

From: Councillor Steve Count
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Mr Mark Reeve
Chairman
Greater Cambridge Greater Peterborough Enterprise Partnership
The Incubator
Alconbury Weald Enterprise Campus
Alconbury Airfield
Huntingdon PE28 4WX

17th January 2017

Dear Mark

I am writing an open letter to you and the Board to set out my concerns about a number of items on the agenda of today's Board meeting and in doing so I am proposing some recommendations to deal with those concerns.

Item 1 - Welcome and Declarations of Interest -

I understand that Steve Barclay MP raised some issues about the LEP at a meeting on the Wisbech Garden Town last Friday and at one point he referred to conflicts of interest. I understand that he has now sent to the LEP a number of questions about conflicts of interest. One of the questions relates to the LEP publishing a full list of all declarations of conflicts of interest.

The publication of our Register of Interests is something I have requested once verbally and twice in writing. Our Register of Interests does not appear to be published on our website despite my interventions, unlike the New Anglia LEP who publish theirs on the governance section of their website. I also note that our agendas have only very recently included an item for Board Members to declare interests.

Good corporate governance is essential to our LEP and these matters, in my view, call into question our governance which is a serious matter for the Board to address as it is making important decisions on the spending of significant amounts of public money. It is essential that we take immediate action.

I would therefore propose that the Board pass the following resolutions:-

- **Send to all Directors by close of play today the Register of Interests so each Director can ensure that the Register is up to date;**
- **Publish the Register of Interests on the LEP website by close of play tomorrow on the governance section of our website;**
- **Instruct an experienced governance lawyer to review the corporate governance of the Company with particular focus, in the first instance, on declarations of interest to enable the questions posed by Steve Barclay MP to be fully answered and for the Board to receive a report on**

any actions it or any of its Directors need to take as a result of the review.

Item 4 - Progress on Strategic Economic Plan (SEP) -

LDA have been commissioned to refresh the SEP and I can see that there is to be a presentation to the Board. In advance of that presentation I would offer the following comments:-

- There was limited opportunity for any of the local authorities to input into the brief and there has been limited involvement of partners in the process so far to help shape the work.
- It is unclear why the SEP refresh is being progressed now in isolation of the work of the Combined Authority. It would be preferable to halt progress so that the CA and LEP can jointly agree a new and better informed approach to commissioning the evidence base and strategic documents necessary to help shape and drive forward the economy of the area. An overarching Growth/Economy/Productivity Strategy that informs the new Local Transport Plan, Spatial Strategy, Housing Strategy, Infrastructure Investment Plan etc would be a more logical starting point than the LEP led SEP attempting to lead/fulfil this role.

In addition to the above, I have also received some comments from officers who have heard the presentation of LDA and who are concerned about the work so far. The comments are as follows:-

- The presentation merely summarised what we already know about commuting patterns, pockets of deprivation, sectoral breakdown and concentrations etc. There was nothing meaningful on how this evidence would inform a new strategic approach nor how it would challenge traditional thinking and help overcome identified economic constraints.
- There was no commercial market intelligence included in the presentation, it was merely trend based analysis of data.
- There was no evidence of the input from Cambridge University who are supporting LDA to do this work.
- The graphics and presentation were unconvincing and very basic.
- There was no read across in the presentation about how this work fits with the work/priorities of the CA other than an oblique reference at the end to it informing the new spatial plan.
- The focus of the presentation was very clearly Cambridge which was politically naive. There was no assessment of the relative strengths of different parts of the geography.

I therefore propose that the work on the SEP refresh is halted and the LEP collaborates with the Combined Authority on how to take this work forward jointly.

Item 5 (ii) Ely North -

The current recommendation on this paper is as follows:

- i) *In line with the Board's support in November to assemble a funding package for the Ely North Area Improvement, to note that additional work on Wider Economic Benefits has been completed.*

The Agreed actions from the December meeting with Network Rail were as follows:

LEP to confirm funding for Ely Area at their January meeting.

