



CUMBRIA
LOCAL
ENTERPRISE
PARTNERSHIP



Cumbria Local Enterprise Partnership

ANNUAL REPORT 2019

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Lord Inglewood



“Cumbria LEP (CLEP) has gone through a period of rapid transformation since I took over as Chair a little over twelve months ago, and I am pleased to say that it is now a very different organisation. Much has changed and improved and I hope that this report provides a feel for this.”

I am very pleased to report that 2019 has been a very good year for Cumbria, with notable highlights including the agreement of Heads of Terms for the Borderlands Inclusive Growth Deal, the opening of Carlisle Lake District Airport, the next phase of the business plan being developed for the upgrade of the Cumbrian Coastal Rail Line and the announcements of funding for road improvement schemes including the Carlisle Southern Link Road and the A595 Grizebeck. The recent short-listing of Barrow Town Centre, Carlisle City Centre, Maryport Town Centre and Whitehaven Town Centre for Future High Streets Fund and Barrow, Carlisle, Cleator Moor, Millom and Workington for Town Deals is excellent news and will help create really great places to live, work and invest.

During 2019, the Careers Hub was also launched to help bring businesses and education together to make sure that all of our young people are aware of the great careers that are available to them in Cumbria and that they understand what they need to do to access these.

These are just a small number of the things that have already happened in 2019, which provide a sound platform to build upon. CLEP will be working closely with all of our partners to make sure that these important initiatives come to fruition.

Cumbria's economy is genuinely poly-centric in that it benefits from strength and depth in a number of sectors, including advanced manufacturing, nuclear, tourism, farming and food and drink, which provide us with significant growth opportunities. However, independent economic analysis identifies that a number of our sectors may face particular challenges as we exit the European Union and move through 2019 and into 2020. It is therefore important that we are aware of these risks and are working together locally and nationally with government and other partners to quickly mitigate these. Cumbria's heightened risk means that this is an issue on which we need to be highly vigilant, going forward.

CLEP has made significant progress in 2019 and that has been down to excellent partnership working across Cumbria. I would therefore like to formally record my thanks to the Board for all of their support and work on behalf of Cumbria's economy and the Executive Team who have worked tirelessly to move the organisation forward. Importantly, I would like to thank all of our businesses, public and voluntary and community sector partners for their time, energy and commitment in working with us to make our new governance structure a success.

Finally, I would like to offer my thanks to Jackie Arnold MBE, who stepped down as Deputy Chair at the end of her period of appointment, for her advice and support during the handover to myself. I would also like to offer my thanks to the three District representatives, Giles Archibald, Colin Glover and Alan Smith, whose two year terms of office concluded and to Rob Johnston, MBE, whose term of office concluded. Their contribution to the Board and CLEP, more generally, was appreciated.

2020 looks set to be an interesting year and I am sure that working together we are ready to maximise our opportunities and address any challenges.

With all best wishes.

MEET THE BOARD



Lord Inglewood
Chair

"The last year has been one of consolidation for the CLEP with real progress led by the Board, Jo Lappin our CEO, and her team. My thanks are extended to all of them. What the forthcoming year holds neither I nor anyone else can predict. However, I am confident that CLEP will be able to respond positively to whatever may happen and is committed to promoting Cumbria whenever and wherever it can."



Jim Jackson
Deputy Chair and
Chief Executive
of Fourwinds60
Consulting Ltd

"Last year was very exciting with great progress made on Cumbria's Infrastructure agenda including the opening of Carlisle Lake District Airport, the Cumbrian coastal rail line receiving funding for an Outline Business Case and confirmation of funding for major road schemes including the Carlisle Southern Link Road and the A595 Grizebeck. Cumbria continued to maintain a strong voice on Transport for the North for creating a strategic case for all of the North of England, which will deliver long term benefits. Finally, it was a privilege to receive the support of my colleagues to take on the role of Deputy Chair."



Stewart Young
Vice-Chair and
Leader, Cumbria
County Council

"In December 2018, the County Council's Cabinet agreed that the Council would act as CLEP's single accountable body. This reaffirmed the Council's commitment to supporting CLEP as the strategic lead for economic development for the county. We are pleased to see the continued progress CLEP has made in the delivery of its £60m Growth Deal programme and in the strengthening of the board's governance in terms of its diversity, transparency and leadership."



Graham Booth
Board Director of
E. H. Booth and
Co. Ltd

"Cumbria has a huge amount of potential and CLEP is committed to working with all of our partners to ensure that this is realised and that our businesses and people grow and prosper. Over the past year, CLEP has worked hard to further strengthen relationships with business and I look forward to continuing this work and building excellent relationships with all sectors."



John Coughlan
Managing
Director, TSP
Engineering

"This year has seen lots of changes, which will hopefully deliver fruitful resource in the future. Brexit may present some real challenges to business and manufacturing will require a high-level of support and focus over the coming year, which we will be working with government to address. In the near future, I believe that there will be opportunities for engineering businesses in the region resulting from the energy demands and new generation plants."



Dr Steve Curl
Private Equity
specialist and
Cumbria LEP SME
representative

"During my first year as a CLEP Director, I have been greatly encouraged by our partners' commitment to supporting a more entrepreneurial culture in Cumbria and facilitating business start-ups and growth. Looking forward, I am excited to be taking up the lead on transport and infrastructure activities. There are some exciting initiatives to progress in Cumbria for rail, road and sustainable transport as well as optimising connectivity through fibre and mobile networks."



Professor Patricia Livsey
Chief Executive
of Eden Valley
Hospice and
Jigsaw Children's
Hospice

"My role on the CLEP Board as voluntary and community sector representative is an important addition to the Board as it recognises the significant contribution that the diverse range of charitable and voluntary organisations make within Cumbria and the positive impact it has to the wider economy. Our third sector creates the essential infrastructure that enables the community to thrive and grow and CLEP will be looking for opportunities to further strengthen the links with the sector going forward."



Prof. Julie Mennell, PhD
Vice Chancellor,
University of
Cumbria

"It is pleasing to see the work of CLEP progressing further this year, not only in terms of our Local Industry Strategy but also in the expansion of our Board, which has brought us fresh perspectives, energy and ideas, which bodes well for the year ahead. An example of this is our intent to form a CLEP shadow board, helping us to connect to our young people, hear their ideas, understand their viewpoints, the challenges they face and develop our Cumbria leaders of the future."



Lee Roberts
Barrow In Furness
Borough Council

"Cumbria is a wonderfully diverse place and our mission to drive economic growth and the creation of jobs will benefit everyone in the county. Challenging times are ahead and CLEP will ensure the county continues to grow and flourish. With world class people, places and businesses to support, I'm very optimistic for our future."

MEET THE BOARD



Mary Robinson
Eden District Council and CLEP's Rural Champion

"There are enormous opportunities ahead to create a sustainable Cumbria whilst enhancing natural capital and tackling climate change. This can be achieved through working with farmers, landowners and producers to supply locally produced, high quality, sustainable products and secure food production whilst protecting, enhancing and shaping the very landscape that makes our county world renowned. CLEP will be working with all of our partners to achieve this."



Mike Smith OBE
Business Consultant

"CLEP has led the skills system across Cumbria, developing high quality support for schools, Further & Higher Education and skills providers, young people, adults in the workforce and unemployed residents to ensure that Cumbria has the skills and talent that will deliver success. CLEP's People, Employment and Skills Group will work collectively to deliver on our commitment to improving skills across the County, through Cumbria's effective careers strategy, innovative pathways into employment and a skills system that delivers high quality qualifications at all levels."



Mayor Mike Starkie
Copeland Borough Council

"Following my re-election as Elected Mayor for Copeland in May this year, I was delighted to take my place as the CLEP Board Member for Copeland Borough Council. I am very much looking forward to working with all of our partners to lead the development of a new Nuclear Prospectus for Cumbria, outlining the unique offer that we can make to the nuclear industry."



Sarah Swindley
Chief Executive of the Lake District Foundation

"I'm excited to be involved in the next phase of development for CLEP. We have an ambitious Local Industrial Strategy to deliver that will help us further unlock the potential of the county. I am particularly passionate about inclusive growth and sharing the opportunities across our communities. Our health and care sector underpins the wellbeing of our residents and workforce and I am keen that we recognise the economic value of this sector, our amazing natural environment and the potential of our young people."



Rebecca Weston
Chief Operating Officer, Sellafield Ltd

"Nuclear and renewables can make a huge contribution to the clean growth agenda – with Cumbria having massive capability in this area. The Nuclear and Energy Sector Panel started to operate during the last year and is working to ensure that Cumbria contributes to sector deals in both nuclear and offshore wind and benefits from key opportunities. These include building on and diversifying from existing decommissioning capabilities and driving advanced manufacturing and modular construction supply chain opportunities."



Nigel Wilkinson
Managing Director, Windermere Lake Cruises Ltd

"Government's announcement on the Tourism Sector Deal and the Borderlands Inclusive Growth Deal presents tremendous opportunities for the development of the county's visitor economy. CLEP is committed to working with our partners to secure "Tourism Zone" status for Cumbria, which will help deliver improvements in productivity and develop the workforce needed to sustain the sector into the future."



