

“The Post 2006 Group”  
THE STRATEGIC CONTRIBUTION OF THE MAIN TOWNS  
TO THE ECONOMY OF CORNWALL



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Issues Paper  
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## EXECUTIVE SUMMARY

### Background

The “Post 2006 Group” commissioned this study into the economic potential and future growth of the 18 larger towns in Cornwall, to assist in the development of the approach to strategic economic and regeneration of the County.

The Post 2006 Co-ordination Group has representatives from South West of England RDA, Government Office for the South West, Cornwall County Council, Objective One Partnership Office, Learning and Skills Council, Job Centre Plus and Cornwall Enterprise. This group supports the Post 2006 Strategic Group, which provides the wider strategic context to the process of preparation for the Convergence Programme for Cornwall and the Isles of Scilly, and works closely with the Cornwall and Isles of Scilly Economic Forum (CEF). CEF is the over-arching Economic Development partnership for Cornwall and the Isles of Scilly and leads the development of the economic strategy, “Strategy & Action”.

This research into the 18 Towns will therefore inform the development of the Post 2006 agenda including the Convergence Programme, response to “The Way Ahead” and revision and future delivery of “Strategy and Action”.

### Study Process

The study prepared detailed economic profiles of the 18 towns, describing current conditions in terms of employment, industrial sectors, skills, and a range of other important factors which determine their economic roles and performance. The profiles built a special analysis of a range of existing statistical sources, and also used consultation with key agencies and review of current plans and strategies to identify local issues which affect economic performance and potential.

The analysis then compares and groups these issues in order to identify the relative roles of each of the towns, and to identify the issues and priorities which may require attention in some or all of them.

The research was then enhanced by reference to new economic forecasts, prepared for the County Council by Cambridge Econometrics. These forecasts provide a detailed forecast by industrial sectors against scenarios for overall regional growth in the economy, for each of the Cornwall Travel to Work Areas (TTWAs - which comprise the main towns surrounded by their “travel to work” hinterlands).

Roger Tym & Partners interpreted these TTWA forecasts to consider the potential implications of jobs growth and restructuring for each of the individual towns themselves. This process reinforced concerns about some current issues; and highlighted further issues for consideration if the towns are to contribute to the future strength of the Cornwall economy.

This Issues Paper was drafted as a relatively short summary of the findings of the research. Much of the detailed data and analysis remains within the town profiles themselves, which are published as an Appendix. It is hoped that the profiles will provide a useful resource and reference point for further development of strategy and proposals to support local economic growth.

### Key Issues

The Issues Paper noted that the 18 towns vary significantly in terms of resident population, total employment and structure of industrial sectors of business and employment - and are particularly variable in terms of their level of “self-containment”, with some towns attracting very significant inward flows of labourforce whilst others act more as dormitory towns with significant outward flows of residents to work.

Out of all of the towns, Truro stands out in a number of ways which reflect its strong economic growth in recent years, to establish a particular role in the County as the main centre of public

services (including health, education and public administration), business services and finance, and shopping and distribution. This pre-eminence is clear from the unusually high inward flows of labour which, along with other indicators, are more characteristic of local “over-heating” and congestion than the opposite picture of town centre decline and fragile local economy which is found in at least some of the other towns.

The study notes a range of issues in respect of individual towns, and highlights the particular themes or priorities which may need attention if economic potential is to be fulfilled. In general, all of the towns suffer from similar problems in relation to:

- Labour market pressure
- Skills
- Town Centres
- Sites & Premises
- Congestion and Strategic Linkages
- Self-containment
- Productivity, Innovation and Enterprise

Review of the forecasts for future economic growth tends to reinforce the message in relation to these issues - particularly considering the ways in which changes in the structure, nature and location of employment will require responses in terms of skills, town centres, and so on.

These highlights issues which will affect the economic potential of the towns, and a number of spatial which will need to be addressed across the County if the most effective, sustainable pattern of growth is to be achieved. A number of issues remain to be considered in greater depth, particularly the scale and location of housing and employment growth. Amongst a number of issues, there is a need for more detailed consideration of the potential growth in housing numbers compared to jobs growth, for each town; and to consider the sites and premises needs for local areas.

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# 1 INTRODUCTION

- 1.1 This is an Issues Paper prepared as an overall summary of findings from research into the economies of 18 Cornwall Towns, particularly intended to highlight the key findings of issues affecting the economic potential and future growth of the towns.
- 1.2 The contract for this research study was let by the Post 06 Co-ordination Group to assist in the review and development of the approach to strategic economic development and regeneration in Cornwall. This will help to inform the development of the Post 2006 agenda, the delivery of “The Way Ahead” initiative in Cornwall as well as the revision and future delivery of the Cornwall Economic Strategy “Strategy and Action”.
- 1.3 The Brief for the study noted that it is important that these strategies and initiatives are underpinned by a full appreciation of how economic potential might manifest itself in employment, educational (skills) and spatial terms and what policy responses are required to address the associated issues and impacts. In turn this will help in terms of promoting more sustainable communities in Cornwall, and contribute to reducing intraregional disparity in the wider South West region.

## Background

- 1.4 The Cornwall and Isles of Scilly Economic Forum (CEF) is the over-arching Economic Development partnership for Cornwall and the Isles of Scilly and is both recognised and funded by the South West Regional Development Agency (SWRDA) as its Sub-Regional Partner, and by Cornwall County Council as its economic development partnership.
- 1.5 The CEF leads the development of the economic strategy “Strategy & Action” and is charged with developing and monitoring the economic development priorities set out within the strategy. Its objective is to support, influence and guide the County Council, SWRDA and other bodies in their actions and initiatives.
- 1.6 “Strategy and Action” is being extensively reviewed, particularly in the context of end of the current Objective One Programme in Cornwall and the Isles of Scilly and preparations for the new “Convergence Programme”. By undertaking a complete review of the strategy, identifying key priorities for action from a robust evidence base and undertaking a wide consultation process, greater ‘buy in’ to the strategy is expected.
- 1.7 The revised strategy should provide clearer roles for organisations, with improved guidance and demonstrable association with other strategies such as the Regional Economic Strategy (RES), Regional Spatial Strategy (RSS) as well as European Policies such as the EC Strategic Guidelines and the Lisbon and Gothenburg Agendas.
- 1.8 This study of the 18 Towns contributes to the review and development of the Evidence-base, and therefore provides both a resource of information about each of the towns (particularly in the town profiles which accompany this Issues Paper) and an analysis of key issues. A detailed profile has been prepared for each town, combining quantitative and qualitative description of the economy of the town, and a SWOT analysis prepared. Each profile provides a wealth of information about the town, and feeds into summary analysis of issues for the Cornish economy. This Issues Paper identifies key issues from that analysis.
- 1.9 The 18 towns were the subject of the 2005 “Cornish Towns” study (which focused on assessing their current roles, functions and relationships), and they have since been considered in relation to a range of strategic and local policies and initiatives, including the recent work to prepare the draft Regional Spatial Strategy (RSS), the Spatial Annex to the Regional Economic Strategy, and the review of the Evidence Base for “Strategy and Action”.
- 1.10 This study builds on that body of evidence and on ongoing regional research and provides more detailed analysis for each of these settlements. It identifies areas with high levels of economic potential (an ongoing process of economic development) as well as those areas where critical interventions will be necessary in order to improve or reverse overall

performance. It also identifies issues which are common to some or all of the towns, and points to strategic issues which will be important for the future of Cornwall and the towns.

## 2 STRUCTURE OF TOWNS IN THE CORNWALL ECONOMY

### Towns and Travel to Work Areas

- 2.1 The 18 study towns are shown on the map overleaf:
- Penzance
  - Hayle
  - St. Ives
  - Helston
  - Camborne
  - Redruth
  - Falmouth
  - Penryn
  - Truro
  - St Austell
  - Newquay
  - Wadebridge
  - Bodmin
  - Launceston
  - Bude
  - Liskeard
  - Saltash
  - Torpoint
- 2.2 Because of their close proximity to each other and the strong economic links between them, Camborne and Redruth (and the intervening area of Pool) is treated as one "urban area" for analysis and comment in this Issues Paper. However, the profile for the Camborne, Pool and Redruth area acknowledges some of the key local differences and issues for strategy are noted in this Paper. In the same way, Falmouth and Penryn are treated as a single urban area for analysis.
- 2.3 Each of these towns acts as an important centre of the local economy and local labour market within a "Travel to Work Area" (TTWA) defined through Government statistics (using 1991 Census data). There are 12 TTWAs in Cornwall, as shown on the map.
- 2.4 The TTWAs are important both because they provide a useful distinction of local areas which give a good reflection of the local economic relationships and strengths of the towns - and particularly they show how each town serves a surrounding area through the provision of employment, shops and services. As "travel to work" areas they broadly reflect the patterns of residents' travel to centres of employment, but it is notable that there is evidence of increasingly large flows of people across these TTWA boundaries every day in Cornwall.
- 2.5 The TTWAs are also important because they are the geographical basis for economic forecasts. Forecasts were recently commissioned by Cornwall County Council for the 12 Cornwall Travel to Work Areas and received in April 2006. These forecasts by Cambridge Econometrics cover 41 sectors of the economy, providing a reasonably detailed picture of the potential for change in employment and in Gross Value Added (GVA).

### Map of Cornwall and the 18 Towns



Source: RTP

- 2.6 It should be noted that some of the TTWAs are small and boundaries are tight around the Town, e.g. Falmouth TTWA, due to the proximity of other large centres and labour market areas (Redruth and Camborne, Truro TTWAs). In the North and West of the County, TTWAs are more extensive, e.g. Penwith, Helston, Bude, Launceston, Wadebridge and Bodmin TTWAs.

