

**Cornwall and Isles of Scilly Economic Forum –  
Response to the Economic Downturn**

**Solutions**

***Existing or Planned Actions***

▪ ***Improve Access to Finance and Business Support***

1. Continue to lobby Government for re-introduction of Empty Property Rate relief. Especially in Cornwall, a tax on empty buildings when there is a public sector drive to create new workspaces into which new enterprises can move is seen as one of the more bizarre contradictions in Government policy.
2. Actively signpost the small business rate relief scheme.
3. Continue to implement Business Link's diagnostic tool, but also further engage businesses for 'optimising growth'.
4. Deliver the 'Real help for Business' roadshows.
5. 'Your Cornwall' magazine has been sent to a significant number of businesses and the 'Tenders in Cornwall' website has been updated. There is a need to review how businesses respond in order for it to be clear how the impact of such support can be measured.
6. Continue to provide a proactive response to the current situation through improved co-ordination of support through Business Link, Learning and Skills Council, Job Centre Plus, Cornwall Council and communication with businesses.
7. Continue to use the Cornwall and Isles of Scilly Economic Forum website as a communication tool advising the community and businesses of the options available to support them through difficult times.

▪ ***Increase skills and productivity***

1. Lobby for increased funding flexibility – continue to press Regional, National and Government organisations to ensure that EU and other funding programmes are flexible to meet the needs for business and individuals during this difficult time.

▪ ***Support a sustainable and resilient economy through maximising environmental opportunities***

1. Support the aspirations of Environment Kernow for a sustainable and resilient economy through developing a low carbon economy, strengthening local rural markets and incentivise businesses to undertake Research and Development for environmental technologies and low carbon transition plans.
2. Continue and strengthen processes to 'rural proof' policies and projects in the future.
3. Set up 'Low Carbon Cornwall' and drive forward the Cornwall Climate Change Action Plan, particularly actions relating to Business and the Low Carbon Economy. Working across sectors to facilitate a positive response to the 'triple crunch' (financial, climate and coming global energy crunch) in order that Cornwall's economy can take advantage of the opportunities for growth in the 'green collar' sector as out lined in the 'Green New Deal' (NEF, 2008)<sup>1</sup>.

▪ ***Improve public procurement processes and develop supply chains***

1. Continue to inform the Cornwall Strategic Partnership of the impact of the recession to assist in better co-ordination and influence the spend of public money.

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<sup>1</sup> [www.neweconomics.org/.../2ajogu45c1id4w55tofmpy5520072008172656.pdf](http://www.neweconomics.org/.../2ajogu45c1id4w55tofmpy5520072008172656.pdf)

2. Led by the 'Public Sector Low Carbon Leadership Group', working through the European Social Fund funded 'Clear about Carbon' (CHEOPS, 2009-2011) project, the 'Low Carbon Cornwall' project partners are developing a supportive framework to build 'carbon literacy' and 'carbon management' capacity across key Cornish organisations. In response to the emerging requirements for the effective management of 'embodied carbon emissions' within goods and services/ supply-chains; through the application of 'carbon foot-printing'/ 'whole life carbon costing' standards within procurement decisions.
  - ***Increase the levels of research and innovation and entrepreneurship, raising the aspirations of young people***
    1. Provide support for businesses to invest in research for new and innovative products thereby ensuring they have a future.
    2. Continue to produce EMMU (Economic Monthly Monitoring Update), via Peter Wills to ensure that there is a continuously updated narrative on the impact of the recession on the economy.
    3. Design and develop a large motivational event to engage and enthuse young people in Cornwall.
      - \**There is a working group who are addressing this issue but they will need to secure funding. First developmental meeting arranged 27<sup>th</sup> April at the Learning and Skills Council. This event needs the support of the Cornwall and Isles of Scilly Economic Forum members to develop stimulating presentations and workshops.*
    4. Show a future that is exciting, challenging and available to the potential workforce.