Network Rail to develop a cost for including the following in a single programme:

- *Ely Area: GRIP 1 – GRIP 3 Option Selection*
- *Ely – Soham doubling: GRIP 3 Completion – GRIP 4*
- *Soham Station – GRIP 4*
- *Newmarket Curve – Timetable Feasibility Study and potentially GRIP 1- 2*
- *March – Wisbech – GRIP 2 – 3*

As worded, the current LEP resolution does not reflect what was discussed in December and provides no clarity on funding for the Wisbech rail reopening work although that was agreed as being part of the overall Ely Area Improvements programme. I have received a letter from James Palmer (attached) which also reflects this concern.

The LEP has already funded the GRIP2 Wisbech rail project and the BCR at close to 1.5 demonstrates there is a case for further work. To be successful, the Wisbech rail scheme needs capacity in the Ely area and there is a strong logic to funding all of the works together, as to not do so risks marginalising of the Wisbech scheme and capacity could be allocated to other projects.

It is my view that the best way to move the agreed way forward from the December meeting and the clear case to accelerate the Wisbech rail project is to commit the necessary funding now.

I therefore propose the following additional recommendation:-

- ii) **To agree to commit the necessary funding from the Wisbech Access Growth Deal allocation to complete the GRIP 3 study for the Wisbech rail project and to seek early confirmation from DfT that this is an acceptable and appropriate use for which to draw down the funds.**

Item 7 - Strengthening Inward Investment and Innovation Support across the LEP -

There are some strong points in parts of this paper – primarily around the Science Innovation Audit package ['Innovation' in Section ii).

However, there is a fundamental flaw: there is no direct connection between Inward Investment and Innovation, and as such the two recommendations should be treated separately and as separate papers (not bundled together as in the first section of the paper).

i) Inward Investment proposal:-

There is always more that can be done, and funded, around Inward Investment. However, the paper is unclear on why pumping greater investment into the LEP team itself is the best option. The LEP is supposed to be a commissioning organisation but is increasingly moving towards being a delivery agency. The LEP's previously discussed idea of recognising the two economic footprints and structuring LEP commissioning around these has been lost. Partners such as Opportunity Peterborough for the greater Peterborough area and, for example, a similar new entity or existing partner for greater Cambridge could be appropriate delivery models. I know from my discussions with Cllr Holdich that this proposal directly threatens Opportunity Peterborough which is a recognised and successful brand. Public sector reform through the CA also needs to consider the merits of different delivery models.

Focusing on the existing high value sector strengths of the area is not be the most beneficial approach for the LEP as a whole and clearly favours Cambridge.

The Inward Investment paper needs clarity as it focuses on a GCGP-entity view of the world rather than the real economy of the area, and is unclear in its outputs for the investment made.

Fundamentally, it establishes GCGP as the 'deliverer' prematurely in advance of the SEP findings or the work and priorities of the Combined Authority.

I therefore propose the following alternative recommendations:-

- **That the LEP clearly distinguishes between Inward Investment and Innovation, and tackle these separately.**
- **That the current proposals are halted so that engagement can take place with all the organisations working in this area as well as the Cabinet Member within the Combined Authority in order that a proposal can be jointly designed to ensure that any solution works for all parties.**

ii) Innovation proposal:-

Supporting the SIA would be sensible and productive. Good work has been carried out by Steve Wilson at GCGP in corraling support to this and engagement from Government. As such it would make good sense to further support the SIA work.

However, the SIA work is not the only aspect of innovation, and combining Inward Investment and Innovation in the first part of the paper under-values its importance. Innovation is an area where the GCGP economy is particularly strong – and not just in Cambridge business parks. As such, a more comprehensive approach to supporting innovation in its own right should be taken, and there are a number of opportunities that could be progressed (eg OP did submit an outline proposition several months ago which could position the LEP area very strongly in the innovation and utility supply chain, but has had no response).

The paper also alludes to increased work with InnovateUK, Catapults, KTN etc. This is absolutely right; these parties are extremely interested in this geography and there is more that can be done; however, there is no clear outline of approach as to how that would be achieved.

