key to ensuring that we are providing the right levels of skills and employment opportunities to meet the needs of our people and business communities now and into the future and that this is delivered in an inclusive way.

Unlocking Barriers

The Rationale for Change

Our economy is growing, companies are flourishing, and we are developing new systems and technologies that have the potential to change the way we work, live and do business. To match this step change, Cornwall and the Isles of Scilly will need to identify, design and deliver a range of engaging education, training and employment opportunities which allow all people in the area to positively contribute to and benefit from this transformation; whilst making these opportunities both attractive and viable to local education providers and businesses.

Cornwall and the Isles of Scilly has been selected by the Department of Education (DfE) to help frame the Skills Advisory Panel Framework and analytical methodology; this will allow the Employment and Skills Board to fully understand skills demand and supply, the local employment and skills landscape and barriers and blockages in the local market.

Cornwall and the Isles of Scilly want to work with the DfE to increase capability and capacity, across our leadership and business community, and translate an

approach into a comprehensive and inclusive 'local' skills delivery programme. This will allow Cornwall and the Isles of Scilly to provide mainstream and bespoke skills opportunities which meet the aspirations of young people, people furthest away from the labour market, training providers and exiting and developing sectors and business.

Our ask

To continue to deliver our growth and investment trajectory, we are seeking Government support and flexibility to provide skills and employment opportunities, which will truly enable our people and economy to thrive:

1. The Cornwall and the Isles of Scilly Employment and Skills Board, using the robust approach and evidence base which will be generated by the work of the Skills Advisory Panel (SAP) seek:
 - a. Training and capacity building to locally manage and update the evidence base generated by the SAP
 - b. Local use of the SAP evidence base to influence and programme skills opportunities that plug local skills gaps in priority sectors and generic cross sector skills e.g. determining local T-Levels and apprenticeships outside of the national framework
 - c. Through a delegated fund, based on SAP analysis, a pump priming opportunity to enable skills providers to procure training assets and design courses that deliver priority and cross cutting sector skills that are not funded by mainstream funding streams
2. The Cornwall & Isles of Scilly LEP is supportive of a South West bid to deliver an Institute of Technology. This bid is based on a lead provider in the South West, utilising a number of anchor sites (providers) and delivery partners. A successful bid would allow Cornwall and the Isles of Scilly to have fuller access to a range of sites and providers across the South West to provide skills opportunities which underpin a number of sectors outlined in the Cornwall & Isles of Scilly LEP's '10 Opportunities' campaign and links with national and local Industrial Strategy developments.
3. £450k from the Work and Health Unit Innovation Fund to deliver business engagement tools, a communications and social media campaign and support to business. The project will provide the opportunity to link businesses with people who are furthest from the labour market. The main objective is to build on our work to date, including innovative delivery under our Future Peninsula investments from European Social Funding (ESF), to inform and develop innovative approaches to business engagement, especially hard to reach SMEs, and to change behaviours and build confidence. Our aim is to test and trial how established and new networks, led by business, could effectively create a market to recruit and retain disabled people and people with long term conditions.

4. A strategic programme development approach to the delivery of remaining ESF. This would allow added value to the delivery of the Cornwall and Isles of Scilly programme as the only Less Developed Region in England; addressing local priorities, allowing for greater innovation and creativity and with stronger strategic influence over activity. Cornwall and the Isles of Scilly seeks lead provider status to deliver this programme approach.
5. Following an identification of a gap not eligible for ESF support, Cornwall and the Isles of Scilly seeks the opportunity to pilot the early use of UK growth programme funding of £2m (ESF/UK SPF type activity) for early year's education. The identification at an earlier age, of children who may become NEET in later years, is crucial to developing programmes and interventions which engage children throughout their education and make a successful transition from compulsory education to further education or to the workplace. The funding will be strongly aligned to our successful approach to the troubled families agenda and the positive outcomes already being delivered.

Our offer

Cornwall and the Isles of Scilly are already operating intermediate body status for ERDF and ESF, which provides more local discretion over the allocation of funds than most other parts of the UK; this provides a fantastic foundation to provide an additional programme approach for both the skills agenda and ESF going forward, on top of activities currently commissioned to deliver education and skills work. To support our programme and commissioning approach we will:

1. Become the lead provider, working in collaboration with partner providers, to deliver our strategic programme approach and secure the 20% match funding required
2. Maintain and extend the Cornwall & Isles of Scilly LEP and Cornwall Council funding for the our dedicated People and Prosperity Team
3. Continue to Match Fund the Enterprise Co-ordinator Network
4. Continue to fund our Careers Offer through a Service Level Agreement with Education and Early Years
5. Create and maintain a skills analyst network, reporting findings and skills proposals for decision to the Employment and Skills Board; ensuring that we are linking skills and training to our sector approach
6. We will source match funding opportunities for ESF, strongly aligned to the delivery of the Employment and Skills Strategy

We will provide support to the consortium of organisations to deliver a South West Institute of Technology and align our emerging Investment Programme to support the provision of activity in Cornwall where this is appropriate. We will host and deliver the Innovation Fund Project, embedding the project and staff within the People and Prosperity Team.

Benefits

1. The benefits of a strategic programme development approach include:
 - securing better value for money
 - ensuring that ESF adds more value to the delivery of local programmes,
 - delivering and addressing local priorities,
 - allowing for greater innovation and creativity,
 - stronger strategic influence and integration over activity as the specification would delivery cross cutting activities and reduce duplication across programmes with positive alignment as already agreed by the Cornwall and Isles of Scilly Integrated Territorial Investment – agreed as part of the Cornwall Deal.
 - promotes greater coherence,
 - co-ordination and targeting of provision
2. Reduction in the number of NEETS
3. Fewer people in receipt of Employment Support Allowance
4. More people retained or entering the labour market with a long term health issue or disability
5. Increased local job creation and progression
6. Increase in higher level skills and apprenticeships

Migration and Inclusive Workforce Growth

Context

Limits to the numbers of European Economic Area (EEA) nationals allowed to work and study in Cornwall and the Isles of Scilly are seen by businesses and public service bodies as one of the greatest risks of Brexit for Cornwall and the Isles of Scilly's society and economy, particularly for key sectors such as tourism, agriculture, horticulture, higher education, health, care services and construction.

A post-Brexit UK immigration policy that works for Cornwall and the Isles of Scilly will help us to attract talented overseas students and overseas workers with the skills that our economy needs, accommodating both permanent and seasonal working patterns.

Cornwall currently has around a 3% unemployment rate, while at the same time has a higher than the UK average number of those economically inactive with long term health issues who would like to work. Cornwall and the Isles of Scilly will help to create flexible responsive workplaces to enable more people to work, working with employers to address their needs while gaining the health and wellbeing benefits for those in 'good' work, and establishing Inclusive Growth.

Unlocking Barriers

The Rationale for Change

The free movement of people between the UK and the EU is scheduled to end in March 2019. It is essential that the impacts of ending free-movement of labour are understood from the varying and specific needs and perspectives of the devolved nations and English regions, including more rural regions such as Cornwall and the Isles of Scilly.

Localis has identified Cornwall as one of the areas of England that will be left most exposed by a post-Brexit labour shortage.⁶ Research recently commissioned by Cornwall Council and the Cornwall & Isles of Scilly LEP on the economic and social impacts of EEA workers on Cornwall and the Isles of Scilly ⁷ not only supported our Catalyst for Change findings on key sectors that will be significantly affected by restrictions on future migration from the EU to the UK, but also highlighted that rural and peripheral areas of the UK are likely to find it challenging to attract migrant workers after Brexit if they are required to compete against urban areas for a restricted number of migrant workers allowed to enter the UK.

Early research has shown that employer anxiety over the employment of older and disabled workers prevents many from gaining the opportunity to contribute to the economy. Employers are missing out on a wide skills and knowledge pool. A lack of flexibility and understanding is often a barrier to committed workers being given the chance to remain in work or to gain access meaningful work, if they develop long term conditions. Employers' concerns reflect a lack of awareness of new ways of working, an understanding of the legislation and knowledge of the support services available to them.

Our ask

To be directly involved in ongoing Government discussions regarding the design and delivery of post-Brexit UK immigration policy. Regional variation in migrant workforce requirements and skill levels cannot be fully accommodated under a single, centralised policy. To see investment in 'good' work, to maximise productivity and the health and wellbeing of the Cornish workforce. To invest in innovative, responsive support models that address both employer and employee needs to employment.

Our Offer

Cornwall and the Isles of Scilly is building an emerging evidence base on the potential impacts of future UK immigration policy on peripheral, rural and coastal areas. We are developing a greater understanding of which sectors in these areas are likely to be the hardest and most immediately affected by restrictions on future migration from the EU to the UK. The involvement of Cornwall and the Isles of Scilly in the design of post-Brexit UK immigration policy would help the Government to ensure that the implementation of the policy will work for all parts of the UK.

Cornwall is working with the Department for Work and Pensions as a location for piloting new approaches to support employers take on older and disabled workers

⁶ http://www.localis.org.uk/wp-content/uploads/2017/11/012_Localis_InPlaceofWork_AWK_WEB.pdf (p11)

⁷ <http://www.cornwall.gov.uk/media/29104898/economic-and-social-impacts-of-eea-area-workers-on-cornwall-and-the-isles-of-scilly-2017-final.pdf>

and those with long term chronic health conditions. Cornwall will offer expertise and a 'test-bed' to create evidence based solutions to increase access to work for those currently struggling to (re-)enter the workplace and help retain those in work, while also improving productivity and workforce retention.

Benefits

A UK immigration policy that is sufficiently flexible to cater for the specific workforce requirements of all parts of the UK would enable Cornwall and the Isles of Scilly to continue to re-balance and grow its economy. The Government must recognise the distinct, sector-specific needs of Cornwall and the Isles of Scilly and other regions within the UK that cannot be met through a UK-wide approach.

Improving access to work for older workers and those with disabilities or health conditions is a major challenge for all economies as we see workforces age, and individuals seek to work for longer. Employers are struggling to recruit and yet are uncertain how to engage with this talent pool. By breaking down these barriers, companies can recruit and grow, more people gain the health and wellbeing benefits good work can provide and there is less demand on the NHS and benefits resources. Solutions developed in Cornwall and the Isles of Scilly can be applied throughout the UK and beyond.

Regulations (post-Brexit)

Context

Cornwall Council provides expert business support capability and capacity as a unitary authority with a high level of contacts with local businesses, including over 4000 food inspections a year. We have already developed a successful Business Regulatory Support Hub with the support of the Cornwall & Isles of Scilly LEP, are a champion of "Better Business for All" (BBfA) and lead in developing business support packages to help businesses save time and money.

The proposals in this chapter apply to Cornwall only and do not cover the Isles of Scilly.

Unlocking barriers

The Rationale for Change

Regulation should be simple. The over-layering of regulatory responsibilities between agencies is unnecessarily complex, inefficient, and is not suitable for enabling businesses to achieve regulatory compliance quickly. This costs businesses both time and money. Brexit is an opportunity to review, simplify and roll back responsibility to a local level.

For example "approved premises" that present higher food safety risks are mostly inspected by Cornwall Council's environmental health officers, yet meat cutting and game handling plants in Cornwall are inspected by the Food Standards Agency

(FSA). Similarly businesses seeking to export food may require permission to do so from different agencies depending upon the type of food product.

Businesses that comply with regulations should have regulatory burdens eased. Additional flexibilities would be required to enable Cornwall Council's officers to grant local food businesses "earned recognition" when there is assurance of compliance. Currently local flexibility is restricted by a national, "hard-wired" risk assessment scheme.

Community protection can be enhanced and resources applied more efficiently through the greater empowerment of town and parish councils and through greater availability of more cost-effective sanctions for breaches (eg fixed penalty notices).

Our Ask

Regulatory powers and derogations over areas such as Animal Health, Environmental Health, Licensing, Port Health and Trading Standards should, as the default principle, be devolved to Cornwall Council.

Specific empowerment is sought to:

- Enable local flexibility over the FSA's Codes of Practice to tailor intervention strategies for businesses, including by basing earned recognition on local accreditation schemes.
- Issue certificates to permit the export of all food products. Currently different agencies permit the export of different products.
- Redraw local enforcing responsibilities for health and safety with HSE to ensure the best use of collective resources to provide support to Cornwall's businesses.
- Simplify regulation in farming (currently divided between numerous agencies) through the consolidation of statutory powers to the Council where possible.
- Devolve the power to make Public Space Protection Orders to appropriate local town and parish councils.
- Issue a single, "life time" licence to businesses for all licensable activities with local fee-setting powers and a single public record.

In short Cornwall Council is asking for "a seat at the table" as discussions about future regulation unfold.

Our Offer

Cornwall Council's close relationship with the Cornwall & Isles of Scilly LEP, status as a champion of BBfA and leading role in developing business support innovation demonstrate that we are capable and ready to take on wider regulatory responsibilities.

The simplification of regulatory arrangements and the appointment of Cornwall Council as a local single point of contact for managing more regulatory arrangements would improve compliance, improve business competitiveness and potentially allow Cornwall Council to make changes to some regulations in order to boost local economic growth and enhance Cornwall's contribution to UK PLC. Cornwall Council offers assistance in piloting and evaluating proposed regulatory changes i.e. to act as a "test bed" to aid future central government policy decisions.

