



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

Cornwall and Isles of Scilly Local Enterprise Partnership

2023/24 Delivery Plan

V1

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Foreword

This is the 2023/24 Delivery Plan for the Cornwall and Isles of Scilly Local Enterprise Partnership. It should be read in conjunction with our Local Industrial Strategy.

There's little doubt that business confidence has taken a dive, with some indices - notably the FSB's Small Business Index - showing confidence levels in the region at a record low outside the periods of lockdown. So, it's no surprise that 60% of small businesses say general economic conditions are their biggest worry by far, followed by weakened consumer demand and utility costs when it comes to barriers to growth this year.

But there are some glimmers of hope, with a modest increase in the number of small businesses intending to invest in the coming months, and around one in 10 is planning to increase their headcount. The Bank of England believes inflation might have turned the corner and predicts a sharp drop from the middle of the year, putting the Government on course to hit its target of halving inflation by year-end.

In January 2023 we saw the launch of the Good Growth Fund, being funded through the region £132m allocation from the Government's Shared Prosperity Fund and in the coming months we expect the launch of the South West Investment Fund by the British Business Bank. This will provide £200 million of commercial finance to support growing businesses across the South West, building on the success of the Cornwall and Isles of Scilly Investment Fund which the Bank established with LEP support in 2018.

The region stands at a crossroads, and we believe the decisions we make now should shape our communities and our economy for generations to come.

Challenging as things are today, we need to focus on the big opportunities that will bring investment and jobs in the future. We need to be creating wealth, not just moving it around. Top of that list of priorities should be the role that the region can play in the energy transition and the move to net zero in the fight against climate change.

Floating offshore wind energy and the mining of tech metals like lithium, tin and tungsten should be at the forefront of our economic priorities. They are already driving

investment in the region, and demand will only increase as we wean ourselves off fossil fuels for energy and transport.

The proposed devolution deal, with its 30-year, £12m annual dowry, could leverage 10 times that in private sector investment, and unlock further, more ambitious, deals in the future. There's a real opportunity for devolution to create the skills we need by targeting them at local needs and meeting the challenges and opportunities posed by automation, AI and lean manufacturing.

We need to reskill our people of all ages to do the jobs of the future, whether that's monitoring offshore wind turbines, analysing rock sample from deep underground or guiding spacecraft to the Moon and Mars.

And to do all this we need to make sure that the private sector, the voice of business, is hardwired into local and national Government decision-making, because without it we risk losing our early advantage in these industries and the opportunities they can create for our people and businesses.

The private sector in turn has been looking at how it can best support any new Mayoral administration with advice on economic priorities, threats and opportunities, in the same way the LEP has fulfilled an advocacy and convening role over these last 12 years.

And if we are not to have a Mayor, we have I think a model for how the business community can continue to work alongside both local and national Government to inform priorities and drive investment and jobs in our local economy.

But it does rely on a strong local partnership and having that focus on the big wins.

Mark Duddridge
Chair

Glenn Caplin-Grey
Chief Executive

Executive Summary

The Cornwall and Isles of Scilly Local Enterprise Partnership (LEP) is one of 38 LEPs in England. Private sector-led, it is a partnership between the private and public sectors and is driving the economic strategy for the area, determining local priorities and undertaking activities to drive growth and the creation of high value local jobs.

This Delivery Plan sets out the priorities and activities that the Cornwall and Isles of Scilly LEP intends to deliver in 2023/24. In the context of LEP integration and County Deals, this year’s Delivery Plan is targeted at key sector development, aspects of Good Growth and business investment, alongside advancement of the work of the Cornwall and Isles of Scilly Employment and Skills Board, taking forward our future approach to skills and the labour force.

The LEP Executive will provide the LEP Board with finance and performance reports, via the LEP CEO’s report, at every LEP Board meeting. This provides a mechanism for tracking finance and performance against the priority areas and activities contained within this Delivery Plan.