Conclusion: It is right to focus on Innovation – but this should be in its own right (it can be a catalyst and partner to investment, but no more so than, say, business support or skills). It should also be an area of focus for the GCGP area – but in all aspects (eg manufacturing; enterprise start-up etc).

I therefore propose the following additional recommendations:-

- **The LEP should commission a more strategic approach to innovation in its own right to meet the diverse opportunities for innovation.**
- **The LEP should provide funding to support and co-ordinate with those already engaged in innovation programmes and initiatives rather than the LEP doing everything in-house.**

Item 8 - Agri-Tech extension approval and support initiative -

There are some good points within the paper but some missed opportunities. Fundamentally, it is unclear whether the term 'Agri-Tech' is synonymous with the wider 'Food & Drink' sector, or whether it is intended to focus on research and development. Much of the paper is familiar from previous work undertaken by Paul Fieldhouse of WLP and any commissions of work should be competitively tendered.

The 'Agri-Tech' grant scheme has been hugely popular, and is rightly identified as a success.

Equally, the need for a 'Strategy' on this issue is probably right but, in line with my previous comments, how does this all fit in with the SEP? We need to be clear as to what it is tackling and ideally should correlate to the Lincs and New Anglia strategies – rather than being stand-alone. I wonder whether there is an opportunity here for cross-LEP approaches which are favoured by Government?

There is mention of a 'productivity pilot' but this doesn't reappear anywhere else in the paper or even how the proposals might support this.

There are also a number of other initiatives that seem to have been lost over the years eg the notion of an A47 food corridor. The idea of a skills hub seems to pre-empt the findings of the suggested strategy. It may well be valid but its geography needs to be more carefully handled ('South Lincs and Fenland' looks like buying friends) and it should be informed by the strategy, and the SEP.

This is an important sector for the area, but would benefit from a more collaborative approach across the LEP geography and with neighbouring LEPs at an early stage. It would also benefit from clarity around terminology.

I therefore propose the following that the LEP should:-

- **Support the existing Agri-Tech funding programme.**
- **Halt the other proposals and ask LEP officers to work with the CA and other relevant organisations to determine the correct approach to this issue and in particular whether this is an appropriate industry for Fenland and South Lincs to focus on.**

I hope that these comments are helpful and constructive but, more importantly, ensure that our governance, plans and strategies are robust, have coherence and are worked up in collaboration with the new CA and partner from within and outside our geography.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Steve Count', with a long horizontal flourish extending to the right.

Clr Steve Count
Leader, Cambridgeshire County Council



**EAST CAMBRIDGESHIRE
DISTRICT COUNCIL
LEADER OF THE COUNCIL**

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Councillor Steve Count
Cambridgeshire County Council

My Ref: JP/Ldr/CllrCount

BY EMAIL

16 January 2017

Dear Councillor Count,

I am writing to you in your capacity as a Member of the GCGP LEP Board.

I note that the Board is due to make funding decisions to support Ely North Junction. The paper that has been prepared does not adequately reflect conversations that have been ongoing with various stakeholders, particularly Network Rail.

As a Council we fully support the need to make improvements at Ely North Junction, but these improvements cannot be done in isolation. It is disappointing that the Wisbech Rail and Soham Railway Station have not been addressed as being of significant importance to the Ely North Junction proposals and unlocking the growth that is so desperately needed in the Districts.

It is imperative, not just for housing growth but also for economic growth that these projects are given proper consideration and further delays on these projects will continue to negatively impact growth aspirations. Housing growth and economic growth are intrinsically linked and both must occur simultaneously not independently.

Now is the time to make the investment to get these projects in the pipeline so that we can maximise on opportunities available to us from the Combined Authority.

Could you please ensure that the Board understand the importance of these rail projects and that they are properly considered and included in the Ely North Junction Improvement scheme and include Soham, Ely and Wisbech in as the Ely Rail Improvement. This would then reflect discussions that we have had previously.

Yours sincerely,

Cllr James Palmer
Leader of the Council

cc John Hill, Chief Executive
Gillian Beasley, Chief Executive, Cambridgeshire County Council