Andrew Wren
Principal and Chief Executive, Furness College

"I am delighted to have joined the CLEP Board during such an exciting time. Cumbria is often overlooked nationally and I am therefore committed to ensuring that the work on raising our profile nationally continues and that we are recognised as a world-class place to live, work and visit. As a Cumbrian, I am proud to be part of this work and I look forward to another successful year."



Emma Porter
Construction Director, Story Contracting

"My principal motivation for joining CLEP is a strong desire to make a difference. I am passionate about enabling Cumbria to achieve its potential and to work on behalf of Cumbria's businesses and people. I strongly believe that the county needs to work in an open, collaborative and ambitious way to raise aspirations and realise our potential together."



Peter Allen
Lake District National Park Authority

"I'm very pleased to join CLEP at such an important time and I'm keen to continue the good work of my colleague Mike McKinley. The designation of the Lake District as Cumbria's second World Heritage Site is a tremendous opportunity for the whole of the county and I look forward to working with colleagues to see how this can be maximised to help build a strong and inclusive economy for all."

CHIEF EXECUTIVE'S OVERVIEW

Jo Lappin



“I am delighted to report that Cumbria LEP (CLEP) has moved forward significantly over the last twelve months, meeting government's, and importantly our partners', new expectations of LEPs. CLEP is now a different organisation, operating as an independent company and meeting all requirements outlined within the “Strengthened Local Enterprise Partnerships” report.”

Working with all of our partners, we have made excellent progress in developing our Local Industrial Strategy, entering the co-production phase with government in April 2019, which was ahead of schedule for a Wave 3 LEP. CLEP is now working with government to finalise the LIS during autumn 2019, and I am confident that Cumbria's LIS is thoroughly evidence based, focused on maximising our opportunities and addressing Cumbria's challenges, which will provide us with a strong basis to move forward in 2020.

We have been concentrating on ensuring that Cumbria's exceptional strengths and contribution to the national economy are recognised, in particular on the clean growth agenda where we have internationally recognised expertise in nuclear and offshore wind, alongside emerging capabilities in the wave, tidal and new battery technologies. It is important that this expertise is harnessed alongside our significant strengths in advanced manufacturing, the visitor and rural economies.

Our new governance structure is now fully operational with business leaders working alongside partners from the public, voluntary and community sectors to deliver inclusive economic growth, improve productivity and ensure that Cumbria can go further, faster in 2020. Importantly, the Strategy Boards and Sector Panels have made excellent progress in developing the work programme to underpin the delivery of the LIS - translating the ambitions outlined in the LIS into short, medium and long-term delivery priorities.

At the outset of our appointments, the Chair and I made a clear commitment to ensuring that CLEP operated to the highest standards of governance, transparency and accountability to ensure that public money was used effectively to deliver real results for Cumbria. It was therefore pleasing that government assessed our governance as 'at least good' as at 31 March 2019. This was alongside both our strategy and delivery being assessed as good. Clearly, we will be working hard to improve these ratings going forward. Importantly, we also self-assessed CLEP against the recent Public Accounts Committee report on Local Enterprise Partnerships and were reassured that we were compliant with the recommendations within this.

Importantly, our new scrutiny arrangements are in place with the LEP Scrutiny Board responsible for scrutinising our activity going forward. This is local authority led with the County Council and all six District Councils involved in scrutinising the LEP and its activities. This is important in delivering our commitment to achieve the highest standards of governance, transparency and accountability.

CLEP, as an organisation, has also made significant progress following its establishment as a company limited by guarantee in December 2018, with the new company becoming fully operational for the 2019/20 financial year. This has meant that CLEP is now able to directly employ its own staff, working alongside our excellent secondees. A new Executive Team is now in place, which has the right capacity and capability to meet our business priorities and to make sure that we deliver the right things for Cumbria, its economy, its businesses and people.

Importantly, CLEP is an outward looking and collaborative organisation and we are therefore making sure that we play a part in the important cross border Borderlands Inclusive Growth Deal, NP11 (the 11 LEPs in the Northern Powerhouse geography), the national LEP Network and in working with our neighbouring LEPs in Lancashire and the North East, alongside working with other LEPs in the wider North West and beyond.

Cumbria has an excellent offer and significant opportunities but also a number of potential challenges over the coming twelve months. I and the CLEP Team are committed to working with all of our partners to make sure that we deliver on these opportunities and address any potential challenges to ensure that Cumbria can grow and prosper.

Finally, I would like to offer my thanks to the CLEP Board for their commitment, dedication and direction; the Executive team for their hard work in helping move CLEP to the next level and to all of our partners for the invaluable support that they have provided to CLEP.



“Cumbria has an excellent offer and significant opportunities”

– CEO Jo Lappin



From top: Outstanding natural capital with two World Heritage Sites, including the Lake District (Ashness Bridge above Derwentwater featured); world class advanced manufacturing (BAE Systems at Barrow) and exciting career and educational opportunities (graduation day at Furness College).

CUMBRIA'S ECONOMY

Economic Overview

Cumbria has a £12 billion economy with enormous diversity across our geographies and sectors, making it a genuinely polycentric economy.

Its **unique structure** has a combination of a very strong manufacturing sector (22% of economic output which is well over twice the national share) together with specialisations in both the agriculture and forestry industries and tourism sector which generates 47 million visits per annum.

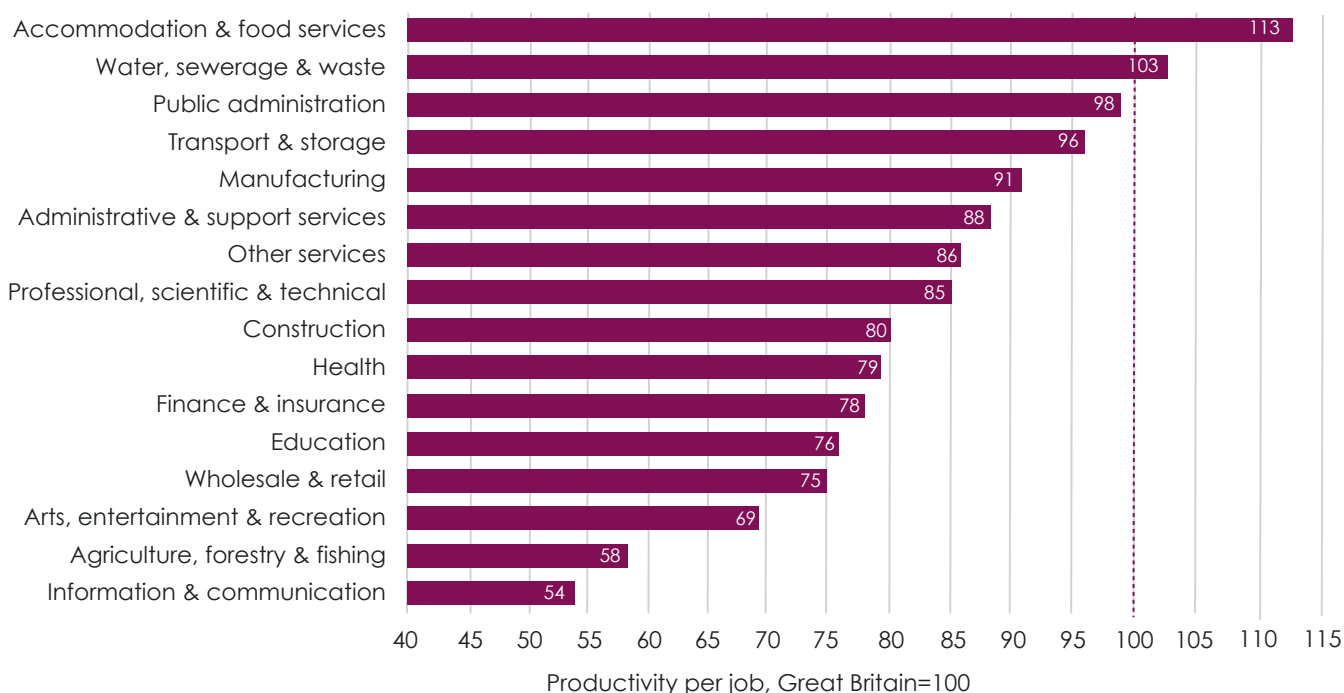
This mix of industries means that the economy does not tend to follow the same trajectory as that of the national economy. Cumbria weathered the last recession much better than most areas, but economic growth has been sluggish since 2015, largely as a result of our declining workforce.

Cumbria faces a significant **productivity challenge** with the latest data for 2017 showing that productivity levels are 13% below and 15% below the respective UK averages for output per hour worked or job filled. If Cumbrian productivity was at the UK average, the economy would be around £2 billion bigger -- this is the "productivity gap". Around £800 million, or just under two fifths of the productivity gap, is a result of Cumbria's particular mix of sectors. Although more of the economy is in the high productivity manufacturing sector, the service sector economy is generally in less productive sectors than for the UK as a whole. The remainder of the gap, or some £1.3 billion, is due to differences within sectors in Cumbria. That is why it is important that the CLEP Sector Panels explore ways of boosting productivity in their respective sectors.