STRATEGY	Clean Energy Resources capitalising on unrivalled natural resources	Agri-Food creating a productive and sustainable sector maximising market opportunities for land and marine	Space & Data exploiting the unique physical, digital and intellectual assets in the region	Georesources harnessing expertise and the critical minerals necessary for the low carbon transition	Creative & Digital maximising the contribution of arts, culture, heritage and creative industries to place-making	Visitor Economy global leader for low carbon experiences for visitors and residents, maximising links to the environment, heritage and culture	Good Growth	Skills / Labour Force
DELIVERY	<ul style="list-style-type: none"> FLOW Geothermal Biomethane Port development Energy innovation Net Zero transition Energy Infrastructure Inc Grid 	<ul style="list-style-type: none"> Food Production Environmental Land Management Flood Protection Carbon Sequestration Decarbonising Production 	<ul style="list-style-type: none"> Space Aerospace Big Data AI 	<ul style="list-style-type: none"> Lithium Tin Copper EV Transition China Clay Tungsten Industrial Minerals 	<ul style="list-style-type: none"> Screen Industries Gaming Digital / Createch Culture 	<ul style="list-style-type: none"> Local Visitor Economy Partnership (LVEP) Off Season Sector Dev. Regulation 	<ul style="list-style-type: none"> Business Support Framework Access to Finance Export Regulatory Framework Brand Development Productivity LEP Programme Delivery 	<ul style="list-style-type: none"> Labour Force Development Skills Provision Careers Advice FE/HE alignment Schools Business best practice
GOVERNANCE	<ul style="list-style-type: none"> Sector Body support Account Management Bidding and Programme Delivery 	<ul style="list-style-type: none"> Sector Body support Account Management Bidding and Programme Delivery 	<ul style="list-style-type: none"> Sector Body support Account Management Bidding and Programme Delivery 	<ul style="list-style-type: none"> Sector Body support Account Management Bidding and Programme Delivery 	<ul style="list-style-type: none"> Sector Body support Account Management Bidding and Programme Delivery 	<ul style="list-style-type: none"> Sector Body support Account Management Bidding and Programme Delivery 	<ul style="list-style-type: none"> Co-convened with Chamber, FSB, BIDs, BBB, etc Enterprise Zone Delivery 	<ul style="list-style-type: none"> Evolution of ESB

Cornwall and Isles of Scilly LEP Board

The Cornwall and Isles of Scilly Local Enterprise Partnership (LEP) was launched in May 2011. Private sector-led, it is a partnership between the private and public sectors and is driving the economic strategy for the region, determining local priorities and undertaking activities to drive growth and the creation of quality local jobs.



**Mark
Duddridge
(Chair)**



Clare Parnell



**John
Acornley**



David Walrond



Steven Jermy



Poppy Naylor



Lisa Oakes



**Martin
Siegert**



Dan James



Emma Hunt



**Emma
Stratton**



**Ann
Vandermeulen**



**Cllr Fran
Grottick**



**Cllr Linda
Taylor**



**Cllr Louis
Gardner**



**Cllr Oliver
Monk**

Our Culture

The Cornwall and Isles of Scilly LEP is private sector led and we look to collaborate with partners who share our vision to ensure that;

In 2030 the Cornwall and Isles of Scilly creative and carbon-neutral economy will be realising opportunities for its people, communities and businesses to thrive, benefiting the environment and providing an outstanding quality of life for all.

In pursuing this vision we put Cornwall and the Isles of Scilly first and work in ways which embody our culture, our core values and our everyday behaviour. We are;

Inclusive. We look to be accessible, enabling and supportive of our businesses and communities by listening and then acting in the best interests of the region.

Ambitious for Cornwall and the Isles of Scilly and believe that the region can continue to achieve great things regionally, nationally and globally by being bold and aspirational.

Collaborative, working with businesses and partners to deliver our strategic vision.

Impactful. We make best use of our resources by being effective, entrepreneurial and productive. Our work gets results.

Independent and informed champions of the business community who are driven to help businesses thrive.

Creative and inspiring, we show leadership in shaping the future and are confident we can make change happen.

Local Industrial Strategy

Vision

In 2030 Cornwall and Isles of Scilly's creative and carbon neutral economy will be realising opportunities for its people, communities and businesses to thrive, benefiting the environment and providing an outstanding quality of life for all.



Cornwall and the Isles of Scilly are rich in natural capital and alive with opportunity. We must now move beyond the economy of the past, where a narrow definition of growth led to an imbalance between our natural and material resources and between the income levels of our resident population. By mobilising our considerable cultural assets and social capital in order to realise our region's full potential and deliver inclusive growth.

Our Industrial Strategy sets a course for a decarbonised and sustainable future for business, for people and for our environment. Our pioneering spirit, strength of community and culture of innovation and creativity will take us there. We will look to the horizon in terms of ideas, global markets and even the potential of Space to fully embrace the principles of a regenerative economy that can deliver for all. People are at the heart of our strategy; improvements to our economy must be inclusive and will have a net-positive impact on the environment and the health and wellbeing of all our community.

Through the delivery of the Local Industrial Strategy, we aim to secure Cornwall and the Isles of Scilly's position as an internationally renowned rural creative region.

Our ambitions to lift performance across the economy:

People

A skilled, healthy and inclusive workforce that feels inspired and valued, enjoying quality of life, a living wage and pride of place.

Infrastructure

A fully connected economy, built environment and transport system powered by a zero carbon smart grid and accessible green infrastructure.

Business Environment

Productive, innovative businesses, scaling up and working together to broaden CloS capabilities and retain value from a circular economy.

