



Economic Development Committee Minutes

Date: 04 September 2014

Venue: Council Chambers

Time: 13.30 pm

<u>Present:</u>	Chairman:	Hon Lawson Henry
	Deputy Chairman:	Hon Derek Thomas
	Members:	Hon Bernice Olsson Hon Leslie Baldwin Hon Gavin Ellick Director ENRD, Mr Trevor Graham Director of Enterprise, Mr Robert Midwinter
	Apologies:	Acting Financial Secretary, Mr Dax Richards Hon Financial Secretary, Mr Colin Owen (Overseas) Government Economist, Mr Ian Smyth (Overseas)
	Secretary:	Mrs Connie Johnson

OPEN SESSION

11.1 Attendance and Welcome

The Chairman welcomed all present to the Economic Development Committee (EDC) meeting which had been changed from the normal morning meeting, to the afternoon because some of the member's had earlier commitments.

Apologies were received from the Acting Financial Secretary.

11.2 Declaration of Interest

The Hon Derek Thomas declared his interest as an Accommodation Provider.

11.3 Confirmation of Open Minutes

The minutes of the last meeting of the 07th August 2014 were confirmed without any amendments.

11.4 Matters Arising

There were no matters arising.

11.5 Update on Enterprise St Helena - Mr Rob Midwinter

Rob reported that members would have already received the July report and advised that in August, members would also receive the monitoring report before the end of the quarter. He highlighted that since the launch of the new grants scheme they have had thirty three enquiries, received nine applications of £33k and six grants of about £20k have been approved. Rob said

that last year the Grant funding budget was £5k so this year they will need to think about viring some of the budgets to support this because they will exceed the £30k they have budgeted which he says is positive. Rob further explained that it is not just a raise in the level of interest but the scale of interest because before people were coming forward to develop a couple of rooms but now they are coming forward to ask about developments for eight en-suite bedrooms and similar developments of a much larger scale. Rob said that they are continuing to do promotions and there will be regular events to focus on specific target sectors. Rob advised that this type of statistics given to the EDC regarding accommodation developments, is also fed back to DfID however they have to be careful of the level of detail that is given to the public but internally they are able to assess and determine the level of impact but of course this will depend on the number of flights and visitors each week.

Councillor Ellick asked for a point of clarification on how to obtain land for someone wanting to invest in forty beds in different areas but the problem is the unavailability of land because they have their own funding and do not want to involve ESH.

Rob said that they could still talk to ESH but crown land is a Crown Estates matter and privately owned land is a different matter but ESH will still assist people through this process.

Trevor added that there has been a lot of confusion around development in the past and there are still some issues that need to be looked at, he pointed out that this was raised in LegCo recently. Trevor said that both he and John Clement were available at anytime to discuss procedures for land acquisition but added that this is challenging because there are very few accessible, serviceable or suitable sites available.

Councillor Ellick was also informed that land falls under the ENRD Committee that he currently serves on.

Rob continued and reported that under up-skilling saints they had a target of two hundred but they have exceeded this because they are up to two hundred and thirty seven and training is ongoing. He is in the process of exploring maritime training courses for fishermen and he has been in contact with trainers in South Africa but due to new maritime regulations being brought in, all the training centres had to be re-accredited so they were not able to actually engage with the training providers but they are following that up in terms of training for fishermen.

Under financing saint businesses, Rob said that total to date is £47k between the DfID grants and ESH economic development fund in terms of providing Finance and he anticipates that the enquires in the pipeline will translate to another £50k but there may be some further equity share or loan funding in partnership with the Bank so things are looking up.

In terms of attracting investment, saints and overseas investors, Rob said that more saints are coming forward to discuss larger scale initiatives and that is a promising sign.

Councillor Ellick asked about the Argos Limited Development and Rob advised that this was something that was in the media whilst Councillor Ellick was away and James Ragg was on Island and there were talks of Argos doing a lodge development at High Hill.