Cumbria has a
£12 billion
economy

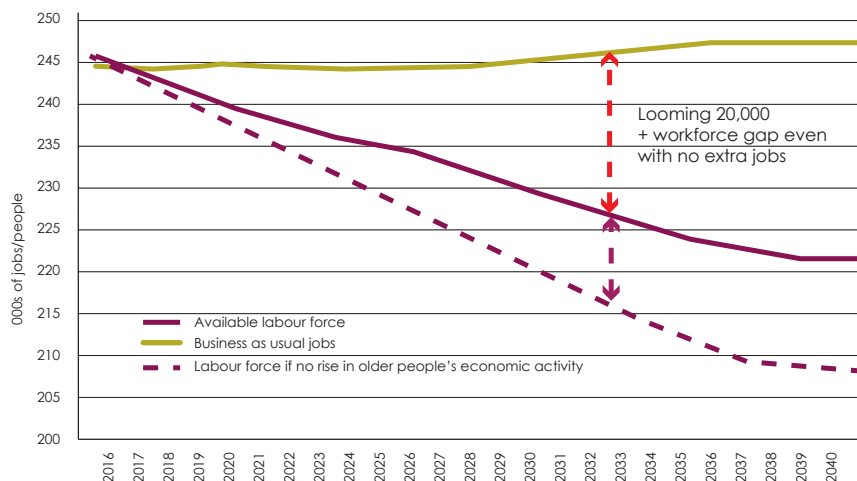


Cumbria weathered
the last recession much
better than most areas



Cumbria has a very **tight labour market**. Overall employment rates are high (79% of those aged 16 to 64 are in work in 2018, compared to 74% in the North West and 75% for Great Britain) and unemployment levels are low. This, coupled with the declining working age population, means that Cumbria faces a serious current and **growing labour supply deficit**.

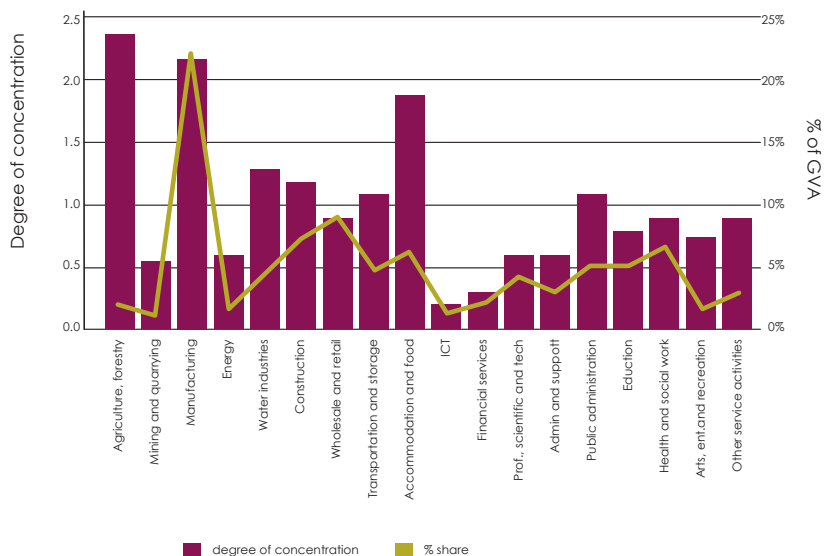
Based on official population projections over the next 15 years, even taking into account expected increases in the extent to which people over 60 are likely to continue to work, Cumbria's workforce will have declined by 16,000. This represents a 7% fall on the current level of around 245,000 workers. This looming workforce deficit is even more acute amongst those with higher level skills.



However, although Cumbria has some serious economic challenges, on other measures it scores well. Reflecting the high quality of life in much of Cumbria, recorded levels of "happiness", "life satisfaction" and the extent to which people describe their lives as "worthwhile" are consistently above national and regional averages.

Average household incomes are close to the national average, but average house prices are over 30% below the England average indicating that Cumbria is generally a highly affordable place in which to live.

In addition to the two key issues of productivity and overall size of the labour force, the recent evidence base work for the Local Industrial Strategy identified seven other "strategic imperatives" which need to be addressed (right).

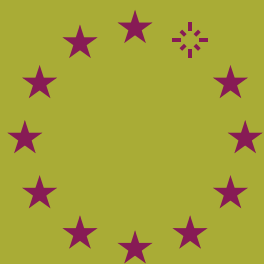


Strategic Imperatives

1. **Thin pool of higher level skills** – a small number of highly qualified residents spread across a large geographical area
2. An **innovation 'gap'** – world-leading innovation in many firms and sectors yet an innovation "deficit" across the wider economy and a patchy innovation ecosystem
3. Low rate of **business start-ups** and enterprise – a start-up rate less than two-thirds of the England average even though Cumbria performs well on other enterprise measures
4. Few **faster growing** firms – in both absolute and relative terms than most other parts of the UK
5. **Serious cold spots of worklessness and deprivation: higher than national levels of workless families and deprivation in a number of locations, predominantly Barrow, the West Coast, and some areas of Carlisle**
6. **Over-dependent** local economies. Several areas heavily dependent on one or two sectors and, in some instances, one major employer.
7. **Connectivity challenges** – better connectivity in a physical and digital sense needed to meet the needs of the dispersed population, labour force and economy and provide better access to markets.

Future prospects and key issues

There are several key issues which will affect the economic performance of Cumbria going forward:



Brexit:

The uncertainty over Brexit has affected Cumbria as other parts of the country. Work in December 2018 identified the vulnerability of parts of the economy to the potential effects of Brexit in the medium-term (especially the farming sector, tourism, food manufacturing and a range of other sectors). However, the consequences of a No Deal Brexit are the most current concern, with major uncertainties and potentially loss of markets and income highlighted particularly in the farming sector.



Population and labour force growth:

The overall population did not change between 2017 and 2018 and there was a 0.6% (1,900) fall in Cumbria's population of working age (16 to 64). However, there are positive signs as housebuilding rates have been picking up in Cumbria and now average nearly 1,800 new units per annum. Important plans are being progressed for some major new housing developments, especially St Cuthbert's Garden Village in Carlisle. Two significant builders active in Cumbria (Story Homes and Genesis Homes) have both announced plans to increase their levels of housebuilding. These developments will ensure that there is a good supply of quality, affordable housebuilding.



Major capital projects:

In November 2018, Toshiba announced it was to pull out of plans for a new nuclear power plant in Cumbria at Moorside and wind down its UK nuclear business NuGen. This decision means the prospect of major nuclear new build at Moorside has receded with associated supporting infrastructure. Local partners are therefore working with government to identify alternative options for the site, based on ensuring Cumbria's future involvement in nuclear new build.

Recent investment in innovation and ideas

Our world-leading businesses, large and small, continue to invest in growth and to improve their competitiveness. Notable developments in the past year include:

M-Sport, the global motorsport business, supported by funding from CLEP, is to develop a state-of-the-art Evaluation Centre near Cockermouth (see page 28).

Gilbert Gilkes & Gordon Ltd., based in Kendal, has invested in the purchase of new multi-tasking equipment that will enable the manufacture of hydro-electric turbines and cooling pumps to boost production (and bring back 40% of its machining work from an East European supplier).

Cavendish Nuclear, the radiological and non-radiological chemical laboratory, has opened two new labs in Whitehaven.

James Walker's presence in Cumbria has been confirmed following completion of major flood defence works, part funded by CLEP. This investment in the Cockermouth facility has helped ensure that this global engineering firm can continue to operate and expand its global technical and R&D centre.

Forth Engineering, the Flimby-based nuclear decommissioning engineering firm, has expanded its operation by opening up a centre in Barrow focused on work in the offshore sector.

The **West Cumbria Mining** metallurgical coal mining project, based near Whitehaven, received planning approval in March 2019 and is now proceeding to the next stage and expects to start work on the ground in 2020.



CLEP has helped fund flood prevention work at James Walker, Cockermouth



Investment in infrastructure, connectivity and places

There have been a number of important developments in the last 12 months that will improve connectivity in and to Cumbria and improve our places, so helping address many of the challenges identified in the LIS:

Carlisle Lake District Airport has invested £15 million, funded by the public and private sector, to improve the runway and terminal facilities (see page 19).

In February 2019, the success of the County Council's bid for £102 million of funding from the Housing Infrastructure Fund (HIF) was confirmed. This means the proposed southern relief road around Carlisle can be funded ensuring the ambitious plans for the 10,000 home **St Cuthbert's Garden Village** can be progressed.

Work has started on turning a former bus station in **Whitehaven** into **Buzz Station**, a hothouse for start-ups and cafe-bar, and the Watershed office. These projects are the first phases of the wider £300 million North Shore project which aims to help revitalise the town.

Work on the **Coastal Railway** has progressed to the development of a full business case for improvements and the government has confirmed that Borderlands Growth Deal funding will support major improvements to **Carlisle Station**.

The tourism sector in Cumbria has continued to see substantial public and private investment and the sector continues to grow in value. The new £20 million **Windermere Jetty** Museum of Boats, Steam and Stories opened in March 2019, part funded by the Northern Cultural Regeneration Fund (see page 33).

OUR VISION



The Local Industrial Strategy identifies a new vision for Cumbria which is grounded in our economic and natural assets, our commitment to inclusive growth and our desire to grow our workforce and talent pool. The vision looks to position Cumbria as

“The place to live, work, visit and invest sustainably - where exceptional industry and innovation meets a breathtakingly beautiful and productive landscape”

This vision is realistic and deliverable, particularly as people want to be located in beautiful, clean and affordable locations which at the same time offer serious and sustainable career options to those living in and outside of Cumbria. It also takes increasing productivity as a given, as this is one of the twin platforms on which the Local Industrial Strategy operates.

