

Cornwall and Isles of Scilly LEP: Strategy and Business Plan

How the draft strategy was developed

May 2012

SQW

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1: Introduction

1.1 In October 2011, SQW was commissioned to work with Cornwall and the Isles of Scilly LEP to develop its strategy and business plan. From the outset the LEP Board was determined that its strategy should be

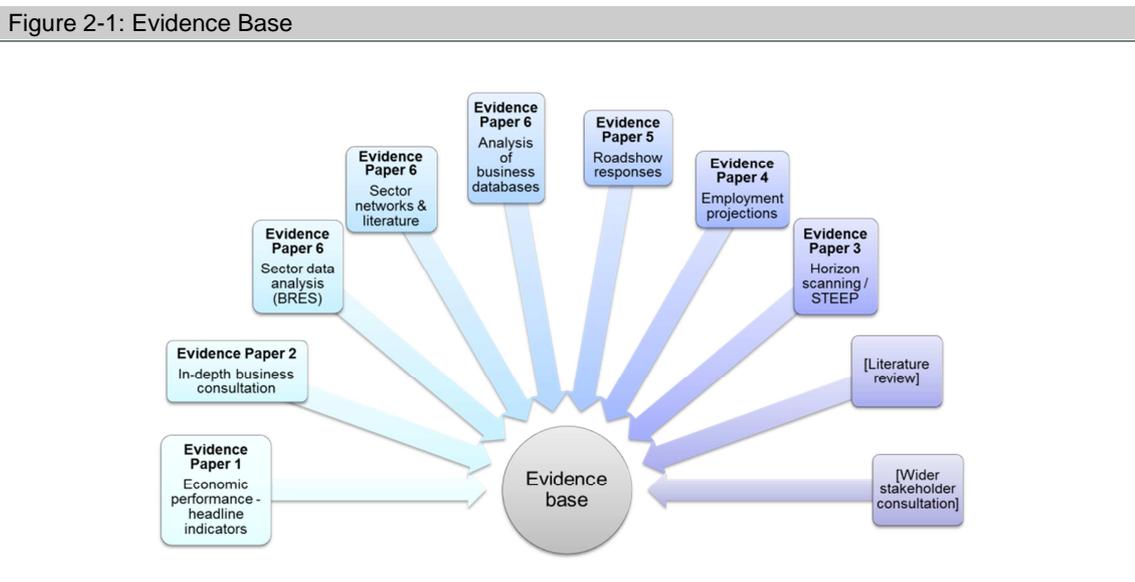
- grounded in evidence; and
- future-facing; and
- informed by a thorough dialogue, particularly with the business community; and
- owned by businesses and stakeholders, not least the LEP Board itself.

1.2 This short document accompanies the draft economic growth strategy for Cornwall and the Isles of Scilly. Within the context set out above, its purpose essentially is to explain *how* the strategy was developed. It is divided into three main sections.

- Section 2 outlines the *range* of evidence which was assembled to inform the draft strategy
- Section 3 describes the *process* through which this evidence was used to develop the draft strategy
- Section 4 looks ahead to explain what will happen next.

2: The evidence base for the draft strategy

2.1 The graphic below summarises the principal strands of evidence that were used to inform the development of the draft strategy. These were assembled between November 2011 and February 2012. They included recourse to a range of secondary sources as well as primary data gathering, principally through consultations.



Source: SQW

2.2 The different strands of evidence are reported in a series of stand-alone **Evidence Papers** and their content – and principal findings – are summarised below:

- **Evidence Paper 1** draws on official statistics to provide a summary overview of the character and performance of the economy of Cornwall and the Isles of Scilly relative to elsewhere. The data suggest that the economy of Cornwall and the Isles of Scilly is underperforming on key indicators relative to national benchmarks. Of particular note (and concern) is the high incidence of low paid employment and the poor performance of the area on measures linked to workforce skills. As well as being adrift of the national averages, it also appears to perform weakly when compared to reasonable comparators such as Cumbria and Devon
- **Evidence Paper 2** reports on the findings from 15 in-depth consultations with “significant” (although very diverse) businesses from across Cornwall and the Isles of Scilly. The consultations demonstrated that Cornwall and the Isles of Scilly is a location from which businesses can and do thrive, and operate globally. However they also highlighted some of the main barriers to business growth. Inevitably, these vary depending on particular circumstances, but two themes that were mentioned frequently related to the labour market and connectivity. With regard to the latter, the importance of communications within and (especially) beyond Cornwall and the Isles of Scilly was flagged repeatedly
- **Evidence Paper 3** reports on the outcomes from a desk-based horizon scanning exercise. Specifically, it considers the key drivers for change which are likely to impact on Cornwall and the Isles of Scilly over the years ahead. It uses the framework of a classic STEEP analysis (social, technological, economic, environmental, political drivers). Some of the key drivers identified through this process include: population ageing; changing patterns of living and working; the energy transition; imperatives linked to climate change; and opportunities linked to on-going internet revolutions (in the context of superfast broadband)
- **Evidence Paper 4** draws on a set of specially commissioned employment projections which were prepared by Cambridge Econometrics. These show that the economy of Cornwall and the Isles of Scilly is expected to take some time to recover from the recession. They also show that the productivity gap between Cornwall and the Isles of Scilly and the rest of England is expected to widen in the future. In terms of long term competitiveness, this finding is important
- **Evidence Paper 5** summarises the key findings from a programme of roadshows that was delivered by the LEP during the early stages of strategy development. In total these were attended by close to 300 people from across the LEP area and through them, a wide range of perspectives on the future of Cornwall and the Isles of Scilly were gleaned
- **Evidence Paper 6** draws together a range of both primary and secondary evidence on the sectoral make-up of Cornwall and the Isles of Scilly, and its sub-areas. Based on consultation evidence and a review of existing reports, it also explores some of the key issues and challenges facing these sectors.

- 2.3 Overall then, the evidence base that has been used to inform the strategy is wide-ranging and substantive. It focuses particularly on business issues and business prospects but it has also sought to be alert to wider considerations across the LEP geography. Through it, it has been possible to identify the key strengths and weaknesses of the economy currently as well as the principal opportunities and threats that really need to be addressed (or at least navigated) looking ahead.

3: The process through which the draft strategy was developed

- 3.1 However “good” the evidence base, strategy-building processes are never mechanical exercises. In practice, they are as much about “hearts” as “minds”: rarely is there one “right” response but instead a series of judgement calls and debates. Hence alongside the “technical” aspects of evidence gathering, significant attention was devoted to “process” considerations. Broadly, this was divided into three main phases.

