



CORNWALL &
ISLES OF SCILLY
LOCAL ENTERPRISE PARTNERSHIP



accelerating our ambitions

Growth Deal 3 Investment Proposal to access
the England Single Local Growth Fund

Executive Summary

the natural place to
grow great business...

www.cioslep.com

“By 2030 the Cornwall and Isles of Scilly economy is recognised as a rural success story, as targeted investments which capitalise on our natural and human resources enable us to innovate across global markets”

Cornwall and Isles of Scilly LEP



Overview

Our overriding ambition in the Cornwall and Isles of Scilly Local Enterprise Partnership (CIOS LEP) is to use our natural and human resources to create a thriving and vibrant economy. We aim to achieve sustained growth through long term, joined up investment in innovation, productivity and infrastructure.

Cornwall and Isles of Scilly’s Growth Deal proposal is simple, by ‘Accelerating our Ambitions’ our region can prosper at scale and speed thanks to a confident, ambitious and evidenced proposal to deliver high impact results.

This is a programme centred on Science and Innovation to deliver high productivity and value in our economy with a focus on new technologies and commercial growth in aerospace and renewable energy. We can unlock and underpin nationally important and strategic projects by using our assets and ‘place’ to deliver sustainable and productive localised projects, accordingly this will achieve a cumulative GVA net growth of £500m by 2035 for our area and contribute to addressing the UK’s productivity-challenge head on.

It is important to remember our region is on an economic journey. It has a strong track record delivering successes in EU investment, Growth Deal 1& 2 and initiatives such as Enterprise Zones. We have laid suitable and agile foundations to enable the Growth Deal to spring straight into action without delay or bureaucracy. To do this effectively we require an urgent resolution to medium and longer term issues as a result of the referendum decision on the 2014-20 EU Programmes. These foundations are further strengthened as we focus on the development of our people through ‘skills and human capital’ and enabling further commercial investment through ‘enabling infrastructure’ and ‘workspace’. One package fits and unlocks the other creating a strong interlinked programme.

Our proposal will drive forward the delivery of our Strategic Economic Plan for Cornwall and Isles of Scilly: A plan that has the full support of our business community and our public sector partners. With just two local authorities to collaborate with and a strong history of cross-sector partnership working, Cornwall and Isles of Scilly are in a strong position to negotiate the best solutions for our communities. We have excellent private sector involvement with the LEP, and our business community has been part of the development of this proposal at every stage. We have consolidated our economic development landscape, simplifying how we support business-led growth using our Growth Hub, and seeking innovative solutions through our Devolution Deal in areas like energy and skills. This is driven by a single investment approach through aligned funding streams to ensure our people and businesses have a secure footing as we increasingly trade in a globalised market.

Investment Proposal

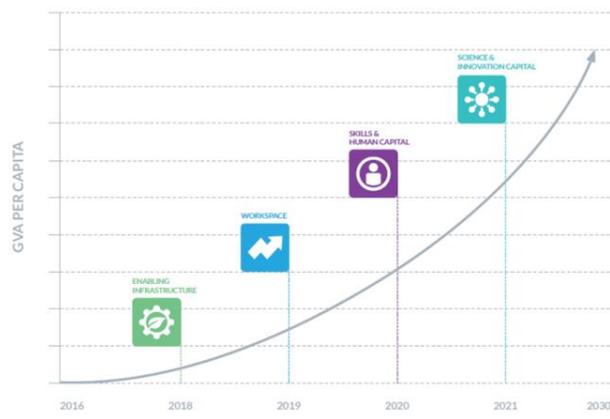
Cornwall and Isles of Scilly needs support from the Local Growth Fund to achieve this ambitious Programme. We are asking for £126.94m. This will lever in an additional £186.43m to complete the cost of the programme. We welcome the opportunity to submit a 'programme approach' given our status as a devolution LEP area.



This will directly deliver:

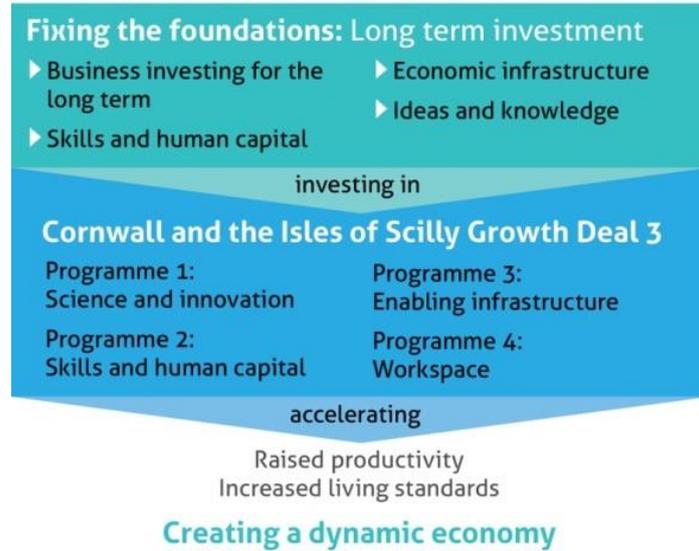


As well as the direct investment and outputs shown here, we are building a significant case for the indirect economic impact. This can be portrayed with the following diagram showing overall expected levels of GVA growth and when we expect each programme to achieve impact.



