

CUMBRIA INWARD INVESTMENT AGENCY

EXECUTIVE MEMBER: Cllrs Mike Ashbrook/Jim Hewitson

LEAD OFFICER: Fergus McMorrow

REPORT AUTHOR: Fergus McMorrow

Summary: This report seeks the Executive's views on selling its share in the CIIA and seeks to identify how the Council would wish to be involved in its successor organisation.

Recommendation:	<ol style="list-style-type: none">1. The Executive recommend to Council that our share in the current CIIA company is sold.2. The Council continue to fund inward investment activities through the new organisation in line with option 2 para 3.1 and consider options three and four at annual reviews.3. £ 20,000 is found from contingencies to provide funding.4. 1, 2 and 3 above are subject to the County Council agreeing to the Borough Council having a seat on the Board.
------------------------	---

Impact on delivering the Corporate Plan: The role of the Inward Investment Agency is critical in delivering our target of 5,000 jobs between 2002-2012.

Impact on other statutory objectives (e.g. crime & disorder, LA21): Economic health will contribute to reducing crime and disorder and will improve community sustainability.

Financial and human resource implications: Continuing funding at previous levels would cost £20,000 per annum. This sum would need to be found from contingencies for this year. Provision would need to be made in future years' budgets as appropriate.

Project & Risk Management: Not relevant as this would be carried out by the County Council.

Key Decision Status

- **Financial:** N/A
- **Ward:** N/A

Other Ward Implications: None

1. INTRODUCTION

- 1.1 Following a review of the future of the Cumbria Inward Investment Agency, Cumbria County Council is proposing to take the organisation 'in house'. District Council support for the current structure had been waning with a number of districts no longer providing funding.
- 1.2 In order to do this, the County are seeking to purchase the shares of the other local authority partners for a nominal amount. All other Cumbrian Districts have sold their shares.

- 1.3 The County is seeking agreement that Copeland to sell its share allowing the new organisation to become wholly owned by the County Council.
- 1.4 Given the major economic changes faced by our Borough it is important to be clear about the nature of the inward investment activity that will be taking place in the future and Copeland's ability to influence priorities. As a result protracted discussion has taken place between the County and Copeland.

2. CURRENT PROPOSALS

- 2.1 The attached letters (Appendix A) from the County Council set out the current position. Confirmation has been received that the new organisation's activities will be aligned against the emerging West Cumbria Masterplan alongside other strategies. However, at this stage there is no clarity about priorities given limited budgets.
- 2.2 The County Council have now confirmed that there is no reason why the Borough Council, if providing significant funding, should not have a director on the Board that would provide an influence on priorities and resource allocation. This is a change in their initial position that envisaged a Board only of County Council representatives and the private sector.
- 2.3 In the past we have contributed £20,000 per annum to the CIIA.

3. OPTIONS TO BE CONSIDERED

- 3.1 There are a number of options open to the Council:
 - a. We take no active involvement being content about the reassurances given re activities being aligned to the Masterplan.
 - b. We continue our financial support for the inward investment organisation and seek a seat on the Board to engage in the development of policies.
 - c. We fund and seek a seat, but then seek support from neighbouring districts to share the cost to ensure West Cumbrian representation.
 - d. We commit to funding and secure a seat on the Board for an initial period until the new organisation is established then review the situation.

4 CONCLUSIONS

- 4.1 The Borough Council have recognised the importance of this activity in the past and have been prepared to fund it be involved at Board level. As increased resources are made available to transform the Copeland economy through West Lakes Renaissance and proposals arising from the current master planning are put in train, the potential for inward investment will grow and become more critical. The new proposal will involve a smaller and more effective Board within which this Council could be stronger. In this respect the new structure would provide better value for money to the Council than in the past.

List of Appendices:

- Appendix A – Letter
- a) from Cumbria County Council.
 - b) from Cumbria County Council

List of Background Documents:

List of Consultees:

Cllr J Hewitson, Cllr M Ashbrook, S Borwick, M Jepson,
M Tichford