Benefits

Businesses will benefit from a local, more joined-up regulatory framework, which will simplify regulations and save time and money. Improved business competitiveness and economic growth in Cornwall have the potential to attract more businesses to operate in Cornwall and create jobs. Communities in Cornwall will benefit from the devolution of regulatory powers/sanctions to Cornwall Council with the further devolvement of community protection powers to town and parish councils delivering whole system efficiencies. Cost-effective sanctions will also reduce burdens on the courts system. The Cabinet Office estimate potential average savings of 10% to regulators' costs from earned recognition/regulated self-assurance.

2. Developing our distinctive strengths as a rural Industrial Strategy pilot

Cornwall and the Isles of Scilly is the perfect living laboratory to trial innovative responses to the five foundations of productivity and four grand challenges identified in the Government's Industrial Strategy. We want to **work with Government as a second wave Local Industrial Strategy pilot**, demonstrating the contribution rural areas can make to national prosperity

The key Industrial Strategy themes correspond well with our growth strategies (set out in Vision 2030, 10 Opportunities and our Environmental Growth Strategy) and our current and emerging **sector deals around artificial intelligence, creative industries, space and industrial digitisation**.

Cornwall and the Isles of Scilly has a strong track record of collaboration through cross-sector partnerships where business, academia, civil society and government work together across conventional barriers. Research, Development and Innovation in Cornwall and the Isles of Scilly is starting to transform business models across many sectors, and this targeted support alongside the development of our natural capital presents huge opportunity to engage in future global developments around the Grand Challenge themes.

The Cornwall & Isles of Scilly Local Enterprise Partnership is leading the development of relevant economic clusters and delivering strongly against our existing devolution deal in an area where business start-up and scale up is critical to regional prosperity. Our propositions in the previous section for post-Brexit frameworks, including a devolved single programme replacing European funding, are key to our economic, social and environmental resilience. The propositions in this section for developing our unique and distinctive strengths as a rural Local Industrial Strategy pilot will unleash the real potential of Cornwall and the Isles of Scilly to:

- **Shape the future of mobility**, offering potential for a secure supply of the lithium required for batteries in electric cars following the ban on new petrol and diesel cars from 2040, through a comprehensive public research and development programme alongside commercial extraction of Cornwall's lithium resource. This is strategically significant at a UK level against a backdrop of increasing demand tripling the spot price of lithium in the last twelve months. Our proposed Space Science Hub will also contribute to the future of mobility, integrating space and terrestrial communications technologies to deliver 'downstream' applications. See 'Spaceport' pages 22-24; 'Clean Growth and Environmental Management' pages 30-35.
- **Grow the artificial intelligence and data driven economy** by developing the first Spaceport in Europe to take advantage of our unique location and satellite connections; turbo-charging one of the UK's fastest growing tech clusters with a pioneering Fibre Park in the centre of Cornwall; piloting rural deployment of 5G connectivity and 100% broadband coverage to end the 'not spots' in our remote and rural communities; and developing

Cornwall as a priority area for the screen industries, alongside a range of projects capitalising on the strength of our creative industries. See 'Spaceport' pages 22-24 and 'Creative Industries and Digital Technologies' pages 24-30.

- **Create an innovation testbed in health and care for an ageing society**, building on our £8 million investment in e-health to pilot an innovative technology enabled model of care capable of evaluation and roll-out to other rural communities - using robotics, aids and adaptations, predictive analysis and a unique system-wide Intelligence System to provide real time situational analytics and digital testing of future service configuration options. See 'Health and Social Care' pages 48-53.

We are also a region that is proud of our **commitment to Green Growth**: we are renowned for our renewable energy generation and development of new technologies; we are piloting the first local energy market project in the UK, we are pioneering with the Smart Energy Island programme, and have committed over £100m through our European funding programme to low carbon projects. We can capitalise on this through:

- **Driving clean growth and environmental management**, building on our distinctive strengths in marine and renewable energy through the creation of an Energy Innovation Zone trialling practical technical, policy and regulatory solutions to transform rural energy systems - complemented by an Energy Futures Observatory building on our world renowned academic research base and existing £30 million investment in exploring future energy markets, alongside developing the STEM skilled workforce those future markets require. See 'Clean Growth and Environmental Management', pages 30-35.

Cornwall and the Isles of Scilly also provides the ideal location for the Government's ambition set out in the Industrial Strategy to relocate more public bodies outside London; this will form another key element of our region reaching its economic potential and also contribute towards the re-balancing of the UK economy.

Spaceport

Context

Spaceport Cornwall offers a globally unique horizontal launch site, where human spaceflight, launch and scheduled passenger services are fully integrated. It will allow Cornwall and the UK to become a leader in Europe for the development of launch and rapid human transport technologies.

Unlocking barriers

The Rationale for change

The Government aims to establish space launch capability at a UK Spaceport by 2020, to maximise the commercial opportunity from growth in spaceflight and satellite technologies. Cornwall and the Isles of Scilly offers the only site in England with potential for horizontal launch, and has all the ingredients for an influential new satellite technology-based space cluster, including:

- our Aerohub Enterprise Zone at Cornwall Airport Newquay and Goonhilly Earth Station;
- our Aerospace and Space Cluster Programme funding £3.19 million research, development and innovation in the sector and its upstream and downstream supply chains;
- the South West Centre of Excellence in Satellite Applications supporting space-focused research and business opportunities;
- incubation and acceleration support for start-ups to exploit space technology provided by SpaceTech SW;
- a strong Local Enterprise Partnership placing space at the heart of our strategies for growth with active collaboration from higher and further education, business and public sector partners.

Spaceport Cornwall operations will involve launch of satellites from a commercial aircraft that will carry a launch rocket, space human flight experiences and scientific tasks. These aircraft could, for example, launch a satellite with 'payload' to monitor crops or control driverless cars, or a system that carries low gravity scientific experiments, or transports humans into space. More broadly, Spaceport Cornwall offers opportunities to develop a new supply chain around launch, attract inward investment and promote trade, create more highly-skilled employment opportunities, inspire children and young people in Cornwall to pursue STEM subjects and attract international researchers.

Alongside Spaceport Cornwall, the Space Science Hub Cornwall proposed by the South West Centre of Excellence in Space Applications with lead partner University of Exeter will build on our considerable assets and investments to unlock the full space potential of our peninsula. Space Science Hub Cornwall will provide specialist infrastructure, resources and services, expert science and technology support for incubation and innovation, supporting space-centric commercial ventures from scientific research and early stage technology.

Our Ask

We are asking the UK Government to approve Spaceport Cornwall's bid, provide the airspace to operate systems, facilitate operational licence, and make UK Space Agency funding available to develop first stage infrastructure with our commercial launch partner.

We are also seeking support for the South West Centre of Excellence in Space Applications proposal to establish a Space Science Hub Cornwall to unlock the full

space potential of our peninsula, and cement the UK's competitive edge in this area building on Exeter's world-leading research.

Our Offer

Spaceport Cornwall has the potential to transform our local and national economy by creating a high-value space cluster in support of the Industrial Strategy, National Space Policy, and the UK Space Growth Action Plan ambition to capture 10% of the £400 billion global space-enabled market by 2030.

Space Science Hub Cornwall will bring together academics specialising in data analytics, data ethics, materials science, medicine, rare-earth materials, engineering, sports science, computer science, programming, mathematics, biology, astrobiology and robotic. It will use Exeter's world-leading research in extreme environments and alternative energy sources to leverage additional research backing and cement the UK's leadership in all these areas, as well as generating scientific research, innovation and early stage technology to support space-centric commercial ventures.

Benefits

The commercial spaceflight market could be worth £25bn over the next 20 years. Cornwall Spaceport has the potential to cumulatively realise over £290 million additional economic activity in Cornwall and 500 new jobs nationally in suborbital human spaceflight, satellite launch, regional tourism and microgravity research by 2028.

Space Science Hub Cornwall's market-led, cross-sector approach will generate and incubate innovative research ideas with the commercial support mechanisms for companies of all sizes to build business and generate growth around these ideas in the future. It will enhance and accelerate the growth of the local space-economy, maximising our contribution to the targeted £40 billion UK global market-share.

Creative Industries and Digital Technologies

Context

Our proposition will see Cornwall and the Isles of Scilly become an internationally renowned digital and creative-tech cluster, spearheading the fourth Industrial Revolution just as we led the first.

Cornwall and the Isles of Scilly has a long tradition of cultural expression, with the arts and our rich cultural heritage underpinning the creative and visitor economy. Now propelled by digital connectivity and content we also have a high-growth creative sector which has seen the number of creative firms in the region increase by 26% from 2011 to 2015. By 2025 the creative industries will be worth £128bn.

Cornwall and the Isles of Scilly is uniquely placed to grow the artificial intelligence and data driven economy in support of the Industrial Strategy. More technology

ready than Greater Manchester⁸ and one of the best digitally-connected rural areas in Europe, we have secured further investment of £17.6 million to deliver ultrafast broadband to homes and businesses in the next phase of our highly successful £160m Superfast Cornwall programme. Our space and satellite connections are amongst the best in Europe, with £8m investment further enhance Goonhilly Earth Station. We are home to world-leading research activity, one of the fastest-growing digital and technology clusters, and we are delivering significant investment in projects trialling innovative application of technology such as our Smart Islands project showcased in the Industrial Strategy.

Our proposals will capture and accelerate this growth for the poorest part of the UK and increase the UK's market share in the sector, with support for the creation of:

- a **pilot for rural deployment 5G technology and 100% coverage of superfast broadband**, building on our existing capabilities as one of the best digitally enabled rural areas in Europe to maintain our competitive advantage, underpin our target growth sectors like the creative industries, and overcome the challenges caused by our peripheral geography removing the remaining 'not spots' for growth in our more remote and rural areas
- a **'Harbour' for the screen industries**, hothousing top talent from Falmouth University's growing School of Film and TV, providing business incubation space and industry standard post production, visual effects, studio and workspace for over 1200 new jobs. This will support a programme of work (BBC Kernow) in partnership with the BBC and creative industries in Cornwall to produce Cornish TV, film and radio programmes and develop a platform for them to reach a wider audience.
- a **'Creative Industries Enterprise Zone'**, developing Cornwall as a priority area for the screen industries by locating key national assets in the region, including a British Film Institute Centre of Excellence.
- an Arts and Humanities **Creative Industries Cluster Programme** to drive product development, new IP and accelerate growth in the creative industries.
- a **Cornwall Innovation and Research Park (CIRP)** where entrepreneurs, students, investors and researchers work together to solve problems, gain knowledge, innovate and commercialise, supporting the creation of 600 jobs.
- an augmented and virtual reality lab, **'Immersive Cornwall'** creating a unique Mixed Reality (MR)⁹ resource, providing businesses with access to

⁸ [European Regional Competitiveness Index](#)

⁹ Mixed Reality is the merging of real and virtual world to produce new environments and visualisations where physical and digital objects coexist and interact in real time

technology, RD&I expertise and investment to generate new digital content for an emerging, high-value Smart Specialisation marketplace.

- a pioneering '**Fibre Park**' located in the centre of Cornwall with access to hyperfast connectivity at 100Gbps speeds. The Fibre Park will be a game changer for the tech industry, combining tech innovation, next generation connectivity and grow-on space to create a digital market place; the integration of educational facilities within an industry led complex; and serve as a well-being hub, linked with other global food tech hubs.

Unlocking barriers

The Rationale for Change

The first phase of our award-winning Superfast Cornwall programme is adding an estimated £275 million to our economy every year and has helped to create around 3,300 start-up businesses.¹⁰ Further digital infrastructure investment is now essential to maintain this competitive advantage, enable access to global markets and the ability to produce and distribute world class digital content, and remove the remaining 'not spots' for growth in our remote and rural communities.

Cornwall and the Isles of Scilly supports a density of creative businesses normally found in cities and hosts the UK's third-fastest growing tech sector cluster (Truro-Redruth) with 153% turnover growth recorded in 2017¹¹. This cluster currently provides 1,380 digital jobs, £39m digital GVA and 79% tech sector growth potential. 'The Geography of Creativity in the UK' report confirmed Cornwall is a nationally significant creative cluster.¹²

New creative and tech companies from Falmouth University's flagship 'Launchpad project' are working with market leaders such as Amazon and Sony to grow our own high value jobs and will create 65 new companies and 526 jobs over the next five years. Local investments are producing growth and multiple success stories. The distinctive offer that embracing our heritage offers to our future prospects is illustrated by the award winning 'Man Engine', which had a global reach of 112 million people across 104 countries and an economic impact of £2.9 million.

Tate St Ives recently opened its doors to world class arts provision and this will be followed by a £20m investment in the Hall for Cornwall, which will have an economic impact of £62m.

The University of Exeter's new Institute for Data Science and Artificial Intelligence creates a platform for collaboration between the university and industry, and

¹⁰ [Business Cornwall](#), 22/08/17

¹¹ [TechNation 2017](#)

¹² Nesta, [The Geography of Creativity in the UK](#)

introduces the UK's first Degree Apprenticeship in Digital and Technology Solutions.

We have other ambitious projects in the pipeline to capitalise further on the strengths of our creative and digital industries, and we request the support of the Government to unlock the full potential of these projects.

