



Building our #IndustrialStrategy



#ciosoffertogov



Our response, our journey...

The Industrial Strategy green paper is an opportunity for Cornwall and Isles of Scilly (CloS) to showcase how our vibrant communities, natural capital and sense of place can add real value to the UK economy.

Geographically away from centres of industry with a small and micro business community, our region has come together in collaboration to respond to this Strategy as 'one'. We want to help shape a strategy which currently is not meeting all of our requirements as an ambitious rural region of the UK.

This response is the collective result of [consultation](#) from across the private and public sectors, brought together through the [CloS LEP](#). We have taken inspiration from Greg Clark's comments at the start of the green paper

process and applied them to our region; how CloS can build on our strengths to excel in the future, how we can address the productivity gap between our region and the rest of the UK, and how our region can become a competitive place to start or scale-up a business.

We welcome and endorse the Prime Minister's aspiration of 'an economy that works for everyone' and this response reflects the issues and opportunities our businesses and people face. We look forward to working with Government over the coming months and years to turn our ambitions into reality.

This summary complements a longer response submitted online via the Government portal, and all information can be found via www.cioslep.com

A modern Industrial Strategy that works for Cornwall and Isles of Scilly...

We will utilise our natural and human capital and continue our journey as an emerging young 'challenger region' with global reach – a rural success story building on a legacy of innovation. We want to work with Government to implement the Industrial Strategy, and in so doing, accelerate our ambitions. Through a 'test bed' and innovative approach we can unlock and underpin nationally important opportunities.

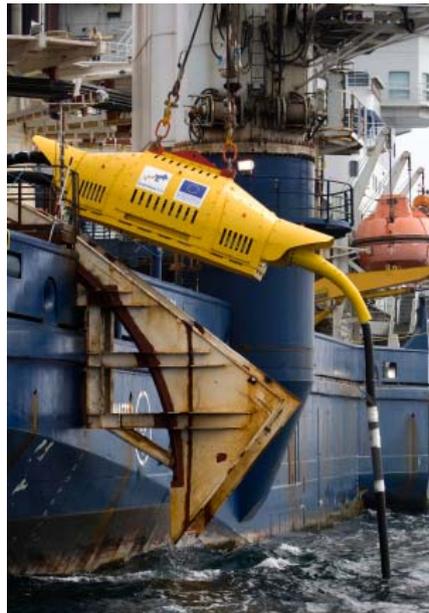
On the whole the strategy is targeting the right areas of the UK's economic performance.

More emphasis should be placed on inclusive growth to align with the work of the RSA commission.

An 11th pillar to cover rural productivity should be considered.

CloS will work with Government to implement key areas of the

strategy and these are included in our full response and this summary. In particular, CloS is a microcosm of many rural and peripheral areas of the UK so well-placed to test out and implement new ways of thinking.



Wave Hub, Hayle MarineHub Enterprise Zone

A little history...

Since 2000, CloS has been in receipt of the highest level of funding from the European Union. This has resulted in investment of over £1bn in our economy and the transformation of our physical, digital and employment landscape.

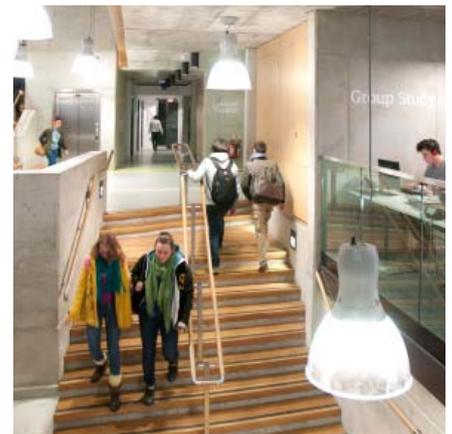
We have invested EU funding wisely in areas such as low carbon technologies, digital infrastructure and improving skills. We are now ready to capitalise on those investments; and we will use our devolution deal to grow our economy further and increase our contribution to UK growth rates.

We have invested EU funding wisely in areas such as low carbon technologies, digital infrastructure and improving skills

Although progress has been made, we haven't closed the productivity gap with the rest of the UK - we are currently 69% of the England GVA per job figure. The Industrial Strategy green paper has been the perfect opportunity to keep the conversation going with businesses from across our region. The LEP and local government have gauged business confidence to avoid stalling growth and preserve investment confidence, capitalising on existing investment to structure future sector capacity.



Health and Wellbeing Innovation Centre, Truro



Falmouth University, Tremough Campus, Penryn

Our Strategic Economic Plan...

As a peripheral and rural economy with an entrepreneurial culture CloS offers a perfect environment to testbed new ideas and thinking. Complemented with a single business focused LEP, alignment with unitary authorities, health and environmental bodies, and a business base with the ambition to scale-up, we offer the perfect convergence of opportunities and a willingness and aptitude to innovate.

CloS's Strategic Economic Plan outlines the ambition that

'by 2030, Cornwall and the Isles of Scilly will be the place where businesses thrive and people enjoy an outstanding quality of life'.

Our strategic objectives focus on aligning our **People**, our **Business** and our **Places** for future economic gain:

People

Improving skills and the opportunity for inclusive growth

Business

Flourishing and achieving excellence

Place

Supporting connectivity, heritage and natural capital

Underpinning all our activity is our shared foundation to achieve sustainable development.

The CloS [Strategic Economic Plan](#) commits to integrate with the activity and priorities of the CloS Local Enterprise Partnership, the Local Nature Partnership and the Health and Wellbeing Boards. It also aligns with the scale of growth outlined in the Local Plans of Cornwall Council and the Council of the Isles of Scilly.