## Size of the Towns

- 2.7 The 18 towns vary substantially in size, whether measured in terms of resident population, employment or GVA. This table, ordered in terms of total employment in each “urban area” shows the ranges and the comparisons:

**Populations, Employment and GVA for the 18 Towns**

	Total population 2001	Total employment 2006	GVA est. 2006 (£m)
Truro	23719	25301	636
Camborne, Pool, Redruth	46749	21440	621
St Austell	28461	14971	391
Falmouth-Penryn	30950	12895	324
Penzance	24711	10106	242
Newquay	21964	9731	222
Bodmin	12861	9619	292
Saltash	14961	5405	149
Launceston	7137	5095	145
St Ives	11159	4698	109
Wadebridge	8624	4240	103
Liskeard	8657	4211	113
Bude/St	9244	3971	110
Helston	12762	3910	93
Hayle	11344	2501	64
Torpoint	8452	2176	53
<b>Cornwall Towns Total</b>	<b>258036</b>	<b>140270</b>	<b>3667</b>

Source: 2001 Census, ABI, Cambridge Econometrics, RTP

- 2.8 The 18 Towns are estimated to contain approximately 140,000 jobs in 2006 (including employee jobs, self-employment, sole traders, managers, etc.) and approximately 120,000 employee jobs. This is almost exactly 2/3 of the County total. The employment figures shown above include estimates for self-employment, sole traders, etc., and thus represent the total “employment” in the towns, in 2006 - again approximately 2/3 of the Cornwall total. This indicates the importance of the 18 Towns to the Cornish economy as a whole, and it may be noted that a net balance of nearly 50,000 people living outside the Towns work in the Towns.
- 2.9 By contrast to the level of employment, the Towns contained just over half of the resident population at the Census in 2001; and the Towns produce approximately 2/3 of the Gross Value Added in the Cornish economy.
- 2.10 There are six Towns with a population of over 20,000. This is relatively small in UK terms, reflecting the peripheral and rural nature of Cornwall, but also presenting a very distinctive pattern of towns of similar sizes which are relatively close together and generally serving local markets.
- 2.11 The largest “urban area”<sup>1</sup> in Cornwall in terms of population is the area comprising Camborne, Pool and Redruth. However, the largest town in terms of employment is Truro, which has an unusually high ratio of jobs to resident population.

<sup>1</sup> For the purposes of this study, the built-up area of each Town was drawn and an assessment made of the appropriate wards to be included in a definition of the town. Wards are the smallest area for which employment data is available, so it was appropriate to include all identified wards which include a significant number of jobs. This

- 2.12 Most towns show a ratio of between 0.4 and 0.5, which reflects a degree of out-commuting but a slightly higher level of in-commuting as the town's workforce is drawn from the surrounding area as well as the town itself. Towns which show a distinctly different ratio indicate somewhat unusual roles in the Cornish economy. For instance Bude, Helston, Hayle, Torpoint, have relatively low levels of local employment (and thus may be considered as more "dormitory" in their role, while Truro has such a distinctly higher level of employment and is a major centre of employment and economy relating to the whole County.
- 2.13 There are six urban areas - Truro, Camborne/Pool/Redruth, St. Austell, Falmouth-Penryn, Penzance and Newquay - which are distinctly larger than the rest of the settlements. This is generally reflected not only in the size of these towns' economies and employment levels but also in the roles and functions accommodated. These towns tend to contain a particular concentration of population-driven functions including retail, education, health, public administration, and other services, but also contain specialisms reflecting their history and location.
- 2.14 However, it is also notable that of the next smaller towns, with populations between 8,000 and 15,000, Bodmin (and Launceston, in a smaller way) has a high ratio of jobs to population, reflecting its recent growth and importance as a local centre of employment in a range of industries. Also Liskeard and Bodmin are the centres of public administration and services within their Districts and thus contain a particular emphasis on employment in these sectors (as do the larger towns of St. Austell, Truro, Camborne and Penzance in their Districts). Saltash also play this role to some extent, but its size and functions are influenced by (and to some extent constrained by) its proximity to Plymouth.

## Specialisms

- 2.15 The overall balance of employment between sectors in the 18 Towns, taken together, is as follows:

definition of the geographical area of each town may differ from that used in other studies and topics, so figures for towns may differ from those published in other reports.

### Employment by Sector - Cornwall, 18 Towns; and GVA by Sector

	% of employment in this sector in Cornwall	% of employment in this sector in the Towns	% of Cornwall GVA in this sector from the Towns
Agriculture (employees)	4.0	0.2	41.9%
Mining, extractive industries	0.7	0.9	14.0%
Manufacturing	8.8	13.1	67.6%
Utilities supply	0.2	0.5	91.0%
Construction	7.1	2.9	51.8%
Distribution	6.3	5.6	63.6%
Retailing	13.0	16.6	81.1%
Hotels & Catering	11.1	10.0	61.5%
Transport	0.9	4.0	68.6%
Banking, Finance, Business Services	13.0	7.7	60.5%
Public Admin & Defence	5.8	6.7	87.7%
Education	8.7	11.5	77.7%
Health & Social Work	10.9	15.8	83.2%
Misc. Services	6.0	4.4	62.5%
Overall:			67.2%
Totals (rounded)	220,000	140,000	£3.67bn

Source: ABI, RTP, Cambridge Econometrics

- 2.16 This table illustrates a number of points about the specialisms of the towns:
- not surprisingly, the Towns play a small role in agriculture and extractive industries
  - the Towns are a focus of employment in manufacturing industries, and manufacturing comprises 13.1% of total employment in the towns
  - the Towns are important in terms of distribution and retail, particularly retailing. Retailing provides one in six of all jobs in the Towns. (but note that retailing tends to include a significant proportion of lower-paid and often part-time employment)
  - perhaps surprisingly, the Towns currently do not represent the focus of banking, finance, business services (including professional services), with a greater percentage of employment in this sector in the more rural areas. This sector at present employs less than 8% of the total Cornish economy, and is apparently weighted towards activities such as “real estate”, which has a more rural representation
  - Public Administration, Education and Health are strongly represented in the Towns, offering a range of jobs from well-paid professional and executive employment to lower-paid, lower-skilled occupations
- 2.17 As noted above, the larger towns and District Centres tend to show particular specialisms in terms of retail, public administration, education and health. In these sectors, Truro is pre-eminent amongst the 18 Towns, and in other distribution and service sectors. It is notable that 40% of Truro’s employment is in Education and Health sectors, with approximately 25% in retail and distribution, and over 10% in banking, professional services, etc..
- 2.18 Some towns show stronger representation in manufacturing sectors than is average for Cornwall - particularly Bodmin (Food & Drink, Electrical Engineering); Camborne and Redruth (Food & Drink, Mechanical Engineering and several other manufacturing sectors), Falmouth-Penryn (“Transport Equipment”, Mechanical Engineering), St. Austell (Chemicals). A number of towns, including the above, show a significant presence of Printing and Publishing.

- 2.19 Some of the towns reflect their coastal resort and tourism status with strong representation of Hotels and Catering, Newquay is the clearest example, with over 1/3 of all jobs in the town in this single sector. Falmouth-Penryn and St. Ives are also strongly represented.
- 2.20 Towns showing strongest representation of banking, finance, professional services, etc. tend to be the larger towns - Camborne and Redruth, Truro, Penzance, St. Austell, followed by Newquay and Falmouth-Penryn.
- 2.21 As noted earlier, the larger towns also tend to be the focus of public administration, education and health, with Truro established as a major centre of health employment. Other Towns with larger numbers of employees in these sectors are Camborne and Redruth, Falmouth-Penryn, St. Austell and Saltash.
- 2.22 All of the smaller towns tend to show some forms of skew or specialism in terms of their local economy, for instance Bude in “manufacturing not elsewhere specified” and hotels and catering. However, in terms of absolute numbers in relation to Cornwall or to the specific sectors, the numbers employed in these local specialisms are relatively small, and may be influenced by the presence of a few specialist local firms. The specific local circumstances need careful consideration if specialisms are to be used as a basis for policy.

### Balance of Employment to Population

- 2.23 There is a wide variety of situations across the Towns, but few can be considered to be particularly “self-contained” in terms of the balance of employment to working residents. The normal situation is for towns to draw a net inflow of people commuting to work every day from the surrounding area to supplement the labourforce living within the town itself, with approximately half of the jobs within a town staffed by people living within the town, and for a proportion of the resident population to travel to work elsewhere.
- 2.24 The table overleaf illustrates the current situation by showing the journeys to work which start and then finish within the town; the percentage of people working in the town who live in the town; and the net flow (in or out of the town) of people travelling to work. Each of these numbers describes an aspect of the balance of “self-containment”.
- 2.25 The table shows:
- the particular strength of Truro in drawing labour to a town economy which is much larger, relative to the size of the resident population, than any other Cornish Town
  - the importance of some of the towns as centres of employment attracting labour from a wider area - particularly Penzance, Bodmin, Falmouth-Penryn, Launceston, Helston, Bude - though in some cases the larger net in-flows are due to a relatively small resident population rather than to the size of the local economy.
  - Some towns - notably Newquay, St. Ives, Falmouth-Penryn - are more “self-contained” in the sense that local jobs are primarily filled by local labour
  - Some towns - notably Hayle, Wadebridge, Liskeard, St. Austell - are poorly “self-contained” in the sense that there is a net out-flow of labour commuting to work every day.

2.26 Table 1 Self containment of the study towns as origin and destination

TOWN	% of trips that originate from town that finish within the town  <i>(high number shows high proportion local residents find employment in local jobs)</i>	% of people who work in the town who live in the town  <i>(high number shows town's economy predominantly using local labour)</i>	Net flow of employees*  <i>(high number shows low levels of out-commuting and/or high levels of in-commuting)</i>
Hayle	40.55%	48.00%	-1257
Liskeard	46.51%	41.66%	-489
Wadebridge	46.69%	56.85%	-488
St Austell	60.02%	45.88%	-437
Newquay	61.31%	71.86%	39
St Ives	62.41%	70.25%	420
Camborne, Pool, Redruth	62.73%	55.15%	703
Bude	65.26%	50.86%	1309
Helston	65.30%	48.51%	1728
Launceston	65.75%	46.25%	1916
Falmouth-Penryn	66.09%	65.87%	2184
Bodmin	66.18%	41.50%	2994
Penzance	68.52%	54.92%	3250
Truro	70.04%	30.68%	11812

Source: LUC, 2001 Census

Notes: figures not directly comparable with other data in this report, illustrative only. Note also flow figures are net, a comparison of out-flow and in-flow; actually flows will be greater. Analysis for the LUC study did not include Saltash and Torpoint. Data from 2001 Census - the current situation is likely to include significantly higher commuting flows to and between towns.



