



Generating Good Growth for the Cornwall and Isles of Scilly Rural Economy

RSN Rural Economy Seminar

24th April 2024



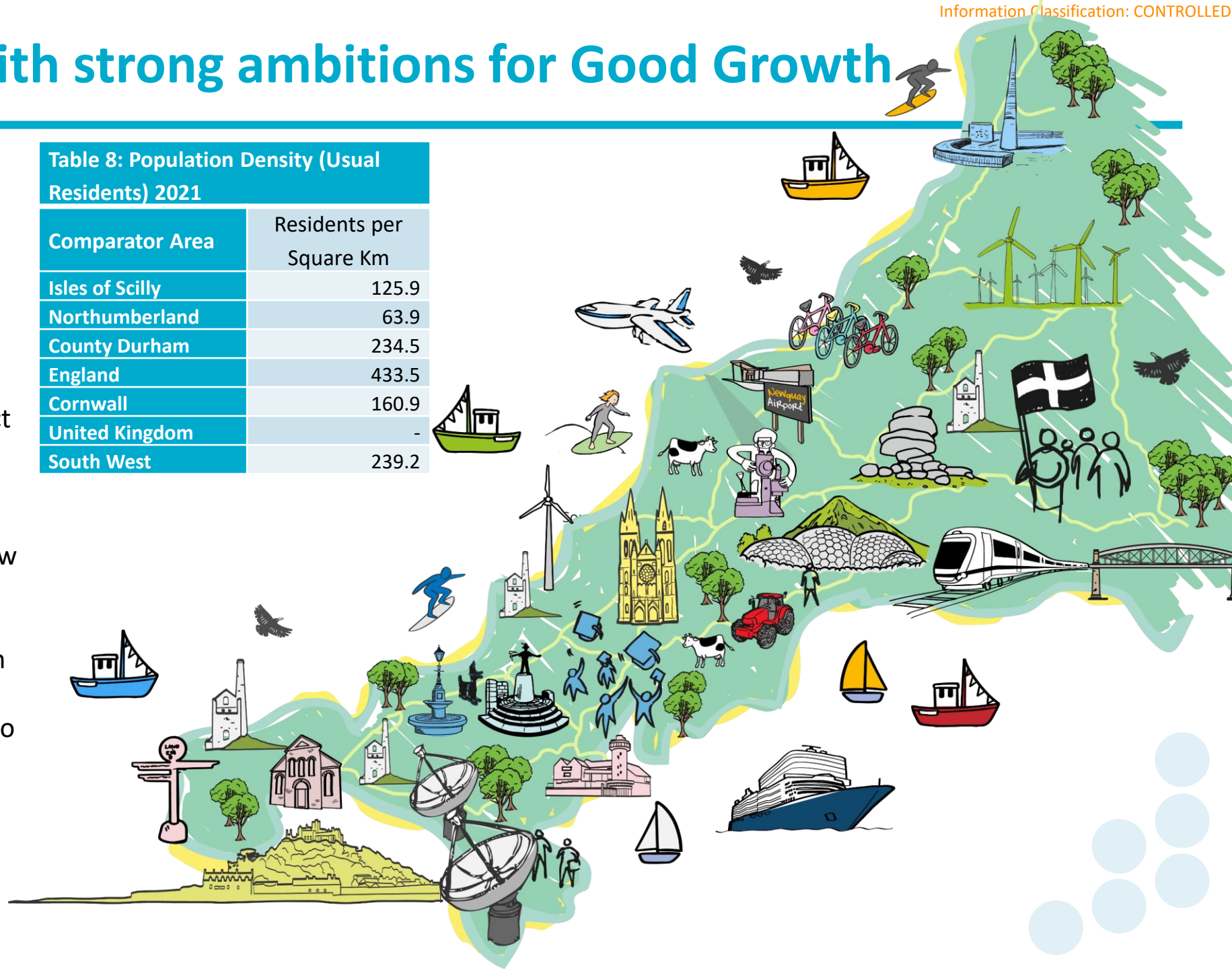
A rural economy with strong ambitions for Good Growth

