Falmouth and Penryn Strategic Investment Framework

Evidence report

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Community intelligence, Chief Executive's Department

Appendix 3 Evidence Base

Falmouth and Penryn Strategic Investment Framework
Evidence Report

Contents

Figures and Tables

1. Introduction

This evidence report draws out the main findings of Cornwall's social, economic and environmental characteristics. It does not seek to provide all the available data and analysis for Falmouth, rather it presents the most relevant and key findings to inform investment decisions in the area.

2. Key messages

Key messages for Falmouth and Penryn:

- **A significant urban area. The town has the third biggest resident population in Cornwall.**
- **Contrasting areas of wealth and significant deprivation. Falmouth and Penryn is full of contrasts with displays of visible wealth – for example yacht marinas - that are located immediately beside areas where over a third of the population are workless (claiming out of work benefits).**
- **A strong specialism in the marine manufacturing sector. The town's natural marine landscape and manmade facilities have nurtured a strong marine industry. This may leave it vulnerable to manufacturing declines; however, such specialist skills can provide a lucrative global client base.**
- **Lack of university spin off activity. The Combined Universities in Cornwall initiative (CUC) has brought many educational opportunities to the Falmouth/Penryn area and to the wider Cornwall area, but there needs to be continued investment into associated employment and training opportunities.**

3. Profile overview

3.1 Area map

The boundary map below shows the areas that have been included for the purposes of this profile. It was felt important to include the wider Budock Water and Mabe areas as they are functionally closely associated with the urban centres of Falmouth and Penryn. It is not anticipated that this will have a significant impact on the figures presented in this profile as there is only a limited number of residents and workers in this outlying rural area.

Figure 1: Map of Falmouth and Penryn showing area used for analysis

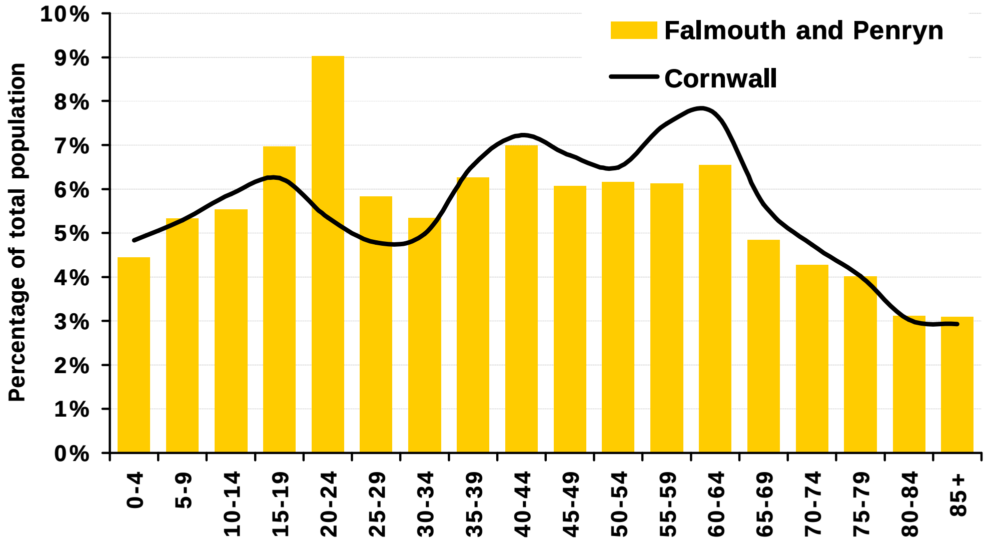
3.2 Population

In 2008 the population of Falmouth and Penryn was 31,300 making it the third biggest urban area in Cornwall in terms of resident population after Camborne, Pool and Redruth (55,600) and St Austell (34,200).[1]

Figure 1 (below) shows the population profile by age in Falmouth and Penryn compared to the Cornwall profile. With the influence of the university, the most highly represented age groups are the 20-24 and 15-19 age bands that make up 9.0% and 7.0% of the population respectively. The 55-59 and 60-64 age groups are slightly underrepresented in the area when compared to Cornwall average. With the exception of the student age groups, Falmouth has an identical age profile to the South West region, but like Cornwall in general, a higher representation of over 65 year olds than nationally (Falmouth and Penryn = 19.4%; Cornwall = 20.4%; UK = 16.0%).