Our Ask

In order to deliver and accelerate our vision and project pipeline, we seek Government support and flexibility in a number of areas, including:

- **Enhancing our Digital and Creative-tech Innovation Hub by de-risking** the necessary investment to build 'large data' digital capability alongside the associated physical, Innovation and research assets within Cornwall and the Isles of Scilly.
- Supporting the establishment of a **HE-based Data Hub and collaborative workspace** for product and service co-creation developing synergies between enterprises, research and development and HE. This will develop a capability in Cornwall that will enable it to engage in future Industrial Strategy challenges building on our universities' expertise in enabling technologies relevant to the creative sector and the 'creative bridge' into other high growth sectors. This will stimulate demand by developing/showcasing new data applications designed at the hub so that businesses can become new technology adopters.
- **Facilitating investment in our pioneering 'Fibre Park'**, which will combine education, tech innovation, next generation connectivity and grow-on space to create a digital market place, enabling businesses across Cornwall to meet and collaborate on future technological opportunities. It will also serve as a well-being hub, creating links with global food tech hubs.
- **Becoming a pathfinder region to pilot rural deployment of 5G technology and 100% coverage of superfast broadband.** Utilising and building on our existing capabilities and reputation as a leading rural region in terms of connectivity and digital sector growth is a key enabler to overcoming the challenges caused by our peripheral geography and underpinning our target growth sectors like the creative industries. We also want to explore the potential to require developers to install superfast broadband so that new developments enjoy the same connectivity as our existing homes and premises.
- **Creating a Global Creative Industries Observatory in Cornwall** to 'cement the UK's position as the leading international authority on Creative Industries strategy and policy for, and measurement of, this sector' as

recommended in the Bazalgette Report. We are a test-bed for Creative Industries policy and investment.

- **Developing Cornwall as a priority area for the screen industries** by locating key national assets in the region, including a British Film Institute Centre of Excellence, and establishing an enhanced Creative Industries Enterprise Zone pilot in line with the Creative Industries Federation's response to the Industrial Strategy.
- **Shaping emerging Financial Instruments and Business Support** mechanisms to accelerate digital and creative industries, removing the barriers to finance which are a brake on growth for IP led businesses.
- **Facilitating investment and support from Innovate UK** in our interdisciplinary 'Immersive Cornwall' Lab and other programmes of related innovation led research.
- **Promoting creative careers and a talent pipeline** to diversify recruitment and support a trail programme, which enables a wider range of creative subjects (STEAM) to be taught and provides better careers advice which aligns with the regional focus on the Creative Industries.

Our Offer

Our projects will accelerate growth, capture market share, increase productivity, boost skills and create jobs in Cornwall and the Isles of Scilly, delivering a 'global presence' in the post-Brexit environment. This will make a significant contribution to the delivery of the Industrial Strategy and the vision of shared prosperity throughout the UK.

Building on the supporting measures we seek, our offer would include:

- **A Data Hub**, providing data platforms supporting data gathering, analytics connectivity, simulation, visualisation and interpretation to create a data network aligned to meeting Cornwall and the Isles of Scilly ' strategic priorities through investment on research facilities, technology transfer and people to support business supply chains in data intensive enabling technologies.
- **An Augmented and Virtual Reality 'Lab'**. Our 'Immersive Cornwall' project will create a unique Mixed Reality (MR)¹³ resource, providing businesses with access to technology, RD&I expertise and investment to generate new digital content for distribution in an emerging, high-value Smart Specialisation marketplace.

¹³ Mixed Reality is the merging of real and virtual world to produce new environments and visualisations where physical and digital objects coexist and interact in real time

- **Targeted growth in the Screen Industries** (Film/TV/Games/Visual Effects) by creating a 'Harbour' for the industry in Cornwall, building on the success of local companies and the growth of the Falmouth University School of Film and TV (SOFT). 'Harbour' will hothouse top SOFT talent, provide business incubation space and industry standard post production, visual effects, studio and workspace, enabling a high value cluster to develop which will fill a strategic gap in the UK economy.
- **Deliver an Arts and Humanities Creative Industries Cluster Programme.** This will support the creative industries' vital role in the growth of the nation's economy and enable micro businesses, SME's and larger enterprises to partner with academic researchers to develop new products, services and experiences.
- **Fibre Park:** The proposed site in Pool, near Redruth, will enable space for over 1200 new jobs, plus safeguarding 300 existing jobs. With average salaries in the tech/software development industries around double the local average, the Fibre Park will generate HMRC annual taxation revenue at a density of £1622/sqm or approximately £18m per year to HM Treasury. The impact on the local economy of such jobs will be similarly much higher than average levels and provide a very positive direct social influence on the Camborne, Pool and Redruth areas.
- **Further digital infrastructure investment** to maintain Cornwall and the Isles of Scilly and the UK's competitive advantage, enable access to global markets and the ability to produce and distribute world class digital content.

Benefits

Cornwall and Isles of Scilly is *the* place where creative industries and digital technologies cluster together to drive growth and jobs in a rural context. The Bazalgette review revealed that by 2025 the Creative Industries will be worth £128bn and generate one million new jobs by 2030. Our proposals will capture and accelerate this growth for the poorest part of the UK. Cornwall and Isles of Scilly will become an international renowned creative cluster, contributing significantly to the UK's market growth in the sector, focussing on exports to existing and emerging markets;

- Our 'Harbour' project and associated Creative Enterprise Zone will have an economic impact of circa £80m and create over 200 jobs
- Our Immersive Cornwall project will allow our businesses to access a market that the Digital Catapult predicts will be worth £1.2bn in the UK alone by

2020; PWC estimate annual growth of 76% over the next 5¹⁴ years, with over 257m MR headsets in use global values could reach \$166bn by 2021¹⁵.

- Our plans for a Cornwall Innovation and Research Park will create capacity for world class Research and Innovation. We will create a 10,000m² environment where entrepreneurs, students, investors and researchers work together to solve problems, gain knowledge, innovate and commercialise. Concepts will turn into products, services and experiences. Collectively, we will access global markets, with the economic benefit felt in Cornwall and the UK, including the creation of 600 jobs.
- The Fibre Park will be located in the centre of Cornwall and have access to hyperfast connectivity at 100Gbps speeds. The Fibre Park will be a game changer for the tech industry, providing for the integration of educational facilities within the industry-led complex to enable business-led FE courses, HE degrees and advanced apprenticeships to be pioneered through co-location and a collaborative approach with local educational institutions.

Clean growth and environmental management

Context

Cornwall and the Isles of Scilly is defined by its unique and beautiful natural environment. It gives this place a positive brand identity that would be worth millions on a company balance sheet. Throughout history it has also shaped our economy, as resourceful people create their livelihoods from the rich natural resources of our living land and sea.

The economic opportunities offered by our natural environment are no less distinctive today than during the first Industrial Revolution. Cornwall and the Isles of Scilly is the ideal location for global space and satellite connections, with a wealth of natural resources capable of powering the future through clean green growth.

Our environment, economy and society are inextricably connected within our local eco-system, and we have a strong record of collaborative partnership working to protect and enhance our natural resources. Our Local Nature Partnership is delivering a clear shared vision set out in our Environmental Growth Strategy. Protection is not enough: we need environmental growth to leave Cornwall and the Isles of Scilly in a better state for future generations and to realise the distinct economic opportunities of our unique geography. Under our proposition for post-Brexit frameworks we offer to work with Government to shape British regulations, agriculture and fisheries policies that protect and enhance our environment.

¹⁴ www.pwc.co.uk/outlook

¹⁵ IDC, Goldman Sachs, 2016

Cornwall and the Isles of Scilly is leading the way in green energy and low carbon, as set out in the Cornwall & Isles of Scilly Local Enterprise Partnership's 10 Opportunities document. Our peninsula is energy rich, with strong established and emerging renewable energy sectors including solar, wind and geothermal. We are home to an internationally renowned research base in clean energy, circular economy, ecosystems, health and wellbeing. Cornwall and the Isles of Scilly is ideally placed to pilot innovative new approaches to the grand challenge of clean growth identified in the Industrial Strategy and our proposition would see the creation of:

- a. a Cornwall and Isles of Scilly **Energy Innovation Zone**, working collaboratively with the West Midlands Combined Authority to trial key technology and social innovations with partners from across the energy industry - using Cornwall and the Isles of Scilly as a living laboratory to identify practical policy and regulatory solutions to transforming energy systems in a rural environment.
- b. complemented by an **Energy Futures Observatory** at Exeter University's Penryn campus, leading a funded programme of clean energy research building on our existing £30 million investment in exploring future energy markets and world renowned research, and developing the STEM skilled workforce those future markets require
- c. a **secure supply of the lithium required for batteries in electric cars** following the ban on new petrol and diesel cars from 2040, supporting the Industrial Strategy focus on future mobility, through a comprehensive public research and development programme alongside commercial extraction of Cornwall's lithium resource – which is strategically significant at a UK level as we have seen increasing demand triple the spot price of lithium in twelve months.

Each of these propositions is set out in more detail below:

A: Energy Innovation Zone

Unlocking barriers

The Rationale for Change

Energy generation, demand and control systems are fundamentally changing, driven by the digitisation of the electricity system, falling costs for renewable energy and storage, and a desire from companies and individuals to do things differently.

These changes provide opportunities for a more customer focused, energy efficient, cheaper system. They also create new challenges for the industry, policy makers and the regulator, and the wider institutions developed around our current top-down centralised energy system.

The best solutions reflect local circumstances and existing local infrastructure. Future energy systems will need to be far more decentralised and take a whole systems approach. Regional and local energy solutions - both for how the physical infrastructure is used and developed, and also the wider governance for the range of actors involved in energy system change - are of increasing importance.

Our ask: Cornwall and the Isles of Scilly propose to create a rural Energy Innovation Zone, a living laboratory to pilot new regulatory and policy approaches across heat, transport and power, working collaboratively with the West Midlands Combined Authority. The Energy Innovation Zone would drive bottom-up system optimisation and trial innovative new approaches, including policy and regulatory change. It would provide an enabling environment for partners - across the energy industry, national government, the energy regulator, key innovation funders, communities, and regional centres of excellence like the University of Exeter, the Centre for Sustainable Energy and Regen South West - to identify practical solutions to challenges and trial key technology and social innovations.

Our Offer: Cornwall and the Isles of Scilly are at the cutting edge of energy innovation. Our Cornwall Local Energy Market pilot with Centrica, and our Smart Islands project with Hitachi showcased in the Industrial Strategy are nationally significant energy innovation projects. We are delivering strongly against our Devolution Deal commitments with a Marine Enterprise Zone, an Energy System and Storage Masterplan, a Local Supply blueprint, and an Energy Company Obligation (ECO) Flex Eligibility pilot.

We have around **£115 million private sector investment in innovative low carbon** projects over the next four years, piloting smart solutions, local energy markets, deep geothermal, sustainable transport and energy efficiency – with a need to overcome regulatory and policy barriers to roll out. Our well established relationships between key partners - including both Councils, the Local Enterprise Partnership, the District Network Operator, key local employers, research organisations and community energy groups – are a further key strength of our proposition.

Benefits: Cornwall and the Isles of Scilly are at the cutting edge of energy system transformation. The Energy Innovation Zone will further strengthen work between partners - including national government – to trial innovative new approaches including piloting regulatory changes to overcome barriers to change. As other countries move to regulate network companies to deliver public goals - such as decarbonisation, storage integration, and providing market platforms - the Energy Innovation Zone would potentially provide a platform to explore and trial Ofgem and BEIS interest in how changes to the role of distribution operators might apply in the UK.

Through the Energy Innovation Zone, Cornwall and the Isles of Scilly will develop a **blueprint for smart flexible energy ecosystems capable of being rolled out to other rural areas** of the UK with defined end-user benefits. This blueprint

will support the Energy Future vision of community participation, industry driven solutions, and intelligent networks that balance power generation and demand all the way to the consumer level.

B: Developing future energy markets

Unlocking Barriers

The Rationale for Change

At the same time as local systems need to adapt and innovate to meet the challenges of a changing energy system, the UK needs to stay at the cutting edge of research into future energy markets. We are investing £30 million of ERDF funding in major research and development programmes engaging utility companies, distribution network operators, and the University of Exeter. Our internationally renowned research base and culture of innovation and exploration makes Cornwall and the Isles of Scilly ideally placed to develop future energy markets.

Our Ask: Cornwall and Isles of Scilly proposes the creation of an **Energy Futures Observatory**, building on the expertise in Cornwall at Exeter University's Penryn campus. The Energy Futures Observatory would lead a collaborative cross-sector programme of research, development and innovation support for future energy markets, infrastructure and enabling technologies. Recognising workforce challenges for future energy markets, it would promote STEM careers through improved educational pathways, skills accelerators and CPD building on existing higher/further education links and business engagement.

Our Offer: Cornwall and the Isles of Scilly is ideally placed to address the grand challenge of clean growth identified in the Industrial Strategy. Our environment is rich in natural geothermal, wind and solar assets, and we offer strong cross-sector partnerships working at the cutting edge of both research development and practical application of innovative future energy solutions. Our leading research base is informing government policy on future energy provision in the wake of concerns on reliability of imported energy, including through our Engineering and Physical Sciences Research Council funded iGOV programme.