## 3 CURRENT ISSUES

- 3.1 The profiles prepared for this study identified a wide range of issues which affect the current economies of the towns, and which could influence their future growth. The information for each town is set out in the profiles, and specific issues are drawn out through a SWOT analysis for each town.
- 3.2 The table at the end of this paper summarises the key points and also points to the implications of the forecasts discussed in Section 4.

### Strategic Issues

- 3.3 Every town presents a somewhat different representation of sectors, pattern of growth in recent years, labour force issues, etc. - but a number of issues are commonly found:
- Recent trends - the Towns have generally shown good growth in employment, and positive change in terms of diversification, stability and increasing earnings. In some cases, particularly Truro, there are symptoms such as recruitment problems, traffic congestion, upward pressure on wages, etc., which are more usually associated with “overheating” in a dynamic economy than with the traditional Cornish problems of economic decline and fragility. However, these problems persist particularly in other towns such as Camborne, Redruth, St. Austell and in general it is still difficult to generate sufficient value through development to attract investment in employment sites on normal commercial market terms
  - Labour Market pressure - a particular concern is increasing “tightness” in the labour market. As unemployment has dropped to national levels and the pool of unemployed labour is much reduced, employers and agencies are reporting increasing difficulties in recruiting labour to fill particular positions. While not specifically investigated for this study, the issue of affordability of housing is clearly a factor. This labourforce issue also relates to skills:
  - Skills - most of the Cornish Towns have a relatively low average level of skills in the workforce. This is evident from standard qualifications and occupations data in the Census, NVQ data and other surveys. Only Truro shows a workforce with higher levels of skills and occupations. This issue is likely to have a significant impact on the potential to grow or maximise the value of the local economy
  - Town Centres - most of the Towns have issues with their Town Centres, evident either through current regeneration programmes or proposals (e.g. Camborne, Redruth, Penzance, Hayle, Falmouth, St. Austell, Newquay, Liskeard, Launceston, Saltash) and/or through identified outmoded business premises in the Town Centre. Traffic congestion can also be an issue
  - Sites and Premises - all the towns indicate some issues about availability of suitable sites and premises. In some cases there is a serious lack of land allocated for development for employment uses and available without significant constraints on development. In other cases, there may be problems about delivery or take-up of sites due to ownership, local market conditions or the impact of constraints such as access. There is generally a need for more sites adjacent to town boundaries to accommodate employment growth; and most town centres do not currently offer an adequate range of premises of the right standard suitable to modern businesses or sites for redevelopment
  - Congestion and Strategic Linkages - traffic congestion on roads into and out of Towns, and links to the strategic road network, is also an identified issue for a number of towns and there are some immediate constraints affecting development such as the junction capacity on the A30 at Camborne Pool and Redruth. Congestion affects the normal conduct of business (access to and by suppliers and customers); inward investment and growth potential; and the ability of labour to travel to work. As noted above, a significant proportion of employees travel to work from outside the towns; and it appears that

average journeys to work are getting longer. Congestion on main roads and the urban fringes particularly at peak hours is becoming a major issue, and relates to some extent to the issue of “self-containment”:

- Self-containment - there is a wide variety of experience across the Towns, few can be considered to be particularly “self-contained” in terms of the balance of employment to working residents. Truro is very unusual in drawing approximately two-thirds of its labour from outside the City, thus provoking large inward flows of commuters, though almost all towns depend on significant flows of commuters to work. This suggests that many workers have to travel to find suitable job opportunities; businesses have to recruit from beyond their local labour market; and that travel-to-work (principally by car) and congestion issues are likely to be important factors in releasing economic potential. From an environmental perspective increased employment self-containment could be an important priority
- Productivity, Innovation and Enterprise - a few towns are identified as having strengths in the field - particularly Truro, Falmouth-Penryn, Bodmin, Bude and the Penwith towns - based on strengths in current sectors such as health, education, manufacturing sectors, R&D, and creative industries respectively - but this is not necessarily yet translating into a robust local economy with higher levels of productivity, and (at least in the manufacturing sector) may be vulnerable to decline.

## 4 FORECASTS

- 4.1 The analysis of the Towns developed under the original study brief was extended by considering economic forecasts prepared by Cambridge Econometrics for the County Council. These forecasts consider the prospects for change in employment (all jobs), fulltime equivalent jobs (FTEs) and Gross Value Added (GVA) to 2026.
- 4.2 The forecasts are prepared for each of the 12 Travel to Work Areas (TTWAs) within Cornwall (but not for the Plymouth TTWA which contains Saltash and Torpoint)<sup>2</sup>, for 41 sectors of the economy, thus providing a detailed view of potential change in employment and GVA in each TTWA for sectors including manufacturing (17 “sub”-sectors), retail, hotels & catering, public administration, education, health and several sectors of business services.
- 4.3 The forecasts parallel the regional economic forecasts which were developed as part of the review of the Regional Economic Strategy (RES) and which informed development of the Regional Spatial Strategy. The forecasts are based on an assessment that annual growth in regional GVA will be in the range 2.4%-3.2%. The RES states that the region needs to plan for growth rates of between 2.8% and 3.2% as this reflects the most likely outcomes for the economy and this is a common assumption in the draft RSS. Cambridge Econometrics therefore prepared the forecasts on the basis of two “scenarios” - for 2.8% and 3.2% annual average growth (Scenarios 1 and 2) using their model of the regional economy.
- 4.4 The two Scenarios are not fundamentally different in the prospects which are identified for each of the 41 sectors, and they reflect the general trend of highest levels of growth forecast in Other Business Services, Miscellaneous Services, Education and Health with decline forecast in all manufacturing sectors except Printing and Publishing. However, Scenario 2 forecasts a higher level of overall growth in the economy achieved through accelerated growth in Construction, Hotels & Catering, Communications, Air Transport, Banking and Finance, Computing Services, Professional Services, Education, Health and Miscellaneous Services.
- 4.5 Scenario 2 forecasts were interpreted in relation to the Cornwall Towns effectively by distributing the forecast change in each sector in each TTWA to every town according to its current representation within the TTWA. Thus if 94% of the current employment in Food, Drink and Tobacco sector within the Bodmin TTWA is in Bodmin itself, 94% of the forecast loss of jobs for this sector in the TTWA was allocated to Bodmin. The total impact on each town was then calculated from the change for each sector. A similar process was followed for GVA.
- 4.6 It should be noted carefully that this process depends both on the validity of the forecasts of change within each sector at the TTWA level; and on maintaining the balance of employment in any sector between the TTWA and the Town. Both of these assumptions is vulnerable to the impact of local circumstances - for example closure of a major employer within a TTWA may show have a greater impact on the employment in a particular sector than the forecasts will anticipate, as the forecasts show general trends, not local “shocks”. Also such a closure - or the opening of a new larger business enterprise in a particular location - will almost inevitably affect the balance of employment between the Town and the wider area.
- 4.7 We do not want to attempt to anticipate this potential change in balance in detail - but it may be the case that the growth sectors of the economy, being more dependant on providing services to centres of population and employment, and in many cases being more office-based than at present, may seek to locate in the Towns, rather than the rural areas. However, it is also possible that some of the businesses in these growth sectors would happily locate in more rural areas, delivering services through broadband, internet-based

<sup>2</sup> Standard data sources including population and employment data make it difficult to distinguish the particular characteristics of Saltash and Torpoint from the wider Plymouth area; and typically employment forecasts are prepared at TTWA area level (and no smaller geographical area) because of this difficulty. For the purposes of this study, estimates have been prepared of growth in Saltash and Torpoint and it is assumed that their local economies will change in ways which parallel the rest of the Cornwall economy.

communications and/or seeking an attractive rural environment. It is possible that the balance of locational decisions will be largely influenced by the opportunities available, and thus susceptible to policy decisions. There is more work needed to assess this potential change in balance of locations.

- 4.8 The Tables at the end of this paper summarise estimates of the potential implications of the forecasts on the towns, based on broad assumptions of trends following current patterns and distributions of growth; and on a simple comparison of forecast jobs growth against housing numbers.

## Forecast Findings

- **Levels of Change** - the forecasts indicate that a net growth of employment in the towns of 31,080 jobs between 2006 and 2026 - a growth of 22% over the existing total of 140,269 estimated in the towns. This growth would generate an estimated additional £1.438bn GVA annually, a growth of 86% over the existing value of £3.667bn. Change would occur through a gross increase of 34,422 jobs in construction, distribution, retail and service sectors; and a loss of 3,342 jobs in manufacturing, agriculture, etc..
- **Declining Sectors** - all sectors of primary and secondary production (agriculture, mining, manufacturing) are forecast for decline, except the Printing and Publishing sector of manufacturing. This has a particular impact on the Towns, which contain a focus of manufacturing employment in Cornwall - and particularly on those towns which have a particular local emphasis on manufacturing - particularly Bodmin, Camborne, Redruth, St. Austell, Falmouth
- **Growth Sectors** - higher totals of employment growth are forecast particularly in Distribution (wholesale and logistics), Retail (with over 25 % of the total growth forecast), Hotels & Catering, Professional Services, Education, Health, and Miscellaneous Services. Towns which have a higher current representation in these sectors are likely to grow fastest, though some towns which start from a low base but will have a particular role to play in these sectors will also grow well. Truro is the town which, as noted before, has a particularly strong existing role in these growth sectors
- **Scale of Growth in Towns** - the larger towns tend to show the levels of estimated growth as follows:
  - Truro 7,167 jobs (26% growth)
  - Camborne, Pool Redruth 4,415 jobs (20%)
  - St. Austell 2,738 jobs (18%)
  - Newquay 2,525 jobs (26%)
  - Falmouth-Penryn 2,449 jobs (19%)

However, it is notable that of these only Truro and Newquay show a rate of growth in employment above the average of the Cornwall towns (22%), and the others above show lower than average growth. This reflects the stronger manufacturing base of these latter towns which is forecast to decline in future.