Cornwall and the Isles of Scilly

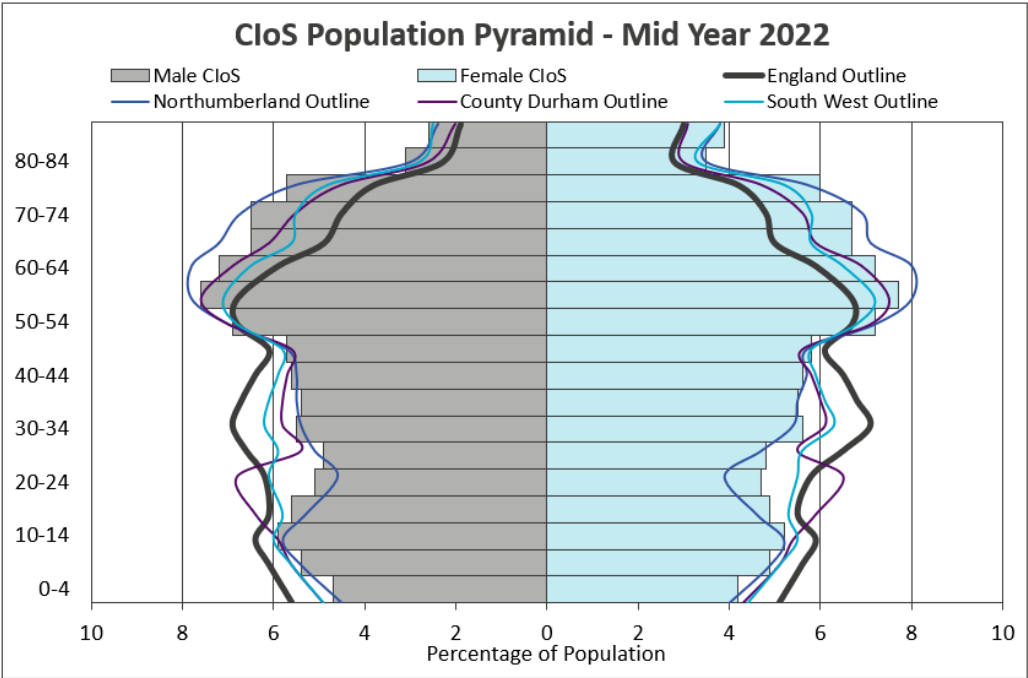
- Predominantly rural with no large urban areas
- With similar challenges to other rural economies
 - Lack of agglomeration impact
 - Aging population
 - Low productivity
 - Concentration of jobs and businesses in sectors with low productivity
- Strong ambitions for Good Growth
- Unique assets that will enable us to lead the UK green industrial revolution

Table 8: Population Density (Usual Residents) 2021

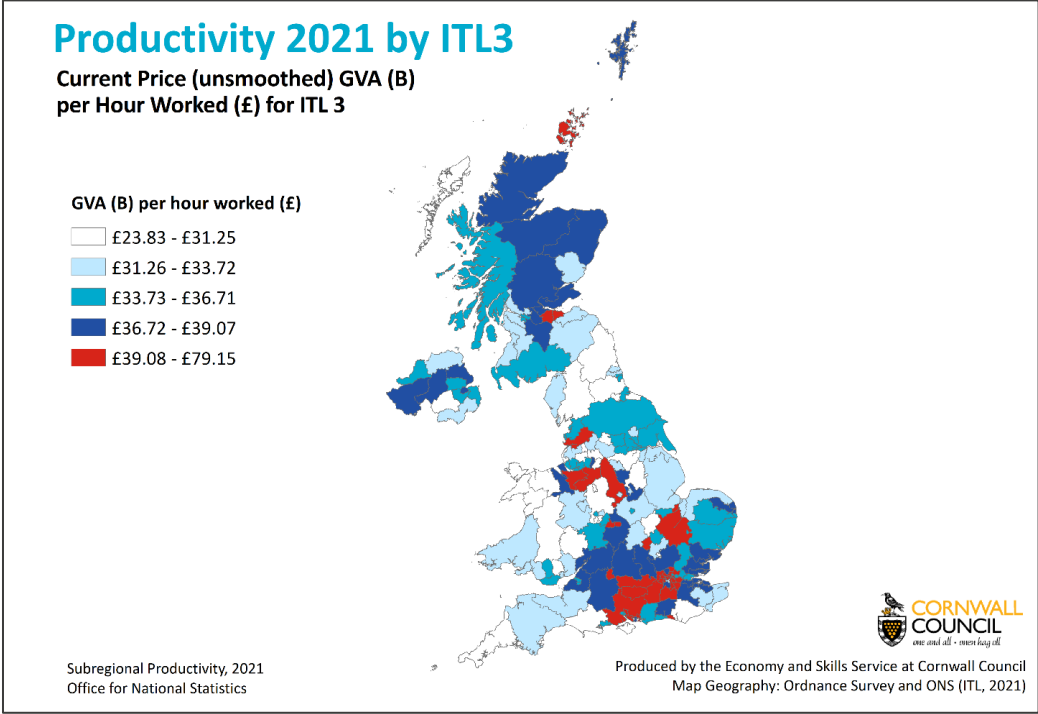
Comparator Area	Residents per Square Km
Isles of Scilly	125.9
Northumberland	63.9
County Durham	234.5
England	433.5
Cornwall	160.9
United Kingdom	-
South West	239.2