### ***Proposed strategic actions***

#### ***Short-term (3 – 9 months)***

##### ***Improve Access to Finance and Business Support***

1. Lobby Government for a reduction of small companies' corporation tax to 20%.
2. Lobby Government for the re-introduction of the Temporary Short Time Working Compensation scheme. This encouraged employers and employees to look to short-time working rather than redundancy, to ensure the retention of skills and support communities.
3. Business Link to contact utilities companies at a National level to include Business Link marketing leaflets within their correspondence to businesses which are falling behind with payments, offering help and support.
4. Business Link to convene open days for local businesses providing information and advice to help them through the recession
5. Cornwall Council to produce and distribute simple leaflets which signpost the support available for people and businesses.
6. Work with local press to promote local business success (Confident Cornwall).
7. The Private Sector to support the rapid response mechanism by contacting Job Centre Plus or Business Link at the earliest possible stage of entering difficulties.
8. Develop and stimulate a better understanding of business language in the world of work.
9. Partnership to actively promote and support "Confident Cornwall" with campaigns in the local press emphasising, genuine examples of what *is* actually going on to help with downturn (including some already planned activity that relates e.g. Building schools for future, CUC expansion etc)
10. Provide time-bound Placements and Work Trials in Cornwall and Isles of Scilly Economic Forum members' businesses.
11. Wage support for employees on short hours.
12. Press for true commitment to the Loan Guarantee Fund (particularly addressing the issue of a level of unsecured borrowing).

##### ***Increase skills and productivity***

1. Urgently set in place a strategic Local Employment and Skills Board.

2. Enable the potential workforce to be flexible, ready to adopt, adapt and respond to change by describing and demonstrating a modern business culture and work ethic.
  3. Engage the potential workforce in activities which will enhance their personal creativity, transferable, technical skills and attributes.
- ***Support a sustainable and resilient economy through maximising environmental opportunities***
    1. Provide strong economic leadership – this is also relating to specific sectors, especially tourism and for a low carbon economy.
  - ***Improve public procurement processes and develop supply chains***
    1. Public sector to review their payment processes to ensure prompt payments to businesses and contractors.
    2. Provide greater flexibility over the phasing of planning obligations or even foregoing developer contributions where it is threatening the viability of a scheme.
    3. Easier procurement. We all understand that there is a need for best value with taxpayers' money, but other countries – and even other UK regions – find ways of helping local small businesses compete for contracts.
    4. A commitment to prompt payment. With cash-flow tight for everyone, funded organisations should lead the way.
    5. Address the overwhelming levels of bureaucracy that businesses face which is seemingly increasing on a daily basis.
  - ***Increase the levels of research and innovation and entrepreneurship, raising the aspirations of young people***
    1. Grants support to continue apprenticeships.
    2. Drive forward the Innovation LAA outcome, that has been 'under development' for some time, securing appropriate baseline data and agreeing an appropriate outcome lead.
    3. Ensure the development of younger workers through apprenticeships is continued and enable existing employees to remain economically active through skills initiatives.
    4. Cornwall and Isles of Scilly Economic Forum to champion the delivery of the Sub-National Review agenda, overturning the axis of influence so that the Partnership can encourage and support Cornwall to become what it truly aspires to be - a global leader in innovation and creativity.
    5. More business engagement with learning/training providers working towards a sustainable model to link businesses and young people through shared challenges and to reward those who find success with imagination and creative solutions in innovation centres of excellence, and through innovative approaches to learning.

#### ***Medium-term (9 months to 2 years)***

- ***Improve Access to Finance and Business Support***
  1. Hold a 'Credit Crunch' conference with local businesses and banks.
  2. Development of International Trade schemes.
  3. Develop new confidence in the banking system.
- ***Increase skills and productivity***
  1. Use the recession as an opportunity to attract inward investment from companies looking to cut costs (not through paying low wages) and link this in with appropriate oven-ready facilities and a skilled workforce offer.
- ***Support a sustainable and resilient economy through maximising environmental opportunities***

1. Solutions for business in terms of corporate recycling to reduce costs, save the environment and save landfill costs to Cornwall Council.
  - ***Improve public procurement processes and develop supply chains***
    1. Work with Government to propose intervention in order to increase the number of plans for house building starts.
    2. Build Cornwall's carbon management/ services capacity and support 'carbon audit' pilots that prepare business advisors, and supply chain companies, for the upcoming roll out of carbon standards within public procurement; through the application of 'whole-life carbon costing' and 'carbon best value' principals, prepare for, and offset some of the potential burden on business presented by these emerging requirements (via 'Clear about Carbon'/ CHEOPS project).
  - ***Increase the levels of research and innovation and entrepreneurship, raising the aspirations of young people***
    1. Maintain High Aspirations for a strong economy – with a specific focus on skills development and work with Children and Young People.
    2. Encourage young people to have a say, let them lead the event, respond to their needs.
    3. Follow up events which demonstrate that the Cornwall and Isles of Scilly Economic Forum is a 'listening' and a 'responsive' Partnership and reflecting the aspirations of the young people. Show a tangible outcome.

