In 2012-13, Cornwall Development Company (CDC) built on its strong track record of delivering successful, innovative and transformational projects. Cornwall Council’s (CC) Economic White Paper identifies the following strategic themes as priority areas for action:

1. Leadership in the Economy
2. Business Transformation Leading to High Productivity
3. Cornwall Connectivity
4. Place-Shaping
5. Low Carbon Economy

This document details CDC’s successes over the past year, grouping them under these strategic themes.
1. Leadership in the Economy

CDC supports CC and the Local Enterprise Partnership (LEP) in their leadership role relating to the development of Cornwall’s economy, including specific interventions to correct market failure and stimulate sustainable growth. CDC provides both organisations with the capacity (resources, skills & contacts) required to deliver identified strategic economic priorities and this continues to help build business confidence in Cornwall. The delivery of large, targeted business investment programmes continues to support business growth in tough economic circumstances.

Building on CDC’s outstanding track record of delivering programmes against agreed strategic themes, CDC has worked alongside CC and the LEP to make significant impacts in the following key Leadership areas:

- Working with the Cornwall Agri-food Council, an outline action plan has been developed to identify how the Agri-food sector will deliver the agreed LEP priorities. A draft action plan was agreed by the CAC board in June and will inform the post 2013 rural development programme.
- The Superfast Cornwall programme continues to lead the way nationally for the deployment of superfast broadband in the most difficult ‘final third’ of the country, with about 20 senior delegations from local authorities visiting to learn from our experience.
- Aerohub @ Newquay Cornwall Airport Enterprise Zone went live on the 1st April 2012, was launched at Farnborough Airshow in July and has been identified as a leading Enterprise Zone and ‘one of the star performers’ by DCLG.
- 100% clean external audits for all projects and for the company as a whole – heralding eleven years of successful audits and reinforcing CDC’s reputation for excellence in financial management.

2. Business transformation leading to high productivity

Inward Investment (UK, EU & Non EU)

Operating in the face of continuing difficult global and national economic conditions which are constraining decision making and investment, CDC has:

- Achieved 7 new investments into the county.
- Brought 5 projects to the final stages, with relocation imminent (next 6 months).
- Facilitated 10 further investment projects, which have Cornwall on their shortlist.
- Dealt with around 30 current enquiries/leads, with 14 currently active.
Business investment

- CDC is successfully delivering a series of business support investment schemes on behalf of a variety of funders:
  - Regional Growth Fund (RGF) on behalf of the LEP.
    - To date, just over 50% of Business Catalyst has been invested creating/safeguarding 725 jobs, with work ongoing until March 2014 to invest the balance.
    - Secured approval for £4.07m of RGF from the Infrastructure Fund, supporting projects totalling £17.3m, safeguarding 1,500 jobs and contributing to the creation of a further 2,000 indirect jobs.
  - ERDF Business Investment for Growth (BIG) programme
    - Over the first 10 months of the programme, £1.08m has been invested with 53 businesses which will lead to the creation of 162 new jobs and £11.2m of new Gross Value Added (GVA).
- CDC facilitated business led applications into the various RDPE National Delivery Frameworks initiated by DEFRA. In turn, this activity has helped to foster competitive, sustainable rural businesses and thriving rural communities. Outputs achieved to date are as follows:-
  - Engagement with and support provided to 25 businesses to submit expressions of interest.
  - On-going support to 11 businesses (from the 25 above) to make full applications to the Rural Economy Grant for £3.7m, with a total project value of £13m.
  - Secured £500,000 from RDPE for the Rural Business Investment Scheme, a delegated fund designed to support rural micro businesses. This scheme is expected to support over 20 businesses and will lever a total investment of over £1.25m.

Employment & Skills

- CDC continues to lead on addressing skills shortages related to ERDF investments, including major capital projects and projects supporting key business sectors and large employers.
  - Development of business led skills plans for Port of Falmouth and Aerohub Enterprise Zone.
  - Continuing leadership for the Demand Driver subgroup of the Employment and Skills Board.
- The Company successfully spearheaded a £375k bid on behalf of the private sector to the Employer Ownership of Skills programme to fund a £1m skills project for the manufacturing sector.
- Jobline Staffing continues in the role of the largest and only ‘top tier’ supplier of temporary staffing to CC.
- CDC has won a contract, via Jobline Staffing, to operate as CORMAC’s master vendor for temporary staffing services from April 2013.
The successful management of £557,000 of ESF investment awarded by the Skills Fund Agency for the Community Grants Programme will continue. A total of 51 community groups have been supported.

Tourism

Overall impact of VisitCornwall activities resulted in:
- £27.7m of additional visitor spend
- 1.35m unique visitors and 1.65m total visitors to visitcornwall.com
- around 634,000 brochures distributed
- All of which contributed to around 406 FTE jobs created or safeguarded.