[1] **Source: Office for National Statistics (2009) Mid-2007 lsoa population estimates**

Figure 2: Mid-2007 population by age



Source: Office for National Statistics mid- year population estimates

3.3 Health and wellbeing

In 2001 the proportion of the population in Falmouth and Penryn who considered themselves to have limiting long term illness was 20.9%, slightly higher than the level in Cornwall (20.5%) and England and Wales (17.6%). Analysis of long term limiting illness by age and gender shows that both Falmouth and Penryn and Cornwall levels are broadly in line with national figures.

Of most relevance to the Strategic Investment Framework however is the population who are out of work due to health reasons and disability. Although only indicative of the complete picture, benefit claimant figures are much more up to date than other measures. Section 4.1 (page 6) outlines the main messages for worklessness. The figures show that the lowest estimate of people in Falmouth and Penryn being out of work as a result of health or disability is 1,540 people, which is 8.1% of the working age population (February 2009).[2]

3.4 Community safety

In 2008/2009 there were 2,602 recorded crimes in the Falmouth and Penryn community network area[3], amounting to 63.7 crimes per 1,000 population. Since 2007/2008, there has been a 6.8% drop in recorded crime. Based upon the volume of recorded crimes in the area compared to Cornwall levels, and the severity of each crime's impact, the following

[2] Includes incapacity benefit, its replacement employment and support allowance and disability related benefits.
[3] The community network area incorporates a wider area than Falmouth and Penryn town boundary. However, the community network crime figures are characterised by the crime that occurs in the town with 92% of the recorded crime taking place within the town boundary.

issues have been identified as priorities for Falmouth and Penryn (in order of importance):

1. **Violence against the person with a focus on assaults with injury and alcohol-related violence (and related issues around alcohol misuse)**
2. **Road traffic collisions - resulting in death or serious injury**
3. **Serious acquisitive crime with a focus on dwelling burglary**
4. **Antisocial behaviour with a focus on rowdy and nuisance behaviour (secondary issues is vehicle related nuisance)**
5. **Sexual offences with a focus on most serious sexual offences (protecting children from harm and support for victims of serious sexual offence)**
6. **Domestic abuse with a focus on increasing safety of victims and improving support**

Source: Amethyst and Devon and Cornwall Police

In addition to the evidence based priorities outlined above, it is also important to consider priorities identified by residents of the area. As part of the police drive to engage with communities and work with other agencies in to address issues that are important to local citizens, the PACT initiative[4] has worked with residents to identify the priorities across Falmouth and Penryn – shown in table 1 below.

Table 1: PACT priorities

Neighbourhood		Issue
Arwenack	1:	Alcohol disorder
	2:	Nuisance vehicles
	3:	Youth antisocial behaviour
Boslowick and Trescobeas	1:	Youth antisocial behaviour
	2:	Speeding
	3:	Reassurance
Penryn and Mylor	1:	Antisocial behaviour
	2:	Parking
	3:	Speeding
Penwerris	1:	Theft
	2:	Underage drinking

Source: Devon and Cornwall Police

4. Economic impacts and linkages

This section provides analysis of the local economy in the context of the benefits and disadvantages it brings to people and places. Framing evidence in this context ensures that focus remains on the economy's value as a tool for social and environmental progress.

[4] Partners and Communities Together, co-ordinated by Devon and Cornwall Police as part of a national initiative.

4.1 Communities

Recent public sector investment in Falmouth and Penryn has brought many benefits to its communities in particular through increased educational opportunities and marine sector infrastructure.

The long term benefits of the investment in the town are yet to be fully realised. However, with the proportion of the working age population qualified to NVQ4+[5] in Cornwall increasing from 17.1% in 1999 (compared to 22.5% nationally) to 25.5% in 2008 (compared to 29.0% nationally), there must be acknowledgement of the part the CUC initiative has played in this achievement.

However, despite some success in qualifications, Cornwall's earnings levels are yet to show the improvements needed. The table below outlines how Cornwall's performance with regard to earnings has remained significantly below national earnings levels and is currently ranked 164 out of 171 upper tier authorities in Great Britain.