Benefits: The Energy Futures Observatory will harness research and education capabilities in renewable energy, energy policy, economics and investment, technology development and environmental assessment. The Energy Futures Observatory will complement the proposed Energy Innovation Zone - providing cutting-edge research and development, to inform practical innovation and trials in our living laboratory to overcome the challenges associated with locating, installing and managing complex energy systems within a rural environment. The research led by the Observatory will provide cross benefit to future mobility challenges through electric vehicle growth which can be translated to other similarly positioned regions of the UK and beyond, and strengthen regional energy expertise through improved Higher Level Skills provision, and greater collaboration between business, higher and further education.

C: Developing our Lithium resource

Unlocking barriers

The Rationale for Change

Lithium resource in Cornwall could be strategically significant at a UK level, especially as the demand for lithium has increased dramatically with the spot price tripling in the last 12 months. There is potential to offer a secure supply of the lithium required for batteries in electric cars following the ban on new petrol and diesel cars from 2040, supporting the Industrial Strategy focus on future mobility, putting Cornwall and the Isles of Scilly at the forefront of the circular economy and energy revolution. Alongside significant lithium resource, we offer global leading extraction expertise in our world renowned Camborne School of Mines, together with significant existing investment in geothermal projects that will enable efficient and sustainable extraction, and interest from a number of commercial companies offering parallel investment.

Lithium exploration is currently entirely reliant on private sector investment, and while some has been forthcoming, progress is slow and findings remain commercially sensitive. Significant public sector investment in lithium exploration would quickly establish whether there are commercially viable deposits, and potentially place the UK at a competitive advantage. It is expected that the brines required for the extraction of the resource will be found in the same geological structures as the geothermal hot waters circulating through natural fractures that we will be exploring early next year for electricity generation. As a result there is an opportunity to start exploration within the next year, through one or more publicly funded science-focused projects running alongside the commercially-focused operations for deep geothermal and lithium extraction.

Our Ask: Research, innovation and development funding is required to accelerate the understanding of the opportunity, multiple benefits potential and identify optimum sites to commercially exploit the lithium and deep geothermal resource in Cornwall, providing a secure supply for the battery industry in the UK. A comprehensive research programme could cost in the region of £20-30 million with scope to start early with smaller sums.

Our Offer: The production of lithium in Cornwall would provide the UK with a secure supply of the strategic mineral required for batteries used in electric cars following the ban of new petrol and diesel cars from 2040. Rising demand has tripled the lithium spot price in the past year, and our lithium resources are potentially strategically significant for the UK.

Cornwall and the Isles of Scilly is already investing over £15 million in deep geothermal through a mix of ERDF and Cornwall Council funding, with drilling to depths of 4.5 km beginning in early 2018, and a second geothermal project is proposed subject to funding. Both developers are working closely with Cornish Lithium and have agreed to provide access to the geothermal brine for testing.

Camborne School of Mines has an international reputation and undertakes a wide range of industrially-focused research across the mining value chain in Cornwall and internationally in the global mining industry. It is partnering with Cornish

Lithium and the BGS on a £600k satellite imagery project to help identify the lithium resource funded by Innovate UK and Cornish Lithium has already secured £1m private sector investment to undertake some initial exploratory work.

Benefits

Our assumptions are based on findings in Nevada where the average grade of their brine is similar to those in some historic records from Cornwall (around 120ppm) and sourced from a similar depth. If lithium is successfully exploited commercially it is anticipated that by 2030 there could be three extraction plants and one refinery in Cornwall, collectively creating 460 jobs, ranging in value from engineers, maintenance, technicians to security jobs. Each extraction plant could produce in the region of 8,000-9,000 tonnes of battery grade lithium per annum, the equivalent of 500,000 Tesla EV batteries, far exceeding the amount imported into the UK in 2014. Based on the current lowest trading price this is worth 400m US\$ (£303m), this amount of export sales would improve Cornwall's GVA by an additional £129m, over 1% increase.

The scientific learning, academic methods, technological advances and expertise could also be developed in Cornwall and the UK and exported, supporting the creation of a UK Mining Centre supporting the Clean Growth agenda, building on Camborne School of Mines international reputation. Using the CSM alumni network, research and teaching excellence this would develop a global network with international experience, outlook and knowledge to confront global challenges and operate in a global context.

Our proposition would cement university and business linkages, supporting a globally mobile talent pool and a multinational base for discovery and innovation, and developing strong commercial relationships with global mining industry to power the supply chain in Cornwall.

Relocation of Public Bodies

Cornwall and the Isles of Scilly provides the ideal location for the Government's ambition to relocate more public bodies outside London¹⁶, including new national agencies that will need to be established to carry out functions currently delivered by the European Union.

Unlocking barriers

The Rationale for Change

Our beautiful peninsula is a great place to live and work, offering excellent digital connectivity, the fastest growing regional airport, enhanced road and rail networks, and appropriate premises for occupation in key strategic locations.

¹⁶ [Industrial Strategy Green Paper](#), p124

The Industrial Strategy proposes relocating Government agencies to different regions across the UK in order to support local clusters and private sector growth.¹⁷ The relocation of Government agencies and/or elements of their functions to Cornwall and the Isles of Scilly would send a strong message that the Government is genuinely committed to re-balancing and driving economic growth in all parts of the UK.

The Cabinet Office estimates that over 20 new public bodies will need to be created to manage functions repatriated to the UK following EU exit. One Cabinet Office Minister has already expressed a preference for the new bodies to be based in locations outside London.¹⁸ The relocation of public agencies and functions outside London will particularly benefit rural and peripheral areas of the UK, where communities can feel removed from national decision-making. Situating public agencies and functions in rural and peripheral areas at the sharp end of change and innovation, such as Cornwall and the Isles of Scilly, has potential for positive impact on national policy development as well as our local economy.

Our Ask

We seek Government commitment to support the relocation of at least one Government agency, arms-length body, and/or functions to Cornwall and the Isles of Scilly by 2020 through ongoing dialogue with senior decision-makers.

Our Offer

- **Excellent Connectivity:** Cornwall and the Isles of Scilly is one of the best connected rural areas for superfast broadband in the UK. Cornwall Airport Newquay is the fastest growing regional airport in the UK, with regular and direct flights to London, Manchester, Birmingham, Newcastle, Edinburgh, Belfast and beyond. We have a direct rail link to London Paddington, with plans to introduce upgraded trains to provide more services and reduce journey times from 2018. Improvements to road and rail networks have enhanced connectivity between North-East Cornwall and Exeter.
- **Suitable sites:** Appropriate existing sites in Launceston, Bodmin, Liskeard and Cornwall's administrative centre in Truro can be made available to host relocated public bodies, with future developments capable of being shaped to meet the requirements of relocated bodies.
- **Support local economic growth:** Cornwall and Isles of Scilly's long term growth strategies have improved its position within the UK economy through a focus on smart specialisation areas and high value, knowledge based sectors. However, public sector employers are still the largest in the region. Locating the public sector where the economy is most reliant on it would lever in procurement opportunities for rural local businesses, provide

¹⁷ [Industrial Strategy Green Paper](#), p124

¹⁸ [Civil Service World](#) 28/07/17

employment and career opportunities, and create an important stimulus to the local economy. There is opportunity to reinforce established and emerging clusters in areas such as energy, environment, creative & digital and space through the relocation of relevant Government agencies.

- **Opportunities to rural-proof new policies:** Cornwall is a good test-bed to trial new policy initiatives to assess their impact on rural and coastal areas. One-fifth of the population of England and a quarter of England's registered businesses are situated in rural areas;¹⁹ however, rural areas face specific challenges concerning distance, sparsity and demography that the Government must take fully into account when developing policy. Public bodies relocated to Cornwall would be able to work with local businesses and communities on the ground to co-develop, pilot and rural-proof new programmes before rolling them out more widely in other parts of the UK.
- **Outstanding track record of partnership-working:** Cornwall can boast a long track record of proactive and constructive collaboration between public, private and third sectors. This is most recently exemplified in the establishment of the Cornwall & Isles of Scilly Leadership Board and the Cornwall & Isles of Scilly LEP's prominent role as a founding member of the South West Rural Productivity Commission. The Cornwall and Isles of Scilly Local Nature Partnership is also noted regionally for the diversity of partners it brings together and unified strategic approach.

Benefits

Relocating Government agencies, arm's-length bodies and/or functions to Cornwall would provide the opportunity for highly skilled employment opportunities and personnel to work in one of the poorest regions of the UK. Matched to the historical investment that Cornwall has made into its connectivity, the resulting economic gain to the area would be significant and add value to the UK economy moving forward. Relocation to Cornwall would also send a strong message that the Government is delivering its commitments set out in the Industrial Strategy to re-balance the UK economy and develop place-based strengths in all parts of the UK.

¹⁹ [DEFRA](#), 16 March 2017

3. Devolved powers and funding

As the first non-metropolitan devolution area, Cornwall has delivered strongly on its first devolution deal, and this was recognised in a recent Peer Review process that outlined devolution as one of the key strengths of Cornwall Council²⁰ (accepting that many partners are involved in the delivery). We now have more control over our remaining European funds, we have delivered many of the facets of an integrated transport system, thousands of people have received skills training, and our energy system is being transformed with the potential for new energy sectors and innovative demand and supply technology innovations.

The time for building on this is right, and while this section is focussed on what might be traditionally seen as 'devolution' asks, all of the chapters in New Frontiers should be seen through the lens of greater local determination, supporting local partners to deliver better outcomes for our residents, businesses and environment.

While we are proud of the first devolution deal, the Case for Cornwall had many aspects within it that were not included in the final deal, and these dealt with important areas such as housing and planning. To truly indite the meaning of devolution, a wide range of tools, freedoms, devolved instruments, sector deals and greater control all need to coalesce to allow local partners to match their local commitment and resources to improving our resilience. The following tools should be seen not in isolation, but as part of the wider jigsaw of asks and offers that collectively will allow Cornwall and the Isles of Scilly to flourish.

Housing delivery, infrastructure and planning

Context

Cornwall recognises that the shortage of new homes is one of the major barriers to achieving sustainable economic growth in the region and is working strategically with partners to invest and directly tackle barriers that have been identified. Providing a range of high quality affordable housing is a key priority. We have two interlinked asks: the first pertaining to unlocking housing delivery growth through enabling infrastructure; the second linked to planning powers to plan and deliver new villages.

The proposals in the Housing delivery, infrastructure and planning chapter apply to Cornwall only and do not cover the Isles of Scilly.

a. Housing delivery, growth and infrastructure

Unlocking Barriers

²⁰ <https://www.cornwall.gov.uk/media/31600495/corporate-peer-review-final-report-160218.pdf>

The Rationale for Change

Cornwall has 19,000 households registered on the housing register and 9,000 new applications a year, creating a need of 2,000 new affordable homes annually. Alongside this key challenge for Cornwall is the range and complexity of the local housing market conditions, with low wages and high house prices resulting in some areas facing affordability ratios exceeding 1:16. The average in Cornwall is 1:9, compared to the national average of 1:7.

Diversification within the market and the attraction of Cornwall as a place to invest for new providers is dependent upon the certainty of longer term funding.

In the past private investment has been encouraged on the basis of the Council's own programme of grant funding and a single investment fund would allow not only a strategic approach to the allocation of funding, but would attract more providers into the market. Forward funding of infrastructure would help unlock sites, reduce risk and give greater certainty to the market providers, enabling them deliver above and beyond business as usual.

Cornwall has a stable housing market and good rate of housing completions to date, alongside its strong partnership approach which means its ambitions and offer to deliver on accelerated housing is achievable.

Our Ask

Cornwall is asking for support to accelerate planned delivery, ensuring housing is fit for purpose and tailored to Cornwall's demographic and to maximise on private investment.

We are requesting a single devolved delivery fund for Cornwall to forward fund infrastructure and bring forward stalled strategic sites, totalling **£60m**. This fund will be a rolling fund which will be invested and recouped on an ongoing basis to tackle stalled sites. Where necessary, land will be directly acquired to deliver houses, diversifying the market and providing additionality alongside private investment.

The initial investments will be focused on:

- unlocking the infrastructure requirements for the urban extension to west Truro and Broadmoor Farm
- acquiring developmental land to directly deliver houses at Hayle, West Carclaze and western Truro
- to fund the creation or upscaling of a local off-site manufacturing factory to secure a supply chain
- to unlock custom and self-build plots
- cover seed funding for a multi skilled delivery team

Our Offer

As part of Cornwall Council's growth and investment programme it aims to deliver houses alongside jobs and infrastructure for Cornwall's communities.

The Council has already committed to providing a 20% uplift of housing delivery up until 2021. In addition to this, the Council's Growth and Investment Programme is working towards investing in direct delivery of 1,000 homes over four years through its Housing Delivery Programme. This is alongside additional proposals currently being considered around delivering 1,200 extra care units and specialist houses, investing in empty homes and building homes through the Cornwall Land Initiative. Over the proposed first four years of this investment programme the combined number of new homes could reach 3,200 per year on average.

The Council intends to underwrite risks where necessary to enable the development of schools and utilise its borrowing powers to directly invest in the acquisition of land at key strategic sites such as West Carclaze, Langarth and Hayle.

Finally, our partnership approach (through the Cornwall Executive Housing Sub Group) with the Cornwall & Isles of Scilly LEP, Homes for England, Housing Associations, Health colleagues and private sector representation is helping to ensure that barriers to delivery are being addressed at a strategic level and in a joined up way.