A number of the mid-sized towns provide the higher rates of growth:

○ Bude	36%	1,440 jobs
○ Hayle	26%	646 jobs
○ Helston	27%	1,055 jobs
○ Liskeard	30%	1,277 jobs
○ Saltash	24%	1,294 jobs
○ Torpoint	29%	623 jobs

Bodmin shows the particular impact of forecast losses in manufacturing, with a forecast loss of over 1,000 manufacturing jobs capping overall net growth to 688 jobs, or 7% over 20 years.

GVA growth is forecast broadly to follow these patterns of change, with Truro and the mid-sized towns potentially adding above average rates of growth, and the larger and more manufacturing-based towns showing below average rates.

- Nature of Growth and Use of Forecasts - it should be noted that these estimates of potential change within the towns are based on national/regional/sub-regional trends and sector forecasts and do not attempt to absorb the potential impact of local economic factors or strategic/local initiatives. For example, the initiatives which have been promoted by the Objective One Partnership and SW RDA in relation to key sectors may well have an impact in changing the trajectory of change within those sectors; the “iconic projects” identified in Cornwall - including CUC, Eden, Newquay Airport, Omega - may have employment impacts in localities numbering into hundreds of jobs or more; and local regeneration programmes such as CPR Urban Regeneration Company, St. Austell Town Centre, may also have impacts of this scale. However, the estimates provided here provide an illustration of the probable direction and scale of employment change with normal policy in place, but without the special policy and investment programmes implied by Convergence Programme, Central Government/SW RDA emphasis on regeneration investment in Cornwall, etc..



## 5 TOWN ISSUES

- 5.1 The analysis presented above flows from the detailed quantitative and qualitative studies for the Town profiles, and from the interpretation of TTWA economic forecasts prepared for the County Council.
- 5.2 By comparing the current situation with the probable future described in the forecasts and town estimates a number of issues can be identified to set an agenda for policy, strategy and intervention:

### General Issues for the Towns

- Growth Sectors - the forecasts are clear in describing a future for the economies of the towns based extensively on distribution, retail, business services, education, health and miscellaneous services - with a parallel decline in manufacturing sectors. The towns are generally well-placed to benefit from this growth, as they could provide appropriate forms of sites and premises to accommodate the growth sectors, provide a larger local labourforce, and contain larger concentrations of local residents who create demand for many of these distribution and service functions. However, creating this positive convergence of supply and demand will depend on a number of factors discussed below.

At the same time, some of the larger towns which were traditionally based on manufacturing industries (notably Bodmin, then Camborne, Redruth, St. Austell), will need to be considered carefully - both to see if measures can be taken to redress the possible decline in manufacturing industries; and to position them more effectively for growth in the service-based sectors.

- Labourforce size and availability is clearly a key issue. Currently the towns suffer low skills and an increasingly tight labour market. An initial review of the potential balance of new jobs against draft housing and population numbers drawn from RSS and Structure Plan review work suggests that a significant number of the towns may suffer a lack of labour living locally compared to the growth in employment (within the "urban area"). Truro in particular may suffer a significant problem of lack of labour.<sup>3</sup> If this is not resolved, there is a probability that the Truro (and Cornish) economy will be constrained in important sectors; that commuting and congestion will be an even more significant problem as labour is drawn from surrounding rural areas and neighbouring towns; and that potential for growth in other towns will be severely affected as many workers may be drawn to Truro and there will be consequent lack of labour in the other towns. This issue needs detailed consideration to attempt to balance employment and workforce at the town level.
- Skills is a very important issue, particularly in the face of the restructuring in the economy which is forecast. There is a need to ensure higher skill levels in the towns, both to ensure the employability of residents and to maximise the ability of the local economies to take advantage of opportunities for growth in employment and output
- Sites and Premises - there is a clear need for better availability of sites and premises - both to accommodate growth overall; and to provide premises which

<sup>3</sup> Truro has a high allocation of new housing of 5,000 units over 20 years, compared to 5,600 for Camborne, Pool and Redruth; 3,600 for Newquay; and 3,200 for St. Austell. However, forecast jobs growth of over 7,000 jobs in Truro compares with 4,415; 2,525 and 2,738 respectively - indicating the potential widening gap between resident workforce numbers and jobs in Truro. Additional housing often accommodates less than one worker per household, particularly in times of declining household sizes. To a lesser extent than Truro the problem of increasing imbalance between resident workforce and jobs may also apply to other larger towns,

are suitable for the growing sectors. This particularly implies the need for sites for:

- Distribution
  - Retail
  - Hotels & Catering (note : different types and locations of premises required, particularly in towns where restaurants, cafes, etc., may be a particular growth sector as well as hotels)
  - Office-based employment in a range of business services and “miscellaneous services”
  - Education
  - Health
- Town Centre improvement - both to provide the appropriate range of sites and premises, and to provide a suitable environment and setting for business growth and successful provision of retailing and services. It will be important also to meet the need for improvements to strategic transport links and congestion issues
  - Strategic Transport and Communications - some towns (and notably St. Austell) need improved strategic transport links if they are to benefit from economic growth. ICT, particularly broadband capacity, is clearly important. There is no particular evidence of a constraint imposed by broadband telecommunications at the moment, but the issue needs further research and strategy, both to assess the needs of the towns to support future growth and to assess the potential balance of growth between towns and rural areas which could be affected if some businesses prefer a rural location with good telecommunications connections to premises in towns
  - Congestion - if, in the light of current circumstances and future growth, congestion in and around the towns gets worse, this will have a number of negative effects on growth, including affecting the ability of businesses to recruit enough staff with the right skills; restricting business contact with suppliers and customers; and adversely affecting the ability to deliver goods and services effectively
  - Implications for other areas outside the towns - the implications of sectoral change could result in lower levels of growth in the areas outside the towns (which might be a desirable consequence in other terms), but it is also possible that some service sectors will grow in the rural areas if suitable communications infrastructure and sites and premises are available. This issue of balance between towns and other areas, and balance of employment and housing, needs further consideration.

## Town Issues

5.3 Issues identified for individual towns, which require further consideration and a strategy response are:

### *Truro*

- The largest town economy and potential focus of significant levels of growth, particularly in retail, education, health and business services, but will need attention to:
  - Potential to build on strengths in existing growth sectors in the service and knowledge economy, particularly health, education - for example working closely with the health sector to maximise the potential for growth

- Labourforce availability, skills and travel to work - as noted above, this is a key issue and needs careful consideration of the housing allocations for the town to ensure adequate levels of growth in the resident population
- Sites and premises issues - careful consideration of the scale of floorspace growth required for growing sectors; attention to quality and location issues; and planning to ensure adequate capacity for development and supply of modern floorspace - including planning for the special requirements of the growth sectors, such as health
- Town Centre - careful planning to ensure the ability to accommodate growth sectors and respond to congestion issues, whilst maintaining the quality of environment and character which makes a significant contribution to the vitality and attraction of investment to the town
- Can Truro accommodate the levels of growth forecast, develop the skills necessary in growth sectors, ensure adequate levels of labourforce availability, and avoid increasing levels of congestion?

### *Camborne, Pool and Redruth*

- The largest urban area and a focus for regeneration through the URC, these towns have several strengths including representation of growth sectors such as education (and the ability to build a knowledge economy related to it), but are also challenged by potential decline in manufacturing and out-commuting to Truro. Will need attention to:
  - Measures to redress the impact of forecast decline in manufacturing sectors - measures will need to address the range of relevant factors including availability of modern, flexible premises on suitable sites; good access and infrastructure; improved skills levels in the resident workforce; and support of growth in indigenous industries and inward investment in modern, high growth manufacturing sectors
  - Labourforce skills - there is a need to raise skill levels both to enhance competitiveness of existing industries and to support growth in new sectors. Presence of Cornwall College is a key advantage, but work is needed to confirm joint strategies
  - Sites and premises - need to provide a much wider range of deliverable sites and premises for a range of sectors, particularly the office-based sectors but also modern flexible premises and higher quality sites
  - Town Centres - need to improve to accommodate growth sectors (especially office-based sectors, but also service sectors such as health, education, social, domestic and personal services) and respond to congestion issues, improve diversity and vitality of centres. There is a need to continue URC working with KDC and Town Councils to define and develop the individual roles of the town centres.
- Can Camborne, Pool and Redruth avoid continuing decline in manufacturing sectors; attract new, higher-value sectors; create the infrastructure to support modern business; and attract and support service-sector businesses?

