

Devon Economic Partnership

Main Meeting

22 June 10.00am

Woodlands Enterprise Centre, South Molton

MINUTES

Present

Tim Jones (Chair)
Andrew Lightfoot
David Incoll
Ian Morris
Jeremy Filmer-Bennet
Jill Sheen
Liz Oram
Matthew Jones
Mary Graves
Paul Gompertz
Peter Lacey
Phillip Wagstaff
Richard Stratford
Rob Hetherington
Robin Makeig-Jones
Robin Jackson
Stewart Horne
Sue Parr

Organisation

Devon and Cornwall Business Centre
Devon Economic Partnership
South Hams & West Devon Councils
Government Office of the South West
Devon and Cornwall Business Partnership
SW Regional Development Agency
Business Link
Devon Economic Partnership
Skills Funding Agency
Devon Wildlife Trust
EHoD Economic Partnership
Devon Rural Network
South Devon College
Devon County Council
North Devon +
Exeter Innovation Centre
Enterprise Agencies
Job Centre Plus

Apologies

Andrew Ashley
Andrew Southall
David Parlby
Malcolm Sherry
Martha Wilkinson
Matthew Cross
Paul Sadler
Peter Harding
Sally Kittle
Steve Pitcher
Terry Murch

Organisation

Enterprise Plymouth
SW Regional Development Agency
Plymouth Chamber of Commerce
Management Associates UK
Devon Community Foundation
Plymouth City Development Company
Environment Agency
Community Council of Devon
Job Centre Plus
North Devon +
Midas

1. Welcome and Introductions

Tim welcomed everyone to the meeting and introductions were made around the table. Tim raised the important point that this meeting is taking place during the official announcement of the emergency budget by the Coalition Government. He added that as this is the case, he may be called away to give his reaction.

2. North Devon + (Robin Makeig-Jones)

Robin introduced himself as the Commercial Director of North Devon +. He stated that his agenda at this meeting was to inform the group of what projects North Devon + is actively facilitating 'on the ground'. For a more comprehensive view of the North Devon + business plan, Robin urged group members to view the North Devon + website, available by following the link below:

<http://www.northdevonplus.com/>

Robin proceeded to give a PowerPoint presentation to the group. This presentation is available to view via the Devon Economic Partnership website, by clicking the following link:

[Link Required](#)

Upon completing his presentation, Robin was thanked by Tim who then asked for questions from around the table. The first question came from David, who stated that the South Hams has suffered from having to compete with national supermarkets for tourist spending on food and drink. David emphasised this point by suggesting that many tourists actually buy their holiday food and drink online from companies such as Tesco's before then heading down to Devon. David felt that this was damaging to the South Devon local economy and inquired to Robin if he has had similar problems and how he has fought to challenge this situation. Robin agreed that North Devon + has encountered similar problems and stated that they have had a positive impact in changing this by their large scale promotion of locally sourced produce when accommodation bookings are made. In particular, the creation of a local food and drink competition, in which tourists can add reviews, and a promotion leaflet that Robin intends to be given out whenever a holiday is booked.

Tim agreed that these are positive moves but also suggested that we will never succeed in competing with large and powerful companies such as Tesco. He went on to suggest that the 'Bristol Box' traffic congestion situation is continuing to develop as a real issue for companies trying to haul their goods into our region and that global supermarket chains may therefore be keen to look to secure locally sourced produce to avoid this logistical problem. With this in mind, Tim concluded that it may be a case

of 'if you can't beat them join them' and suggested that there is potential to work with large supermarkets to secure business for local food and drink suppliers.

Tim concluded this item by saying that, although it has been a long baptism for North Devon +, it now has an extremely positive influence on the North Devon area. He in particular agreed with Robin's point that despite being in Cornwall, Bude is intrinsically linked to North Devon, and he suggested that this highlights an incredibly pertinent issue; that economics shows no respect to historical administrative boundaries.

3. Using the natural capital from Culm (Paul Gompertz)

Paul introduced himself as the Director of Devon Wildlife Trust but was keen to inform the group that he sees himself as neither an environmentalist nor a conservationist. Furthermore, he gave his main aim for this meeting as to highlight to the group the growing link between environmental issues and the economy. He pointed to the recent merger between the Partnership and the Devon Rural Network as an example of this convergence.