Significantly this partnership approach has resulted in Cornwall benefiting from a commitment from Housing Associations to deliver 8,000 homes, of which 6,000 will be affordable, over 2016-2021 with a total investment of £600m.

We have ensured that our forecasted growth is sustainable, meeting the demand and ensuring resilience to market boom and bust cycles.

Benefits

- Our proposals would unlock an additional 9,404 high quality homes of mixed tenure to be delivered over the long term.
- This will be alongside our current trajectories of 12,161 homes to be delivered in the shorter term (2017/18-2020/21).
- Key infrastructure would be in place to unlock additional homes.
- Based on the National Housing Federation Economic Impact calculator these proposals have the potential to contribute £920m to the local economy and £2bn nationally, alongside supporting 19,000 full time employees in Cornwall and 49,000 across the UK.

These proposals will:

- Create self-sufficient and resilient communities, promoting smaller settlements to be centres of employment and services. Improving and regenerating our communities through quality building, using housing development to meet local need.
- Real and sustainable growth, with an integrated programme of environmental growth, housing, skills and employment demonstrating how development can have environmental, social and economic benefits.

- A strong and confident market in Cornwall with improved investment opportunities.
- Uplift in our housing delivery to address our current back log in provision, with a mixture of tenure to meet local demands and need and high quality construction to tackle fuel poverty and health and wellbeing implications of poor housing.

b. Powers to plan and deliver new villages

Context

Cornwall has a unique and dispersed pattern of interrelated towns and villages which are constrained by geography and history, particularly with very tight historical centres. Cornwall Council believes that beyond the current housing allocations and plan period (2010 to 2030) Cornwall will rely on the creation of a series of new settlements and wishes to be in a position to shape and drive forward these settlements, ensuring they are suitable for Cornwall's housing market and take a whole place approach.

The Council plans an early review of the Local Plan, continuing the ambitious accelerated delivery of at least 3,000 homes per year, with a focus on increasing supply and affordability whilst ensuring delivery of good quality and functional new villages.

The Council has learnt from the planning and delivery of four current and currently proposed new settlements in Cornwall, Nansledan (Newquay), West Carclaze Garden Village (St Austell), Higher Newham Farm (Truro) and the Threemilestone Corridor (Truro).

Unlocking Barriers

The Rationale for Change

The current Plan-led system does not allow the Council to allocate sites for a new settlement and then acquire them at a multiple of agricultural value. Once allocated, the sites attract a value based upon development norms, even when purchased through compulsory purchase powers. This means that the uplift in value is lost from schemes, reducing public benefit in favour of a significant dividend to the land owner/s.

Our Ask

To work with Government to develop a pioneering new model that would allow Cornwall Council to identify and test potential new sites for garden villages and obtain the powers necessary to acquire the allocated land at a small multiple of agricultural value. This would involve revisions to compulsory purchase legislation and new planning legislation alongside associated planning policy and regulations.

Our Offer

Our offer is to take a direct role in the delivery of new garden village settlements as part of the Council's growth agenda and will be identified as part of our Local Plan review.

Through the Council's Investment Programme we will add to our current initiatives and funding, with a clear ambition to be the top provider of affordable homes of all English Councils.

The programme includes a number of different interventions to build more homes that meet residents' needs both in terms of quality and price. Over the proposed first four years of this investment programme, the combined number of new homes could reach 3,200 per year on average, dealing earlier with the housing needs clearly identified in our Local Plan.

We want to provide certainty to the private sector market and ensure that, through uplift of land value, the development of new garden village communities will pay for associated infrastructure (including schools and health provision) without recourse to the public purse.

Benefits

The benefit of our offer is that more homes will be developed that are affordable to the whole community, underpinning the Local Plan's ambitious plans for 38,000 new jobs in Cornwall by 2030, creating significant tax revenues and enabling a significant reduction in dependence on public subsidy.

At least 3,000 new homes per annum will be developed, exceeding (on a proportionate basis) the Government's national plans for the increased supply of new homes, with an estimated 38,000 new jobs over 20 years.

Fiscal Freedoms

Cornwall Council is committed to ensuring that Cornwall receives fair funding for the services that it provides; whether this is for the roads that we maintain, or for service provided to our children, the Council has been forthright in its campaign for a fairer funding settlement for the people of Cornwall. Working in conjunction with this, we are also committed to developing greater flexibilities in the way that money raised in Cornwall is allocated. Through the Cornwall Devolution Deal, Cornwall has obtained greater local control over transport spending and achieved Intermediate Body status for the EU Growth Programme to give us more influence over how the available funds are managed in Cornwall and the Isles of Scilly. The Government has also confirmed its commitment to work with Cornwall Council to develop and deepen our 100% Business Rate Retention Pilot for 2018/19.

We now want to build on Cornwall's progress in this area by opening a conversation with the Government on the devolution of fiscal freedoms. Cornwall currently has some control over the funds outlined above, but does not have complete freedom to decide how the funds should be managed, targeted and spent. Cornwall has two separate asks in relation to the devolution of greater fiscal

freedoms: firstly, Cornwall would seek to have more influence over the management of business rate policies in Cornwall, particularly regarding the application of mandatory reliefs; secondly, Cornwall wishes to explore the potential establishment of a VAT escalator pilot for Cornish SMEs. We are also keen to explore, based on our original Case for Cornwall propositions, the option of localising 2p from every litre of existing fuel duty, and we would also welcome a discussion on changes to legislation that could result in second home owners who pay no business rates or council tax making a contribution towards the cost of essential services in Cornwall.

a. Business Rates

Context

The Government has also confirmed its commitment to work with Cornwall Council to develop and deepen our 100% Business Rate Retention Pilot for 2018/19.

We now want to build on our progress in this area by opening a conversation with the Government to give Cornwall Council more influence over the management of business rate policies in Cornwall, particularly regarding the application of mandatory reliefs.

The proposals in this chapter apply to Cornwall only and do not cover the Isles of Scilly.

Unlocking barriers

The Rationale for Change

Cornwall's 100% Business Rates Retention Scheme went live in April 2017 and, according to that agreement, will remain in place up to the 'roll out of a national scheme'. The Business Rates Retention Pilot represents a fundamental move away from the statutory Local Government Finance structure and we would like to explore how greater flexibility can be built into the scheme.

Our Ask

We are seeking support for the roll-in of Government Grants as part of Cornwall Council's 100% Business Rate Retention pilot and would like this to be included in the forthcoming Local Government Finance Settlement.

We request:

- The underlying structure of the existing pilot will continue i.e. that in exchange for 100% business rate retention, Cornwall Council will forego other Government grants including Revenue Support Grant, Rural Services Delivery Grant and Highways/Transport Capital Grants

- That in order to maintain fiscal neutrality, there will be a corresponding adjustment to the Council's Top Up grant – benchmarked against the Government 'Business Rate Baseline' for Cornwall Council.
- That the business rate pilot will continue to operate at 'no detriment' to Cornwall Council i.e. in the event that the Council is actually worse off as a result of the pilot, then the Government will make good that difference through additional grant.
- Other funding streams will be rolled into the pilot, in particular the currently ring-fenced Public Health grant and the extending of flexibility around Highway funding, enabling the Council to borrow against the funding previously received for Highways.
- We will also explore the possibility of taking over from Government the authority to decide upon mandatory relief policy within Cornwall, thereby truly making this a rural pilot with decisions and benefits made at a local level and applied to support places and sectors to promote economic opportunity.

This will impact on and will require the commitment and support of several Government departments.

Our Offer

We are seeking to develop the Business Rates Retention Pilot further in 2018/19 to benefit Cornwall locally, by determining the priorities our resources should be focused on, but assisting Government ahead of the technical national roll out of a scheme.

Benefits

As a result of the Business Rates Retention pilot, Cornwall will retain 100% of local business rates and, therein, 100% of growth. This provides not only a significant financial gain to Cornwall and a greater incentive for economic growth, but also greater financial freedoms in the way limited resources are used. For example, by 'rolling in' capital highways/transport grants, those resources can now be used for wider revenue preventative works, avoiding more costly major repairs.

b. VAT escalator

Context

Cornwall's business base is composed primarily of micro, small and medium sized enterprises. There are approximately 23,835 VAT registered businesses across the LEP area. Through existing activity such as the Cornwall and the Isles of Scilly's Growth Hub and Better Business for All initiative, considerable efforts have been made in Cornwall to assist new businesses to start and existing businesses to grow.

The proposals in this chapter apply to Cornwall only and do not cover the Isles of Scilly.

Unlocking barriers

The Rationale for Change

Cornwall and the Isles of Scilly's business base is composed primarily of micro, small and medium sized enterprises. There are 23,835 (source: UK Business Counts, 2017) VAT registered businesses across the LEP region.

Through existing activity such as the Cornwall & Isles of Scilly Growth Hub and Better Business for All initiative, considerable efforts have been made in the region to assist new businesses to start and existing businesses to grow. There has been a 13% growth in VAT registered businesses since 2010: but only half that of the UK total in the same period.

One issue that is consistently cited as a barrier to growth is the VAT registration threshold. There are approximately 44,000 businesses operating below the VAT threshold in Cornwall and the Isles of Scilly. Reasons for operating below this threshold vary, but often the decision to stay below is down to the fact that the level of growth required to maintain the income levels of the business owners is too great in the first years of a business' existence, which therefore represents a risk it. Currently once the VAT threshold is reached, many businesses close, operate limited or seasonal opening hours (with the resulting impact on employment, coastal communities and productivity) or put off investment to the next financial year (therefore delaying growth).

Our Ask

We propose to pilot an approach that encourages businesses at or near the VAT threshold (and who are not currently registered for VAT) to register on a scheme as part of a wider strategy to accelerate growth. Registration would be for a maximum of three years and would entail a suite of activity that enables the business to voluntarily register for VAT to make the transition to growth; but obtain funded business support to enable this growth paid for by these voluntary contributions (for example an escalator approach with a lower percentage of VAT contribution in the first year etc: detail to be agreed) . From year 4 onwards the business would have to continue with their registration (at the normal VAT rate) or de-register depending on their performance. Business would only have a one-time ability to participate in the escalator pilot and the voluntary contribution would be collected via the Cornwall Council Better Business For All service and administered by the Economic Growth service of Cornwall Council

This proposition would be cost neutral for Government as without the pilot and the scheme these businesses would not have grown over the threshold, at least not so quickly. If and when business sustainability is achieved then the resultant VAT revenue would go to Government in the fourth and full VAT year: deregistration would result in the Government being no worse off.

Sustainable business growth could also result in eventual growth in numbers employed (who can pay their Council Tax) and business rate revenue to the

Council: this would be the benefit for the Council. The three year growth should be ring fenced for economic development purposes. This is explicit in the '10 opportunities' document for a sector such as tourism (the theme here will be strengthening and adding value to the supply chain).

Our Offer

Any funds generated from the VAT escalator pilot would be additional to current VAT receipts and retained in Cornwall to support the journey to business growth with the Council allocating its revenue from the escalator pilot to targeted economic development support.

Participants in the VAT escalator pilot would gain access to targeted support from various business support initiatives (e.g. Growth Hub and BIG2) in order to maximise the chance of successful transition from their current scale of operation. By enabling flexibility in terms of the gradual escalation of VAT, costs can be redeployed to overheads and investment in the early years of the business' existence to help establish the business and grow employment (yielding increased national insurance, income tax, business rate and purchase spending power).

Benefits

A graduated approach to VAT growth would encourage and enable investment. With the escalator increasing each year, individual businesses would be able to budget to develop during their early years preparing for growth: with funded and tailored business support. The Government would see tax revenues increase at the end of the escalator process and if some businesses fail to grow they would not have lost revenue. Supply chain evolution supported by successful growth has the opportunity of increasing revenues from their own tax base (including VAT).

As an aspect of 'regulatory compliance', early years VAT rates would also reduce the cost of HMRC regulation and time costs for business bureaucracy (estimated to be 1-2% of turnover) for investigation, as the scheme could be administered by Cornwall Council. Graduating an introduction to VAT would also assist in the re/use of industrial and commercial building space to support sustainable business development and opportunity for workspace in the countryside. Increased employment would not only generate additional income tax, national insurance receipts and savings in social security payments, but also generate additional VAT through an increase in the number of (employed) individuals with disposable income.

A cut in the VAT registration threshold pending growth over a four year period would, if the pilot is successful and rolled out across the UK, support the UK's competitiveness in Europe after Brexit.

c. Allow Cornwall to create a Better Roads Fund funded by the localisation of 2p in every litre from existing fuel duty.

Cornwall's geography means that our road network is extensive with the Council responsible for repairing and maintaining over 7,303 kilometres of highway from major principal roads to narrow country lanes.

With a diminishing budget, the Council is facing challenges to keep Cornwall moving safely. Allowing Cornwall to retain 2p per litre from the existing fuel duty will generate approximately £7.5 million a year that would be used to maintain our rural roads.

This proposal applies to Cornwall only and does not cover the Isles of Scilly.

d. Second home ownership; working on legislation to ensure everyone contributes

The second homes market represents nearly 9% of Cornwall's housing stock overall and exceeds 20% in 47 out of our 213 Parishes. The average cost of housing is 8.4 times the average annual salary (compared to 6.7 nationally) which puts home ownership beyond the reach of many people.