In order to achieve the vision, it is important that Cumbria is re-positioned nationally and internationally so that there is a recognition of the important role that Cumbria plays economically for the nation in particular in the areas of:

- **Clean Energy** – home to the world's largest off-shore windfarm; a consented site for new nuclear build and an area where new technologies such as wave power and new battery technologies fuelled by spent fuel sit alongside tidal power proposals and hydro power
- **Nuclear Decommissioning** – world-class expertise in decommissioning and storage
- **Visitor Economy** – hosting 47 million visits per annum
- **Defence** – host to the national nuclear submarine programme
- **Food Supply** – having the largest sheep flock in the country and the second largest dairy herd alongside being the provider of the majority of the North West of England's water.

Importantly, Cumbria's beautiful **natural capital** really does set us apart, with two World Heritage Sites and three Areas of Outstanding Natural Beauty creating the most extensive protected landscape in the country.

Cumbria...
the place to
grow





















































Orsted
windfarm



Lakeland

In order to deliver on our bold ambition, CLEP has identified the following priorities, which are structured around the **five foundations of productivity** – Ideas and Innovation; People; Business Environment; Infrastructure and Places – together with an overarching priority of promoting Cumbria, recognising the importance of attracting people, to live, work and invest here.

| Promoting Cumbria | Innovation and Idea | People and Skills | Business environment | Infrastructure | Places |
|--|--|---|--|---|--|
| PC1: Develop Brand Cumbria to effectively markets Cumbria's enviable offer  | Id1: Anchor more R&D activity  | Sk1: Make best use of available talent   | BE1: Develop and nurture a stronger enterprise culture in Cumbria  | Inf1: Improve our digital connectivity   | PI1: Address cold spots of worklessness and social deprivation in Cumbria   |
| PC2: Develop soft landing packages for those re-locating to Cumbria  | Id2: Operate as the national testbed for new ideas  | Sk2: Develop and retain higher level skills in our economy   | BE2: Increase the rate of fast growing businesses in Cumbria  | Inf2: Invest in road, rail and sustainable travel to facilitate growth, productivity and inclusion   | PI2: Support local place shaping programmes    |
| PC3: Promote Cumbria as the place where outdoor lifestyle meets technology businesses   | Id3: Commercialise our excellent innovation and ideas   | Sk3: Create the future workforce and skills to meet the needs of our economy  | BE3: Develop strong and productive sectors and networks   | Inf3: Develop products and interventions to increase housing delivery  | PI3: Encourage housing which is the right product at the right price in the right place  |
| PC4: Promote Cumbria as a great location for inward investment   | Id4: Develop the Innovative Cumbria programme  | Sk4: Develop our future leaders and managers   | BE4: Enhance and exploit supply chain opportunities  | Inf4: Support development of new sites and premises in areas of demand   | PI4: Encourage and support bespoke local area economic diversification strategies   |
| | Id5: Identify opportunities for innovation in "clean growth"  | Sk5: Address worklessness and youth unemployment   | BE5: Increase trade and new investment  | Inf5: Ensure the key infrastructure to support the development of a resilient and green economy   | PI5: Work with public sector partners to deliver high quality public services  |
| <p>Note: actions contribute to several strategic objectives, so symbol denotes contribution to the relevant strategic objectives:</p> <ul style="list-style-type: none">  Growing and using our talent pool  Capitalising on our productivity, innovation and enterprise potential  Ensuring all our residents contribute by sharing prosperity and opportunity  Exploiting under-developed economic opportunities  Improving connectivity | | | | | |

PEOPLE

CLEP is committed to ensuring that Cumbria has a vibrant skills system that offers excellent learning environments and opportunities for all our people and is able to respond to the current and future needs of our economy.

The emerging Local Industrial Strategy sets out the challenges facing Cumbria in some detail, including:

- The declining workforce;
- The small size of our pool of higher level skills;
- Developing the future workforce;
- A system to support productivity, creativity and inclusive growth.

Cumbria's ageing workforce is driving an increasing need for replacement demand, which presents a challenge in terms of people and skill supply.

This, combined with the need to increase higher level skills, requires innovative responses to retain and strengthen the skills base across the county.

Our ambition is that our businesses will be able to recruit and develop the skilled workforces they need and our residents will be supported to access good quality employment opportunities and to progress in work.

This is particularly important given official Government population projections for Cumbria demonstrate that the fall in numbers of people of working age in Cumbria is of a larger absolute and relative decline than any other LEP area in England. A workforce deficit of over 16,000 people is forecast to emerge over the next 10 to 15 years. This would be of an intensity and scale unique in England. It is further possible that the skills and workforce gaps could be compounded by the effects of Brexit in certain sectors.

CLEP has therefore introduced a number of initiatives to help provide the county, its businesses, its education and skills system and its people with the support to meet the challenges and opportunities ahead. These include the establishment of a People, Employment and Skills Strategy Group, which has agreed a draft work programme to deliver on the priorities set out in the People, Employment and Skills aspect of the Local Industrial Strategy.

These priorities include:

- Make best use of available talent;
- Develop and retain higher level skills in our economy;
- Create the future workforce and skills to meet the needs of our economy;
- Develop our future leaders and managers;
- Address worklessness and youth unemployment.



CASE STUDY

1, Careers Leader (Catherine Vance, Millom School)

Catherine Vance has been the Careers Leader and Assistant Head of Millom School since September 2016, moving home to Cumbria from Blackpool to take the next step in her career.

Millom School currently has just under 500 students enrolled and provides around 50 students with post 16 education. The school has strong values of fulfilling potential, realising ambitions, and enjoying learning. Embracing its rural location there are many opportunities for the students to learn from the beautiful environment on their doorstep.

Catherine has embraced the support of the Careers Hub and the Enterprise Adviser Network to influence change within the school's careers strategy and has a clear understanding of what she would like to achieve over the next academic year.

Supported by their Enterprise Adviser Emily McDonnell (Sellafield Ltd), Millom School has made good progress towards achieving the Gatsby Benchmarks, a set of eight benchmarks that define an ambitious framework for career guidance that works for schools, employers, young people and their families.

Forging good relationships with a number of organisations to help deliver their ambitions has been instrumental to success.

Catherine is part of the Furness Cluster Group of Careers Leaders and has regular meetings with Careers Leaders from the schools and college in Furness. This provides the opportunity for all of the schools to share good practice and discuss opportunities for development.

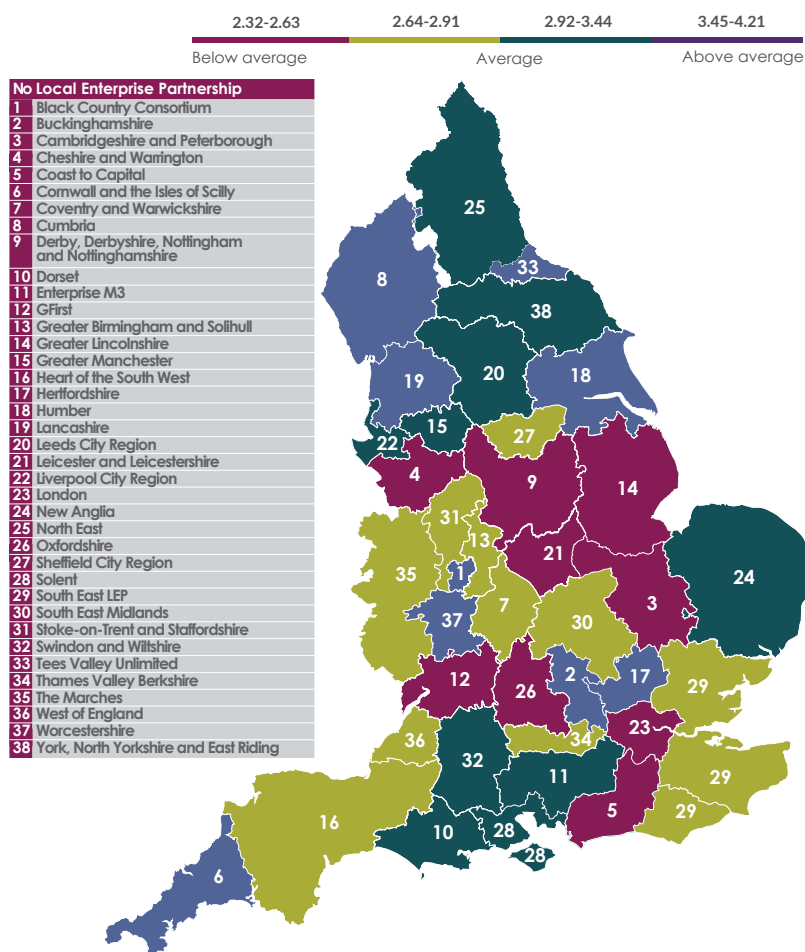
Catherine is innovative in her approach to designing resources and tools to communicate information to parents, students and businesses.

Recently each department has designed a learning journey for their subject, highlighting opportunities to explore careers. These resources are in the developmental stage with information being added before being launched.

Catherine said: "It has been fantastic to be part of the Cumbria Careers Hub pilot and to explore the opportunities that are provided to schools from being part of this network.

"There are so many great companies and employers out there who are willing to give up their time to support our students in making choices about their futures, especially at key transition stages, which is so beneficial to our school and community".