Key research and market intelligence is influencing core strategies, such as maritime, transport and green infrastructure.

VisitCornwall and CDC led the planning and coordination of the very successful Day One of the 2012 Olympic Torch Relay, influencing £3.77m of spectator spend, generating £17m value of equivalent press coverage and winning a national CIPR Award.

VisitCornwall supported and assisted the successful delivery of the JP Morgan Asset Management Finn Festival.

Local festivals and events, such as Falmouth Oyster Festival, The Festival of Sport Cornwall and Fowey Festival of Words and Music, were supported.

The new visitcornwall.com website was launched, achieving two national digital marketing awards and significant praise and support from the industry.

CDC led the development of the Tourism Review on behalf of the Council, including delivering workshop activities and providing support on strategy and policy development.

25 Tourist Information Centres, with 1.25m visitor enquiries, were supported.

Showcasing Success

Cornwall and Cornish business received many local, regional and national accolades in quality, service and green tourism, with Cornwall being awarded 7 British Travel Awards including Best UK Holiday County or Region for the 4th year running.

Clear About Carbon won a national mainstreaming award from the ESF Innovation, Transnationality and Mainstreaming Programme.

Heartlands was awarded ‘Devon and Cornwall Building of the Year 2012’ by the Devon and Cornwall Building Forum and received a commendation in the prestigious Civic Trust Awards 2013.

Superfast Cornwall received the "Changing Lives" Broadband Infovision Award at the 12th Annual Broadband World Forum in Amsterdam and the 2012 European Growth Leadership Award in Rural Broadband Deployments from Frost & Sullivan.
Innovation

- CDC is instrumental in the success of the three innovation centres in Cornwall and continues to act as Project Coordinator and Contract Manager for the three operating contracts on behalf of CC.
  - The Pool Innovation Centre continues to exceed targets. Occupancy at the end of 2012-13 is around 85%, with 220 employed on site by 44 tenant companies and 80 new jobs evidenced to date.
  - The Tremough Innovation Centre was opened for business in January 2012 and is exceeding occupancy targets. There were 57 tenant companies at year end 12/13, with occupancy in excess of 50%.
  - The Health & Wellbeing Innovation Centre in Truro was completed on time and on budget, with the building handed over in late October 2012 and officially opened in March 2013. The first eight tenants are already contracted and all will occupy the building very shortly. Additionally, there are three Affiliate tenants and a good pipeline of enquiries.
- Superfast Cornwall research and innovation, under the Superfast Cornwall Labs brand, has grown to include four post-graduate research projects covering areas such as e-health and sustainable digital neighbourhoods. Other work includes V-Connect, which examines new uses of videoconferencing, and University of the Village, which extends the reach of HE services.

3 Cornwall Connectivity

Superfast Cornwall

- By May 2013, 80% of Cornwall will be on the fibre footprint.
- A mid-term review has ensured that the aim for the final fibre footprint is now 95% coverage when the rollout completes in 2014.
  - This is a significant improvement on the 84% coverage in the original bid submitted by BT, and a testament to effective partnership working.
- Take-up continues to be strong, with approximately 22,500 live connections, including an estimated 2,700 businesses now benefiting from superfast broadband.
- Take-up is driven by the ISP neutral Superfast Cornwall brand, which has achieved 70-80% brand recognition in a survey of target audiences.
- Over 12,000 premises have the pioneering Fibre to the Premises (FTTP) superfast broadband available.
- Successful first ever trial of a 10Gbps or ‘hyper-fast’ broadband network in a live working environment.
- Following detailed negotiations with Crown Estates, an announcement has been made regarding plans to enable the Isles of Scilly with superfast broadband.
• Digital Inclusion has now helped over 800 people attend courses to benefit from the internet. This has been achieved by working closely with partners such as libraries, housing associations and job centres. Activity now includes the management of the Superfast Cornwall Volunteer network, which has recruited and trained over 50 volunteers.
• Detailed surveys for the evaluation of the socio-economic impacts of superfast broadband have now started, and the mid-term report is due in June 2013.