Ideas

A growing entrepreneurial ecosystem nurtured by our anchor institutions, embedding R&D, creativity and innovation in business to improve productivity.

Place

A thriving network of connected and innovative businesses, equitable communities and productive systems, all capitalising on the strengths and opportunities of our cultural assets and natural capital.

Our distinctive opportunities / USPs:

Clean energy resources

Capitalising on our unrivalled natural resources; leading innovation in floating offshore wind (FLOW) & deep geothermal.

Geo-resources

Harnessing our expertise as well as the critical minerals necessary for the low-carbon transition, in a sustainable way.

Data and Space

Exploiting the unique physical, digital and intellectual assets in the region and using data to overcome local and global challenges.

Visitor economy

Making CloS the global leader for low carbon experiences for visitors and residents, maximising links to the environment, heritage and culture.

Agri-food

Creating a productive and sustainable sector maximising market opportunities for land and marine management and food processing/production.

Achievements to 31 March 2023

Strategy

- Economic recovery – response/recovery group, grant deployment, intelligence, campaigns, sector recovery plans.
- Ongoing development across sectors (Rural Sub-Group, future farm resilience, Local Visitor Economy Partnership, supported UKSA bid, tech metals opportunity development, Creative Industries network support and intelligence, Maritime UK South West).
- Clean energy – FLOW, geothermal, biomethane, and energy systems development with ongoing advocacy and various commissioned research studies.
- Great South West – funding achieved, role out of new governance and activity.
- Continued investment into the [CloS Growth and Skills Hub](#), leadership of the South West Peninsula Growth Hub Cluster for business growth and resilience.
- Communications - activity included newsletters, blogs, press, Getting Building Fund project films.

Governance

- Met 2023 Government target of equal representation of men and women on LEP Board.
- LEP Board – LEP Chair term extension and co-opting arrangements deployed.
- Compliant with National Assurance Framework.
- Ongoing oversight from S151 Officer on LEP processes.
- Participation in Local Authority scrutiny arrangements.

Delivery

- **Getting Building Fund** - £14.3m capital investment with £44.6m public and private sector match, 7 investments.
- **Enterprise Zones** – 114 additional jobs created in 2022/23, investment activity ongoing across Aerohub/Marine Hub sites
- **Growth Hub** - Current hub operation levels: 25-30 in-depth diagnostic reviews with business per week; 8,000 phone calls over 2022. Award winning for service (FSB awards).
- [CloS Investment Fund](#) – c. £20m deployed, with a further £50m leveraged, invested in over 50 businesses.
- **Employment and Skills** – Green and Digital Deep Dives, Digital Skills Academy, Skills Portal, renewed Apprenticeship campaign, Careers Hub careers summit.
- Supporting the delivery of the £584m **CloS ESIF Growth Programme**, including leadership (Chair) and representation on the CloS LEP area Integrated Territorial Investment Board.
- **Create Growth Programme** - set-up/year one delivery phase of three year Creative Industries business support programme.

2023/24 Priorities

Whilst we know this will be a year of uncertainty for the CloS LEP, due to the Cornwall Devolution Deal, evolving national LEP policy and the framework for LEP integration, we also know that regardless of structures, there are a number of ongoing functions that need to be fulfilled:

- A strong, independent and diverse local business voice into local democratic institutions.
- Strategic economic planning that articulates economic priorities and sectoral strengths.
- Use of convening power to bring together business, education and other local economic stakeholders.
- Ongoing delivery of functions on behalf of government departments:
 - Growth Hubs, on behalf of Department for Business and Trade;
 - International trade and investment activity, provision of local business intelligence, grant funding and levelling-up focused projects, on behalf of Department for Business and Trade;
 - Local Digital Skills Partnerships, on behalf of DCMS;
 - Careers Hubs, on behalf of the DfE;
 - Local skills analysis via Skills Advisory Panels, on behalf of DfE; and
 - Monitoring and assurance pertaining to existing local growth programmes and funds for which LEPs were responsible.

In addition, and aligned to the LEP's strategic priorities, there are a number of significant and emerging growth sectors that the Cornwall Devolution Deal seeks to support to enable a creative carbon zero economy:

- Clean energy resources
- Geo-resources
- Data and space
- Visitor economy
- Agri-food

Across both existing LEP strategy and Devolution Deal proposals, there is shared recognition and focus on a range of business challenges which impact on productivity levels and the ability to grow. These include:

- cross-cutting low productivity
- low levels of higher qualifications
- significant pockets of deprivation
- lack of grid capacity, and
- a business sector with low research and development investment levels

Therefore, the 2023/24 Delivery Plan focus is shaped to respond to these business and sector priorities in order to maximise ongoing CloS LEP impact and provide any post-LEP structures (which account for any IoS requirements) a ready-made programme of work.