Table 2: Average full time earnings[6] (weekly; workplace based)

	Cornwall	Cornwall rank out of 171 GB upper tier authorities	South West	GB
2008	£ 384	164th	£ 445	£ 479
2007	£ 374	165th	£ 430	£ 459
2006	£ 359	168th	£ 414	£ 445
2005	£ 341	169th	£ 400	£ 432
2004	£ 328	168th	£ 393	£ 420
2003	£ 332	155th	£ 382	£ 405
2002	£ 303	167th	£ 365	£ 392
2001	£ 297	165th	£ 352	£ 377

Source: Annual Survey of Hours and Earnings, ONS.

However, the factors that affect average earnings are complex, and focus must not be lost on building strong, long term foundations for earnings levels. CUC provides this platform, but there is a need to capitalise on its role as a catalyst for high quality jobs.

In line with the resident population size of Falmouth and Penryn remaining relatively stable, the number of full time equivalent jobs (where part time jobs are counted as half) in the area has consistently been at around 9,300 (the latest data for 2007 is 9,400).[7] This is made up of 56% males and 44% females, broadly inline with the Cornwall, regional and national gender split in the workforce.

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[5] Degree level and above or equivalent.
[6] All earnings are before tax and pension contributions. Full time earnings are used to ensure a consistent comparison between areas. All figures are median averages so the figures are not skewed by very high earners.
[7] Office for National Statistics (December 2008) Annual Business Inquiry

However, data from the census shows that employment only accounts for 82% of the labour market in Falmouth and Penryn, with the other 18% being self employed.[8] Based upon this, it is estimated that in 2006 there were approximately 11,100 full time equivalent workers based in Falmouth and Penryn. Self-employed workers based in Falmouth and Penryn made up almost 6% of total full time equivalent workers in Cornwall.

Despite a vibrant labour market in Falmouth and Penryn, one key issue is worklessness, and more recently with the onset of the recession, unemployment specifically. Although considered an underestimate due to lower take up levels than entitlement, benefit claimant data is a very valuable source intelligence as it is more up to date that a lot of other data and is based on 100% data coverage (not upon samples). Benefit data can be used to identify the neighbourhoods that are excluded from the labour force, or are suffering from health problems.

Total working age benefit claimant[9] counts highlight that there are three areas where worklessness is consistently higher than the rest of Falmouth and Penryn. These areas are outlined in the table and map below:

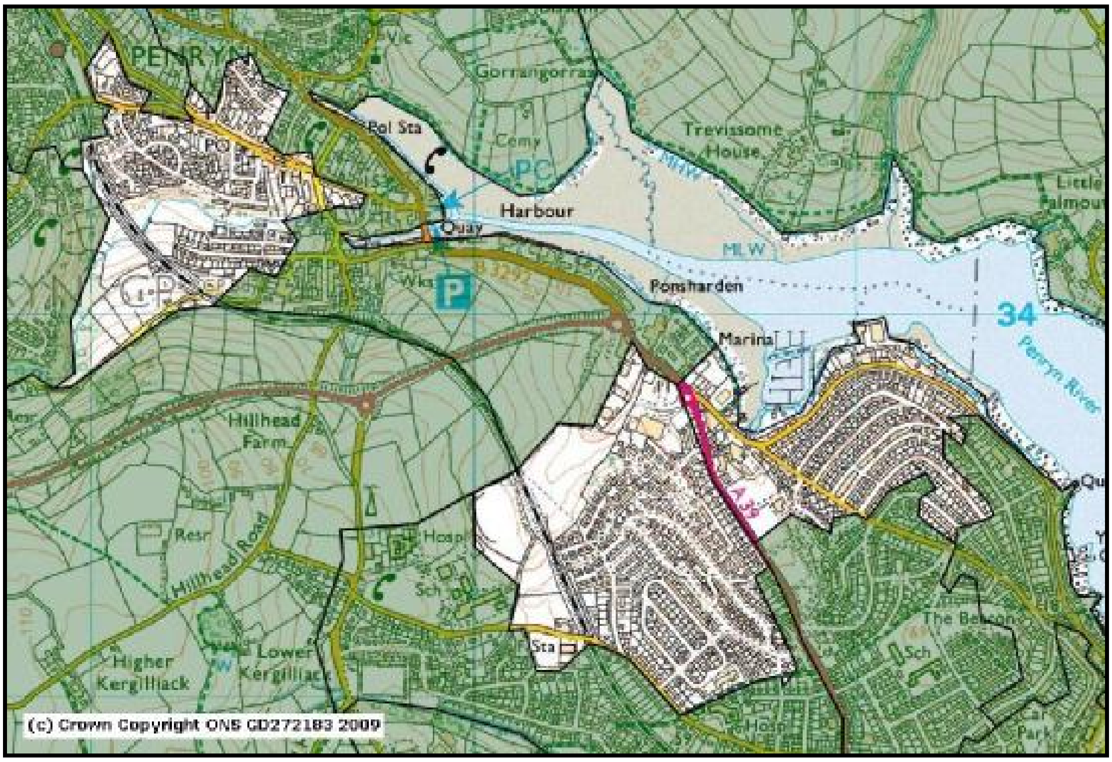
Table 3: Working age benefits claimants

Area	Working age population claiming benefits - Feb 09	
Penwerris (east) adjacent to marina (Carrick 011D)	32.6%	(280 people)
Penwerris (west) inland from A39 (Carrick 011E)	26.7%	(280 people)
Central Penryn (Carrick 010C)	26.5%	(270 people)
Falmouth and Penryn	14.9%	(2,825 people)
Cornwall	15.5%	
South West	13.2%	
Great Britain	15.7%	

Source: Department for Work and Pensions (2009)

[8] Office for National Statistics 2001 census of population
[9] Including carers allowance, disability living allowance, incapacity benefit, employment and support allowance, income support, pension credit, job seekers allowance, severe disablement allowance and widows benefit.

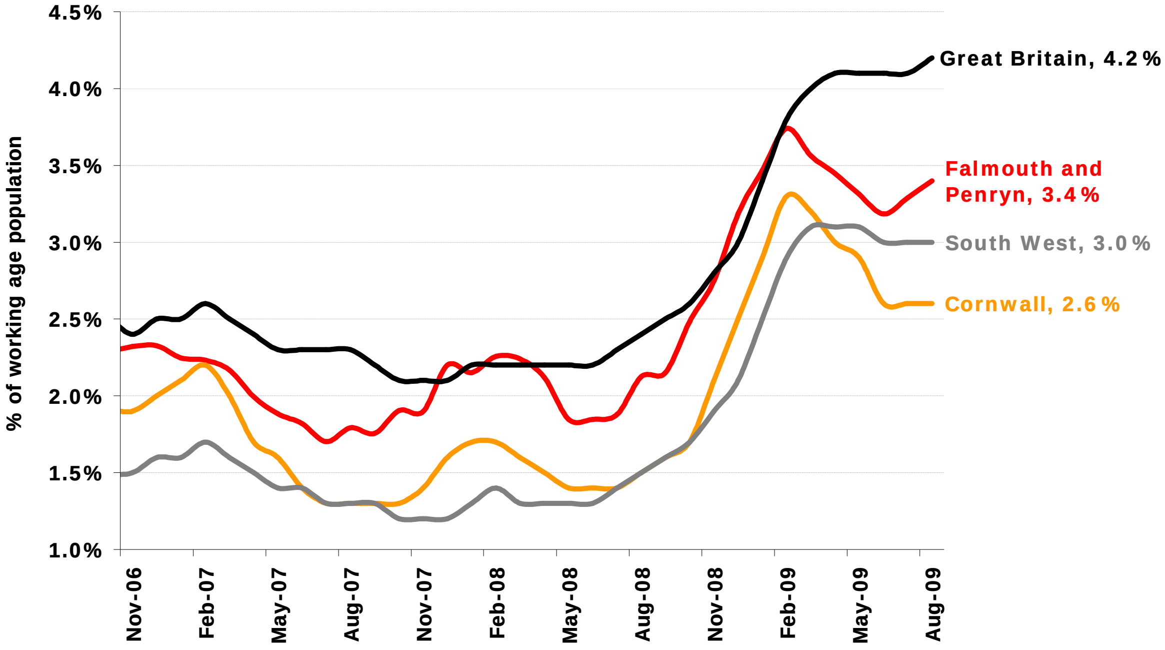
Figure 3: Areas of highest worklessness (working age benefit claimants)



In Falmouth and Penryn Employment and Support Allowance and Incapacity Benefit together make up over 46% of the working age benefit claimant group.