An increasing number of Cornwall's towns and villages have more than 1 in 5 dwellings classed as second homes, which are distinct from holiday homes in that they are invariably empty for large periods of the year.

Some of the owners of these homes do not pay either council tax or business rates, seeking exemptions that mean that no contribution towards essential services is made. We want to start a dialogue with Government on how this can be overcome through legislation, and would welcome the opportunity to discuss how this could be developed.

Health and Social Care

Context

Between 2016 and 2040 Cornwall and Isles of Scilly's population of over 85s will increase by 31% more than in the rest of the UK²¹. While Cornwall and the Isles of Scilly have above average life expectancy, it has only average healthy life expectancy. We must deliver a radical upgrade in prevention, self-care and care in the community so that people in Cornwall and the Isles of Scilly can live well for longer, supporting improved personal wellbeing, as well as managing the significant cost pressures of an ageing population upon our health and care budgets. We also have the challenge of providing locally accessible, timely and equitable care across rural and island populations.

Cornwall and the Isles of Scilly are ideally placed to pilot innovative responses to the Industrial Strategy grand challenge of an ageing society. We have a strong local offer: the Cornwall & Isles of Scilly Local Enterprise Partnership has already

²¹ ONS

invested heavily in e-health and we are ideally placed to test new models of technology enabled care capable of being scaled up nationally, with particular benefits in sparsely populated rural and island populations. Cornwall Council is directly investing £90m in extra care and supported housing alongside upgrading hard to heat homes for 1,300 of our most vulnerable households every year – a radical upgrade in prevention, ill-health prevention and wellbeing. Our local universities are internationally recognised for research into healthy aging and supported living and are supporting the application of big data, artificial intelligence and machine learning to improve health and wellbeing through our Smartline project with 350 Cornish households in social housing. Our Smart Islands investment will deliver 200 Smart Homes reducing fuel poverty and improving health outcomes for vulnerable people on the Isles of Scilly.

While our local health and care system has challenges, local partners across the Councils, NHS, private and voluntary sector are committed to effective joint working so that we can live within our means through a fair settlement and local flexibilities. We are already demonstrating the impact of integrated approaches, in relation to our demonstrable progress in tackling delayed transfers of care.

Unlocking Barriers

The Rationale for Change

We have high rates of diabetes, heart disease, stroke, cancer and osteoarthritis and for many people they can be prevented or delayed, or for others contained if caught early and managed well.

We have some of the most disadvantaged neighbourhoods in the country. Seventeen of Cornwall's neighbourhoods are in the 10% most deprived in England.²² People in our disadvantaged communities are at higher risk of living with at least one debilitating condition.

We have a significantly higher rate of childhood obesity than nationally with no evidence of a reduction in this trend.²³ Obesity in childhood is largely due to lifestyle factors such as diet and physical inactivity, and therefore preventable. We have above average rates of economic inactivity which are both a cause and a consequence of ill health. Business, voluntary, health, academic and local authority partners are working to support those furthest from the labour market into work. This is essential to improve health and wellbeing, and also to our future economy as research shows our labour market challenges are already increasing as Britain prepares to leave the European Union.

As with many other health and social care systems across the UK, we are facing significant operational and financial pressures and we are working together across the health and care system to re-align how we work. Underpinning this proposal, we now have a credible plan to fix what have for too long seemed intractable challenges. This provides a strong platform for taking forward our devolution proposals, which feature securing greater control over our system resources,

²² <https://www.cornwall.gov.uk/media/15560743/imd-2015-analysis.pdf>

²³ <https://www.cornwall.gov.uk/media/29038814/healthy-children-infographic-2017.pdf>

devolved powers and simplified decision making. These are key to unlocking our ambitions for the future.

Our Ask

To support our radical upgrade in prevention, we are seeking:

- an injection of invest to save funding to tackle our biggest population challenges, in particular obesity, fuel poverty, employment for those with health problems and harm from alcohol, as part of a wider locally led health and wellbeing plan.
- an opportunity to test a place based approach to the development of physical activity and sport in schools, exploring direct, ring fenced allocation of Healthy Pupil Programme.

Alongside our work locally, we want to work with central Government to examine wider opportunities to:

- influence the national approach to the sale, advertising and over consumption of unhealthy foods and drinks which is a key factor in local health challenges within Cornwall and the Isles of Scilly
- test alternative approaches to using winter fuel payments which recognise that 14% of households in Cornwall struggle to afford heating compared to less than 10% nationally, another key contributing factor to local health challenges

To support the creation of an **innovation testbed for rural and island communities** we are asking for **transformation funding to enable:**

- the development of a more flexible, blended workforce capable of utilising technology enabled models of care and working flexibly across a community focussed health and care system, whilst managing significant operational pressures.
- testing of new technology enabled methods of care provision using robotics, aids and adaptations
- critical infrastructure projects in estates and information technology, including Urgent Treatment Centres.
- an Intelligence System that will create a unique system-wide intelligence platform to provide real time situational analytics and a digital system model against which to test future service configuration options.

Moving to a more community focussed model of care will require investment in local care facilities which people across Cornwall and Isles of Scilly can access. To secure these facilities and build strong community support, we want to invoke our original devolution commitment from Government to retain local capital receipts for reinvestment as part of a wider strategic estates programme.

Living within our means through a fair settlement and local flexibilities

We want to move to a devolved, place-based five year funding settlement which enables local partners to co-ordinate budgets across health, social care, public health and health-related funds, working together to commission and provide the best possible health outcomes for people in Cornwall and the Isles of Scilly. While each local partner will remain accountable for effective management of its budgets, strong joint working and co-ordinated deployment of budgets will ensure the most cost-effective use of local resources.

We also need a fair level of funding to meet the health and care needs of our population. We are asking for acceleration of reviews of: the funding formula for CCGs to ensure the additional costs of providing services in sparsely populated remote and rural areas are adequately funded; mental health fair shares; and the rural market forces factor for providers.

We want to work with Government to shift to a single local outcomes framework for measuring the impact that health and social care services have on the health and well-being of a local population; and continue the work already underway with regulators to develop a coordinated approach to place reducing the burdens on the local system whilst strengthening local accountability.

Our Offer

Cornwall and the Isles of Scilly are the ideal testbed for piloting innovative new approaches. Largely surrounded by sea, with a single unitary authority for Cornwall working closely in partnership with the Council of Isles of Scilly, supported by a single CCG, and a single Local Enterprise Partnership we have all the ingredients for successful joint working. Building on our considerable local investment and award-winning research base into e-health we will provide a prototype for a new model of technology enabled care in a rural community that shows how we can improve the health and well-being of our citizens, develop our workforce and contribute to strengthening our local economy.

Our relatively uncomplicated organisational landscape provides the right environment to progress rapid integration of health and care services and test an innovative approach to delivery. Providers, commissioners and the local authorities all believe that the Cornwall and Isles of Scilly system can provide a 'test bed' of how other rural areas can meet the challenge of an aging society. Part of our offer is to contribute to national policy on how health and care needs are best served in rural areas.

Radical upgrade in prevention

We are investing significant local resources which, coupled with Government support for our devolution ask, will deliver measurable improvements in health outcomes for people in Cornwall and the Isles of Scilly within five years - helping to manage the considerable cost pressures we will face over the same time period from meeting the health and care needs of our changing and aging population.

We have secured £7.5m private investment over three years alongside investment from our social landlords to make the homes of 1,300 vulnerable fuel poor

households cheaper to heat each year. Alongside this, Cornwall Council is directly investing over £90 million in extra care and supported housing, helping more people live well and independently for longer.

We are piloting older and disabled worker initiatives with the Department for Work and Pensions, alongside managing European Social Fund investments to establish innovative approaches to support those furthest from the workplace into work through supportive pathways and skills development.

Create an innovation test-bed for rural and island communities

We will pilot a technology-enabled care model capable of national roll-out, building on our £8 million e-health investment, and create a pioneering System Intelligence System.

Through our internationally recognised European Centre for Environment and Human Health we will explore the impact of nature on health, and the role new technologies such as virtual reality can play for those unable to access our 'green' and 'blue' spaces.

With InnovateUK support, we will work with the South West Centre of Excellence in Satellite Applications to build on our SMART & Well study phase, using satellite technology to deliver better health services to remote areas, with a focus on critical medical services, health and social care and healthy active lifestyles.

We will secure wide engagement in this pilot through our established Peninsula Forum on Environment and Human Health, the eHealth and eWellbeing Stakeholder Group, and sector groups such as Software Cornwall.

We will pilot a £3.5m capital investment in primary care with a possible further roll-out, and explore options for local capital investment in community facilities. We will continue to release land through our One Public Estate programme to increase access to health and care facilities for the residents of Cornwall.

Living within our means through a fair settlement and local flexibilities

Local health and care partners across Cornwall and the Isles of Scilly – from Council, NHS, and voluntary sectors - will work jointly in partnership to deliver the best possible health outcomes for our residents, working as one system to one plan. We will test our partnership arrangements from April 2018, before formalising arrangements from April 2019.

We will jointly commission the strategic health and care outcomes we need for Cornwall and the Isles of Scilly, and help providers work in partnership to better join up community health services that are sustainable for the long term.

We will provide early feedback to Government on the indicative return on investment that could be realised in other rural areas, from new models of technology enabled care within a strong framework of local community facilities.

Benefits

With the right support from Government we will secure better health outcomes from our local health and care budgets, helping to manage the cost pressures arising from the needs of our rapidly changing population. We will ensure that we improve our A&E performance, meeting national expectations as a minimum, and we will reduce further the delayed transfers of care beyond our stretch targets. By 2019, we will jointly establish an outcomes-based contract with a partnership of local providers that encourages quality and innovation as well as improved financial and performance management.

As part of our **prevention** strand, we aim to close the gap between the local employment rate for those with a long-term health condition and the national average (29.6%). This is critical not just to the health and wellbeing of local people, but also to our ability to maintain a strong local economy with well-paid jobs, with independent research showing that local businesses will face significant recruitment challenges in an already tight labour market as Britain exits the European Union. Our investment in tackling fuel poverty and more supported housing, above, will help more people live well for longer.

Government support for our devolution asks above, coupled with our local investment, will enable us over five years to tackle the rise in childhood obesity and lead a reduction in smoking prevalence towards the national ambition of 13%. Scaling up evidence based interventions could prevent up to 700 cardiovascular events per year, reduce falls by 40% and fall-related admissions to hospital in over 65s by 10%.

Creating an innovation test-bed for rural and island communities will deliver a technology enabled care model capable of national roll-out, reducing demand. Improving A&E performance and reducing in delayed transfers of care in line with agreed improvement trajectories.

Staff turnover will be reduced, vacancies requiring expensive agency cover will be reduced and 800 extra care, 400 specialist houses and 1000 houses with disabled adaptations will be built. Urgent treatment centres will be established, operating as an important component of our community based urgent care strategy and additional GP access for a population of 100,000 will be released via the One Public Estate programme.

Living within our means through a fair settlement and local flexibilities will deliver strengthened provider sustainability, more cost-effective provision, and achieve the best possible health outcomes for Cornwall and Isles of Scilly.

Blue Light Collaboration

Context

Cornwall Council through Resilient Cornwall incorporating Cornwall Fire, Rescue and Community Safety Service (CFRCSS) already share excellent working relationships with Devon and Cornwall Police (DCP) and South West Ambulance

Services Foundation Trust (SWASFT) and have an impressive track record of collaborative working.

Joint community prevention activities, effective and efficient response to and recovery from large scale operational incidents, flexible roles and shared property occupancy all provide tangible evidence of our success in this area. Our excellent relationship and shared community safety priorities with the Office of the Police and Crime Commissioner has delivered CCTV projects in nine towns, ten joint funded Safer Towns initiatives. We have developed our innovative Tri- Service Safety Officer (TSSO) combining duties from across all three emergency services and have a shared commitment to further expand this valuable flexible role across rural communities in Cornwall.

Cornwall's One Public Estate (OPE) programme has enabled us to develop a purpose built Emergency Services Community Station in Hayle, where Police, Fire and Ambulance Services successfully co-locate. First phase concept design tri and bi service property projects are being considered in Wadebridge, Liskeard, Looe, Bodmin and Newquay with a genuine understanding of the cultural change and financial benefits these projects deliver.

The Police and Crime Act 2017 and the English Fire and Rescue Services National Framework Document provide the legislative freedom and flexibilities for innovative local collaborative solutions for the provision of emergency services. Cornwall Council, DCP, SWASFT would like to maximise this opportunity for innovation with an ambitious and accelerated programme of blue light transformation.

The Police have an ambitious programme of £14.7 Million capital investment in Cornwall, through the One Public Estate programme and the development of a new Police custody at Bodmin to create a Headquarters for Cornwall, with aspirations for further colocation with partners.

Unlocking Barriers

The Rationale for Change

The rural nature of Cornwall and our peninsular geography creates challenges for the successful delivery of emergency services. In order to overcome these challenges, CFRCSS, DCP and SWASFT need support to strengthen their current innovative and constructive working relationships even further.

There are ongoing challenges to provide sufficient resource to manage the increasing demand for emergency services in Cornwall. For example, the Fire & Rescue Service workforce is made up of approximately 66% on-call staff, and the recruitment and retention of this significant tranche of the workforce is becoming increasingly difficult with employers showing greater reluctance to release staff to undertake these duties. To ensure effective collaboration can continue to progress there would need to be investment to support the development of innovative collaborative pilot projects.