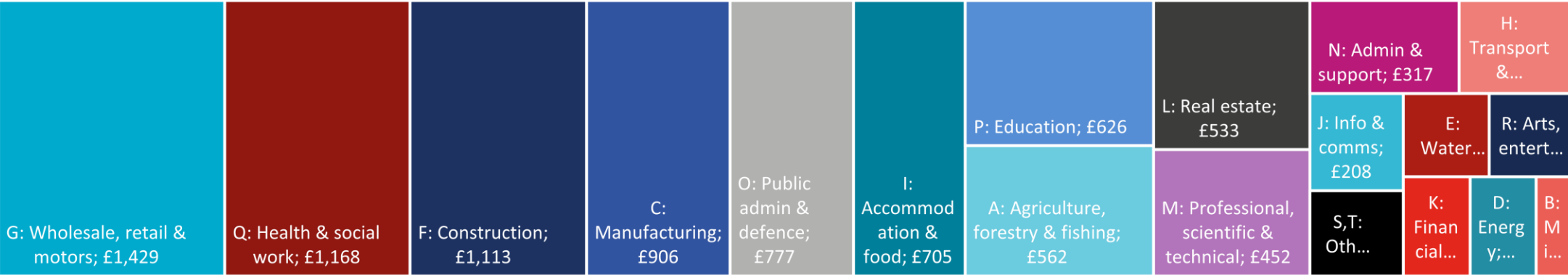
Key issues for Cornwall and Isles of Scilly Economy