### *St. Austell*

- A significant urban area and a focus for employment, with current regeneration of the Town Centre under way, but major problems are now identified with the decline of the China Clay industry with planned redundancies of 800 jobs in 2007. Will need attention to:
  - Measures to redress the impact of decline in china clay and manufacturing sectors - to be addressed through task force initiatives, but needs to pay attention to the role and potential of St. Austell itself, and to consider the potential to diversify and develop the role of the town

- Labourforce skills - low average skill levels, and now the need for retraining in the light of redundancies, require major initiatives linked to a clear view as to future employment in the area
- Sites and premises - lack of sites across the range - particularly the need for better quality sites and premises to create and meet demand. Modern office premises will be required in town centre and suitable peripheral locations; and there is a need for modern, flexible space for manufacturing, distribution and (particularly) service functions.
- Town Centre - need to complete redevelopment effectively. including a measure of office and other accommodation to meet future business needs
- Transport links - strategic link to the A30 is needed; and attention to congestion issues in the town centre and along the southern (A390) corridor. This is a major issue affecting economic potential and placing a severe constraint on the delivery and viability of employment sites on the south side of the town
- Can St. Austell complete regeneration of the town centre, including development of sites and premises to attract new businesses; can it redress the potential loss of manufacturing jobs and the impact of decline in the china clay industry? Strategic road link to the A30, and availability of sites with suitable links to it, seems a key issue

### *Falmouth-Penryn*

- A significant urban area and with specialisms in the marine sector, education and hotels and catering which provide an unusual but relatively robust economy well placed for growth in some sectors - but vulnerable to decline in manufacturing. The Docks, and other waterfront industries, are an important strategic asset and contributor to local economy. Will need attention to:
  - Measures to maximise the potential of the marine sector and to redress the impact of potential decline manufacturing generally. Several factors will need attention, but particularly availability of suitable sites; skills development; and road and rail access
  - Potential to build on the location of CUC at Tremough and Falmouth - clearly identified in existing strategies and programmes, need delivery and enhancement wherever possible to maximise the value to the local economy, including incubator premises; university-industry links; key sectors initiatives
  - Labourforce skills - need to upgrade and modernise skills in the local labourforce, particularly to enhance potential to achieve growth in retail, hotels & catering, business services, and other potential growth sectors
  - Sites and premises - lack of sites in the town centre and surrounding areas is severe - there is a need to pursue the recent strategy to ensure that supply creates and meets demand
  - Town Centre - need to regenerate effectively (including offices and other accommodation to meet future needs) and limit congestion
  - Improved strategic transport links are important - road and rail required to ensure that Falmouth-Penryn can contribute to growth with Truro, Camborne, Redruth in Mid/West Central Cornwall
- Several key sectors with potential for growth - marine, leisure & tourism, environmental technologies - and potential for benefits from CUC; but how large an impact can initiatives in these sectors create? what specific measures will make the difference?

### *Penzance*

- An important town providing the main employment, service and retail centre for Penwith and the Isles of Scilly. It has a relatively strong local economy, with

representation of all sectors including creative industries and tourism and is generally well-placed to benefit from growth sectors. Will need attention to:

- Measures to maximise the potential of the marine sector - particularly development of the Penzance Harbour proposals, with attention to the needs of the sector
- Labourforce skills - development of improved skills to support existing functions and support growth in sectors forecast to grow
- Town Centre - need to regenerate effectively (including offices and other accommodation to meet future needs) and limit congestion
- Maintained/improved strategic transport links are required to ensure strategic role and growth potential
- Broadband infrastructure and technologies are important - particularly in relation to potential growth in the creative industries
- Apparently well placed to benefit from growth forecast in several sectors, and has the potential to thrive if creative industries, broadband and lifestyle business choices work together to create a new West Cornwall economy - but this depends on solving town centre and traffic issues; ensuring that the communications and transport infrastructure is in place; and that there are appropriate sites and premises in and around the town.

### *Newquay*

- One of the larger towns, but an unusual local economy with approximately one-third of employment in the hotels & catering sector. This sector is largely staffed by local labour, and residents with other skills may commute to other centres for work. The sector is forecast to grow generally, but it is clearly important that Newquay maintains growth in this sector; and seeks to diversify the economy into other growth sectors. Will need attention to:
  - Measures to maximise the potential of the hotels & catering (and related) sector - working with businesses to ensure growth and value; attention to sites and premises; and labourforce/skills development. Also needs broad attention to the "tourism product" which Newquay offers
  - Labourforce skills - particularly development of career progression and higher skills levels to add value
  - Town Centre - need to regenerate effectively and limit congestion, ensuring a quality environment, range of shops and services, and facilities specifically attractive to developing the tourism product
  - Potential of Newquay Growth Area to accommodate modern businesses through provision of modern, flexible, good quality premises in an attractive, mixed use plan, with good access to the A30
  - Strategic transport links are important (road to A30; and continuation of Newquay Airport growth)
  - Newquay Airport provides the opportunity to support growth which is not identified in forecasts, for instance in air transport related industries, and possibly businesses in variety of sectors who would locate in Cornwall close to air services - however there is a need for strategic consideration of the real potential for this growth, and to ensure that there is not competition for business demand for premises with Newquay Growth Area and for labourforce, which may be constrained in growth.
- Given the quality of life in the area, proximity of Newquay Airport, and the plans for the Newquay Growth Area, the town could benefit from modern sectors of the economy if appropriate premises can be provided.

### *Bodmin*

- Has been very successful in recent years in achieving employment growth, development and regeneration, and would appear well-placed to benefit from further growth but for the current dependence on manufacturing employment. Will need to pursue initiatives to diversify and strengthen the economy in other sectors which can benefit from the quality of the Town Centre and the district centre role which it has. Will need attention to:
  - Measures to redress forecast decline in manufacturing – particularly the larger and potentially more vulnerable employers in food & drink and electrical engineering – it may be appropriate to work directly with these businesses to support viability and local employment; and to work to support growth in these sectors across the County
  - Labourforce skills – need for initiatives to ensure rising skills levels generally, but also in specifically in relation to existing strengths and potential growth sectors
  - Sites and Premises – need for suitable accommodation for modern businesses. Need to support the diversification and restructuring of the Bodmin economy through provision of offices and modern, flexible, good quality commercial premises – particularly through town centre initiatives, Beacon Business Park, and possibly other sites to be identified if capacity is required.
  - Town Centre – continued regeneration and need for suitable sites to develop offices, other service and distribution facilities, mixed-use including housing, and a wider range of facilities for business, leisure and community uses
- It will be worth further research, with local partners, to assess the potential to buck the trend of decline in manufacturing and maintain or enhance employment levels in the food and drink sector (and other sectors key to the town- e.g. electrical engineering) because of specific locational advantages.

### *Saltash*

- Forecast for growth in distribution and retail, business services, education and health, and well-placed to benefit from this growth if suitable sites and premises can be made available. Will require attention to:
  - Labourforce skills – to meet the local needs for skills in growth sectors, and also support growth of the economy in the context of Plymouth sub-regional growth
  - Sites and Premises – need for suitable accommodation for modern businesses, particularly in distribution and office-based sectors, but also for education, health, which pose particular demands
  - Town Centre – regeneration and need to accommodate growth sectors, particularly through initiatives to provide modern commercial premises in a good quality town centre environment
- Growth in service sectors suggests the potential for Saltash to develop a more distinctive role as a local centre, but this will depend on making available the right types of sites and premises in suitable locations; and raising the quality of the town centre

### *Launceston*

- An important centre within a sparsely populated rural area, potentially vulnerable to decline in manufacturing (food & drink), but with potential for growth in distribution and retail, business services, education and health. As a local centre with important strategic road links, well-placed to benefit from this growth if suitable sites and premises can be made available. Will require attention to:

- Labourforce skills, particularly related to potential growth sectors, but also potentially to support existing key sectors including food and drink
- Sites and Premises - need for suitable accommodation for modern businesses, both within the town centre and in employment locations around the town
- Vulnerability of key employers - need to work with these employers to address any issues; and to ensure initiatives for stability and growth in the relevant sectors, such as food and drink
- Need to work with existing key employers to meet their needs; and to ensure a supply of suitable sites and premises

### *St. Ives*

- An important centre of tourism and cultural and creative industries, with a relatively robust local economy. Economy generally buoyant, and should benefit from growth in all potential growth sectors, but town is tightly constrained by existing areas of development, topography, landscape and access issues. Future depends on strategic decisions as to location of growth in this part of Penwith, the ability to respond to transport, congestion and town centre issues, and the ability to deliver appropriate sites for new employment sectors. Will require attention to:
  - Labourforce skills - ensuring development of appropriate skills in tourism and other potential growth sectors
  - Sites and Premises - identifying sites of scale, location and quality appropriate to growth in three main sectors - hotels & catering, distribution, office-based services; but may also need attention to sites for health and education
  - Congestion is a key issue, particularly for tourism but also in constraining potential for growth in other sectors. Special measures may be required to achieve a solution
- Work with the creative and cultural industries could help to identify ways to maximise the economic value to the local economy - this may depend on sites, premises and the availability of broadband

### *Wadebridge*

- A local centre of shops, services and tourism, with a buoyant local economy and vital town centre. Has the potential to benefit, as a local centre, from growth in all potential growth sectors. Will require attention to:
  - Measures to diversify the local economy and support growth sectors. This includes planning for growth in appropriate locations, including town centre, riverfront and edge-of-town; residential growth to support labourforce growth; skills development; and infrastructure issues
  - Sites and Premises - employment sites not coming forward at present, and need for suitable sites for the future, particularly in town centre functions, office-based growth, tourism and leisure, and education, health, etc. services to support resident population
- May be another local centre with the quality of environment and established service role to support growth in "lifestyle" businesses using broadband - if suitable sites and premises, communications infrastructure are available.

### *Liskeard*

- An important district centre with employment in retail and services, but a relatively narrow employment base. At least this is not threatened significantly by decline in manufacturing, but measures to broaden the business base of the town could contribute to redressing the current out-flow of workers to other centres (particularly Plymouth). Has the potential to benefit as a district centre from growth in all potential growth sectors. Will require attention to:

- Measures to diversify the local economy and support growth sectors - through attention to key factors including sites & premises, skills, business support
- Skills initiatives - to support growth and raise the value of existing jobs
- Sites and Premises - need for suitable sites for the future, including sites to particularly support new sectors, including distribution and office-based sectors, and education and health
- Town Centre regeneration, development of retail floorspace and premises for office-based businesses
- Quality of the town centre appears to be the key issue in releasing economic potential, and encouraging development of other sites to support modern sectors.