Clean Energy Resources - capitalising on unrivalled natural resources

The offshore wind sector is a UK success story with the largest installed capacity in the world, and provides 7,200 direct jobs. However, this is still a small proportion of the opportunity. The Offshore Wind Sector Deal estimates it could support 27,000 jobs across the UK by 2030 (fixed and floating devices). The Offshore Renewable Energy Catapult and Crown Estates Scotland estimate in a recent report that, with the appropriate supportive actions, FLOW can deliver annual UK export value of at least £230 million by 2031 and £550 million by 2050, by addressing sites with consistent, high-speed wind resource in deep water, in particular off Scotland and the South West of England.

A number of geothermal-lithium brine projects are currently in advanced stages of design and will likely be in operation in the next 5 to 10 years in the USA and Europe. There is a distinctive opportunity for CloS to capitalise on natural and infrastructure assets: the deep geothermal resource and offshore wind speeds, Wave Hub and port infrastructure. CloS can build on recent successes and a track record of delivering innovative projects including United Downs Deep Geothermal Power project, and its R&D capabilities within Camborne School of Mines, Exeter University and the University of Plymouth, and a strong business base. In doing so, CloS will lead global innovation to unlock two new high value industries. There is a wider opportunity to capture added value with CloS content and to capture local economic benefits across the value chain, if the barriers are overcome and the sectors are ready to respond.

Lead Director(s): Mark Duddridge / Steve Jermy

Lead Exec: Glenn Caplin-Grey / Nathan Cudmore

2023/24 focus will see a continuation of support to develop FLOW in the South West, development of the nascent biomethane economy, further deployment of geothermal in region, alongside other net zero technology promotion and ongoing advocacy for business energy infrastructure requirements (inc. grid).

LEP resources will target sector specific commissions to support advocacy, technical and research activities, alongside the proposed Shared Prosperity Fund (£4m) sector activities, with LEP focus on sector body support, account management for key industry partners, alongside enhanced bidding and programme delivery capabilities for clean energy opportunities.

Early commissioning will include:

- additional sector capacity

- support for master planning around floating offshore wind connectivity in the region, including responding to offshore transition network review, upcoming industry constraints and site development for grid substation.
- Ongoing support for Maritime UK South West.

Additional activities may include a phase two of the ongoing micro-grid feasibility study, support for the South West Net Zero Hub and other activity dependent on the successful clean energy bids into the Shared Prosperity Fund sectors programme.

Indicative budget (sectors expenditure) - **£100,000**

Agri-Food – creating a productive and sustainable sector maximising market opportunities for land and marine

The CloS Local Industrial Strategy also identifies agri-food as a unique sector opportunity but with challenges around relatively low levels of productivity at sector level, lower wages and seasonal nature of work pose challenges for the people working in the sector.

Strengthening and building on CloS's existing strong food and drink brand, known for high quality produce, including a number of Protected Food Names (PFNs) has the opportunity not only to provide better paying jobs and business opportunities within the CloS agri-food sector while simultaneously through food tourism promoting a more sustainable local tourism sector.

There is an opportunity to capitalise on investments designed to improve productivity at business level in the agri-food sector, the opportunity presented by the introduction of the Environmental Land Management (ELM) scheme, recent innovation successes, and partnerships to develop and roll out new technologies and data-driven processes.

There is also an opportunity to explore land/marine diversification for production, efficiency, environmental growth, and developing new types of food products and alternatives to plastics. CloS can lead on low-impact sustainable farming and fishing to provide a secure and sustainable supply of food produce.

Lead Director(s): Mark Duddridge / Clare Parnell

Lead Exec: Glenn Caplin-Grey / Nathan Cudmore

LEP resources will target coordination of sector activity and the creation of a productive and sustainable food sector on land and sea that maximises the natural advantages of CloS to make a positive impact on biodiversity and carbon sequestration whilst at the same time continuing to produce and process its renowned food and drink.

Alongside any emergent Shared Prosperity Fund sector activities, LEP resource will coordinate across the individual food, farm and fishing sub sectors, creating linkages and opportunities for the sector to develop in a number of key areas:

- To grow and train a skilled and available labour force
- To add dynamism to the sector through increasing access to new entrants

- To have a significant impact on reaching net zero carbon targets through de-carbonisation and sequestration and in measuring its progress
- To have the knowledge and resources to invest in new technologies and novel crops
- To continue to produce, process and trade high quality food and drink, produced to high environmental and nature-friendly standards
- To be aware of new opportunities through existing support and the leverage of private sector investment
- To be aware of challenges and opportunities through policies such as Environmental Land Management Schemes (ELMs)

Whilst there are many synergies between food, farming and fishing they are also quite disparate industries. LEP Executive resources will support the LEP Rural Sub Group to coordinate across these industries to work on issues common to Food and Drink, Fishing and Farming and ensure good knowledge exchange between the 3 sectors and other sectors such as tourism, as well as sector body support, account management for key industry partners, alongside enhanced bidding and programme delivery capabilities for agri-food opportunities.