The map is a visual representation of the performance across the 38 Local Enterprise Partnership areas. This was calculated using quartiles; the median value was 2.92, the lower quartile was 2.64 and the upper quartile was 3.44.



Careers provision within schools and colleges in the CLEP area is rated amongst the best in England.

The launch of the Cumbria Careers Hub in January 2019 -- managed, supported and part-funded by CLEP along with the Careers and Enterprise Company (CEC) -- has helped drive strong progress against every Gatsby benchmark, which describe high quality careers guidance.

CEC recently released its State of the Nation Report for 2019, describing careers provision in England's schools and colleges at the end of the academic year 2018/19 -- and Cumbria is one of nine top quartile performers amongst the 38 LEP areas in England.

The commitment to high quality careers education from the schools and colleges across the Hub can be seen in the progress made against each Benchmark since its inception. Significant progress has been made particularly in areas relating to learning from career and labour market information, linking curriculum learning to careers, encounters with employers and employees and experience of the workplace.

Schools and colleges within the Cumbria Hub have identified Careers Leaders, senior leaders within their organisation responsible for their careers education programme and for meeting the Benchmarks by 2020. The county's success demonstrates the commitment of employers in Cumbria to support high quality careers education as well as the effectiveness of partnerships within the Hub between employers, schools and Colleges and the commitment of Careers Leaders within schools.

CASE STUDY

2, Enterprise Adviser (Andrew Gordon, Head of Relationships, Cumberland Building Society)

Andrew Gordon signed up to be an Enterprise Adviser with Richard Rose Morton Academy in November 2018.

The Cumberland already has strong links with local schools and the community and supports many schemes and initiatives to bring opportunities to local people.

The Enterprise Adviser Network enables Andrew to share his skills, knowledge and experience to help the academy deliver its ambition of world-class careers education.

Andrew is passionate about people and businesses in Cumbria; the Enterprise Adviser Network gives him the chance to invest in young people and play a part in helping them fulfil their true potential.

Working closely with Rachel Robinson, the Careers Leader at Richard Rose Morton Academy, Andrew has acted as a critical friend to review the careers programme. He supports the academy with his business knowledge, links and acumen to strengthen the existing provision.

Research has shown that four or more meaningful encounters with employers leads to lower unemployment and a higher earning potential. Andrew is supporting the academy to achieve this by delivering presentations in assemblies, classroom workshops and facilitating introductions to other members of the local business community.

They have agreed a clear plan of what they would like to achieve over the next academic year to give the pupils all of the information they need to select and be successful in their chosen careers.

Andrew said: "I thoroughly enjoy working with Rachel and the pupils. The academy is doing tremendous work to positively influence the lives of young people, and it's great to have the opportunity to add value.

"There are so many ways that local businesses can support schools. They can help pupils identify and capitalise on their strengths, acknowledge and develop their weaknesses, build knowledge, confidence and life skills and prepare them for employment and a successful career".

CASE STUDY

3, The Edge Project

The Edge is a European Social Fund Project, co-financed by the Education and Skills Funding Agency, as part of the Employees Support in Skills Project commissioned by CLEP.

It is led by accountable body Carlisle College and delivered by a partnership of experienced providers of training and business support. The Edge offers funded training solutions up to Level 4 and support to recruit apprentices to help Cumbria in its aim to have one of the fastest growing economies in the country.

CLEP will channel almost £14 million of ESF resource into The Edge programme over a five-year period, through to July 2021, to help deliver:

- Funded training opportunities for employees to develop the skills that will enable them to progress in employment;
- Support for businesses undergoing industrial restructure with funded training and employability support for staff at risk of redundancy.

Eligible businesses must have a base in Cumbria and employ fewer than 250 employees.

A recent example of support offered through The Edge programme is Chris Wilson from Hall Bank Gate, Brampton. Chris has his own business as a stocksman and estate worker.

The need for additional land based skills became evident as he's recently moved to the area and new business opportunities arose.

Chris enrolled on a number of courses at Newton Rigg College, near Penrith, funded through The Edge project that included Dry Stone Walling, Sit Astride and Sit In ATV Handling and Transport of Livestock (short journeys). Successful completion has allowed him to expand his business contacts and contracts.





CASE STUDY

4, Barrow Advanced Manufacturing Centre

Labour market intelligence data demonstrates that the advanced manufacturing sector accounts for a significant proportion of jobs in Cumbria, with this expected to grow significantly in line with future developments.

It was identified that an increased number of apprentices and staff with higher level skills would be required to deliver the work programmes planned for the area, both in the local labour market and in the provision of specialist resource for supply chain companies.

Furness College had already invested heavily in engineering, and developed this project as an operational response to the rapidly developing needs of major employers in the area.

Local Growth Fund support of £1.13 million helped deliver a new Advanced Manufacturing and Technology Centre building on the main Furness College campus, consisting of advanced manufacturing and engineering workshops and a prototyping and development laboratory.

The focus on engineering skills development aligned with wider area investment plans and is designed to help larger employers and SMEs attract, re-train and retain staff as well as expanding the college's already successful apprenticeship programme.

The total investment of £3.38 million provided over 1,500 m² of new floor space, increasing capacity to allow for an additional 1,153 engineering apprentices and 450 higher education places over the 10 years following the project.

CASE STUDY

5, North West Nuclear Community Apprenticeship Programme

The North West Nuclear Community Apprenticeship Programme, developed by Sellafield Ltd, was launched shortly before Christmas to offer up to 50 new apprenticeships per year for small companies in Cumbria.

It is managed independently by the Cumbria Apprentice Training Agency, and is aimed at boosting employment opportunities for local people and help drive economic growth in the region.

It's intended to do so by creating new opportunities for individuals of all ages, across a range of backgrounds, levels, and professions.

The programme will benefit communities, individuals, supply chain companies and the wider nuclear sector and beyond through delivering a strategic programme of activities fully aligned to the Nuclear Sector Deal and the priorities of the Nuclear Skills Strategy Group.

CLEP's involvement in the programme is to help ensure that it meets employer needs. As such, it will form part of CLEP's curriculum for inclusive growth to be contained within the Local Industrial Strategy.

INFRASTRUCTURE

CLEP has contributed to the delivery of several projects over the past year, which are designed to further improve the county's infrastructure.

There are many positive aspects of our existing infrastructure that provide actual or potential benefits in attracting investment.

These include:

- **M6 motorway** – this important road link passes through the middle of the county and is a factor in the clustering of our logistics sector along this corridor;
- **West Coast Mainline** – rail access through stations at Carlisle (also with connections east and west), Penrith, and Oxenholme/Kendal;
- **A66 road upgrade** – from Penrith to Scotch Corner that will, if implemented, further improve the accessibility of the east of the county.

The current West Coast Mainline provides good direct rail services north to Scotland and south to Lancaster, Preston, Greater Manchester, Manchester Airport, Birmingham and London. Indeed, the southern part of the county is within commuting distance direct to and from the centre of Manchester – the largest employment location in the Northern Powerhouse.

Cumbria benefits from several working ports in Barrow, Silloth and Workington and CLEP has been working with the ports to identify opportunities to further develop infrastructure facilities and to explore growth opportunities.

The opening of Carlisle Lake District Airport for passenger services to London Southend, Belfast and Dublin this summer has helped improve connectivity for businesses, residents and potential visitors to Cumbria. CLEP supported the development with a £4.95 million funding package from the Government's Growth Deal Fund

that helped upgrade the airport's infrastructure.

Cumbria has excellent green energy resources and opportunities for new energy sources. Cumbria is home to the world's largest offshore windfarm, major biomass plants and a small but growing hydro sector along with potential tidal power possibilities in both the Solway and Morecambe Bay.

Importantly, Cumbria's nuclear heritage means that the area is ideally placed for new nuclear; be it large, small or advanced modular reactors.

