

What has the Budget done for the Great South West powerhouse?

Ambitions for the South West to become the natural powerhouse of the UK have been left wanting in this Autumn Budget.

While the region has secured some pockets of vital funding, economic leaders say it remains unrecognised by the Government.

And despite high profile name checks for the Midlands Engine and projects in the North, the South West missed out on big announcements that it desperately needs to kickstart its plans to become the first region in the country to reach net zero and 'build back better'.

Karl Tucker, Chairman of the Heart of the South West LEP, a key partner in the Great South West partnership said there is a lot more to be done for this area to reach its potential.

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Speaking in response to the Chancellor's budget, he said: "We feel that we have once again been overlooked compared to other parts of the country.

"There is a real sense that the fundamental structural

challenges this area faces remain unrecognised by Government and the Spending Review.

“With specific funding in the autumn budget for city regions, outside a few selected though welcome Heart of the South West specific announcements, it remains unclear how rural areas such as ours will be able to reach their potential.”

In 2019, the [Great South West Partnership](#) went to Downing Street to set out its plan to become the ‘UK’s Natural Powerhouse’ in its [Securing the Future](#) prospectus.

Supported by the #BackTheSouthWest campaign, spearheaded by Western Morning News and Pennon Plc, the deal asked the Government for £2million over three years to progress its ambitions but nothing has yet come of it.

The South West did secure some important funding announcements in the Autumn Budget and Spending Review, including:

Investment through the British Business Bank for [South West SME businesses](#)

Transport cash supporting the re-opening of the railway stations in Wellington and Cullompton and the funding for a business case for the Tavistock rail line re-opening.

A major [road improvement project in Plymouth](#) has been awarded £19.9m from the Government’s Levelling Up Fund. Funding for improvement works along the A38 Bridgwater northern corridor was also approved.

There was also funding announced from the Roads Investment Strategy for the A358 dualling, and for Devon’s A382 Newton Abbot to Drum Bridges widening, completing the work started with the A382 Growth Deal project.

In Cornwall, The Council of the Isles of Scilly secured £48.4m which will pay for new vessels and harbour improvements for the [Isles of Scilly ferry transport](#) links.

He also welcomed moves to make business rates fairer and timelier and the 50% discount for the retail, leisure and hospitality sectors are positive steps for the region.

Additional investment in skills, innovation, business growth and digital connectivity are also welcomed by the LEP.

Mr Tucker said: "However, we are still woefully short of the level of investment we need in the region, illustrated by the comprehensive awards to metro mayor areas."

Big transport cash was reserved for areas with metro mayors.

In his [Autumn Budget](#), Chancellor Rishi Sunak confirmed a cash injection of £540m for the West of England Combined Authority (Weca) region – or £568 per head – for public transport in the Bristol and Bath region.

The money was only available to regions with metro mayors – and other areas to be given funding include Greater Manchester, West Yorkshire and the Liverpool City Region.

Bath and Bristol secured the largest funding deal of any region with its £568 per head of population outstripping £454 for Liverpool, £376 for Greater Manchester and £354 for West Yorkshire.

Mr Tucker said that it is now looking to the Levelling Up white paper, which is set to be published in the coming months, for true recognition of Levelling- Up for the Great South West area.

He said: "The Levelling Up white paper has been trailed as setting out more details on empowering local leaders and communities and on how measures such as the increased research & development funding will contribute towards the levelling up ambition. It now has a high bar."

In Cornwall, FSB Development Manager Ann Vandermeulen, said she was 'left wondering' about Cornwall's G7 legacy.

She said: “The promise that EU funding will be replaced and that there will be money for infrastructure projects is great mood music but how much exactly and when, are the crucial bits of information missing right now.

“The north had lots of place name checks so it has still left me wondering about our G7 legacy. It sounds like a lot of pro-business announcements but this is a far cry from the bigger measures that we asked for and might only just serve to keep some from sinking completely.

“With business confidence low in the south west this budget could have made a bigger impact, so disappointing from that perspective and we need our MPs to keep Cornwall much higher up this Government’s financial agenda.”

Stuart Elford, chief executive of Devon and Plymouth Chamber of Commerce, said the announcements around Business Rates would be welcome in the region and added: “The hospitality and tourism industry needed that. They have had a rough time and any help for that industry will be welcome.”

He said the Government’s pledge to raise spending on skills would also be beneficial as would the freeze in fuel duty.

But he said businesses would still face difficulties, with rises in National Insurance and repayments of CBILS loans looming and added: “Some businesses are facing a perfect storm. It will be a hard winter for some businesses.”

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