Indicative budget (sectors expenditure) - **£100,000**

Space and Data - *exploiting the unique physical, digital and intellectual assets in the region*

The government is aiming for the UK to be the space hub of Europe, and has committed to establishing horizontal and vertical spaceports, including one in CloS. The global launch market is estimated to be worth £10 billion over the next decade with 2,600 microsattellites (under 50kg) that require launch over the next five years.

CloS has a strong and growing space ecosystem based on a number of key assets, including Goonhilly Earth Station, Cornwall Airport Newquay, the associated Enterprise Zones and the South West Centre of Excellence in Satellite Applications.

By 2030 there is an opportunity for CloS to be a leader in the national space programme by exploiting the physical, digital and intellectual assets in the region, and using satellite data to overcome local and global challenges such as the impact of climate change.

By 2030 'data and space' in CloS could contribute an additional £1 billion of economic value for CloS through increased productivity, jobs and turnover, creating twice the average GVA/capita of £45k+.

Lead Director(s): Mark Duddridge / tbc

Lead Exec: Glenn Caplin-Grey / Nathan Cudmore

LEP resource will be deployed to support the delivery of cluster development activities, aligned to UK Space Agency opportunities and programming. Activities will include:

- Ongoing management of the Data and Space Strategy, CloS Data and Space Steering Group and CloS Data and Space Industry Advisory Group.
- Representing the Cornwall Space Cluster in dialogue with national stakeholders.
- Hosting industry workshops focused on the local space strategy and skills.
- Promote and encourage cluster to cluster collaboration with the Cornwall Space Cluster.
- Drive demand for strategic partnerships with the cluster.
- Refresh intelligence on economic impact of the space sector.
- Oversee knowledge exchange projects with other clusters and the Space Academic Network.
- Build and maintain a pipeline of demand for the Centre for Space Technologies (CST) and co-create collaboration projects with the users of the Centre.

- Support local businesses to access finance for space related projects.
- Develop and implement the Skills Action Plan working closely with Cornwall Council's skills lead, the Cornwall Aerospace and Space Technology Training Programme, local FE and HE, Tech South West and the Digital Skills Partnership.
- Promote and encourage national B2B collaboration with individual supply chain businesses within the Cornwall Space Cluster at events, conferences and national and international meetings.
- Act as the Inward Investment and trade and export lead for space sector enquiries, hosting investors, engaging relevant partners, managing landings and supporting trade missions either directly or in partnership with DBT / UKSA.

Activity will focus on the following outcomes:

- Increasing Foreign Direct Investment (FDI) in the local space sector.
- Increasing the number of new companies from the area joining the UK Space Agency/Catapult Space Enterprise Network
- Increasing the value of private investment and/or contracts secured by UK companies within the region
- Promoting the local space sector both nationally and internationally by showcasing its capabilities and assets
- Increasing the value of private investment and/or contracts secured by UK companies within the region.

This year we will also invest to leverage the opportunity created by the creation of the UK's first licenced Spaceport (Spaceport Cornwall) at Cornwall Airport Newquay. This builds on previous LEP capital investment in the Space Integration Facility and Goonhilly Earth Station. LEP support will focus on:

- Launch Operations
 - Manage spaceflight license activity for future launches
 - Develop other launch operators on-site
 - Lead globally in Sustainable and Responsible Launch practices
- On-site Cluster Growth
 - CST pipeline management to fill all facilities with space and data companies
 - On-site development with Cornwall Airport Limited including engine and rocket testing
- Workforce development, Inspiration and Outreach Engagement

- Create Apprenticeship programme
- On-site business skills programme with local HE/FE
- Primary/secondary inspiration programme

Indicative budget (sectors expenditure) - **£80,000**

Geo-resources - harnessing expertise and the critical minerals necessary for the low carbon transition

CloS has a wealth of over 20 mineral resources, including copper, a potentially significant supply of lithium and an established production sector in materials such as kaolin (china clay) of which CloS is one of the top 10 global producers, extracting over a million tonnes a year.

The sector has been identified as a 'High Potential Opportunity' for export earnings and incoming investment by the Department for International Trade, because of the opportunity to meet rapidly rising demand for the raw materials needed to combat climate change and expand digital technologies.

Geological assets can only be worked where they occur and CloS is one of the most prospective areas in the UK, with world-class deposits. There is an opportunity to harness the expertise and expand minerals production again to meet rapidly rising demand for the technology metal resources needed to decarbonise the economy and expand digital technologies – particularly tin, lithium and tungsten.