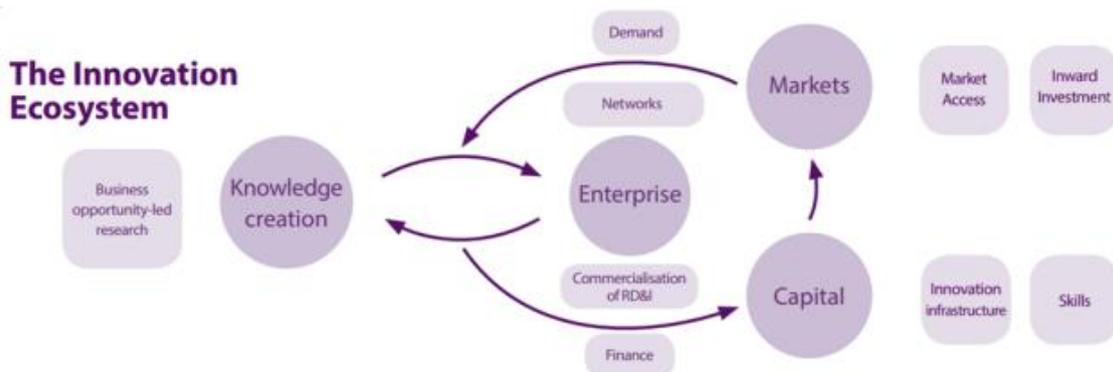
A dynamic economy

With a focus on productivity driving growth and raising living standards our programme underpins the **LEP's Strategic Economic Plan (SEP) and HM Treasury's 'Fixing the Foundations'** (2015)



All funding programmes – from the EU Programmes and local public funds to Growth Deal – align with this economic intent. Other mechanisms such as the Devolution Deal and our local capacity also align to this strategy.

Through our Growth Deal, we want to invest in the development of a CloS **innovation eco-system**. This eco-system comprises the key factors that will interact and determine levels of innovation and research and development (R&D) activity in our economy. The approach was used in the 2009 NESTA Report, “The Wider Conditions for Innovation in the UK” and its core components – knowledge creation, enterprise, capital and markets – form the focus of the CloS Strategic Economic Plan.



Our Growth Deal submission focuses on the capital interventions. Our other linked investment programmes, such as EU investment, align with priorities which predominantly require revenue investment, such as research and knowledge transfer, attracting inward investment and many demand stimulation interventions.

It should be noted that whilst we do not rely on direct match from the current and planned EU investments for the individual projects in this proposal, this submission has been developed as a **complementary** programme to the [EU Investment strategy](#)¹

Our Programmes



‘Science and Innovation’ which we believe is the real catalyst to enable Cornwall and Isles of Scilly to become a more productive place, changing long held negative connotations about our region and using our perceived disadvantages as future advantages. This programme supports the delivery of the LEP’s [‘Research, Development and Innovation Framework’](#)² (RD&I) which includes

the development of smart specialisation sectors; space and aerospace, marine technology, renewable energy, digital economy, e-health and agri-tech.

- We are seeking an investment of **£62.66m** with a total programme value of **£149.4m**
- This will deliver a significant number of highly skilled, well-paid jobs (**1,461**) and commercial facilities/innovation assets of over **12,000m²**

As well as our ‘science and innovation’ programme, we underpin our innovation eco-system approach with **three, interlinked programmes**:



‘Skills and Human Capital’ which focuses on skills, talent and raising aspirations. It creates capacity and resilience in our people and labour market. It supports the implementation of our [Employment and Skills Strategy](#)³ our

Devolution Deal and is absolutely fundamental to delivery of our productivity-led growth strategy.

- We are seeking an investment of **£9.48m** with a total programme value of **£16.20m**
- This will deliver a significant number of skills, well-paid jobs (**270**) and importantly delivers a substantial number of those increased in appropriate skills (**8,260**)

¹<http://www.erdfconvergence.org.uk/userfiles/files/GrowthProgramme/CIOSITISstrategyMay2016.pdf>

²<http://www.cioslep.com/assets/file/CIoS%20RDI%20Framework%20FINAL.pdf>

³<http://www.cioslep.com/assets/file/Employment%20and%20Skills%20Strategy%20new%20version.pdf>



‘Enabling Infrastructure’ provides essential infrastructure to enable conditions for growth, this programme directly tackles issues preventing increased private investment through lack of viability and cost certainty in development. This targets the further development of our Devolution Deal priority on an integrated transport system.

- We are seeking an investment of **£27.49m** with a total programme value of **£56.28m**
- This will deliver a significant number of jobs (**6,088**) unlock homes (**4,400**) and commercial sites releasing some **5,600m²** of workspace



‘Workspace’ provides opportunities for businesses to expand their existing operations, enabling speculative site and town centre developments and increasing space for creative industries, this programme targets business with the potential to grow, enables grow-on space and secures commercial-led growth across all parts of the private sector. This issue has been a top priority from our business community as they reach their potential and seek to grow within Cornwall and Isles of Scilly.

- We are seeking an investment of **£27.31m** with a total programme value of **£91.55m**
- This will deliver a significant number of skilled, well-paid jobs (**1,801**) and unlocks nearly **25,000m²** of private sector-led commercial space

Concluding thoughts...

‘Accelerating our Ambitions’ sets out an ambitious and nationally significant investment proposal. It forms part of a suite of investment programmes underpinning our Strategic Economic Plan to meet our vision to capitalise on our natural and human resources and emerge rapidly as a ‘young challenger region’ with global reach. Cornwall and Isles of Scilly will be recognised as a rural success story – building on a legacy of innovation that stretches long into the past.

- We have a clear, well-evidenced, partner-supported Strategic Economic Plan
- We are building a new approach to mechanisms for delivery through our ‘devolution dividend’
- We can show added value with an integrated approach to our overall investment programme
- We have a strong track-record of delivery
- We have particular economic needs – but fantastic opportunities for nationally significant economic growth in space and energy

We are ambitious, clear and confident and want to work alongside Government to achieve our vision of productivity-led growth.