With the onset of the recession during 2008, more attention is now being given to Job Seekers Allowance benefit claimants as a barometer of the recession's impact on people (outlined in figure 4 below). The figures show that in line with the national and regional trends, the recession began to impact on the numbers seeking work in Falmouth and Penryn, and also more widely in Cornwall, around the end of summer 2008. Workers in Cornwall and Falmouth and Penryn benefited from an uplift in seasonal employment during the summer months as usual, however as the demand for seasonal labour wanes, the labour market will once again tighten.

Figure 4: Job seekers allowance claimants

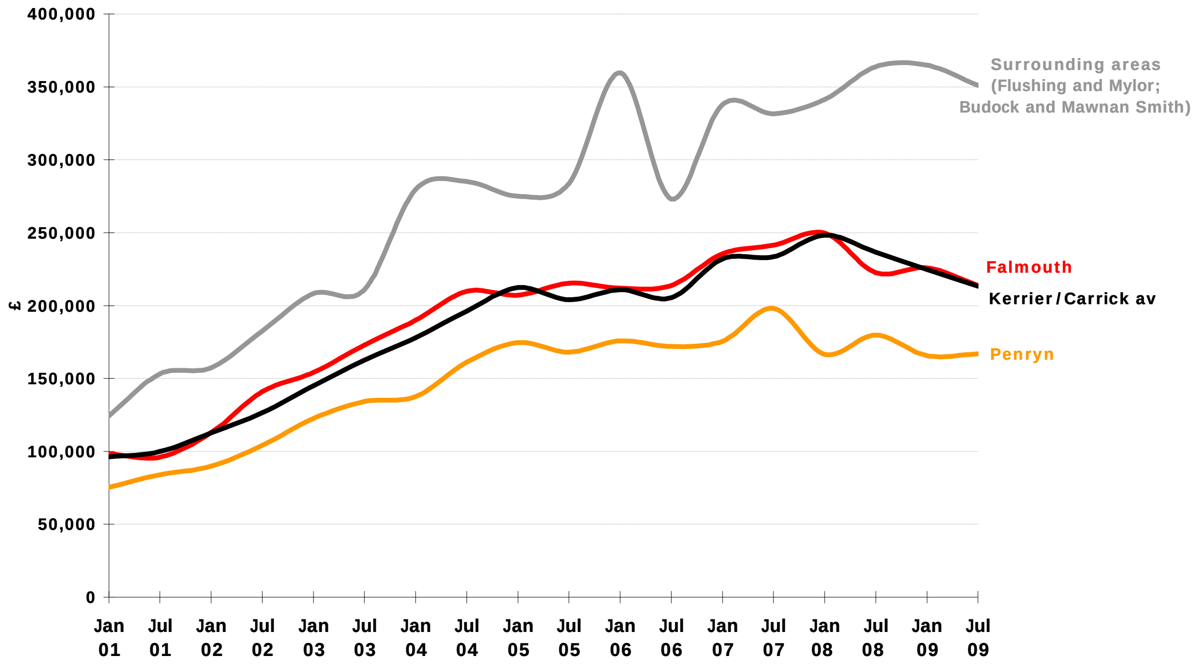


Source: Department for Work and Pensions (2009)

In addition to job seekers allowance figures, average house prices also provide a useful insight into the impacts of the recession.

Looking at house price change since 2001 Falmouth and Penryn both saw significant rises from 2001 until 2005 (see figure 5 below). This saw average prices double, driven by wider investments in the area (CuC), Maritime Museum, general profile. Competing demand built from student households, and buy to let investments, holiday and second home use. From 2005 to 2007/2008 there was a period of consolidation, although still strong growth in higher value and larger properties, (sea or river views being a particular driver of price). Price decreases emerged in 2007/08 onwards, but there is some evidence that the strong demand for properties in the area (and certainly in the surrounding areas) has had the effect of dampening the nationwide impact of the credit crunch, and housing market fall out. The future impact needs to be closely monitored.

Figure 5: Average house prices 2001-2009



In terms of employment, the biggest sector in Falmouth and Penryn is the building and repair of boats making up 7.4% of the labour force (around 850 employees).[10] Furthermore, this is a sector not that well represented nationally, making it a unique local specialism in Falmouth and Penryn.