The sector is already connected to innovative circular economy approaches, especially in the St Austell area, and CloS has the potential to be a flagship area for 'climate-smart mining', attract ethical investment and to develop the value chain additions such as processing and recycling capabilities in CloS.

Lead Director(s): Mark Duddridge / tbc

Lead Exec: Glenn Caplin-Grey / Nathan Cudmore

2023/24 focus will see a continuation of support to develop tech metals in the South West, with the development of the lithium, tin, copper and tungsten activities relating to national and global market opportunities as set out in the UK Critical Minerals Strategy. Alongside this, there will be ongoing consideration of opportunities for industrial minerals such as china clay.

LEP resources will target sector specific commissions to support advocacy, technical and research activities, alongside the proposed Shared Prosperity Fund sector activities, with LEP focus on sector body support, account management for key industry partners, alongside enhanced bidding and programme delivery capabilities for tech metals opportunities.

Early commissioning will include additional sector capacity as well as support for industry-led geo-technical intelligence, alongside development of additional minerals planning resources in the region.

Indicative Budget (sectors expenditure) - **£100,000**

Creative and Digital - maximising the contribution of arts, culture, heritage and creative industries to place-making

Using our cultural distinctiveness, innovation and creativity to improve productivity through our innovation, ideas and creative expression.

The peripheral region of CloS has inspired generations of creative people and innovators, drawn by the opportunity to experiment outside the mainstream. The cultural landscape of CloS is unique; it looks and feels different to the rest of the UK. The Cornish are recognised by the Council of Europe as a protected national minority, alongside the Welsh, Irish and Scottish. A unique culture, heritage and language underpin a strong brand with international recognition, giving CloS a distinctive edge in an increasingly globalised world. Culture and creativity are at the heart of the region's identity. Today's diverse creative community, built on the powerful legacy of internationally acclaimed artists like Barbara Hepworth and Daphne du Maurier, and coupled with a fast growing tech sector, has the potential to drive innovation and boost productivity across CloS.

The creative economy (jobs in the creative industries and creative jobs which are in non-creative organisations, such as design or marketing teams within manufacturers) has potential to unlock significant economic growth across CloS, and deliver economic, social and reputational value. At a time when machines, big data, AI and robotics are disrupting traditional industries and changing the way we live, creativity will provide the solutions to the challenges of today and tomorrow.

This creative economy also has potential to drive inclusive growth. The UN has identified that "the interface between creativity, culture, economics and technology as expressed in the ability to create and circulate intellectual capital has the potential to generate income, jobs and exports while at the same time promoting social inclusion, cultural diversity and human development."

Some of the most tangible examples of this are instances of collaboration and knowledge exchange between sectors. Video games, film and performing arts companies are increasingly working with engineering companies to find innovative solutions to global challenges such as climate change. This type of collaboration and innovation is not only necessary to secure the growth of CloS's creative enterprises, but the growth of the UK economy at large. Enabling these interactions sits at the core of this principle of design. But alongside it is a fundamental integration of creativity – ideas, innovation, imagination and creative expression – into the fabric of working and doing business in CloS, just as it is already woven into the way of life. Our future

economy will be built on creativity and technology. There will be significant opportunities for people who can combine creative, technical and social skills – skills that are resilient to future automation – and for businesses that can adopt these characteristics.

Lead Director(s): Emma Hunt / Dan James

Lead Exec: Glenn Caplin-Grey / Nathan Cudmore

2023/24 focus will see a continuation of support to develop the LEP's Creative Industries Taskforce into a Sector Body, with a focus on screen industries, gaming, digital/crea-tech and culture. LEP resources will target sector specific commissions to support advocacy, technical and research activities, alongside the proposed Shared Prosperity Fund sector activities, with LEP focus on sector body support, account management for key industry partners, alongside enhanced bidding and programme delivery capabilities for creative opportunities.

Early commissioning will include additional sector capacity as well as the delivery of a £1m Culture and Creative Industries Investment Programme and ongoing delivery of the three year DCMS funded Create Growth business support programme, alongside our delivery partner, Creative UK.

We will also support the further development and delivery of the Islands Cultural Centre and Museum project. Thanks, in part, from previous funding from the LEP. The project has already attracted funding from SPF, ACE and NHLF and we will continue to support the project as it will play a key role in the economy of the Islands.

Indicative Budget

- Sectors expenditure - **£110,000**
- Culture and Creative Industries Investment Programme - **£1m**
- Create Growth Programme - **£212,500**

Visitor Economy - global leader for low carbon experiences for visitors and residents, maximising links to the environment, heritage and culture

In 2019 the total visitor spend in CloS was £2 billion with the sector accounting for 9% of the regional GVA. It contributes up to £40 million to the Isles of Scilly economy.