### ***Long-term (Continuous)***

1. Continue to drive forward the delivery of 'Strategy and Action' as the long-term vision for economic development in Cornwall and the Isles of Scilly.
2. Continue to fight for Cornwall's distinctiveness through demonstrating this on a regular basis on all fronts (Locally, Regionally, Nationally and with the EU).
3. Work to safeguard and develop rail and maritime transport infrastructure - especially Docks such as Falmouth and Par – One of Cornwall's greatest trade assets, which is under dire threat.
4. Activity engage with the opportunities presented by the proposed 'Green New Deal'<sup>1</sup> as detailed in the plans for Cornwall to be a key part of the UK's first 'Low Carbon Economic Area' (particularly in Marine Energy), as outlined in 'The UK Low Carbon Industry Strategy'<sup>2</sup>.

\* *One member has expressed the view that, "it must be remembered that tin is a key strategic metal, that there is a lot of it still under the ground, and that Cornwall may be in a position to re-start mining - it is unsustainable to close off the opportunities of future generations to reach those deposits". Whereas former miners interviewed on a recent BBC radio programme said that they did not want to go back down the pit for health and social reasons – i.e. they never saw daylight and succumbed to job related diseases that shortened lives (The Partnership will need to discuss this in the context of aspirations for high value, high quality, knowledge economy employment). \**

### **Top 5 Short-term Priorities**

To be completed and agreed by the members of the Cornwall and Isles of Scilly Economic Forum. Drafted at the Executive Group meeting on 28 April and approved by the Full Forum on 26 May 2009.

<b>Priority 1</b>	<b>Improve Access to Finance and Business Support</b>
<b>Delivery Lead: Responsible Member</b>	Adam Chambers – Business Link
<b>Targets</b>	
<b>Funding Options</b>	

<sup>2</sup> <http://www.berr.gov.uk/whatwedo/sectors/lowcarbon/lowcarbonstrategy/page50105.html>

<b>Priority 2</b>	<b>Increase skills and productivity</b>
<b>Delivery Lead: Responsible Member</b>	Mark Williams – Learning and Skills Council
<b>Targets</b>	
<b>Funding Options</b>	

<b>Priority 3</b>	<b>Support a sustainable and resilient economy through maximising environmental opportunities</b>
<b>Delivery Lead: Responsible Member</b>	Low Carbon Cornwall (To be confirmed)
<b>Targets</b>	
<b>Funding Options</b>	

<b>Priority 4</b>	<b>Improve public procurement processes and develop supply chains</b>
<b>Delivery Lead: Responsible Member</b>	Tom Flanagan – Cornwall Council
<b>Targets</b>	
<b>Funding Options</b>	

<b>Priority 5</b>	<b>Increase the levels of research and innovation and entrepreneurship, raising the aspirations of young people</b>
<b>Delivery Lead: Responsible Member</b>	Polly Skinner – Learning Partnership
<b>Targets</b>	
<b>Funding Options</b>	

Recommendations to the Cornwall and Isles of Scilly Economic Forum on 26 May 2009:

1. That members agree the content of the two papers (background and solutions), subject to minor amendments to add/remove information if required – Agreed subject to rationalisation of number of solutions
2. That members agree the five key priority areas for action – Agreed subject to rewording of priority 5
3. That the priorities for action are widely communicated as the Economic Downturn response from the Cornwall and Isles of Scilly Economic Forum – Agreed (and should be submitted to South West Economic Task Group)
4. That Members discuss and agree appropriate delivery leads for each priority – Agreed (subject to agreement from Low Carbon Cornwall)
5. That further work is undertaken with the delivery leads to identify targets and function options – Agreed – meeting is being arranged
6. That delivery of the priorities is monitored on a quarterly basis alongside the Delivery and Monitoring Plan for Strategy and Action, until such a time when there is an economic 'upturn' – Agreed - Monitoring sub-group of Cornwall and Isles of Scilly Economic Forum is being established.

***Drafted by:***

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**15 June 2009**

*Taking account of many views, including those of the members of the Cornwall and Isles of Scilly Economic Forum*