Paul proceeded to give the group a PowerPoint presentation, which introduced to everyone the subject of Devon's Culm, and its economic influence. The presentation is available to view here:

<http://www.devoneconomy.co.uk/assets/PDFs/DEP/DEP%2006%2010%20pg.ppt>

Following the presentation, Tim thanked Paul and asked for questions from around the table. Robin M-J was keen to inquire how Paul has been engaging the private sector with his work. Paul replied, informing Robin that they remain in close contact with several businesses and landowners and have, in the past, offered free consultation and advice. This advice has chiefly surrounded trying to obtain higher level stewardship and grants from Natural England.

Robin also suggested to Paul that, although we do have a corporate responsibility to enhance and protect the Culm, it is hard for many small/medium businesses to justify the apparent additional cost in doing so. Robin went on to specifically highlight the expense of BREEAM as a cost of environmental responsibility. Paul agreed and suggested to the group that we need a psychological change as, in our current mindset, we are headed for disaster. He agreed that because of potential costs it is hard to market the benefits of the Culm to businesses, even though, as previously mentioned, perceived costs can actually be greatly outweighed by the tangible financial benefits that are associated with revitalising the Culm.

David contrasted the 'over farming' of the CULM with the issue of how farmers are moving away from farming Dartmoor and that the increase in scrub land there is negatively affecting the tourist industry. Paul agreed

that he is concerned by this issue and stated his belief that we must consider all implications of the use of farmland in our county.

Robin J suggested that there is huge potential for partnership between the University of Exeter and Devon Wildlife Trust. This is particularly true as the university has recently introduced an MBA, endorsed by the WWF, which is aimed at promoting sustainable agriculture. In addition, the Centre for Rural Research is based at the university, which works in partnership with the Duchy College in Cornwall.

Action Point Paul & Robin J: To make further contact to discuss partnership working between Exeter University and the Wildlife Trust

Despite this, Tim raised his concerns that we could cloister this essential debate. He emphasised the importance that all bodies from all sectors must have access to the debate and raised the flooding problems at Ottery St Mary (which were caused by over farming), as fundamental proof of the link between a poor environmental agenda and its economic impact and cost. He also highlighted the impact of the endangered fritillary butterfly which, through a lack of understanding of from stakeholders, held up construction of the Goss Moor bypass by years. He ended the item by again stressing the importance of environmental issues to Devon's economy.

4. Innovation Framework

4.1 Regional Development Agency Initiatives (Jill Sheen)

Jill introduced herself to the group and proceeded to give a brief overview of the South West Regional Development Agency's current initiatives. This brief overview is available through the Partnership website, accessible by following the link below:

<http://www.devoneconomy.co.uk/assets/PDFs/DEP/10%2006%2016%20A%20brief%20guide%20to%20Innovation%20products%20and%20activities.doc>

4.2 Exeter Innovation Centre (Robin Jackson)

Robin introduced himself as the Director of the Exeter Innovation Centre and proceeded to give the group an overview of his and the Centre's work. A simplified version of this presentation is available through the link below:

<http://www.devoneconomy.co.uk/assets/PDFs/DEP/Robin%20Jackson%20DEP%2022%20JUNE.ppt>

The Exeter Innovation Centre is not a social enterprise but it is run as one. It is funded by a commercial loan and all profits/surplus is ploughed back into knowledge based enterprise programmes. The original building is around 10 years old and its continued success made it viable to extend the Centre with substantial redevelopment three years ago. Robin was keen to emphasise that this Centre is not just a managed workspace facility, but offers a more sophisticated and diverse range of services.

In terms of questions, the first came from Andrew who queried the fact that Robin had not mentioned the important sector of creative industries in his presentation. Robin replied that the Innovation Centre tends to include the creative industries sector under the overall umbrella of ICT. He also suggested that there is a relatively small demand in the area for employees skilled in creative industries such as design.

He went on to make the point that many people hope that the knowledge economy will be the region's 'saviour' but that this is not always the case; primarily as many industries will be relocated to regions and countries with lower overheads, such as China. He emphasised the importance of quality control and the need to utilise local skills, not sub contract work out of the region. Tim agreed with this, highlighting the Northcot lighting industry that has been hugely damaged by work being contracted out to China. The group also suggested that this happens because our country does not integrate enterprise into learning in our curriculum. This built on Robin's earlier point that many academic institutions see enterprise courses as a distraction from more fundamental learning.

In addition, Jeremy informed the group that the Business Council has in the past commissioned research in Europe regarding this subject. The Flemish model was the most impressive, where they imbed an element of enterprise into each course to maintain that people are learning the fundamentals of business.

Building upon this point, Tim was keen to point out that despite the clear and continued success of the Exeter Innovation Centre, we still have problems. For example, there are still skill deficiencies in our region's key sectors and a non existent network to face these problems. Tim suggested that we now have an excellent opportunity to work in partnership to challenge this.