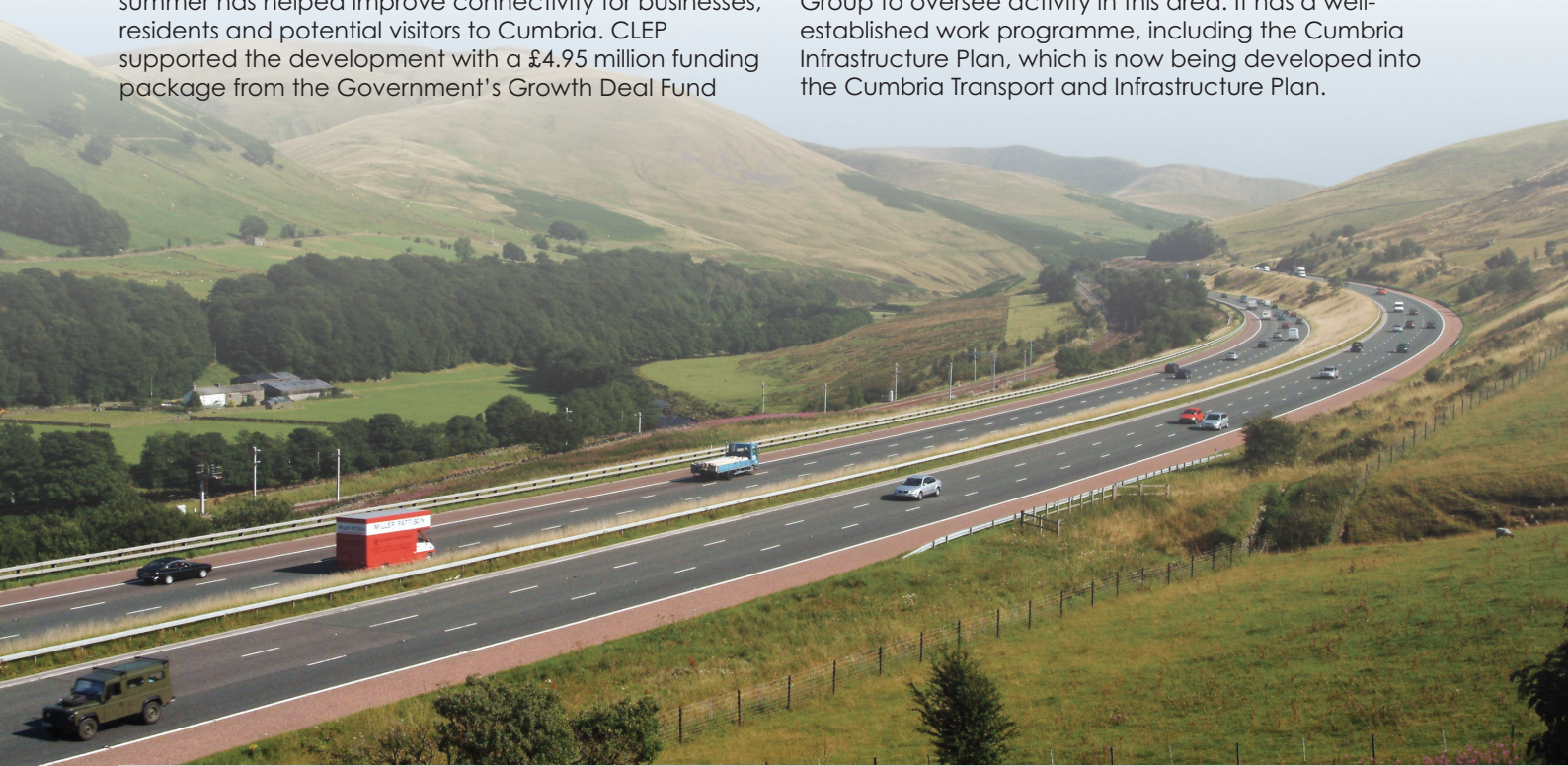
The county also boasts important assets in relation to the oil and gas field in the Irish Sea and Barrow acts as a base for serving the sector.

Cumbria's unique geography means that access to digital connectivity is critical for accessing services and for business. The coverage of broadband has improved considerably over the past five years, helped by the Connecting Cumbria project that has accelerated the roll-out of superfast broadband to most villages in Cumbria.

However, there still remains seven per cent of premises without access to superfast broadband and coverage in Eden and across the Lake District National Park area is poorer than other areas.

Housing delivery is crucial as a catalyst to attracting more people to live in the county. Cumbria is one of the few areas in England where all our local housing targets are well in excess of the Government's new standard methodology for estimating housing need. This reflects the awareness amongst all local authorities of the need to attract people to live and work in Cumbria, given the implications for workforce decline.

CLEP established a Transport and Infrastructure Strategy Group to oversee activity in this area. It has a well-established work programme, including the Cumbria Infrastructure Plan, which is now being developed into the Cumbria Transport and Infrastructure Plan.



Initially, the group has focused on previously identified challenges and is now starting to consider priorities identified within the Local Industrial Strategy, which include improvements to:

- Digital connectivity;
- Road, rail and sustainable travel to facilitate growth, productivity and inclusion;
- Walking and cycling routes, local highways and public transport;
- Key infrastructure to support the development of a resilient and green economy;
- Support development of new sites and premises on areas of economic demand.

CASE STUDY

1, Carlisle Lake District Airport

Cumbria is home to a number of internationally significant employers, as well as the Lake District National Park – an international tourism destination recently awarded Unesco World Heritage Status.

Until this summer, no direct commercial passenger airline services to Cumbria were available, and the limited national and international connectivity served as a barrier to growth. Local Growth Fund support of £4.95 million helped unlock commercial flights, improving connectivity into and from the county, to deliver associated economic benefits.

The project delivered significant airport infrastructure improvements, including a major rehabilitation of the airport's runway, the creation of a passenger terminal facility, and provision of car parking services. These developments enabled the first commercial flights to and from the region in more than 25 years.

The airport currently services Dublin, which offers excellent connectivity to and from the US, London Southend Airport and Belfast City Airport. These links provide Cumbrian businesses, residents and visitors with access to a wide range of other areas, delivering new jobs and skills for the region.

The investment created 69,725m² of employment space, safeguarded 21 jobs, and is forecast to achieve the creation of 29 additional job opportunities. £10,156,511 of direct private sector funding was levered through the project, with expectations to lead to a further £32 million of GVA forecast for the Cumbrian economy.



CASE STUDY

2, Maryport and Workington Station Hubs

West Cumbria is the focus for potentially significant future development, which will generate demand for the movement of people and goods along the 'Energy Coast'. It was identified that congestion on main road routes in West Cumbria represented a barrier to this potential growth.

This £4.8 million Local Growth Fund scheme delivered improvements to the accessibility of the Cumbria Coastal Rail Line at Maryport and Workington stations, aimed at relieving that congestion.

Improved infrastructure was delivered, comprising a total of 221 car parking spaces across the two sites, new access arrangements, enlarged pick up and drop off facilities, designated blue badge parking, new and improved pedestrian and cycle links, covered cycle parking, enhanced public realm and a new multi-use games area.

The overall improvements were designed to increase the use of sustainable travel in the area and unlock employment sites along the coast to key employers. In addition to the infrastructure benefits identified, increased use of sustainable travel through the railway itself, as well as the ease of access by sustainable modes, will contribute to the low carbon agenda.

The Community Rail Partnership (CRP) noted that at Maryport, the Hub enabled the CRP to refurbish the platform and station grounds, as well as a community project to give the station a Roman themed identity. Both Hubs are considered to have transformed the visual 'Gateway' to the towns they serve.

3, Cumbrian Coast Line

A tangible step was taken towards upgrading the Cumbrian coastal railway line, when the Department for Transport approved funding for further development of the business case for the upgrade.

For almost two years, a group of businesses and organisations – the Cumbrian Coast Line Programme Board – has worked with the Department for Transport, Transport for the North and Network Rail to make the case for improvements. The Cumbrian Coast Line Programme Board is led by CLEP, alongside West Cumbria Mining, Sellafield Ltd, the Low-Level Waste Repository, Network Rail, Direct Rail Services, Northern Rail, Department for Transport, Transport for the North and Cumbria County Council.

The submission to DfT provided the case for further development of the 'Energy Coast Rail Upgrade', based on evidence that the line will soon be unable to cope with increasing demands from business, local people and tourists.

Demand on the line will significantly increase over the next 10 years, with Cumbria due to attract over £60 billion of investment, a large part of which will be in major projects near the coast, such as West Cumbria Mining's proposed new mine near Whitehaven, decommissioning and waste management at Sellafield and the Low-Level Waste Repository at Drigg. The line will also be required to help deliver potential nuclear new build in Cumbria in the future, should this proceed.

The business case demonstrates that these developments will mean the movement of up to

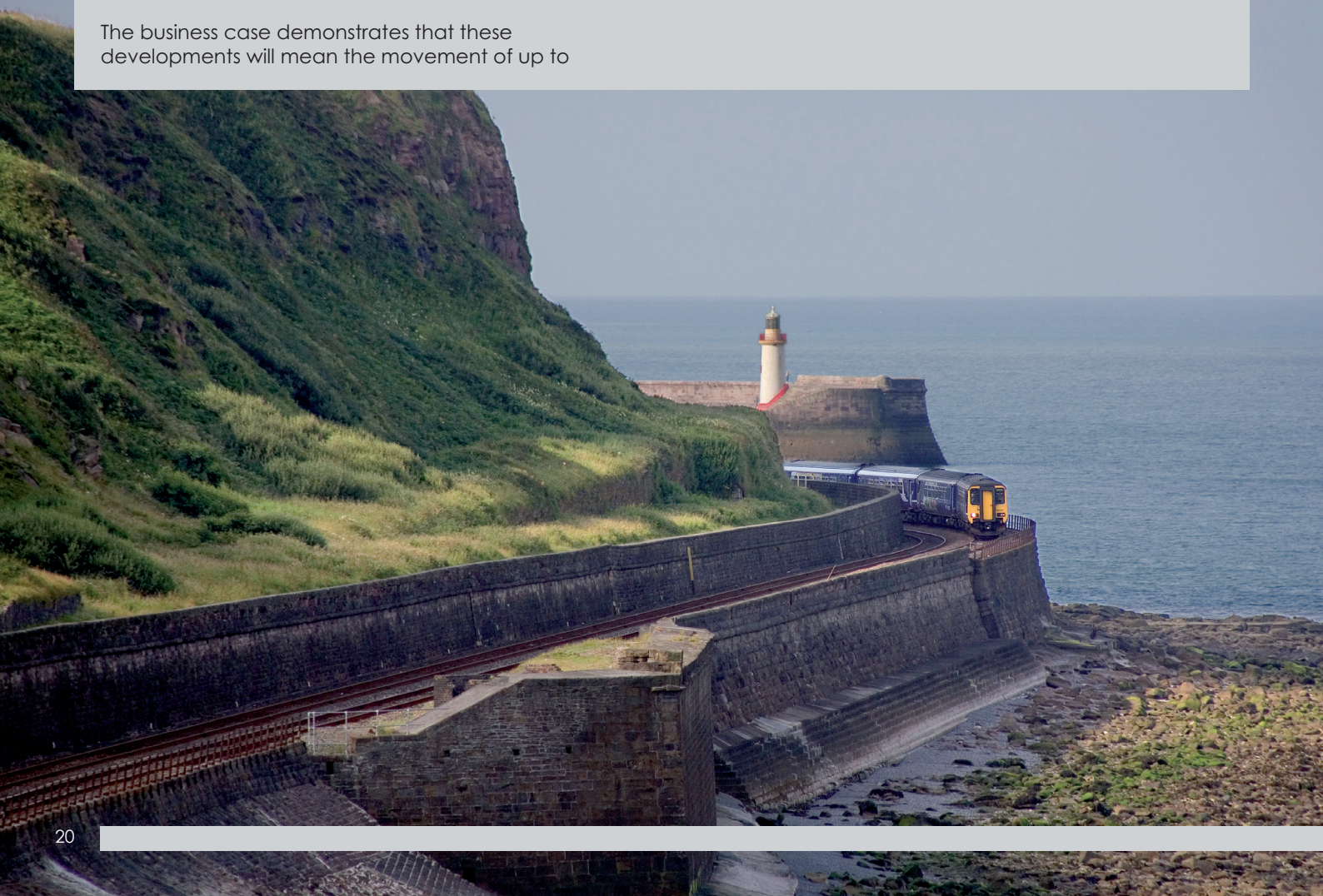
172 million tonnes of freight in the coming years and that this cannot be accommodated on the current rail line or on local roads without significant improvements.