Road safety – levels of death and serious injury on our roads is not acceptable. South West Region saw a 6% drop in fatalities in 2016 (compared to 2015) but rising in Devon and Cornwall

- 2017²⁴ and 8 fatalities and 822 serious (total KSI 890)
- 2016 and 2 fatalities and 772 serious (total KSI 824)
- 2015 - 44 fatalities and 652 serious (total KSI 696)

There may be further opportunities to increase road safety assessments in collaboration with Highways England and Police colleagues by encouraging community SpeedWatch campaigns. This would need to be supported by capital funding to mitigate the problems and respond to community need.

Our ask

We want central government to support these ambitions with a one-off capital transformation grant, ring-fenced for emergency services innovative collaborative projects. This would be accessed through invest to save business cases developed jointly, which enable Cornwall to become a test bed of innovation for emergency services.

Our offer

Through a ring-fenced capital pot we would develop business cases for innovative collaborative projects that are challenged and approved through the Leaders Board, our rural mayoral model for governance. This enables Cornwall to be a test bed of innovation for emergency service provision.

Benefits

Accelerating our shared property projects would provide revenue efficiencies that can be reinvested in new and flexible ways of working. Emergency Medical Response, TSSO's, CCTV schemes, Safer Towns, joint tasking could all be expanded and funded from savings delivered through an ambitious shared property portfolio.

In the 12 months from January 2017 to December 2017 CFRS responded to over 800 emergency medical calls on behalf of SWASFT. Integration could be greater enhanced by further development and roll-out of the Tri-Service Safety Officer role. The role, based in Hayle in the South West of Cornwall was developed as a pilot in 2015. In the period of May 2015 to August 2017 the officer attended 499 police logs, 181 incidents for the fire service, 226 ambulance calls, was involved in 61 anti-social behavior cases and 56 low level crime investigations. Further to this the prevention work has seen the officer undertake 322 home safety visits, make 159 safeguarding referrals and conduct 90 school / youth intervention meetings.

The success of this pilot role has led to expansion of the project with two additional TSSO officers now supporting communities in Bude and Liskeard in the East of the county. The aspiration would be to further increase the number of TSSOs to cover key geographical locations across Cornwall.

²⁴ 2017 data not fully verified

Our Critical Control Centre has already expanded its role to include CCTV, monitoring 93 cameras across nine towns. This provides a multi-faceted approach to community safety, mobilising of resources and information gathering, sharing and coordinating activities across the wider service. Around 80% of the incidents that we monitor are related to the prevention or detection of crime and around 20% are concerned with vulnerable people (those in need of medical assistance, lost persons, etc). This could be further remodelled to create a joint emergency services control centre, managed locally, using local resources and shared intelligence.

Collaborative arrangements between CFRS and the Isles of Scilly Fire and Rescue Service already exist with operational and tactical support and advice being provided. The rural and isolated nature of the IoSFRS, may present opportunities to develop the TSSOs on the Islands. There are also opportunities for CFRS to support IOSFRS in developing community risk profiles and risk-focused Integrated Risk management Plans (IRMP).

Exploration of joint ways of working could be extended into the voluntary sector by considering how groups, such as The Red Cross, RNLI and Search and Rescue organisations could support a community-based emergency response.

Capital transformation funding with a commitment to share our learning and experiences across the UK through the National Fire Chiefs Council and Home Office would support and demonstrate central government's commitment to blue light transformation. Cornwall Council have invested £10M in emergency services property projects and agreed a £27M 15 year Capital replacement programme for CFRS. Financial pressures for all Cornwall emergency services and withdrawal of central capital grants and transformation funding has seen our ambitious plans slow down and in some cases stall.

Government investment in Cornwall's emergency services will support our devolution ambitions, help our health and social care integration devolution goals as well as deliver more effective and efficient emergency services that are "Working Together to make Cornwall Safer".

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Council of the Isles of Scilly report

One Vision Governance

Date 19th April 2018

Meeting Full Council

Part 1

Authors Aisling Khan – Senior Manager for Services to our Community
(Director of Children’s Services and Director of Adult Social Services)

Recommendations

1. That Members approve representation of the Isles of Scilly at the One Vision Partnership and the reporting arrangements as outlined in the report.
-

1. One Vision is a shared vision to which Cornwall Council, the Council of the Isles of Scilly, health partners, police, education and the voluntary sector have signed up to improve the lives of children, young people and their families in Cornwall and the Isles of Scilly.
2. To summarise, the vision has been encapsulated as this:

'All children and young people in Cornwall and the Isles of Scilly are safe, healthy, and have equal chances of accessing all available opportunities to achieve brighter futures.

The gap between those who are doing well and those who are doing less well has been closed by targeting care and support to those children, young people and their families with the most pressing needs.

We continually strive to develop and transform all services that children and young people may access, to enable one and all the best possible opportunities for excellent health and wellbeing, throughout their lives and particularly as they make the transition to adulthood.

Too many children, young people and their families do not have these good opportunities and are worried about their futures. We are committed to working together to change this by collaborating with each other and with children, young people and their families to overcome the barriers to good opportunities and outcomes. This means making best use of our shared resources to achieve integrated agendas for change.'

Source: [The One Vision Partnership Plan for Cornwall and the Isles of Scilly](#)

3. It is appropriate that the Isles of Scilly should be more strongly represented in partnership governance at both a strategic and executive level. This will ensure that the voice of children, young people and families is at the heart of future commissioning and implementation. It will also enable clear line of sight by local elected Members over future delivery and provision models.
4. It is proposed that four representatives from the Isles of Scilly attend the One Vision Partnership meetings which will be held every 3 months. Proposed attendees are:
 1. Lead Member for Children
 2. Senior Manager - Services to our Community (Director of Children's Services and Director of Adult Social Services)
 3. Healthwatch Isles of Scilly Board Member
 4. Isles of Scilly Parent Carer Forum Representative
5. It is further proposed that the Senior Manager - Services to our Community (Director of Children's Services and Director of Adult Social Services) attend the One Vision Executive Group to take place every 6 weeks.

6. Members will be updated on implementation of One Vision for the children, young people and families living on the Isles of Scilly through our Health and Wellbeing Board, Children’s Trust Board, Scrutiny and Full Council where appropriate.
7. Each partner organisation on the Partnership and Executive Board will have its own organisational governance arrangements – the expectation is that each organisation will report back to relevant decision making bodies and also link into other relevant local partnerships.

Financial implications

8. There will be associated travel costs to support attendance at meetings estimated at a total of £1500 in 2018/19 which will be met within existing budgets. The Senior Manager has requested that Executive Meetings coincide with the Safeguarding Children’s Partnership meetings and this has been accepted. Partnership meetings will be timed to enable Isles of Scilly Members to be able to attend as part of a day trip. However the benefits to service users will outweigh those costs in ensuring that the interests of our residents is at the heart of commissioning decisions during times of great change in public services..

Legal implications

9. The proposals in this report are intended to contribute further to ensuring good governance for these important partnership arrangements.

Other implications

10. One Vision is all about improving the lives of children, young people and their families, making best use of resources to improve health, social care, social and educational outcomes..

Appendices

Approval

Senior Manager	[Name and job title of Senior Manager]	[DATE]
	[Andy Brown, Section 151 Officer]	
Financial	Only required if the report has financial implications.	[DATE]
Legal	Matt Stokes, Monitoring Officer	10/4/18



COUNCIL OF THE ISLES OF SCILLY

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PART TWO - REPORTS

PART 2 REPORTS ARE PROVIDED TO MEMBERS FOR INFORMATION PURPOSES

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UPDATE REPORTS RECEIVED FROM LEAD MEMBERS

List of all Lead Members:

- Cllr Joel Williams Lead Member for Children and Young People
- Cllr Dan Marcus Lead Member for Planning
- Cllr Adrian Davis Lead Member for Adults
- Cllr Robert Francis Lead Member for Place
- Cllr Fran Grottick Lead Member for Finance & Resources
- Cllr Jonathan Smith Lead Member for Smart Islands

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Lead Member for Adults Update

Cllr Adrian Davis

I would first like to apologise for the lack of a report last month. I was a victim of the recent IT problems and it vanished in the ether.

I was able to attend the first Health Care Leadership Forum at County Hall on 27 February which is now planned to meet quarterly and brings together the lead Executives and leading Councillors in the Health and Social Care sectors. The next meeting is due on Friday 20th and is expected to launch the NEW FRONTIERS proposition which sets out the C and IOS vision for devolution post BREXIT. It was debated at length at the Transformation Board meeting last Friday at the RCHT Spa and I would ask members to read this with care as previous NHS reorganisations have, in some areas, resulted in unwanted consequences. Health and Social Care starts on page 48 but there is much else of interest/importance within.

Treliske Accommodation

Supporters have met twice and we have elected five putative Trustees and Rosemary Bennett has kindly agreed to lead a support group open to all those who feel they can help.

The Trustees are busy with the required paperwork.

Park House etc

Park House recently featured on BBC Spotlight to tell the story of the service's recovery over the last 12 months since threat of closure. The most important thing was the positive words that residents had to say about their care.

The team have also the story of Park House to the Safeguarding Adults Board Care Provider conference. It was an illustrious line up of speakers and there was some really great feedback and a great deal of new connections made. It's really important we put Scilly and the quality of our care provision on the map. The Independent Chair of the Safeguarding Adults Board recently visited the team and was very impressed with the care she witnessed in Park House.

The One Public Estate project is progressing well to look at a single location for health and care services with opportunities for joint working. An Integrated Health and Social Care Programme Board has been established comprising all local health and social care partners as well as mainland based commissioners

and providers. A project manager has been appointed – Justin Cunningham – to prepare a business case. A recent visit by the Cabinet Office and the Local Government Association confirmed our belief that this a very exciting project to ensure that services are sustainable and fit for purpose into the future to ensure that people can be supported on the islands for as long as possible.

This project links closely to Shaping our Future and develops many of the strategy's key principles. Wave 3 of the consultation process has been cancelled due to weather twice now and is now scheduled for 26 April.

Lead Member for Finance Update

Cllr Fran Grottick

It is our pleasant duty to welcome Russell Ashman to this next Full Council for his first meeting in his new role as the Council of the Isles of Scilly's Section 151 Officer. We look forward to working with him and his team.

As Members will note, there are no finance reports at this meeting. However, it is pleasing to note that the progress of the three finance reports from the last meeting were significant milestones on the Council journey to greater financial compliance and stability. In addition, as Lead Member for Finance, I was happy to support that when approving the Annual Governance Statement for 2016/17. Members asked for a draft version of the 2017/18 Annual Governance Statement to come to Full Council this autumn.

As Revenue Budget Monitoring continues much assisted by new finance systems, we will shortly be looking to assess the progress made against the savings targets that we have previously set.

While the new finance systems will be of great benefit to both officers and Members, I do hope that corresponding upgrades to our IT systems will continue to progress as soon as possible.

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Lead Member for Place Update

Cllr Robert Francis

Recycling

The recently purchased recycling vehicle will arrive in the Islands shortly. The plan is to expand on the existing Pilot Recycling Collection zone to include properties outside of Hugh Town. Even though there is not a full recycling collection yet, householders and businesses can start separating dry mixed recycling straight away:

- Householders can take their dry mixed recycling to the Household Waste Recycling Centre (HWRC) at Porthmellon on Tuesday and Thursday afternoons.
- Businesses/commercial customers can take their dry mixed recycling to the HWRC on Monday, Wednesday or Friday afternoons (please note, there is a gate fee).

Details of how to present dry mixed recycling at the Waste Management Site are available from the Waste & Recycling team.

Part of the Local Plan consultation has also included the distribution of recycling information to all the Off Island residents, which will be implemented shortly.

Fire & Rescue

As Members have previously been informed, a new inspection framework has been introduced by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) to assess the efficiency and effectiveness of England's 45 fire and rescue services will be assessed in 2018/19. The fire and rescue services inspection programme and framework 2018/19 will focus on three main themes:

1. How effective each service is at preventing, protecting against and responding to fire and other risks;
2. Whether the service provides value for money; and
3. How well the service looks after its people and ensures fairness and diversity.

HMICFRS will provide graded judgements in its inspection reports, which will help the public see how well their fire and rescue service is performing. We

have now received confirmation that the inspection for the Isles of Scilly will take place over 1.5 days during the week beginning 30 July 2018.

Flood and Coastal Erosion

Discussions with DCLG and the Environment Agency continue concerning the funding for the Sea Defence and Dune Management Project that will be used for defences at Porth Minick, Porthloo, Porth Hellick and Old Town on St Mary's and at the South Beach Dunes on Tresco. The discussions seem to have gone full circle back to the requirement for the EA to produce flood risk mapping for the islands. The current estimate for the completion of these maps is the last quarter of 2018.

In the meantime work continues with the EA on all the inhabited islands developing asset condition assessments for our defences and on the completion of a wave overtopping study to assess coastal flood risk. The overtopping study is being financed by the EA and will provide estimates on the predicted amount of overtopping discharges along the coastal frontage of 52 sections where it could pose a flood risk to properties or critical infrastructure.