CloS also has vibrant heritage and cultural offers, from festivals to internationally renowned attractions. It is also home to three of the top 20 most-visited gardens outside London, and a World Heritage Site.

However, the CloS visitor economy is characterised by low-productivity businesses, and seasonal low-wage, low-skill jobs with little opportunity for career progression. The seasons and the weather have an impact on fluctuating visitor numbers each year, as the CloS visitor economy benefits mostly from holiday makers during the peak summer season; visitor numbers trail off outside of the summer months. Most visitors to CloS arrive by road and traffic volumes are 25% higher during August than average daily volumes and 57% higher than the quietest month of January. The challenge will be to educate and influence visitors on more sustainable, low-carbon travel and experiences.

The Isles of Scilly are extremely reliant on tourism and is vulnerable to changes in visitor trends/demographics. It experienced a decade of decline in visitor numbers up until three years ago. It remains fragile with a number of significant challenges for the sector and the islands to address if it is to not only continue to recover but also to grow, thrive and sustain.

The CloS Local Industrial Strategy identifies an opportunity and desire in CloS to improve productivity and the quality of jobs in the Visitor economy, to become less reliant on high volumes of visitors, to become a global leader for higher-value but lower-carbon experiences for visitors and residents and to extend the season attracting visitors throughout the year.

Lead Director(s): Mark Duddridge / tbc

Lead Exec: Glenn Caplin-Grey / Nathan Cudmore

2023/24 focus will see a continuation of support for the development of CloS Destination Management, both in relation to Government led opportunities, including Local Visitor Economy Partnerships (LVEPs), regulation, and local strategy realisation around off season sector development. LEP resources will target sector specific commissions to support advocacy, technical and research activities, alongside the proposed Shared Prosperity Fund sector activities, with LEP focus on sector body (Visit

Cornwall and Islands Partnership) support, account management for key industry partners, alongside enhanced bidding and programme delivery capabilities for visitor economy opportunities.

Indicative Budget (sectors expenditure) - **£70,000**

Good Growth

“Prosperous and creative businesses and pioneering start-ups, working together to broaden CloS capabilities and retain value from a circular economy.”

The business base by size follows a relatively similar pattern to the rest of the UK, but what makes CloS different to other areas is that a much higher proportion of people work in small and micro businesses, and there is also a much higher proportion of self-employment.

The number of businesses in CloS in relation to our population is average; however, they are much more dispersed, providing fewer opportunities for peer-to-peer support, collaboration and knowledge transfer. There are a small number of specialised sectors where the local share of businesses and/or employment is higher than the national share including energy, tourism, culture, agri-food, mining and marine.

Every broad sector group in CloS underperforms the South West and UK when comparing GVA per job in 2017. A large proportion of businesses are in low-wage/profit sectors and some of our large businesses have a lower skilled employment footprint, such as food and drink services, compared to the more scientific sectors, such as space and mining.

CloS has yet to unleash its full potential; business churn rate is lower than the UK average, with the highest business survival rates of all LEP areas over the last five years. Although reflecting greater stability, the growth of new businesses is below average, far fewer start-up businesses achieve scale up, although the incident rate of high-growth firms is only marginally lower than nationally.

Lead Director(s): Mark Duddridge / Ann Vandermeulen / Steve Jermy / John Acornley

Lead Exec: Glenn Caplin-Grey / Nathan Cudmore

2023/24 focus will see a continuation of support via LEP programming including, Department for Business and Trade funded Growth Hub activities, convening of the region’s Economic Recovery Group (business voice), chairing the CloS Investment Fund Advisory Board in its deployment of £34m debt and equity fund and ongoing Enterprise Zones delivery.

LEP resources will target business support specific commissioning to support the advancement of the existing Business Support Framework, Access to Finance, Export, Regulatory Framework, Regional Investment Funds and Brand development, alongside

the proposed Shared Prosperity Fund Good Growth Hub, Trade and Investment, RD&I activities, with LEP focus on co-convening with partners such as Cornwall Chamber of Commerce, Federation of Small Businesses, Business Improvement Districts. British Business Bank, Economic Recovery Group and sector bodies such as the Cornwall Marine Network and Cornwall Manufacturing Group. Activity will target industry intelligence, private investment, advocacy requirements and horizon scanning for future good growth opportunities.

Indicative Budget

- sectors expenditure - **£40,000**
- Growth Hub (subject to offer letter) - **£271,000**
- Enterprise Zones Growth Fund - **£472,401**

Skills / Labour Force

The LEP works in partnership with local authorities to shape the future economy of our region; including the design, shape and delivery of skills programmes that meet the needs of people, business and place in an inclusive and customer focused way, representing our key economic sectors with learning providers to shape local provision; and ensuring that employers have the talent they need to build back better.