CLEP invested £835,000 of its Local Growth Deal funding towards progressing the project to confirm the upgrades needed. The Government agreed to provide funding of approximately £7.5 million to support this effort.

The result will be an Outline Business Case produced by Network Rail and submitted to Department for Transport to make the case for funding to deliver the required upgrades.

According to the Cumbrian Coast Line Programme Board, improvements to the line would directly support the creation of 18,450 jobs in West Cumbria and 5,600 jobs across the rest of the UK; over £10 billion of exports from West Cumbria Mining; the 120-year programme of nuclear decommissioning and waste management at Sellafield; development of a high value nuclear cluster; long term waste management at the Low Level Waste Repository at Drigg; potential nuclear new build and an energy transmission network to carry power to the national grid.

The upgrade would also have major transport and environmental benefits as up to 172 million tonnes of freight would not need to be transported by road. It could also lead to better and more frequent services for local passengers, improve accessibility to the railway and make it easier for tourists to visit the West Cumbrian coast.



CASE STUDY

4, Connecting Cumbria Project

Connecting Cumbria, the project to support the roll out of superfast broadband in the county, is being delivered by Cumbria County Council and part-funded by a £3.6 million Local Growth Fund allocation from CLEP.

The project – total cost £6.46 million with the remainder coming from Government via Building Digital UK – plays a key role in ensuring that Cumbria is able to offer a high-level of digital connectivity for both residents and businesses alike.

In ensuring that our rural communities are connected, it will support economic growth objectives through increasing productivity and efficiency in businesses, attracting more inward investment and supporting the growth in home and remote working for people who want to enjoy the many benefits of living and working in Cumbria.

Connecting Cumbria has made a great deal of progress since it started in 2013, with the majority of properties in Cumbria now able to access superfast

broadband. It has exceeded its output target, ensuring that CLEP has already achieved its Growth Deal target of 5,000 premises with access to superfast broadband.

The project is currently forecasting that 9,100 premises will have access to superfast broadband upon its completion. The final element of Growth Fund allocation -- £1,578,196 -- is forecast to be spent in 2019/20.



CASE STUDY

5, Barrow Waterfront

A Local Growth Fund allocation of £7.2 million has funded site reclamation and improvement work to transform derelict land into a business park for employment and advanced manufacturing growth.

The first development is underway, supported by a grant from the European Regional Development Fund,

a good example of utilising Growth Deal support to attract investment from another key funding source.

Works include site clearance and levelling, decontamination, removal of industrial debris, provision of utilities, landscaping and raised earthworks for flood protection measures. During 2019/20, CLEP forecasts that there will be around 12,600 m2 of further development.



BUSINESS ENVIRONMENT



Cumbria, alongside other areas with large rural and visitor economies, has some real strengths in relation to enterprise and the business environment.

It has, for example, a relatively high-level of business stock per head of population and high rates of self-employment, so that in many parts of Cumbria people running their own businesses is commonplace.

Importantly, there is a relatively high survival rate for those businesses that do start up.

However, the county faces a number of issues, one of which is the low rate of new business start-ups in most areas, with a variety of reasons accounting for this.

In our more rural areas, land-based businesses form a large share of the stock and tend to have low rates of turnover and change. In the more industrial areas, having one or two large employers (such as BAE Systems in Barrow and Sellafield Ltd in West Cumbria) tends to correlate with low rates of enterprise in that area.



Starting new businesses can also be constrained by the limited size of the immediate local market.

Cumbria also has low absolute and relative numbers of faster growing businesses on almost any measure, with likely explanations including:

- The small local markets and distance from main urban areas providing fewer immediate opportunities for growth;
- The sectoral composition of the economy (with relatively few businesses in IT and private sector business based services) and;
- Cultural factors including the relatively large number of 'lifestyle' businesses in Cumbria, small businesses run by owners who have no desire to grow too quickly and are content with a reasonable level of remuneration and an appropriate work-life balance.

There are some real potential business opportunities in Cumbria, such as extending access for local SMEs to the major supply chains linked to:

- The nuclear energy sector;
- Other energy sectors – such as the offshore wind and the oil and gas sectors;
- The £40 billion nuclear new-build submarine deterrence programme focused in Barrow;
- The land-based and visitor economy sectors.

Meanwhile, the Cumbria Growth Hub, delivered by the Cumbria Chamber of Commerce and supported by European Regional Development Fund (ERDF) and other funding streams from partners across Cumbria, provides a range of business support, including access to advice and signposting support linked to:

- Starting a new business;
- Exporting;
- Growth and productivity improvement;
- Accessing supply chain opportunities;
- Access to finance.

To address these issues, and others identified within the emerging Cumbria Local Industrial Strategy, CLEP established a Business Strategy Group, comprising representatives of the private and public sectors, to develop a targeted work programme.

Its priorities have been identified as:

- Creating an enterprising culture;
- Increasing business start-ups;
- Increasing the number of fast-growing firms;
- Developing an Internationalisation Strategy.

The development of an Internationalisation Strategy, aimed at attracting inward investment and encouraging exports activity, is being taken forward by Mickledore Ltd., with the strategy due to be delivered by the end of September.



CASE STUDY

1, James Walker

James Walker & Co Ltd's site in Cockermouth was flooded in 2009 and again in 2015, both times resulting in a significant impact upon production at the site.

Cockermouth is the largest manufacturing site and the global technical and R&D centre within the James Walker Group and, without flood defences, the Group was considering 'de-risking' and moving the entire plant to alternative locations, or directing all new investments to other sites and closing the Cockermouth site.

This project delivered a recovery plan that safeguarded the future of the business on the current site, and secured additional growth in terms of jobs and investment.

Local Growth Fund support totalling £2.6 million helped install flood defences around the site. The defences consist of a two metre high wall around the production buildings, constructed with sheet piling to prevent ground flow, and associated ancillary equipment such as pumps and automatic floodgates.

This also included excavating an area of land within the site boundary to act as an attenuation pool for any displaced water, so as not to impact any neighbouring business or properties.

These measures have significantly reduced the business continuity risk of a future flood event, safeguarding the 406 jobs currently employed at the site, and led to increased investment resulting in the creation of 30 new jobs and an additional £9.8 million of capital expenditure investment in the site by James Walker over the next 5 years.



CASE STUDY

2, Clark Door

Clark Door Ltd., a market leader in Special Purpose Door Systems, is benefitting from a £569,000 Local Growth Fund investment from CLEP to help it expand and create up to 20 new jobs.

The company designs, manufactures, installs and services a range of specialist doors for customers in the UK and over 40 countries overseas from its base at Carlisle's Kingmoor Park Enterprise Zone.

Earlier this year, it launched a £3 million scheme to expand its manufacturing and development facilities and to invest in productivity improvement to provide a springboard for future growth.

The new building will be more than four times the height of the existing factory and provide a flexible development and testing facility to meet the needs of customers at home and abroad.

The project will create up to 20 new jobs by the end of November 2020 and deliver an estimated annual boost of around £1 million to the Cumbrian economy.

Clark Door employs around 75 people in Carlisle and has already exported to over 40 countries. The company is confident that the new development will help it enhance its international reputation even

CASE STUDY

3, Durranhill Industrial Estate

The project sought to reinvigorate Durranhill Industrial Estate, a 1950s industrial estate that accommodates a mix of businesses. The site is designated as a Cumbria sub-regional employment site and forms part of the M6 corridor, but required infrastructure improvements in order to realise its potential. The format and layout of the estate was outmoded, with some of the built stock at the end of its existing life cycle.