### *Bude/Stratton*

- An unusual local economy largely based on retail and services, but with a strong tourism element (hotels & catering) and an important element of R&D in biotechnology. Growth has been positive in recent years and there is potential across the range of growth sectors for further gains on the scale of a local centre. Will require attention to:
  - Skills initiatives, to maximise the value of current specialist employment sectors and potential to grow and diversity the local economy
  - Sites and Premises - current lack of employment land and need for premises suitable to the modern economy, both in town centre and adjacent to the A39
  - Initiatives to support further growth in specialist sectors and maximise the value to the Cornish economy; including potentially working with key local employers and sectors to ensure response to growth needs and aspirations
- Need to work closely with the key employers in the area to identify any measures which will help to secure their future and assist development within their sectors

### *Helston*

- An important centre of the local economy based on retail, tourism and services, and the important presence of RNAS Culdrose which provides employment and local spend into the economy. Currently demonstrates significant outflows of labour to work, but location is difficult for increased employment locally. Will require attention to:
  - Initiatives to support increased employment and value in growth and specialist sectors (including any possible connections with RNAS Culdrose)
  - Conserving and enhancing the town centre, while releasing sites to accommodate employment growth, particularly in modern services and office based sectors
- The attractive town centre, quality of surrounding environment, and established service role are key assets. The potential of business growth based on broadband appears strong - but depends on high quality/high speed broadband availability, and ability to serve sites in and around Helston and the Lizard.

### *Hayle*

- Currently operates as a local centre of retail and services, with much of the local labourforce commuting to work elsewhere in West Cornwall. Town Centre and Harbour area the subject of major regeneration proposals, including Wave Hub, which have the potential to foster significant levels of growth in key and growth sectors. Will require attention to:

- Regeneration proposals - a key opportunity to support key sectors, including renewable energy, creating new employment; and to create more resident spend and demand for goods and services; also regeneration of the physical fabric of the town to ensure a high quality environment, attract investment and attract tourism and leisure spend
- Low skills - need to upskill local labourforce to meet opportunities in Penwith and Hayle area, in modern sectors of the economy and identified key sectors including food & drink and renewable energy
- Supply of appropriate sites and premises for growth and key sectors - largely through Hayle Harbour development proposals, but also other town centre and other sites as appropriate
- The regeneration proposals for Hayle Harbour and Town Centre are crucial to the economic future of the town; and Wave Hub is a key driver - it will be important to maximise its value to the area through providing sites, premises and other initiatives (e.g. business support and training) to attract and grow related businesses

### *Torpoint*

- A small local centre of retail and services, with some local employment sites and adjacent to HMS Raleigh, a Royal Navy training establishment. The economic role of Torpoint is influenced by its proximity to parts of Plymouth, its role in serving the catchment area of the Rame Peninsula and its relative inaccessibility from the rest of Cornwall. Currently a significant proportion of the local labourforce commutes to work in Plymouth. Will require attention to:
  - Town Centre regeneration - a key target to create an attractive, lively town centre, with more employment, better retail and more/better services to local residents and businesses
  - Low skills - both to serve local growth and raise incomes in the town; and to ensure better opportunities for local residents in the context of growth in the Plymouth sub-regional economy
  - Supply of appropriate sites and premises for growth and key sectors - particularly in the town centre and waterfront areas
- The town centre is a key issue - if regenerated it could provide an attractive, high quality centre of local shops and services, in mixed-use development with suitable premises for modern business services. It has the potential to be competitive and attract businesses which serve Plymouth and Rame peninsula areas from an attractive waterfront location.



## 6 ECONOMIC POTENTIAL ISSUES

- 6.1 The town profiles and the analysis summarised above have identified a range of issues which need to be addressed if the Cornwall and Isles of Scilly economy is to achieve its maximum potential through sustainable growth. Most of the issues are common to all of the towns, but responses will need to be developed at both the strategic and the local level.
- 6.2 To target these responses effectively will require more detailed understanding of the following issues which significantly affect the economic potential of the towns:

- Economic Forecasts

The forecasts prepared by Cambridge Econometrics provide a very useful picture of how the Cornish economy may develop in the light of macro-level factors and continuation of recent trends and policies. These forecasts suggest that there is potential to increase the levels of employment in the Cornish Towns by 22% over 20 years, with an 86% rise in GVA. However, it is possible that strategies and initiatives which may be developed through “Strategy and Action”, “The Way Ahead”, the Regional Economic Strategy and the Convergence Programme could alter the nature and trajectory of change to achieve a different (and more desirable) balance of economic growth.

We need to understand the forecasts better - for example, is it possible to improve the performance of some manufacturing sectors in order to halt decline and raise productivity? Is the forecast growth in retailing employment inevitable? How secure is the forecast growth in health and education sectors?

In particular, we need to investigate whether potentially different scenarios of economic change can provide a better balance of labourforce, labourforce skills, housing development, employment growth, productivity and incomes.

This requires a combination of further development and discussion of the forecasts; and review of key sectors and local potential - “drilling down” through all important sectors, to see what the local implications may be. This review of the forecasts should initially focus on:

- Review of the forecasts in terms of growth in total job numbers, full-time equivalent jobs and GVA in order to identify those sectors which contribute most effectively to achieving regeneration priorities and targets including incomes, social inclusion, etc.
- Further investigation of assumptions and information applied through forecasts which point to decline in manufacturing sectors; and review of whether Cornwall has particular competitive advantages which can be realistically expected to counteract macro-level trends in particular sectors - investigation to include key sectors such as food & drink
- Sensitivity testing of forecasts of aggregate change in employment to assess the range of probabilities
- Review of the potential for GVA growth, to consider whether a focus of strategy could achieve better quality, better paid jobs; and what would be the optimal approach in relation to GVA *and* jobs growth

- Key Sectors and Local Potential

There is little information available which assesses the scale of the potential for “key sectors”, supported by existing or possible new initiatives, to alter the forecast patterns of growth and to affect particular towns - for example, to what extent can marine sector initiatives affect the future of Falmouth? what numbers of jobs can we realistically expect as a result of initiatives in environmental technologies?

We need to look in more depth at the probable number of jobs, increases in productivity and other local economic consequences of key sector initiatives, so that we can assess the aggregate effects on the Cornish economy, assess whether these initiatives will achieve a significant change in prosperity and dynamism of the economy; and to identify the key local interventions needed to realise potential.

Each of the RES Key Sectors should be reviewed to consider the particular implications for each of the Cornish towns; and the overall potential impact on the Cornish economy. Also, the specific local potential of the other sectors which are the main drivers of employment and productivity growth should be assessed - as noted above; these are retail, health, education, business services.

Education and health are two key sectors which require particular attention, and may require somewhat different approaches to analysis and assessment of potential jobs growth and spatial implications. These two sectors are very much population-led, in general, but are particularly susceptible to strategic policy and investment decisions. The current growth forecasts appear to be driven by current demographics and statements of Government intent. Given the particular significance of these sectors in supporting the knowledge economy, the potential for skills development and good quality jobs (but not forgetting also the issues of lower paid, low skills jobs in these sectors), it may be worthwhile embarking on a joint process of strategic review, scenario building and employment forecasting with the relevant authorities; and this should consider the particular spatial implications and requirements of the towns in Cornwall.

- ICT, Broadband

The economic growth forecasts are based on current assumptions about changes in business practices and employment patterns across the UK, and in the light of current expectations of the impact of ICT on business sectors. However, it is possible that the special circumstances of Cornwall (peripherality, environment, lifestyle) could result in a significantly different pattern of employment growth from the metropolitan UK, based on the use of ICTs, broadband and strategic transport networks.

It is possible to envisage a very different pattern of change in Cornwall in which entrepreneurs and senior executives choose to live in Cornwall and either create "virtual" products or services, or manage business operations located elsewhere, using broadband. An economy increasingly based on these businesses would potentially be higher-value, dynamic and sustaining a thriving Cornwall business and domestic economy.

This would have significant implications for the types of premises required, structures of broadband networks (which would be different than found in urban areas), and patterns of spatial development (favouring attractive rural and coastal locations) - and could have significant implications for the nature and scale of development required in towns. (for example, it might have very positive effects in terms of reducing pressures and congestion in some of the towns, e.g. Truro; but it might undermine the attempts to regenerate traditional industrial towns such as Camborne and Redruth)

This involves speculation on issues which are very uncertain - the recent history of broadband-based applications shows that the technology and its adoption is very difficult to forecast - but we do need to understand the potential through work to test the alternative scenarios.

- Skills

Low skills, linked to poor jobs in a low-wage economy, is clearly an issue - and could continue to be an issue if the forecasts are correct in showing, e.g. a significant proportion of growth in the retail and hotels/catering sectors. However, there may be potential raise skill levels and incomes in this type of sector; and to provide better employment opportunities in other sectors. As noted earlier, some of these issues have particular spatial implications and/or may affect different towns in different ways.

There is a very full range of work under way in relation to the Skills Agenda. There is a strong educational base, and there is strong provision of skills initiatives and programmes, effectively operating across the County, but often with a particularly strong representation in the towns. The LSC has been through extensive discussions about gaps and needs; and strategy is developed and co-ordinated by Workforce Development Forum which is a joint sub-group of the Learning Partnership and the Cornwall Economic Forum.

Each of the identified key sectors - food & drink, hospitality, environment, health, retail, education - has a specific task and finish group; and 11 key sectors work to the Workforce Development Forum in respect of these sectors also including marine and construction sectors, with employer-led studies, planning for the Convergence Programme.

This work includes a spatial dimension, based on 5 main geographical clusters - North Cornwall, St. Austell, Falmouth-Penryn, Camborne Pool Redruth, West Cornwall.

It appears that these clusters are focussed on the areas of greatest problems or uncertainty within the local economy; and this may indeed be a priority. However, it is important to note that this report identifies skills issues for all of the towns, particularly when account is taken of the likely trajectory of change in employment types and skills within local economies.

It would therefore be advisable to ensure that the key sector studies and the geographical clusters are encouraged to consider the future of employment (and GVA) within each sector and within each town. Skills initiatives may be appropriate - in addition to the existing focus - in relation to other growth sectors:

- Office-based services - all occupations including professional, managerial, administrative, secretarial, etc.
- Computer services
- Personal and domestic services
- Social work and health services
- Education - all occupations, including administrative, technical, support services

And in relation to other clusters of towns beyond the identified groups, e.g.:

- The local retail, service and administrative centres such as Liskeard, Wadebridge, Helston, which need to support a mixed local economic function with opportunities for specialist local growth sectors
- The coastal towns such as Bude, St. Ives, Newquay, Falmouth, Penzance which combine tourism and leisure roles with other economic functions and have to maintain a balance of skills and employment/career opportunities



## 7 SPATIAL ISSUES

7.1 The discussion of the towns' economies raises a number of important spatial issues which need to be addressed if economic potential is to be maximised. It is understood from Cornwall County Council that this work is very much on the agenda, but it needs to be progressed quickly if strategies are to be coherent and effective:

- Housing, Population and Employment change

It is important to ensure that there is an appropriate balance of growth for each town in economically active population compared to jobs. If this balance is not achieved, growth across the Cornish towns may generate an increasingly inefficient and unsustainable pattern of development, and growth in the economy may be significantly constrained.