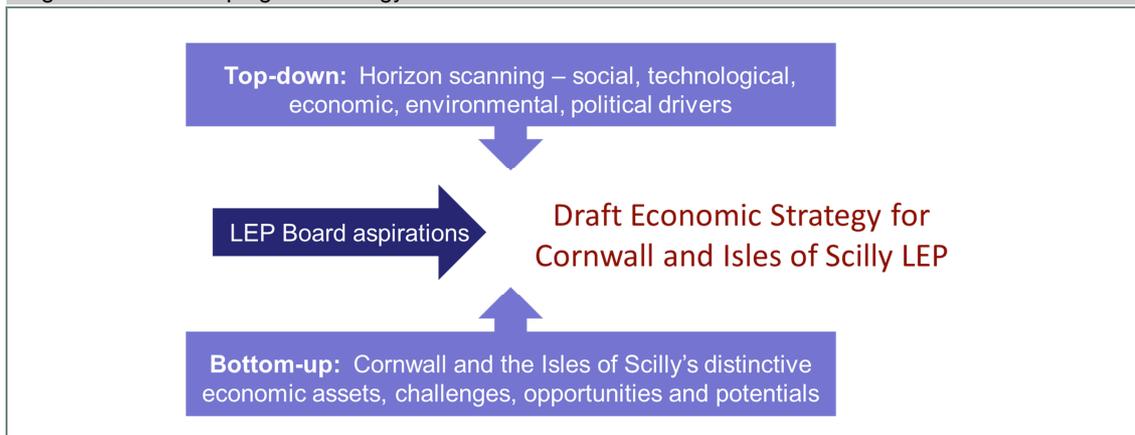
Phase I: Strategy scoping

- 3.2 During the first couple of months of the strategy development process, a great deal of effort was devoted to scoping out the parameters of the strategy: specifically, what kind of strategy did Cornwall and the Isles of Scilly – and the Board of the new LEP – actually want?
- 3.3 During this phase of work, SQW spoke in some detail to all LEP Board members, both individually and (through part of one Board meeting) collectively. In addition, we talked at length to wider stakeholders including, for example, representatives from Cornwall Council (at officer level), Combined Universities in Cornwall, Cornwall Development Company, Federation of Small Businesses, the Convergence Programme and key business leaders from across Cornwall and the Isles of Scilly. Inevitably – across thirty or so different consultations – views and priorities varied, but the scoping process was vital in terms of identifying the “crunch” issues and starting to work through the key constraints/opportunities in moving them forward.

Phase II: Strategy development

- 3.4 We used the outcomes from the scoping process – alongside key elements of the evidence base – to define what we considered to be the strategic priorities for Cornwall and the Isles of Scilly. We structured this exercise around a broad framework, which is summarised in the graphic overleaf.

Figure 3-1: Developing the strategy



Source: SQW

- 3.5 In essence, our approach to developing the strategy was to consider the “top down” output from the horizon scanning process (reported in **Evidence Paper 3**) and to do so *in the light of* the hard evidence surrounding the particular character of the local economy today (which drew on **all other Evidence Papers**). From this synthesis, a number of clear opportunities and threats were apparent. These were appraised in the light of the steer provided by the scoping consultations, particularly those with LEP Board members. Through this process we sought to define a vision and – at that stage – five strategic priorities.
- 3.6 In developing – and evidencing – a robust and forward-facing strategy for the LEP area, we sought to focus on the *particular* character of Cornwall and the Isles of Scilly: its business base, its geography, its demography, its economic structure, etc. But the strategy did focus on economic growth and it sought to be challenging in these terms. The emerging strategy was presented at a meeting of the LEP Board in late February 2012. Subsequently, key elements were discussed and developed with a sub-group from the LEP Board which met in early March 2012.
- 3.7 SQW then drafted a “long” version of the draft strategy (which extended to about 30 pages in length). This drew on the evidence to make the case for the draft strategy and it then detailed – at that stage – five strategic priorities. The draft was considered by the full LEP Board in late March 2012.

Phase III: Strategy ownership

- 3.8 In order to build ownership, the LEP Board then (rightly) took the view that it needed an in-depth session to debate different proposals within the draft strategy privately: there were no fundamental “problems”, just an acknowledgement that some of the issues were complicated and needed to be worked through more deliberatively. To this end, the Board held a special half-day meeting in April 2012 during which it amended the vision (slightly) and converted one of the five priorities to an overall guiding principle. The Board also took the view that the document on which it wanted to consult should be very short and accessible. To this end an external editor was employed to generate the final consultation draft.

4: Next steps

- 4.1 Cornwall and Isles of Scilly LEP has now published its draft strategy for consultation and it will be seeking responses from businesses and stakeholders from across Cornwall and the Isles of Scilly.
- 4.2 Whilst the consultation is underway, SQW will work with the LEP Board to prepare the business plan through which progress will be made in delivering the strategy. This will focus on the next 2-3 years and the intention is, in essence, to provide a clear work plan for the LEP.
- 4.3 Once the consultation on the draft strategy is complete (early June), the strategy will be finalised. At that stage, the intention is to publish two versions: a “short” version (which will be similar in length and tone to the consultation draft) and a “long” version (which will include greater reference to the evidence base underpinning the strategy).