Robin responded in total agreement and offered the Partnership the opportunity to form a sub-group with the Innovation centre and the University of Exeter in order to find solutions to our region's enterprise issues. Robin suggested that we need to formulate a mapping exercise and the group responded in agreement with this suggestion. Furthermore, Jill informed the group that the RDA has the resources to support this mapping exercise, Andrew also suggested the viability of linking this to the work of South Devon College, presented to the group by Adele Dawson at the last Partnership meeting.

Action Point Robin, Jeremy, Jill, Andrew: To discuss the possibility of forming a dedicated sub forum, with the Innovation Centre and the RDA, to discuss and act upon the issues highlighted in this meeting.

5. Implications of the Coalition Governments policies for Partnership activity

Andrew opened this agenda item by stressing its supreme importance. It is clear, he said, that every one of us will be affected in some way by the actions of the Coalition Government. Particularly pertinent to the DEP, is the suggestion that Local Enterprise Partnerships may be formed across the country to manage economic growth.

Acting upon this, Jeremy proceeded to give the group an overview of how things currently stand. He informed the group that the north-west and north-east have raised to central government the potential for LEPs by writing to Vince Cable, highlighting their commitment to merging into one economic body. Early thoughts are that the government agrees with this model in principle, but he also suggested that the government has set out the following provisions:

- That these bodies should not necessarily be formed along historical boundaries but across a 'natural economic patch'
- It must have politically elected leadership (a past criticism of the RDA being that this is not the case)
- It must have a very clear 'organisational business representation'

This does, on an initial basis, validate the possibility of a LEP forming across Devon and its connected counties. Furthermore, Jeremy suggested that Cornwall may have been informed that it has to join with Devon as having Cornwall as a single economic entity is not viable. Jeremy stated that initial discussion between the upper tier governmental bodies in the region had concluded with an 'apprehensive positivity' regarding LEPs. The Chambers of Commerce are behind the idea of LEPs and even the local FSB bodies, despite a strong regional agenda nationwide, are thought to accept LEPs as the way forward.

Sympathetic of Jill's situation, Jeremy highlighted that these bodies are not intended to replace the RDA but also, that we should be very clear that the huge funding cuts faced by the RDA validate this discussion. Jeremy suggested that the formulation of these bodies will take place after a lengthy, inclusive iterative process. He informed the group that the government have set a deadline of September/October to address the localism issue and apologised for the wooliness of his information; although he was keen to point out that the situation itself is completely subject to change and woolly. Jeremy concluded that the formulation of a

LEP would call into question the relevance of the Partnership in its current guise, but that the Devon Economic Partnership is in a strong position and has the potential to take a lead role in the formulation of a LEP.

Andrew asked Mary for an overview of the skills agenda in this political climate. Mary, in response, read from a grant letter from Vince Cable, received by the Skills Funding Agency in the morning of this meeting. This letter is available to view here:

<http://www.devoneconomy.co.uk/assets/PDFs/DEP/VINCE%20CABLE%20TO%20GEOFF%20RUSSELL%2017%20JUNE%202010.pdf>

In addition, Mary also suggested that the brand name for the new Integrated Adult Careers Service (IACS) will be Next Step. The Prime Contractors (Careers South West for Cornwall, Devon, South Somerset and Dorset, and Tribal for West of England, North Somerset and Glos, Wilts, Swindon) have now received their contracts and will be submitting delivery plans for approval by 9 July.

Responding to this, Jeremy suggested that we view the BIS website (www.bis.gov.uk) to keep abreast of new developments and suggested that BIS are calling for a new degree of trust between the Skills Funding Agency and the business community. He informed the group of his belief that we will see a shift between 'education for qualifications' to 'education for skills' and suggested that companies are very interested in the new concept of 'portable apprenticeships'.

Regarding Job Centre Plus, Sue registered her and her colleagues' concerns of how they will deal with the expected cuts to their budget. She suggested that the leading members of Job Centre Plus may be looking at selling off estate in order to raise funds and Sue suggested closing job centres in the past has had a hugely negative affect on local economies. David agreed with this and suggested that we must remain committed to partnership with Job Centre Plus and must consider the use of any estate that could be appropriate to maintain the service.

Andrew introduced to the group the work of Debbie Scott at Tomorrow's People. With the help of Ian Duncan-Smith and Lord Freud, Tomorrow's People are having a hugely positive impact on people's lives, despite the insecurity of the current political and financial climate. This, Andrew feels, is because it uses creative and innovative ways to get people into work. Andrew remarked that it looks at innovation from a different angle and is increasing productivity and wage levels, which should also be our main aim.