A particular issue is that the forecast growth of the Truro economy will generate demand for labour which runs much faster than for other towns. If housing is not provided in the Truro area to meet this demand, labour will be sucked in from surrounding towns and rural areas, leading to severe traffic congestion and consequent costs to the economy.

The work completed by CCC in its submission to the Regional Spatial Strategy in respect of housing allocations attempted to deal with this issue. It will be appropriate to adopt a strategy of careful monitoring of change in the next few years as markets respond to local situations. Delivery of housing in early years could help to ensure adequate labour supply if monitoring can then guide future development patterns. However, there may be a need for further detailed analysis of the impact of possible growth in housing numbers compared to jobs in the light of current employment forecasts and employment land allocations studies.

- Sites and Premises

There is a need for fundamental consideration of the sites and premises needs of the emerging modern Cornish economy. This applies both to the "business space" requirement for offices, industrial units and warehousing/distribution which can be predicted from employment forecasts; and also to the other types of premises which will be required for other growth sectors, including retail, education, health.

Given the major scale of growth forecast for retail, education and health, there needs to be careful consideration of the site areas and locations required, and local development frameworks need to be prepared quickly to ensure that there is a coherent response for each town.

The assessment of the business space requirements need to be completed soon, in order to target interventions. Assessment of floorspace requirements is simple, from current forecasts, and should be compared to assessment of development capacity. However, the assessment will need to be developed in the light of various scenarios for the growth of the Cornish economy (discussed earlier).

It may be necessary to prepare new surveys of capacity for the towns, as most do not seem to have this information. The recently commissioned Sites and Premises study will provide some of this analysis, but there is a need to develop a town focus for the analysis to ensure that each town has a coherent strategy and appropriate spatial implications are properly handled through planning and other processes.

- Town Centres

The town centres should be the focus of much of the employment growth forecast - particularly in retail, offices (business services) and other services. The Town Centres also present some of the most difficult regeneration problems - a coherent response will help to stimulate investment in the town centres by securing their economic purpose.

Town centre regeneration or development plans should be prepared for every town, and each should contain suitable proposals for premises to meet the forecast growth in retail, education, health, as well as a range of office premises. There is a danger that some current proposals do not acknowledge the longer-term requirements for the town centres. It may be necessary to promote special policy initiatives which will ensure that supply is included in plans to meet both the immediate priorities and the longer-term requirements.

- Strategic Road Links and Local Congestion

Connections to the strategic road network are important both in securing business investment and employment growth and in providing the links between towns to support service roles and labourforce accessibility. Towns on, or well connected, to the A30 are more able to maximise their economic potential - those which are not so well connected are Bude/Stratton, Falmouth/Penryn, Helston, Liskeard, Newquay, St. Austell, St. Ives, Torpoint, Wadebridge. Of these there seems a clear case to support measures to improve links to Falmouth/Penryn and St. Austell as two of the larger towns with important economic issues.

Local traffic congestion is identified as a problem in most towns, though its severity does vary significantly. Those most seriously affected appear to be Truro and St. Austell, and the tourist towns of Newquay, Falmouth, Penzance, St. Ives can be seriously affected during the summer months. All are likely to suffer more with employment growth, but particularly if there is imbalance of housing and employment growth leading to increased commuting.

There may be a need for investment in public transport and other measures including park-and-ride to meet the needs of the larger centres in the light of employment growth and decisions about the locations of that growth.

**TABLE 1**  
**EMPLOYMENT CHANGE ESTIMATES by TOWN**  
**with Comment on Economic Issues**

Town	Bodmin	Bude-Stratton	Camborne, Pool and Redruth	Falmouth-Penryn
TTWA	Wadebridge & Bodmin*	Bude	Redruth & Camborne*	Falmouth
Total Population 2001	12861	9244	46749	30950
Population as % of Cornwall	2.6	1.8	9.3	6.2
Total employment in town (employee jobs) 2004	8012	3319	17106	10571
Estimated total employment in town (employees & self-employed etc.) 2006	9619	3971	21440	12895
Total employment in TTWA (employee jobs) 2004	14667	4538	17771	12721
Total employment in TTWA (employees & self-employment, etc.) 2006	18800	6100	23200	16100
Forecast employment growth rate (TTWA, 2006 - 26, %)	18.1	29.5	20.3	16.8
Forecast employment growth (TTWA, 2006 - 26, numbers)	3400	1800	4700	2700
Estimated employment growth in town (employees & self-employed, etc.) (2006 - 2026)	688	1440	4415	2449
Sector decline forecast issues	Wadebridge and Bodmin TTWA, forecast manufacturing sector decline - all manufacturing sectors especially:	Losses in manufacturing too small to show in forecasts	Manufacturing - total TTWA loss, 800 jobs	Manufacturing except publishing and printing - total TTWA loss, 800 jobs
	TTWA Town	TTWA Town	TTWA Town	TTWA Town
	Food & Drink -400 -205		Food & Drink (-200) -200 -185	Transport Equip. -500 -400
	Electrical -500 -256		Textiles, clothing (-200) -200 -185	
			Mech. Eng. (-200) -200 -185	
Sector growth forecast issues	Main sectors forecast for growth are:	Main sectors forecast for growth are:	Main sectors forecast for growth are:	Main sectors forecast for growth are:
	Retail 1300 665	Retail 500 325	Construction 300 277	Distribution 400 320
	Hotels & Catering 300 153	Hotels & Catering 200 130	Distribution 500 462	Retail 900 721
	Prof. Services 500 256	Prof. Services 300 195	Retail 1400 1294	Hotels & Catering 400 320
	Education 600 307	Misc. Services 300 195	Prof Services 500 462	Prof. Services 300 240
	Health & Soc Wk 400 205		Other Bus. Servs 300 277	Education 600 481
	Misc. Services 800 409		Education 1500 1386	Health & Soc Wk 600 481
			Health & Soc Wk 400 370	Misc Services 400 320
			Misc. Services 400 370	
Significant existing local economy issues	Strategic Location	Attractive setting	Largest conurbation, strategic location, regeneration focus	Employment, tourism, retail centre
	Strength of recent growth	Tourism/service-based economy	Relatively diverse economy, strengths in manufacturing,	Strength in maritime sector, including manufacturing, also
	Low skills	Low skills	Skills gaps	Lack of representation of service sectors
	Vulnerability of manufacturing sectors	R&D in specialist firms	High out-commuting	Constraints on land
		Lack of employment land	Vulnerability to sector decline	Vulnerability of key sectors
Significant issues re forecasts	Significant restructuring, likely to require different sites & premises, new skills	Opportunities to build stronger service-based economy, including prof & bus services, retail, hotels&catering	Need to address threats to manufacturing, and implications of potential restructuring	Major issue over vulnerability of marine/transport sector
		Opportunity to build on R&D	Potential to grow in key sectors, some based on existing strengths	Lack of existing representation in key growth sectors (service sectors) require attention to achieve growth

**TABLE 1**  
**EMPLOYMENT CHANGE ESTIMATES by TOWN**  
**with Comment on Economic Issues**

Town	Hayle	Helston	Launceston	Liskeard																																																																														
TTWA	Penwith & IoS*	Helston	Launceston	Liskeard																																																																														
Total Population 2001	11344	12762	7137	8657																																																																														
Population as % of Cornwall	2.3	2.5	1.4	1.7																																																																														
Total employment in town (employee jobs) 2004	2244	3580	4374	3645																																																																														
Estimated total employment in town (employees & self-employed etc.) 2006	2501	3910	5095	4211																																																																														
Total employment in TTWA (employee jobs) 2004	20829	7758	8838	9786																																																																														
Total employment in TTWA (employees & self-employment, etc.) 2006	26900	9400	10700	13300																																																																														
Forecast employment growth rate (TTWA, 2006 - 26, %)	21.3	20.3	20.6	26.3																																																																														
Forecast employment growth (TTWA, 2006 - 26, numbers)	5800	2000	2200	3500																																																																														
Estimated employment growth in town (employees & self-employed, etc.) (2006 - 2026)	646	1055	1228	1277																																																																														
Sector decline forecast issues	Penwith TTWA manufacturing losses generally too small to show, and growth in publishing & printing except: <table border="1"> <thead> <tr> <th></th> <th>TTWA</th> <th>Town</th> </tr> </thead> <tbody> <tr> <td>Food &amp; Drink (-100)</td> <td>-100</td> <td>-9</td> </tr> <tr> <td>Elec. Eng. (-100)</td> <td>-100</td> <td>-9</td> </tr> </tbody> </table>		TTWA	Town	Food & Drink (-100)	-100	-9	Elec. Eng. (-100)	-100	-9		Manufacturing losses in TTWA, 500 jobs especially: <table border="1"> <thead> <tr> <th></th> <th>TTWA</th> <th>Town</th> </tr> </thead> <tbody> <tr> <td>Food &amp; Drink (-300)</td> <td>-300</td> <td>-143</td> </tr> </tbody> </table>		TTWA	Town	Food & Drink (-300)	-300	-143	Manufacturing losses generally too small to show except <table border="1"> <thead> <tr> <th></th> <th>TTWA</th> <th>Town</th> </tr> </thead> <tbody> <tr> <td>Food &amp; Drink</td> <td>-100</td> <td>-32</td> </tr> </tbody> </table>		TTWA	Town	Food & Drink	-100	-32																																																									
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Significant existing local economy issues	Relatively small, narrow local economy  Dereliction, but current proposals to regenerate limited supply of sites and premises Low skills	Important rural and tourism centre  RNAS Culdrose, major source of employment, spend, skills Focus in potential growth sectors Relatively inaccessible	Strategic location  Relatively diverse local economy  Low skills  Vulnerability of key employers	Strong local service employment centre  Very limited in other sectors  Low skills																																																																														
Significant issues re forecasts	Currently serving role as more limited service sector, less vulnerable to decline and opportunities in service sectors  Skills issues	Currently serving role as more limited service sector, less vulnerable to decline and opportunities in service sectors  Skills issues	Vulnerability to decline in some important sectors, potential for growth in services  Skills issues	Currently serving role as service centre, less vulnerable to decline and has opportunities in service sectors  Skills issues																																																																														