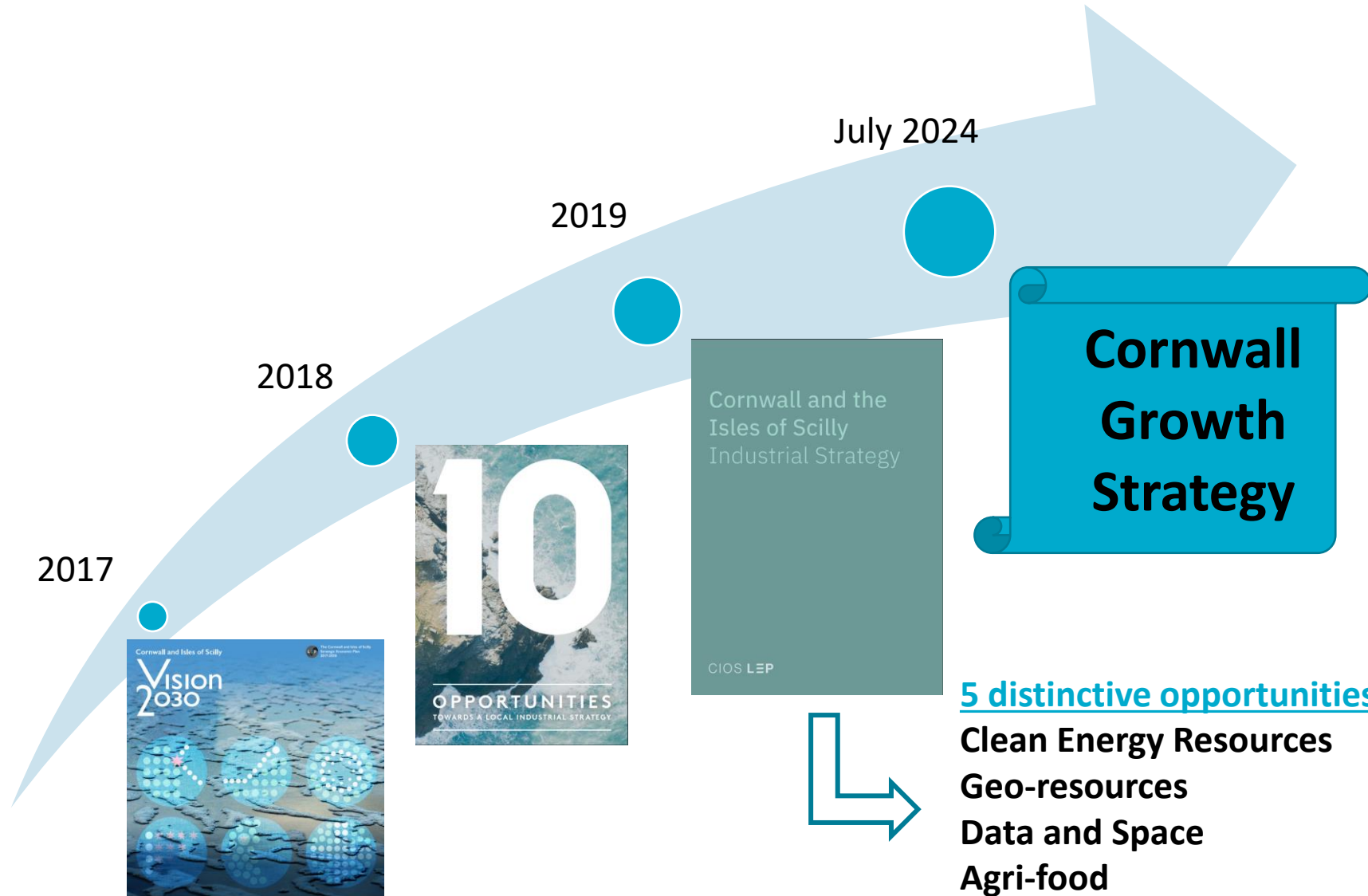
Source: Mid-Year Population Estimates, ONS 2022¹⁰



Cornwall and Isles of Scilly GVA (B) (Current Prices) for 2021 by Industry (£m) - ex ODIR



Cornwall's Economic Strategy



2017



2018



2019



July 2024



5 distinctive opportunities for CloS:

- Clean Energy Resources
- Geo-resources
- Data and Space
- Agri-food
- Visitor Economy



Shared Prosperity Fund – Aims

The UKSPF is part of the UK government's wider commitment to level up all parts of the UK by delivering on each of the levelling up objectives:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
- Spread opportunities and improve public services, especially in those places where they are weakest
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost
- Empower local leaders and communities, especially in those places lacking local agency



Good Growth

Investment Plan for Cornwall and Isles of Scilly
Implementation of UK Shared Prosperity Fund 2022-2025



SPF and RPF – Key Investment Decisions

Investing in strong communities across CloS

- Capacity building of community organisations through the Community Capacity and Facilitation programme
- Investment in community infrastructure and projects via the Community Levelling Up Programme
- Events to drive footfall and visitor numbers as well as enrichment of local places and communities
- Investment in heritage buildings and assets to ensure their optimal use, enjoyment and future proofing

Investing in local businesses and key sectors

- Driving productivity, innovation and job creation in the private sector
- Investment have been made into projects that will contribute to key CloS sectors*:
- £57m Clean energy | £49m Agri-food | £45m Geo-resources | £44m Data and space | £76m Visitor Economy | £77m Culture, Heritage, Creative and Digital
- This investment will empower businesses to grow, expand into new products, services or markets, innovate and create well-paying jobs within the local economy

*Figures cannot be added as many projects contribute to multiple sectors.