Corporate property

Work continues on the re-cabling of the Town Hall IT infrastructure. This currently involves the electrical re-wiring and installation of new data cables through the middle floor offices. Work was held up during the week commencing 2 April, due to the uncovering of potential asbestos containing material that had not been identified during previous demolition and refurbishment asbestos inspections. Fortunately the sample has come as negative (i.e. does not contain asbestos) and it is hoped that the works will be complete within the next 3 weeks.

Commercial property

At the current time all the Porthmellon Industrial sites and the Gleaner work units are occupied. At the Porthmellon Enterprise Centre the Workshop & Store and six of the Units are occupied with two Units and the Kitchen currently vacant.

Housing

The team are working on building an improved recording and monitoring system for repairs and maintenance to ensure that an appropriate responsive repaired system is in place. This is intended to help focus activity and allow better feedback to tenants as well as allow for more coordinated activity with the operational repair team. There is a need for a stock condition survey of all our

homes which will inform a forward investment and repairs work programme as well as an asset management plan. The plan will identify other key improvements to the service given to tenants, especially communication and crucially improved repair delivery.

Furthermore, the site assessment of potential Council owned sites for our Housing Delivery Programme is progressing well, key discussions are planned during the next month with Advisors regarding the potential small sites and an options report will be presented to Members.

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Lead Member for Planning - Local Plan Update

Cllr Dan Marcus

The planning team hosted consultation drop-in sessions over all of the 5 islands, spread over 6 days. We had 119 attendees which equates to just over 5% of the population. There is a breakdown of the attendance in table 1 below. To put this in context, if Cornwall Council ran a consultation with similar attendance rates, they would have approximately 30,000 attendees.

There was plenty of lively debate with a general acceptance for the need for new homes with a focus on housing the local community. The discussions on St Mary's were focused largely on the specific housing sites which included concerns around impact on infrastructure, flooding and proximity to the airport. The off islands raised issues around build quality on large projects, with a general acceptance that new development should be in response to the needs of these smaller communities with a flexible approach rather than identifying specific sites.

There were also concerns raised across all islands about funding for future development and how this would be raised to minimise the need for open market homes.

The next steps are for the planning team to wait for the closure of the consultation on Friday 11 May 2018 at 5pm.

Island	Attendance	Percentage of population
St Mary's – Old Town	19	5.4%
St Mary's – Hugh Town	75	
St Martins	10	7.3%
Bryher	7	8.3%
St Agnes	4	4.7%
Tresco	2	1.1%

Table1: Attendance at Local Plan Consultation drop-in sessions April 2018. Population estimate based on 2001 census.

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Smart Islands update

10th April 2018

Written by Jonathan Smith, Lead Member for Smart Islands

Community Venture

Increasingly the Community Venture is seen as the central organisation in the Smart Islands programme. This is not because of its size or budget, but because of the way it will enable the assets of Smart Islands benefit the community, and ensure longevity of the programme.

The organisation has recently done a lot of recruitment to help it grow and deliver products and services. The organisation has transferred to a Community Interest Company, ensuring an asset lock and management is carried out by Directors. The Board of Directors have nearly all been appointed. On the staff side General Manager Jim Wrigley is now joined by Community Outreach Officers Serena Balkwill and Maria Davey.

An energy tariff will be launched in May, in conjunction with partner Our Power. This will be well publicised and will aim to sign up domestic customers on Scilly to the new energy deal. Furthermore the Outreach Officers will begin a process of understanding what the community wants and needs in terms of the programme and the organisation.

This all ties in with the Community Venture's forward looking plans to develop an energy efficiency scheme for the islands and to potentially prepare the way for low carbon heating systems.

Smart Energy Islands

The Hitachi run project is now a year and three months in to its three year project term. This is the year where delivery starts to come to the fore and where people will see 'things happening'. The most visible will be the installation of solar PV panels on Council houses on St Mary's. These will be completed by Natural Generation from Cornwall, starting in late May. Communications and tenant engagement are to follow soon.

The IT platform that will integrate and manage elements of the Smart Islands programme is back on track after problems at the start. Demonstrations will take place later in the year.

132 businesses are signed up for the energy business support service. This has been completed on 17 businesses, underway on another 82, and the most recent will be scheduled for visits from advisers in the near future. The target is 200 businesses on Scilly.

An excellent Scilly Business Week session on Smart Islands was well run and attended in March. Social media for the project is now up and running, which is a good step forward. A new newsletter is due out soon.

Communications

The Communications group is meeting this week to work on ways to increase, co-ordinate and consolidate output from the programme. Integration and sharing of communications have improved steadily, and the programme now has a Facebook page <https://www.facebook.com/Smart-Islands-Partnership-354335585032239/> .

Recognising the need to continually improve is pivotal in the programme's success. The co-ordination of activities is particularly important now that more projects come to fruition and more services are delivered.

Electric vehicles

The electric vehicle project, 'Go EV' will be recruiting for staff in the near future. An intern post has also been advertised by Hitachi. The project will be run by the Council and expect to hear more in coming months. The aim of having a test vehicle by autumn 2018 is still a target, with the aim that it will enable testing of systems and the vehicle itself.

Anaerobic digester

This project aims to take in organic wastes and turn them in to energy. Treating wastes as a resource, whilst generating energy is a win, win situation. However the project needs to do some detailed feasibility work on siting, sizing, feedstocks and infrastructure needs to be completed before the project can move on further. This will move forward later in 2018.

The 'megawatt opportunity'

The aims of Smart Islands will be fully realised through the delivery of another megawatt of renewable energy. The viable options for this, given available resource, available technologies, and match to demand, are wind, wave and tidal. As yet no options have been ruled in or ruled out.

However there have been some very interesting presentations from companies seriously interested in marine energy here in and around Scilly. The most recent Partnership meeting heard about the potential for tidal stream technology, considered to be 'worth doing' here because of its benefits to the overall programme.

This megawatt opportunity would not only supply more renewable energy, it would help to smooth out peaks and troughs in generation capacity, whilst ensuring long term reliability of supply.

The next Smart Islands Partnership meeting is on 17th April.

Council of the Isles of Scilly report

Scrutiny recommendations to Council

Date 19 April 2018

Meeting Full Council

Part 2

Authors Bob Dawson, Officer: Policy & Scrutiny

Recommendations

1. That members note and support the following recommendations made by the Scrutiny Committee to Council:

a That an options analysis be carried out by officers that looks into inter-island boating requirements, supported by appropriate policies and a business case presented to Council where relevant.

b That members are assured that effective controls in budget setting, budget management and budget monitoring processes are in place to mitigate financial risk.

1. The recommendations above reflect recommendations of the Scrutiny Committee and have been submitted in writing to the Chairman of Council in line with agreed procedures.
2. Recommendations made by the committee that are operational in nature will be communicated to the relevant senior manager for their consideration.
3. The recommendations are based on findings of scrutiny panel reviews for inter-island boating and waste respectively as recorded in the draft minutes presented to Council on [14 December 2017](#). The following notes are made:
4. The Chairman of Scrutiny Committee has been made aware that senior managers are already considering recommendation 1a in light of funding secured and are in the process of identifying resource. No decision is required from Council at this stage.
5. The Chairman of Scrutiny Committee has under consideration workstreams to recommend for inclusion within the Internal Audit audit plan for independent assurance. This includes recommendation 1b. No decision is required from Council at this stage.
6. The Chairman of Council shall respond in writing to the Chairman of the Committee to summarise Council's response to future recommendations. The Chairman of Council's responses will be published in Part 2 of the subsequent Scrutiny Committee meeting.
7. Improvements in the clarity of communicating the Committee's recommendations to Council in relation to decisions are being made.

Financial implications

8. There are no direct financial implications of this report.

Legal implications

9. There are no direct legal implications of the decision being made.

Other implications

10. There are no other direct implications as these should be considered within any further reports relating to these recommendations.

Approval

Senior Manager	Theo Leijser, Chief Executive	9 April 2018
Financial	Only required if the report has financial implications.	
Legal	Matt Stokes, Monitoring Officer	10 April 2018

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Council of the Isles of Scilly report

Appointment of Data Protection Officer

Date 15 March 2018

Report to Chief Executive

Part N/A

Authors Matt Stokes, Monitoring Officer

Recommendations

- 1.** That Simon Mansell, an employee of Cornwall Council, is appointed as the Data Protection Officer for the Council of the Isles of Scilly with immediate effect, pursuant to the collaborative working arrangements between this Council and Cornwall Council.
-

1. The repeal of the current data protection framework and replacement with the General Data Protection Regulation (GDPR), alongside the soon to be enacted UK Data Protection Act, is by far the biggest regulatory development in information law in 20 years. The intention of the new legislation is to update laws that were written before the advent of the internet in its current form, social media and the ability to share what can be complex and sensitive data at the touch of a button. Together, the new legislative measures will create a modernised, accountable and risk-based compliance framework for data protection when they take effect in May 2018. The GDPR can be accessed at this link:

<http://data.consilium.europa.eu/doc/document/ST-5419-2016-INIT/en/pdf>

2. One of these accountability measures, as set out in Article 37 of the GDPR, requires public authorities to designate a Data Protection Officer (DPO) as a means of strengthening organisational compliance and self-regulation. The DPO is a statutory role and with the support of senior management, the holder of this post will play a central role in assisting with the successful implementation of the new obligations and rights, this changing data protection landscape brings.
3. This new framework places greater emphasis on public authorities being able to demonstrate proactive compliance with their data protection responsibilities and the role of the DPO (as defined at Article 39 of GDPR) it to provide advice to the authority on training, monitoring and auditing compliance with GDPR as well as helping to foster and embed a privacy and security aware culture for all types of data, at all times.
4. Article 37(2) does allow a DPO to be shared between authorities (if the DPO is located within the EU) providing the DPO is accessible by both the authorities and the data subjects served by the authorities. No professional qualifications are given but Article 37(5) requires that the person so appointed should have the professional qualities and, in particular, expert knowledge of law and practices the ability to undertake the tasks referred to in Article 39 of the GDPR. Guidance also advises that the DPO should have a sound knowledge of the administrative law and practises relating to the authority concerned.
5. The tasks referred to in Article 39 are:
 - “(a) *to inform and advise the controller or the processor and the employees who carry out processing of their obligations pursuant to this Regulation and to other Union or Member State data protection provisions;*
 - (b) *to monitor compliance with this Regulation, with other Union or Member State data protection provisions and with the policies of the controller or*

processor in relation to the protection of personal data, including the assignment of responsibilities, awareness-raising and training of staff involved in processing operations, and the related audits;

- (c) to provide advice where requested as regards the data protection impact assessment and monitor its performance pursuant to Article 35;*
- (d) to cooperate with the supervisory authority;*
- (e) to act as the contact point for the supervisory authority on issues relating to processing, including the prior consultation referred to in Article 36, and to consult, where appropriate, with regard to any other matter.”*

6. It is suggested that the DPO role could appropriately be discharged pursuant to the collaborative working arrangements between this Council and Cornwall Council. In that regard, it is understood that Cornwall Council is prepared to make Simon Mansell available under the collaborative arrangements for this purpose. It is further understood that Mr Mansell is sufficiently familiar with the GDPR and experienced in data protection matters such that he could be designated by this Council as its DPO, and that he is prepared to discharge the role. He has already been assisting the Council with its preparations for the implementation of the GDPR.
7. If the Council is not minded to appoint Mr Mansell it will need to make alternative arrangements prior to the implementation of the GDPR in May.

Financial implications

8. There will be costs associated with the appointment of Mr Mansell as the DPO for this Council, but it is viewed that this is the most cost effective option available to the Council. This will be charged on a time spent basis under the existing collaborative arrangements set up between the two Councils. Costs will be monitored during the financial year and any cost pressures either managed in year or factored into future budget setting processes.

Legal implications

9. Not appointing a DPO will put the Council in breach of its statutory duty. Similarly, appointing a person not suitable qualified and experienced to discharge the role will not discharge the Council's statutory responsibility.
10. The implications of the GDPR are significant and are much wider than is appropriate to set out in this report. The appointment of a DPO will assist the Council in meeting its legal obligations and being able to demonstrate appropriate assurance.

11. It is appropriate for this decision to be made using the delegated authorities available through the Scheme of Delegation.
12. The appointment should be reflected in an amendment to the Statutory Officers Agreement between the two Councils.

Other implications

13. None.

Appendices

None.

Approval

Senior Manager	N/A	
Financial	Andy Brown, Section 151 Officer	14 March 2018
Legal	Matt Stokes, Monitoring Officer	15 March 2018



COUNCIL OF THE ISLES OF SCILLY

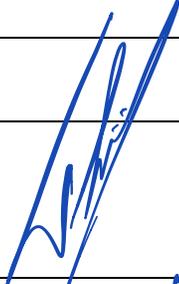
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Delegated decision of:	Theo Leijser, Chief Executive
Subject matter:	Appointment of Data Protection Officer
Report date and author	15 March 2018 / Matt Stokes, Monitoring Officer

Decision:	That Simon Mansell, an employee of Cornwall Council, is appointed as the Data Protection Officer for the Council of the Isles of Scilly with immediate effect, in accordance with the collaborative working arrangements between this Council and Cornwall Council
Reasons for the decision:	For compliance and risk management reasons, as reflected in the report
Alternative options considered:	Appointment of an officer of the Council of the Isles Scilly but there isn't currently anyone with the appropriate qualifications and experience
Conflicts of interest declared:	None

Signature:	
Date:	22 March 2018

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