**Aerohub Enterprise Zone @ Newquay Cornwall Airport**

• The first two investors have been secured, Classic Airforce Trust and Ainscough Wind Energy Services, with a significant pipeline of potential investors.
• The refurbishment of the Echo Apron and Taxiway has been completed, enabling a large area of development land to be used for aerospace activity.
• Significant progress has been made in the development of the Business Park, with the LDO submitted in March for Secretary of State Approval.
• Support from CC and the Regional Growth Fund has been secured for a new incubator hangar and for the refurbishment of Hangar 404 to expedite investors locating on the site.
• The ground breaking Cornwall Aerospace Advisory Panel has been established, providing vital sector knowledge.
• The successful AgustaWestland RGF bid has been supported.
• The location, along with event support, was provided for the Bloodhound SSC project hybrid rocket test. Aerohub was subsequently chosen as the location for the project’s UK testing, ahead of their Land Speed Record attempt in South Africa, offering massive exposure for the Enterprise Zone.
• An exclusive partnership with West Wales Airport was announced to supply the Unmanned Aerial Systems (UAS) industry with additional capacity for UAS flight operations, creating a unique asset to accommodate the needs of the largest and most advanced manned or unmanned systems globally.

**Port of Falmouth**

• CDC facilitated a partnership working approach and undertook overall programme co-ordination, including:
  o Support and facilitation of two masterplan projects, with the investment potential of £29m, through the development, funding and approval stages.
  o Completion of the Penryn River Study Stage 1 work and facilitation of Stage 2 preliminary development work.
  o Completion of a broad range of supporting work packages to facilitate the overall programme and project delivery, including work on transport and supply chain.
4 Place Shaping

- Loans of £4m from the Growing Places Fund have been approved by the LEP, providing an essential component in the funding for a £23.9m private sector project in the Port of Falmouth.
- Investment of 137% of the ERDF Strategic Investment Framework targets for 2012 has been facilitated, contributing towards the delivery of Priority Axis 4 of the Convergence Programme, which aims to unlock the economic potential of Cornwall’s Key Towns.
  - Priority 4 is now 83% contracted.
  - During 2012-13, four transformational projects were submitted, one of which is contracted. A further three private sector workspace applications were submitted, providing a total contribution to Priority 4 delivery of £24.6m.
  - These projects include high quality workspace and strategic transport infrastructure improvements.
  - The ERDF investment in Priority 4 in the year will contribute to 12,146m² of high quality workspace.
- In addition, CDC contributed to £3.5m of Priority 2 workspace projects, providing an additional 4,994m² of workspace.
- The 2012-13 SIF investments contracted under Priorities 2 & 4 will, in the medium term, contribute to the creation of 126 high quality, knowledge economy jobs.
- Successful delivery of the RDPE funded Bodmin Moor Livestock Initiative continues with activity ahead of target in terms of outputs and is on target in terms of spend:
  - YTD Participants involved in training = 162
  - YTD Training Days delivered = 66.
- The Heartlands opening and launch event took place in April 2012 and there have been over 250,000 visitors to the attraction in the first year, in excess of predicted numbers.
- CDC acts as the local managing authority on behalf of the Cornwall and Isles of Scilly Fisheries Local Action Group (FLAG) and is responsible for £1.1m of investment from the European Fisheries Fund.
  - In the first year of operation, there have been 44 different organisations supported, with eight projects already contracted to a value of £360,000.
  - CDC led the successful review of the programme’s Delivery Plan in partnership with the FLAG and CRCC.
  - Achievements recognised by a feature in the winter edition of the European wide FARNET magazine.
- CDC supported Local Action Groups, paying over £1m to projects (200 currently live) with 29 new investments to businesses and 37 new investments in community organisations. A total of £3,518,742 (live projects and unallocated funding) in RDPE funding has been managed in the financial year, already exceeding the corporate annual target of £1,800,000.
5 Low carbon economy

- Clear about Carbon (CAC) was a winner of Cornwall Works WISE Innovation Award 2012 for the one day carbon literacy course developed by the project.
- The rollout of the CAC e-learning project has engaged over 950 participants to date across Cornwall, the UK and Europe.
- The 1st consumption based greenhouse gas footprint for Cornwall and the Isles of Scilly (IoS) has been produced. Cornwall is the first region to undertake a study of this type which considers emissions resulting both directly and indirectly from the consumption of goods and services within Cornwall and IoS and from travel to, from and within the County.
- CDC supported CC and Cornwall Together partners in the successful delivery of the 1st phase of the Cornwall Together collective energy purchase initiative. Phase 1 achieved around 10,000 household sign-ups across Cornwall, with over 1,000 conversions/switches, leading to an average saving of £133 per household. Cornwall Together delivery partners (Eden & Energy Share) subsequently secured £985k from DECC for the rollout of Phase 2 in 2013.
- A financial agreement was developed and signed in the summer of 2012 to secure a £1.65m loan from CC to Energyshare, to assist the organisation’s establishment in Cornwall along with the planned relocation of Keo Digita. As set out in the contract, Energyshare will deliver a suite of benefits to the Green Cornwall Programme, including developing a ‘Cornwall Together’ group purchasing scheme and improvements to partners’ electric vehicle infrastructure.