Since 2003, the number of staff employed in higher education has been rapidly increasing to almost 700 in 2007. The number of academic staff is expected to increase to 1,000 by 2016.[11] Other significant sectors of employment in the area are bars and restaurants that make up 7.1% of employees in the area; hotels that make up 5.8% of employees; and retail premises where food predominates (for example, supermarkets) which stands at 6.5%.[12]

4.2 Places and infrastructure

The way in which the economy has shaped Falmouth and Penryn is most visible through the physical character of the town centres, the associated marinas and docks and the transport and housing infrastructure. However, there are also less visible impacts on the environment (positive and negative) such as through industry and residential carbon (and equivalent) emissions and resource use. This section provides an overview of the impact and relationship Falmouth and Penryn's economy has on the town as a place for residents, employees and visitors today and in the future.

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[10] Office for National Statistics (2009) Annual Business Inquiry 2007
[11] Tremough Master Plan

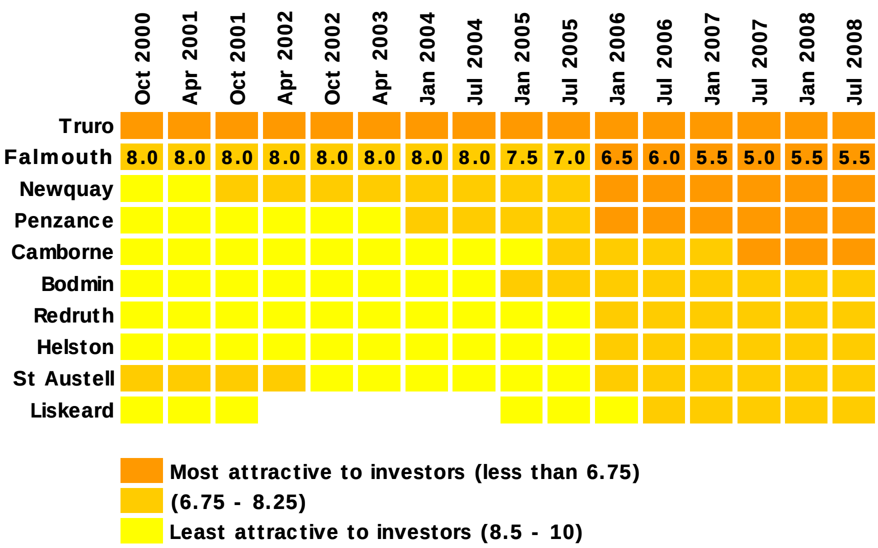
Business premises are an important aspect to the strategic investment framework and have been identified by local businesses through the Employment Space Strategic Assessment study as a problem due to lack of availability. Understanding this element of the area's infrastructure is critical to future investments.

There is a smaller proportion of business premises employing only 1-4 employees in Falmouth and Penryn (67.5%) and Cornwall (68.1%) than regionally (70.1%) and nationally (70.5%). This goes against popular belief about business size in Cornwall although classifying businesses in Cornwall by turnover does show them to be smaller in average than nationally.

However, whereas Cornwall has a lower percentage of premises employing 50+ employees than nationally (2.6% compared to 3.5% in GB), Falmouth and Penryn is much closer to the national at 3.2% and above the regional proportion of 3.1%.[13] It is likely that this higher representation of premises that employ large numbers is explained by the large marine manufacturing and educational premises.

The viability of Falmouth as a retail destination is monitored by property analysts using a number of different measures, one of which is by means of town centre yield.[14] Although not a conclusive measure of viability, it gives a good indication of change over time and relative performance between towns. Figure 6 below shows that using this measure, Falmouth is very attractive to investors with a yield of 5.5 in July 2008 (low values suggest stronger retail centres). However, this data has not been published since July 2008 as its accuracy has been reduced during the recession.

Figure 6: Town centre yield



Source: Valuation Office Agency (2009) Property market report

13 Office for National Statistics (2009) Annual Business Inquiry workplace analysis
14 The factors which affect yield are complex and the data should be interpreted in the context of other factors.

A shopping centre ranking report that has recently been commissioned for Falmouth is 'Venue score'. This report offers a slightly different conclusion to the one that might be drawn from the shopping centre yield alone. It shows that Falmouth is ranked lower than Penzance, but just above Newquay. It also suggested that Falmouth recently declined in value as a retail venue in recent times.