Councillor Baldwin asked if the planning application for Argos was submitted at the end of August and Rob said he had no idea of this because Argos was dealing directly with Crown Estates. Trevor confirmed that no planning application had yet been received in his Directorate.

The Chairman asked Trevor if he could make a suggestion, he said all the elected members have had quite a few enquires in relation to land purchase because he said there is a perception that

anyone can come in and buy up the whole Community Development Area (CDA) and some CDA's are quite small and on more prime land and islanders feel this should be more of a saint come first policy. The Chairman said that the big inward investors should be offered other land that is perhaps not quite accessible because if islanders were to build on this type of land the costs would be far too high for them to invest. The Chairman said that he has raised this because if there is going to be this kind of opposition then we need to clear it up and say right from the onset what the approach will be so that all elected members know what is the correct procedure when it comes to land development because at the moment mixed messages are coming in so some information needs to be circulated to address this.

Trevor replied that this is a potential challenging situation; he said on the one hand we are very actively seeking inward investment and actively seeking investor's coming in to support tourism development on the island and this particular development ticks a lot of boxes with regard to low volume high impact tourism. He said that when they had the Argos proposal they sat down with James Ragg for a discussion and he did try to steer him away from that piece of land because of the CDA but Argos had looked at a number of sites on the island and found that one at High Hill to be suited to their requirements. He said looking at their plans they are going to be quite sensitive to forest environment there because there will be footpaths no roads, the houses will be built on stilts and fairly loose scatter through the site and the infrastructure will fit in with the terrain. He said the overall impression they had from the Argos discussions on an island perspective is that this is a more sensitive use of that land.

Trevor said that plans are in hand for a CDA at Half Tree Hollow, Bottom Woods and another site on radar at Head O'Wain. The point is clear though and there is land designated in the Land Development Control Plan which will provide sufficient housing needs for the community of the Island in the foreseeable future, the challenge they have is ensuring that land is affordable. Trevor said that it is important for us all to understand that without inward investment getting to the position which the Island can afford to do this development would be more difficult because at the end of the day the biggest cost around house building has nothing to do with the land it is to do with construction cost. Trevor said that from the onset CDA were identified as part of the MOU so to turn around on this process could bring political ramifications.

The Chairman thanked Trevor for his detailed explanations.

A very lengthy debate took place on the issue; most members expressed their views and concerns and agreed that while we need inward investment on Island we also need to get the balance right and some of these related decisions affecting the Island need to be taken at Political level.

Councillor Ellick said that he believed that the majority of land at the High Hill area was owned by, Cairnswick's, Solomon's or National Forest.

Trevor advised that there is some Crown land at High Hill that is part of the National Forest but he will check who owns the land at Head O'Wain.

Action: Trevor Graham

Rob continued with his report and said that in terms of the tourism and promotional activities, he said members would have heard about the mountain bike and the Governor's Cup yacht race plans. He said that sixty six people participated with the festival of walking but this was hampered by adverse weather conditions so Tourism will look into having this event in March in future. The last trip of the Extractor landings exceeded eight metric tonnes; they have also been out on a three day exploratory to the north east of the Island and they now have in place a locally produced exploratory fishing plan that will run up to the end of this financial year. The John Mellis is almost ready to be back in the water. Rob said that they are looking at a range of

courses in Saldana Bay which is a key training area for fishermen and they will be publicising this in due course.

The Chairman thanked Rob for his report.

11.6 Legislation for mobile phones - Chairman EDC

The Chairman reported that this item was on the Agenda to raise awareness because this Committee has political oversight of communications and we will be getting mobile phones sometime next year so the EDC have been tasked with looking at what legislation if any, will be necessary before the mobile phones are introduced.

The Chairman said that he has asked the Attorney General in informal LegCo to bring a discussion paper first of all to form the basis of the discussion and then the Committee will see how to progress from there.

The items on the Open Session of the Agenda were concluded and Committee moved onto the items on the Closed Session of the Agenda.

Minutes Approved:

Date:

Chairman