The Local Skills and Labour Market Strategy provides the information and intelligence needed to develop a long term, evidence based response to local business and people's skills needs. The Strategy complements local recovery plans and will be kept 'live' through review, monitoring and evaluation processes.

Of particular importance are the priorities within the Strategy that ensure we support our foundation sectors; ones which underpin our economy due to their significant contribution to our productivity, support the delivery of critical council services and support the health and wellbeing of our residents. The Strategy sets out the importance of these sectors; health and social care, construction, retail and hospitality with dedicated and robust actions set out in the action plan to focus our investment planning and programme designs to ensure that we engage with sector representatives to understand their demands and challenges now and into the future.

The Local Skills and Labour Market Strategy has the following priorities, which the Employment and Skills Board will govern, monitor and review to ensure delivery of the associated action plan:

- *Inspire – developing the workforce of tomorrow.*
- *Transform – a productive workforce.*
- *Innovate – accelerate the growth and diversification of the economy.*
- *Thrive – opportunity for all.*

Lead Director(s): Mark Duddridge / Clare Parnell

Lead Exec: Glenn Caplin-Grey / Stacey Sleeman

2023/24 focus will see a continuation of support via LEP programming including, Digital Skills Partnership, Apprenticeships and the Careers Hub. LEP resources will target support to the Employment and Skills Board, with a focus on:

- Labour Force Development
- Skills Provision
- Careers Advice

- FE/HE alignment
- Schools
- Business best practice
- Evolution of ESB

Detailed budget activities will be developed through the Employment and Skills Board.

Indicative Budget

- Skills Innovation Fund - **£51,621**
- Apprenticeships - **£5,645**
- Digital Skills Partnership – tbc
- CloS Careers Hub - tbc

Budget

	Original Budget £
INCOME	
Ringfenced Funds	
Ringfenced funds carried forward & received in year	659,420
Culture and Creative Industries Investment Programme	1,000,000
Un-ringfenced Funds	
Cornwall Council Funding	112,500
Government Core funding	250,000
Estimated interest accrued on balances	50,000
Un-ringfenced funds carried forward & received in year	789,152
TOTAL INCOME	2,861,072
EXPENDITURE	
Un-ringfenced Expenditure	
Salaries & Employee Costs	182,261
Transport	5,000
Supplies & Services	30,000
Communications and Engagement	27,000
Sectors	600,000
Great South West	20,000
Accountable Body - support services charge (MOU)	50,000
Commissioned Functions	149,522
Programme Management	5,000
LEP Company	80,000
Total un-ringfenced Expenditure	1,148,783
Ringfenced Expenditure	
Culture and Creative Industries Investment Programme	1,000,000
Growth Hub	271,000
Digital Skills Partnership	0
Skills Innovation Fund	51,621
Apprenticeship	5,645
CIoS Careers Hub	0
EIF - Ten Opportunities	118,653
Create Growth Programme	212,500
	1,659,419
TOTAL EXPENDITURE	2,808,202

Risk Management

As part of the LEP Assurance Framework we are ensuring we take appropriate steps to manage and mitigate risk. Different programmes sometimes demand a different means of reporting risk and assessing other issues such as value for money. However, as a principle across all of our activity we will ensure:

- We have a full understanding of our obligations.
- We have sufficient processes and internal systems of control (via our Accountable Body) to meet our obligations.
- We have appropriate systems and process in place to allow us to identify, manage and review our risks.

Risk management (identification and mitigation measures) within the CloS LEP is a continuous process which runs through the organisation and in programme and project delivery. Overall, the LEP CEO is responsible for risk management.

The CloS LEP has a risk register which is reviewed monthly by the LEP Executive Team, at each meeting of the LEP Audit and Assurance Committee (AAC) and is presented at every LEP Board. Horizon scanning risks are also considered and reviewed at both AAC and Board level.

Risk is managed through the LEP Sub-Boards and Steering Groups that the LEP Chair, or, has representation on. Sub-Boards and Steering Group reports and individual risk registers feed into, via the LEP Executive Team, the LEP's Risk Register. The LEP's Risk Register is updated and reviewed by the AAC before being presented to the LEP Board.

For programme investments, the LEP Executive will monitor risks at a project level liaising with the applicant. The risks will be reviewed and escalated where appropriate adapting to consider the risk to the LEP and programme delivery, and not just to project delivery.

The risk register is a standing item on the AAC agenda. The risk register is presented to the LEP Board following all AAC meetings with a report summarising changes to the

risk profile and associated mitigations. This allows the wider Board to input into the risk management of the LEP.