A significant new asset to Penryn and also Cornwall's infrastructure is the Tremough campus. Currently there are 3,000 students using the campus, this is planned to grow to 5,000 by 2016 and 7,000 by 2026. This increase in student numbers has implications for housing infrastructure in Falmouth and Penryn. There is already provision for 1,500 student residences on site but a further 1,000 residences are needed to 2016. Some student residences are being planned off site led by private developers –for example, at Penryn Station - this arguably is taking sites that could other wise accommodate local needs housing and is a source of local disquiet.

A Masterplan of the Tremough campus to 2016 was presented for consultation in Summer 2008. The Phase 3 expansion to 2016 has outline planning consent.

By 2016 it expected that in addition to the 5,000 undergraduates mentioned above, there will be a further 150 research students and 1,000 academic staff plus support and maintenance staff. A further 300 jobs are expected to be created in the Tremough Innovation Centre (TIC), which is a SWERDA led incubator planned to nurture spin off emerging from the proposed Environment and Sustainability Institute and Academy for Innovation and Research (building of TIC is due to begin during 2009-10, with space for 64 businesses; it is on the Tremough campus too and will front the A39 Treliever Roundabout as a flagship development).

4.3 Climate change and resources

The anticipated impact of investments in Falmouth and Penryn must me assessed not only in terms of the positive outcomes for people, but also in terms of how changes enhance natural assets or limit negative impacts on the environment. Mitigation and adaption to climate change should form a central feature of plans for Falmouth and Penryn - an area that it likely to feel the full force of any extreme sea and climate changes.

There are three main measures available for assessing Falmouth and Penryn's impact on the environment. This section outlines the main messages from these measures. It should be noted that these figures are a guide only, and the Falmouth and Penryn estimates are based upon the behaviours of residents in the former district of Carrick as a whole. Improvements are underway to increase the accuracy of this data and tailor it to settlements.

The ecological footprint estimates the demand humans in a particular area have on nature in relation to nature's ability to meet this demand. For

example, residents' demand for bread, therefore wheat, and the earth's ability to support crops of wheat and rejuvenate in time for future harvests. The ecological footprint is commonly measured in global hectares (gha)[15].

The total ecological footprint of Falmouth and Penryn is almost 148,600 global hectares. Housing and food together make up almost 50% of this demand on the earth's resources.

Greenhouse gas emissions incorporate harmful gas emissions that are produced by the activities and consumption of people in a particular area. In addition to carbon dioxide, it also includes methane and nitrous oxide. It is commonly expressed as tonnes of carbon dioxide equivalents (CO_2eq). The total greenhouse gas emissions from residents of Falmouth and Penryn was 452,400 tonnes CO_2eq in 2004. The carbon footprint element of these emissions is 334,700 tonnes CO_2 with much of the difference coming from food and the significant production of methane from agriculture.

The measures of greenhouse gas emissions and carbon footprint show that housing and transport are the two biggest contributors to climate change based upon end user analysis (i.e. putting the consumer at the heart of decisions). The table below (Table 4) compares Falmouth and Penryn to Cornwall and UK. It shows that all three measures indicate that residents in Falmouth and Penryn have a more negative environmental impact than those in Cornwall and in the UK. This is largely explained by the higher per head ecological footprint and emissions from transport and consumer items.

Table 4: Environmental impact measures

	Ecological footprint (gha per capita)	Greenhouse gas emissions (tonnes CO_2eq per capita)	Carbon footprint (tonnes CO_2 per capita)
Falmouth and Penryn (Based on figures for the former district of Carrick)	5.54	16.70	12.35
Cornwall	5.40	16.55	12.25
UK	5.30	16.34	12.08

Source: Resource and Energy Analysis Programme, Stockholm Environment Institute. 2004 data.

[15] A global hectare is a unit of the earth's land taking into consideration soil productivity, rainfall and any plant, crop of tree coverage. For example, a small area of lush rainforest, may be equivalent to a large expanse of desert.

5. Conclusions

The evidence shows that Falmouth and Penryn has a critical role in Cornwall for a number of reasons. In addition to housing over 30,000 residents, the area is also the main location for the Combined Universities of Cornwall, which is one of Cornwall's most strategic assets, and the marine manufacturing sector, which is one of Cornwall's strongest industry specialisms.

However, the towns are also characterised by significant variations in worklessness, health and community safety. Although nationally recognised projects have succeeded in addressing some problems in the most deprived neighbourhoods, more work is needed to avoid further polarisation in the area, as 'trickle down' from the universities' current activities are far from guaranteed.

6. References

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