Upskilling our people

Business



People



Encouraging trade & inward investment



Improving procurement



Cultivating world leading sectors



Investing in science, research and innovation

Our Assets:

- World class tourism offer building on our unique natural landscape and rich cultural heritage
- A legacy of engineering excellence
- High quality niche agrifood cluster
- Aerohub Enterprise Zone
 - Goonhilly Earth Station
 - Cornwall Airport Newquay
 - Space and satellite cluster (regional centre of excellence)
- Marinehub Enterprise Zone
 - Wave Hub
 - FabTest
 - Strong research base

Our Offer: To testbed innovation in rural productivity

- To host the UK's first spaceport
- To host as part of a South West offer a new location for a 21st Century DEFRA
- The UK's leading cluster of new tech renewables offshore and on land (deep geothermal)
- Working with Government to develop sector deals supporting a renaissance in our key bedrock industries of tourism, agrifood and mining



Supporting businesses to start and grow



Creating the right local institutions



Developing skills



Improving procurement

Our Assets:

- An innovative Devolution Deal in action
- A digital platform in place across a large complex geography
- 92% of CloS businesses are micro or small, 27% of people are self-employed
- A creative and entrepreneurial workforce
- A demography reflective of the UK's future population

Our Offer: To lead an exemplar approach to inclusive growth

- To pilot inclusive growth in a rural and peripheral region
- How STEM can be worked into the emerging STEAM agenda in our places of education
- Test bed how changes to tax, VAT and other regulations effect smaller businesses and start ups
- Using our unique NHS and public health framework to facilitate partnerships with the private sector in health
- Leading on a new approach to the older workforce
- To deliver an Institute of Technology targeting the specific employer-led skills demands to drive rural productivity



Place



Driving growth across the whole country



Upgrading infrastructure



Creating the right local institutions



Delivering affordable energy & clean growth

Our Assets:

- Our digital infrastructure is in place
- A rich, diverse culture and heritage
- Local energy markets and SMART networks on the mainland and our islands already in development and linked to our Devolution Deal
- Continuing to deliver a one public transport system for Cornwall linked to our Devolution Deal
- A simplified institutional landscape with a willingness to collaborate with others

Our Offer: To be the place where businesses thrive and people enjoy an outstanding quality of life

- To deliver an energy future that exploits our unique opportunity to tackle energy inequalities, take more control of our own energy and become a world leading green economy
- Working with Government to revolutionise the connectivity of rural and peripheral areas using digital and mobile (5G) technology
- To play a leading role in the independent review of creative industries and their role in rural economies
- To work with the National Infrastructure Commission on best practice for integrated transport in rural and peripheral areas and further drive innovation in this area with new technologies

A high performing productive rural region

CloS has set motivated yet achievable targets by 2030 which align with the ambitions of the Industrial Strategy green paper:

- Median wage levels at least 90% of England average
- GVA per job at least 80% of England average
- Actively exporting firms to rise to at least 30%
- Enterprise expenditure per person employed to increase to 25% of England average
- Proportion of workless households to be lower than the England average
- Proportion of working population with no qualifications will be less than 3%

Our message is clear: CloS is open for business and ready to tackle national challenges in our area through collaboration with Government and others.

Building our

#IndustrialStrategy

The future...

CloS sees the bigger picture. We will collaborate nationally and internationally showcasing our talent. Where mutually beneficial CloS needs Government intervention to unlock the potential in future collaborative opportunities. CloS can build upon an excellent track record of business-led partnership with, for example, the South Coast Marine Cluster, and the West of England Aerospace Forum. Work is gathering pace on the cross LEP clustering through the concept of 'GREAT South West' and work such as the South West Rural Productivity Commission. Beyond this we are collaborating with sector led opportunities such as, our space cluster emerging with Leicestershire, Oxfordshire and Surrey. We want the opportunity to work with Government and departments such as DIT and DEFRA to enable future

collaborative clustering to access new markets on the back of our successful partnerships.

We will reach a position where we can deliver market-led, commercially focused interventions providing access to drive SME business creation, development and growth. This growth will enhance the CloS offer to business, bringing scale to our ambitions; locally, through the South West, nationally and beyond.

To prepare for a post-Brexit environment we want to engage with Government on an alternative investment programme to close the economic gap between CloS and the rest of the UK. We must move away from reliance on public sector grants and towards an investment programme in partnership with business. To develop and underpin this, CloS

LEP has already prepared a CloS Financial Instrument (FI) Strategy which has substantial independent validation.

The models being developed have the potential to deliver significant legacy funds which will be reinvested in the future and have the potential to become self-sustaining. It will underpin the future sustainability of an economic investment programme in CloS, aligning with business support products to ensure that our SME community is best able to make the transition from reliance on publicly funded grants to this market-led, non-grant investment approach.



Goonthilly

Building our
#IndustrialStrategy

Conclusion and next steps...

We are outlining how our rural region can be as innovative as the most industrialised by working with Government and business through the ambitions of the Industrial Strategy. We look forward to discussing our proposals in depth with representatives of central Government.





CloS LEP would like to thank the various organisations who kindly donated their imagery:

- ERDF Convergence
- CloS Growth Programme



**CORNWALL &
ISLES OF SCILLY**
LOCAL ENTERPRISE PARTNERSHIP

This document has been led by Cios LEP
in partnership with...



Council of the
ISLES OF SCILLY



Contact us

www.cioslep.com

Email: info@cioslep.com

By post: Cornwall and Isles of Scilly Local
Enterprise Partnership, PO Box 723, Pydar
House, Pydar Street, Truro, TR1 1XU

01872 224214

We would like to thank the
people, organisations and
businesses that contributed
to the Industrial Strategy
consultation process.