**TABLE 1**  
**EMPLOYMENT CHANGE ESTIMATES by TOWN**  
**with Comment on Economic Issues**

Town	Newquay		Penzance		St. Austell		St Ives					
TTWA	Newquay		Penwith & IoS*		St. Austell		Penwith & IoS*					
Total Population 2001	21,964		24711		28461		11159					
Population as % of Cornwall	4.4		4.9		5.7		2.2					
Total employment in town (employee jobs) 2004	8312		7997		11591		4811					
Estimated total employment in town (employees & self-employed etc.) 2006	9731		10106		14971		4698					
Total employment in TTWA (employee jobs) 2004	11762		20829		24276		20829					
Total employment in TTWA (employees & self-employment, etc.) 2006	14600		26900		31500		26900					
Forecast employment growth rate (TTWA, 2006 - 26, %)	21.2		21.6		17.8		21.6					
Forecast employment growth (TTWA, 2006 - 26, numbers)	3100		5800		5600		5800					
Estimated employment growth in town (employees & self-employed, etc.) (2006 - 2026)	2525		2187		2738		965					
Sector decline forecast issues	Manufacturing losses generally to small to show		Penwith TTWA manufacturing losses generally too small to show, and growth in publishing & printing		Manufacturing losses in TTWA, except publishing and printing, total loss 1,000 jobs		Penwith TTWA manufacturing losses generally too small to show, and growth in publishing & printing					
	except	TTWA	Town	except:	especially:	TTWA	Town	except:	TTWA	Town		
	Elec Eng (-100)	-100	-67	Food & Drink	-100 -38	Food & Drink	-500 -238	Food & Drink	-100 -17	-17		
				Elec. Eng.	-100 -38	Textiles, clothing	-200 -95	Elec. Eng	-100	-17		
						Rubber, plastics	-200 -95					
						Mechanical and	-200 -95					
Sector growth forecast issues	Main sectors forecast for growth are:		Main sectors forecast for growth are:		Main sectors forecast for growth are:		Main sectors forecast for growth are:					
	Retail	400	267	Retail	1400	526	Construction	300	143	Retail	1400	245
	Hotels & Catering	700	467	Hotels & Catering	700	263	Retail	900	428	Hotels & Catering	700	122
	Prof Services	500	333	Prof. Services	700	263	Hotels & Catering	500	238	Prof. Services	700	122
	Education	500	333	Other Bus Servs	800	301	Prof services	1200	570	Other Bus Servs	800	140
	Health & SocWk	400	267	Education	1000	376	Other Bus Servs	300	143	Education	1000	175
	Misc Services	700	467	Health & SocWk	1100	413	Education	1300	618	Health & SocWk	1100	192
				Misc. Services	400	150	Health & SocWk	1100	523	Misc. Services	400	70
							Misc. Services	1200	570			
Significant existing local economy issues	Main tourism resort and local service centre		Main centre in Penwith, serving most remote areas		Significant concentration of employment		Importance of tourism, but relatively robust local economy					
	Poor quality tourism product, good quality environmental assets		Strong local service economy serving residents and tourism		Town centre regeneration project to address current		Recent bouyancy of economy					
	Low wage, low productivity, low skills		Low skills		Low skills		Lack of affordable homes					
	Congestion		Vulnerability of some sectors		Vulnerability of key employment sectors		Low skills					
					Lack of employment sites							
Significant issues re forecasts	Currently serving role as tourism and service centre, less vulnerable to decline and has opportunities in service sectors		Currently serving role as service centre, less vulnerable to decline and has opportunities in service sectors		Very vulnerable to decline in manufacturing, quarrying and related employment, but potential for major growth in service sectors		Likely to continue to grow in service-based employment					
					Restructuring will require skills, sites and premises		Labour force and skills issues					

**TABLE 1**  
**EMPLOYMENT CHANGE ESTIMATES by TOWN**  
**with Comment on Economic Issues**

Town	Saltash	Torpoint	Truro	Wadebridge
TTWA	Plymouth*	Plymouth*	Truro	Wadebridge & Bodmin*
Total Population 2001	14961	8452	23719	8624
Population as % of Cornwall	3	1.7	4.7	1.7
Total employment in town (employee jobs) 2004	4705	1867	24264	3266
Estimated total employment in town (employees & self-employed etc.) 2006	5405	2176	25301	4240
Total employment in TTWA (employee jobs) 2004	139422	139422	34380	14667
Total employment in TTWA (employees & self-employment, etc.) 2006	160700	160700	40900	18800
Forecast employment growth rate (TTWA, 2006 - 26, %)	12.9	12.9	23.2	18.1
Forecast employment growth (TTWA, 2006 - 26, numbers)	20800	20800	9500	3400
Estimated employment growth in town (employees & self-employed, etc.) (2006 - 2026)	1294	623	7167	986
Sector decline forecast issues	Plymouth TTWA forecasts from CE SW work show total manufacturing decline 6900 jobs, in all	Plymouth TTWA forecasts from CE SW work show total manufacturing decline 6900 jobs, in all	TTWA forecasts show decline in all manufacturing sectors except publishing and printing especially: Food & Drink -100 -62 Textiles, clothing -100 -62 Wood & paper -100 -62	Wadebridge and Bodmin TTWA, forecast manufacturing sector decline in all manufacturing sectors
	TTWA Town	TTWA Town	TTWA Town	TTWA Town
Sector growth forecast issues	Main sectors forecast for growth are: Distribution (inc retail) 5200 175 Other Bus Services 7600 256 Education & Health 10000 336	Main sectors forecast for growth are: Distribution (inc retail) 5200 70 Other Bus Services 7600 103 Education 10000 135	Main sectors forecast for growth are: Distribution 600 371 Retail 1700 1052 Hotels & Catering 500 309 Prof services 600 371 Other Bus Servs 700 433 Education 1600 990 Health & SocWk 2700 1670 Misc Services 800 495	Main sectors forecast for growth are: Retail 1300 293 Hotels & Catering 300 68 Prof. Services 500 113 Education 600 135 Health & Soc Wk 400 90 Misc. Services 800 180
Significant existing local economy issues	Role and development strategy in context of Plymouth Sub-region	Role and development strategy in context of Plymouth Sub-region	Main retail, administrative, commercial centre Skilled workforce, but skills gaps and labour shortages Lack of employment sites Major opportunities in established sectors	Strong local service centre for residents and visitors Good vitality in town centre Lack of diversity or other strengths in local Employment sites not coming forward
Significant issues re forecasts	Sites and premises to meet growth strategy	Transport links	Major opportunities for growth in key service sectors, potentially high productivity, high value jobs	Potential for growth in service sectors, depends on sites & premises
	Labour force	Sites and premises	Growth will depend on availability of suitable sites and skills	Skills?
		Labour force	Transport/congestion issues Labour force capacity?	

**Table 2**

**Cornwall Towns comparison of housing allocations with labourforce change estimates**

	Camborne Pool Redruth	Truro	Bodmin	Wade- bridge	Bude/St FP	Hayle	Pen- zance	St Ives	Helston	Launces- ton	Liskeard	Newquay	St Austell	Saltash	Torpoint	
Population 2001	46749	23719	12861	8624	9244	30950	11344	24711	11159	12762	7137	8657	21964	28461	14961	8452
Employment 2006	21440	25301	9619	4240	3971	12895	2501	10106	4698	3910	5095	4211	9731	14971	5405	2176
GVA est 2006 (£m)	621	636	292	103	110	324	64	242	109	93	145	113	222	391	149	53
GVA/head (£)	13284	26814	22704	11943	11900	10468	5642	9793	9768	7287	20317	13053	10107	13738	9959	6271
GVA/job (£)	28965	25137	30357	24292	27701	25126	25590	23946	23201	23785	28459	26834	22814	26117	27567	24357
Housing completions 2001-05	590	554	546	152	182	419	146	347	326	190	258	130	650	772	629	14
Housing allocation 2006-2026	5400	5000	2000	750	900	2800	1000	1600	1000	1500	1000	1500	3200	3600	1200 *	
Population est. 2005	48047	24871	13695	8958	9644	31871	11665	25474	11876	13180	7705	8943	23460	30507	16345	8483
Population est. 2026	61000	36000	18000	10000	12000	38000	14000	30000	14000	16500	10000	12500	30500	38000	19000	9000
Working residents 2001	15417	7436	5231	3611	3628	10347	2884	7648	4372	4496	3007	3538	9475	8963	6823	3983
Working residents est. 2026	19573	10763	6875	4031	4514	12337	3461	9007	5154	5629	3903	4945	12318	11164	7931	4226
Labourforce change 2001 - 2026	4156	3327	1644	420	886	1990	577	1359	782	1133	896	1407	2843	2201	1108	243
Jobs change from CE/ RTP	4340	6642	688	986	1440	2449	646	2187	965	1055	1228	1277	2525	2738	1294	623
Jobs/Labour Balance?	184	3315	-956	566	554	459	69	828	183	-78	332	-130	-318	537	186	380

more jobs than labour  
fewer jobs than labour

Assume: All new housing is occupied  
Population growth = number of new housing \* average household size over the period  
CCC Estimates of likely Housing allocations, and not binding on District Council LDF Work.  
The housing allocations are either actual (as proposed through RSS - or best fits based on district totals, past rates etc)