SPF and RPF – Key Investment Decisions

Putting People and Skills

- Coordinated People and Skills provision through CloS People Hub
- Dedicated investment into People and Skills (including Multiply) so that the labour force has the right skills for our economy to prosper
- Skills development as a core foundation of entire programme through ensuring skills are a part of every project's design and delivery; and Recipient RLW obligation

Investing in rural communities and businesses

- Investments into rural communities and businesses in addition to core-SPF which also delivers projects in rural areas
- £1m for dedicated rural grants of up to £200,000 through Growth Hub for; farm and rural business diversification prioritising nature recovery investments; improvements to the quality of the existing tourism offer; food and drink processing for non-farmer owned businesses; and projects that grow the local social economy
- £4.6m invested in projects that strengthen community infrastructure and assets that will have a positive impact on rural businesses and communities



SPF and RPF – Key Investment Decisions

Streamlined business support and one front door for businesses

- A streamlined and comprehensive offer of **business support** and grants through the Growth Hub which acts as a **single front door** for local businesses
- Grants from £2,500 to £200,000 available for local businesses to;
 - Increase productivity
 - Support Research, Development and Innovation (RD&I)
 - Help businesses move towards Net Zero
 - **Farm diversification and other rural businesses**
- Specialist business support available around start-up, scale-up, net-zero, export, access to finance, R,D&I and social enterprises as well as rural grants.



Access to Finance Plus (A2F+)

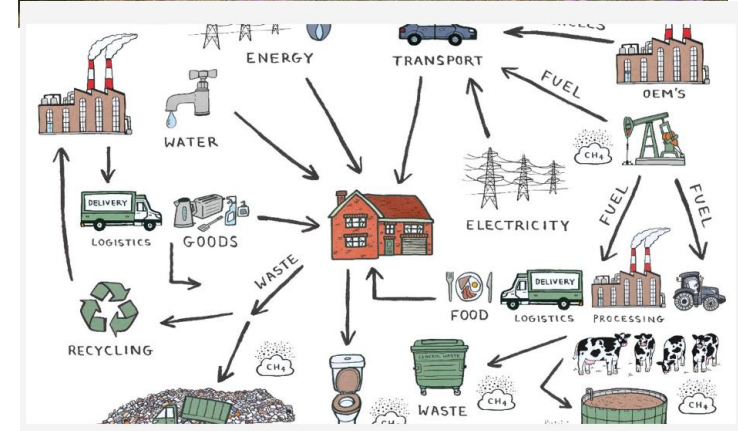


STRIDE (Success Through Research, Innovation and Development Excellence)

SPF – Good Growth – Our Local Strategic Vision

Good Growth Principles – Investing in Change

- Good Growth is the local overarching long term strategic vision of the programme. It showcases how local autonomy and devolution of economic development funding can empower places to go over and above and generate far greater impacts
- Projects supported will deliver **clean and inclusive prosperity, well paid, good quality jobs, skills development and environmental benefits**
- All **143 projects** approved have committed to being **Real Living Wage employers**
- Good Growth is about shifting the dial and producing deeper behavioural change. Early findings from the programme's independent and impartial evaluation first report suggest that this vision has been bought into: 'A vast majority of projects (90%) reported that the Good Growth Principles had shaped their project designs, leading to expanded Good Growth Principles related discussions, increased use of local contractors, more renewable energy integration, and a stronger focus on diversity and living wage adoption.'



Funding for Local Economic Growth Post-2025

The 2022-2025 SPF programmes comes to an end on the 31 March 2025. Town Deal Funding and Levelling Up Fund runs until 2026. With a general election looming there is a great deal of uncertainty around what Funding for Local Economic Growth looks like going forward.

Key asks for funding post-2025:

- **A longer timeframe for local economic development funds.** For SPF, when selecting projects, deliverability has had to be prioritised over other criteria such as local need and strategic fit. More profound and long-term impact is more possible with much longer funding timeframes.
- **A SPF post-2025 programme must retain the same model** including the value of the funding allocation for each area. SPF has proven that the current fully devolved design is broadly optimal, and a huge amount of resource has been expended to establish all of the necessary structures to get to this place.
- **Avoid a funding cliff edge on SPF post-2025.** A one-year bridging allocation (2025-26), valued at the same level as 2024-5, including a proportionate management and administration allocation to the current SPF programme would ensure there is no cliff edge following March 2025 and a new SPF programme being put in place. This is particularly important given the timing of the next general election and how the spending review will take place after this event.
- **CloS is articulating our future investment need in our Growth Strategy** but it is already clear that there is a need for investment into our sector opportunities, a need for providing a strong Business Support offer, providing support to communities and places via a community-led/bottom-up mechanism and providing a comprehensive people and skills offer.



Thank you and questions.

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