This item concluded with Jill making the suggestion that the government are considering modelling economic areas or 'growth hubs' around universities, although they are yet to go into specific detail. Andrew remarked that, despite the lack of clear information, this is an important consideration for the future.

6. Operational Plan for Devon Economic Partnership

Andrew began this item by informing the group that this draft plan is an attempt to inform all stakeholders what we are trying to achieve despite the politically uncertain environment in which we will be operating. Furthermore, Andrew highlighted to the group that the Partnership has taken the step to formalise membership which will include the requirement to pay a membership fee.

In light of a lack of clear commitment from some of the Partnership members, Andrew has taken the stance of giving these stakeholders more time as he feels that pressurising bodies to pay for membership will not be beneficial in this financial climate. He suggested that we set a deadline of autumn for this commitment. David disagreed with this point and stated that, although he understands the ambiguity of the current situation, he feels that people should understand the clear benefits of joining our Partnership and that a deadline of this summer is more acceptable. Also, Stewart raised his concerns regarding theme 5 (Business Support) and emphasised the importance that we don't over rely on the private sector and that we understand that it needs our support too.

Phillip was keen to inform the group of his views of the recent merger between the DEP and the Devon Rural Network. He explained to the group that the DRN has three policy themes from which to act upon: economy, environment and community. He emphasised that the rural nature of Devon makes it imperative that rural issues are given an acceptable level of importance when the Partnership carries out its operations, and highlighted the presentation given by Paul as intrinsic proof of the link between the environment and the economy. Although pleased to merge with the DEP, Phillip expressed his desire that things are taken forward on a practical level. He suggested that the Farming and Food Board and 'rural proofing group' be treated as topic groups and that there be more explicit consideration of means of communication via the web sites etc. Andrew agreed with this suggestion.

Action Point Phillip, Andrew and Matthew: To meet to discuss practicalities of DEP and DRN merger

In addition, Robin M-J inquired about North Devon +'s rural proofing exercise and how this fits in with the Devon Rural Network agenda.

Action Point Phillip/Robin: To make contact in order to discuss partnership working regarding rural proofing

7. Progress reports on key themes

Andrew proceeded to give an overview of the Partnership's key themes. In particular, Andrew highlighted to the group that we are currently making efforts to link the HCA local investment plan with the Employment Space Strategy.

Andrew also highlighted to the group that the SLIM research is developing well and that draft reports for each ESB and the LEA are available via the Partnership website.

<http://www.devoneconomy.co.uk/research-steering-group>

The next step is the publication of a 'discussion document' for each report which will act as the catalyst for an iterative process between SLIM and each ESB. This will be discussed at a Skills Event on the 6 July at Exeter City Football Club. This event is being attended by representatives from an array of bodies across Devon, and will be vital in framing the Regional Skills Priorities which will be published, it has been suggested, by October this year.

The Devon Worklessness Forum is meeting regularly and consistently attracts over 25 stakeholders from across the region. It is hugely influential in encouraging a collaborative response to Devon's worklessness agenda.

The Devon Youth Games will be held on July 10 at Tavistock College and Crowndale Recreation Ground. It is an excellent opportunity to get LA's and local businesses networking and will be used to express to all stakeholders the economic benefit of actively engaging with Team Devon's work

The LAA group continues to work towards fulfilling the aims laid out in the 2010 refresh, one of the outcomes, a soil mapping exercise, relates to the earlier discussion on the Culm.

8. Notes of meeting held on 22 April

Passed without comment

9. News round-up

In other news, Richard highlighted to the group the work of South Devon College which continues to be a success and is currently helping 50-60 businesses engage with the knowledge base.

Jeremy was keen to point out to all present that they do not need to contact him directly if they wish to add news to the DCBC website. Just add the information and it will go through a validation process before being accepted.

David informed the group that, as expected, negotiations regarding Sherford and Langage continue to be difficult. However, he was more positive about the proposed work on the Dart Estuary which he believes will soon get the green light.

Jill wished to highlight to the group the RDA's full offer of support to stakeholder groups as we go through these potentially massive structural changes to Devon's economic bodies.

Andrew ended the meeting by making the statement that ironically it is European funding streams which have remained most reliable and secure. He highlighted the publication of the EU's 2020 strategy and stated that its three themes of smart, sustainable and inclusive growth are entirely relevant to the work of the Partnership

It was confirmed that the date of the next DEP meetings are Thursday 9 September and the Wednesday 3 November. Both take place from 10.00am. Venue to be confirmed.