The estate's road infrastructure was unsuitable and unattractive to modern day industrial estate users, meaning sites within the estate remained undeveloped and vacant.

A £2 million Local Growth Fund package was sought to reverse this decline and reinvigorate the estate, realising the potential of a key strategic site in Carlisle and providing new employment opportunities for adjacent residential areas.

An additional access point was created, along with an upgrade of the existing entrance road. Improving the access was designed not only to improve the attractiveness and suitability of the site to potential occupiers, but also lead to re-development of vacant sites. Almost 1km of new road was built, and 200 jobs are forecasted, which are related to the investment.



IDEAS AND INNOVATION

Cumbria can demonstrate examples of real excellence in the field of ideas and innovation.

This applies particularly to our manufacturing sector with key innovation assets in the nuclear and energy sectors. For example, West Cumbria boasts a nationally important concentration of civil nuclear innovation assets with a large cluster of skilled workers, accounting for about 25 per cent of the UK's nuclear workforce. World leading research and innovation in nuclear decommissioning and environmental clean-up, reprocessing, waste management and the use of new technologies in hazardous environments (for example, the use of remote operated vehicles in nuclear decommissioning) takes place in the area.

Several firms have also developed nuclear based innovations that have been sold throughout the world. Sellafield Ltd., operators of the Sellafield site on behalf of the Nuclear Decommissioning Authority, has engaged with SMEs who have helped devise solutions to improve the efficiency and cost effectiveness of decommissioning work.

Waste management in its widest sense – not solely restricted to nuclear – is an area that CLEP believes offers Cumbria a competitive advantage in the field of innovation.

BAE Systems in Barrow, builders of Britain's nuclear submarine fleet, are leading on the development of virtual ship technology for the design of new submarines and ships.

A range of manufacturing firms outside the nuclear sector are involved in the development and continued innovation of new products to ensure that they remain globally competitive – from specialist door systems at Clark Door in Carlisle, to LED technology at Oxley Group, Ulverston, to advanced paper products with James Cropper in Kendal.

CLEP has supported several companies as they have advanced their own innovation agendas. Growth Deal Funding was provided by CLEP to companies such as M-Sport, near Cockermouth, SIS in Maryport and Clark Door to allow them to increase the scale of their operations.

Cumbria's Higher Education increase offer is growing with research activities at the University of Cumbria focused on a range of areas including learning and education, sustainability and sustainable leadership. The Privy Council awarded the University research degree awarding powers on the basis of the strength and depth of research expertise and practice. The University works closely with Lancaster University on a number of innovation programmes.

The University of Central Lancashire (UCLAN) has established a School of Remote and Rural Medicine in West Cumbria, which is piloting the application of digital technologies in health.

Cumbria is also an area of demonstration projects for new approaches to environmental and land management. It also boasts innovative communities and community groups, some of which are developing solutions for often remote rural areas.

In our Local industrial Strategy, we identify priority action areas to further develop the promotion of ideas and innovation within the county:

- Anchor more Research and Development activity;
- Be the testbed for new ideas;
- Better commercialise our ideas;
- Innovative Cumbria programme;
- Identify opportunities for innovation in 'clean growth'.

CLEP has established an Ideas and Innovation Strategy Group to take forward this agenda, and it has initially identified three key areas for particular focus – waste management, health and social care and rural/farming.

West Cumbria has a large cluster of skilled workers, accounting for about

25% of the UK's nuclear workforce



CLEP has supported several companies as they have advanced their own **innovation agendas**

Five priority action areas

- 1. Anchor more Research and Development activity;**
- 2. Be the testbed for new ideas;**
- 3. Better commercialise our ideas;**
- 4. Innovative Cumbria programme;**
- 5. Identify opportunities for innovation in 'clean growth'.**



Above: The Sellafield nuclear site. West Cumbria boasts a nationally important concentration of civil nuclear innovation assets with a large cluster of skilled workers, accounting for about 25 per cent of the UK's nuclear workforce.

Left: Cumbria's Higher Education offer is growing with research activities at the University of Cumbria focused on a range of areas.

CASE STUDY

1, M-Sport

Internationally-recognised motorsport business M-Sport, which provides the engineering expertise behind the award-winning range of Ford rally cars as well as the Bentley Continental GT3, received a £1.3 million investment from CLEP through the Local Growth Fund.

The contribution supported the development of a state-of-the-art 10,723m² Evaluation Centre at its Dovenby Hall Estate base, near Cockermouth.

The project is delivered within the context of earlier investment by M-Sport in the 2.5km testing track facility with support from the UK Government's Regional Growth Fund (RGF). The overall investment impact in terms of GVA to Cumbria has been estimated at £24.4 million by December 2025.

The facilities created by the project will address the current capacity issues identified by M-Sport, which have limited its ability to capitalise on market opportunities and achieve associated growth.

The new technical facility will enable M-Sport to move into the wider automotive sector, including small vehicle batch partnership projects

with manufacturers, as well as research and development in areas such as electric and battery car technologies and composite parts production, providing the company with the ability to test and build cars of the future.

It will also provide Cumbria with an R&D facility that is the first of its kind in the UK, enabling a range of automotive companies from the UK and abroad to take advantage of the facilities, taking ideas from the design stage through to testing and eventually underpinning the production phase.



CASE STUDY

2, Support In Sport (SIS)

Support In Sport Ltd (SIS), a Maryport-based advanced manufacturing company specialising in the production and sale of a range of natural, synthetic and hybrid sports playing surfaces, benefitted from £274,305 Local Growth Fund support provided by CLEP.

With globally recognised sports team clients across a range of sports, including Barcelona FC, Real Madrid FC and Premier League clubs in the UK, the company needed to grow both its premises and its workforce to meet increasing UK and international demand for its innovative products.

This project allowed SIS to invest in and expand its manufacturing and warehousing facilities at its factory

in Maryport to accommodate the installation and incorporation of a new 'tufting' machine. 4,416m² of premises was developed, of which 130m² is net additional relative to the former site.

The project safeguards the 42 FTE gross jobs on the site and future investment by the company over five years is expected to create 15 gross direct FTE jobs.

An estimated £1.8 million in gross GVA per annum will be secured for the Cumbrian economy; it is anticipated that £4.2 million of GVA will have been safeguarded by March 2022, with an additional £0.5 million generated by the same date. The project also delivers nearly £1.5 million of private sector leverage.

CASE STUDY

3, Made Smarter

The £20 million North West Made Smarter Programme, a business-led, government-funded programme supported by CLEP, supports business growth by utilising new Industry 4.0 digital technology such as data analytics, Artificial Intelligence (AI), Augmented Reality (AR), Industrial Internet of Things (IIoT), 3D-printing and robotics.

These investments are expected to bring extensive

benefits including improved revenues and increased export sales whilst developing the skills of the workforces, integrating supply chains, reducing environmental impact and creating new jobs.

Three Cumbrian businesses -- Bells of Lazonby, Eggbase based in Sedbergh and Bell Mount Farming of Penrith -- are the first wave of local businesses set to benefit from the scheme and introduce new advanced manufacturing methods.



PLACES



There are major differences in the economic and social opportunities and challenges across different parts of Cumbria.

There are important east/west differences in the county, which in part reflects the different industrial structures and differences in accessibility. There are also north/south differences, reflecting relative accessibility to the major cities of the north and north west.

For example, Cumbria's southern regions have the closest economic links to north Lancashire and accessibility to Manchester, Liverpool and Manchester Airport (as well as London) whilst north Cumbria faces and links to Newcastle and Scotland.

In addition, whilst there are important urban/rural splits with all rural areas across Cumbria facing common challenges, it is important to recognise that Cumbria is the most rural county in the country by the percentage of area defined as rural.

Many places in Cumbria are steeped in history, boasting historic town centres, and are attractive visitor destinations in their own right.

However, the county also has several places with

long-standing and challenging concentrations of worklessness, poor health and relatively low skills base. In some cases, these areas of deprivation sit close to areas of considerable economic success and recent economic growth.

Cumbria is typified by many small to medium size settlements, each with their own identity, strengths and issues. The nine settlements with more than 10,000 residents contain about half of Cumbria's population but even the largest (Carlisle) only has around 15 per cent of the total, although it serves a large hinterland.

Housing, as an issue, varies widely across the county with affordability ratios running from as low as 3 and 4 to 8 and 9. The Government considers that a ratio of 4 is deemed affordable.

In the context of the wider concerns about attracting more people to live in Cumbria, another crucial dimension of place is the quality and range of services and facilities available for residents.

Given Cumbria's geography, this varies across the county in terms of:

- Access to good quality health care;
- Access to good schools and colleges;
- Access to cultural facilities.

A Places Strategy Group was set up by CLEP to address the range of issues and opportunities ahead. It has started to focus on the five key themes of the Local Industrial Strategy. They are:

- Work in selected cold spots of worklessness and social deprivation in Cumbria;
- Support local place shaping programmes;
- Support a larger number and wider range of housing in Cumbria to attract people to the county;
- Encourage bespoke local area economic diversification strategies;
- Ensure good quality basic services of education, health, social care and child care.

The Places Group will also be involved in the commissioning of a piece of work to support the development of the Cumbrian Housing Strategy.

It will also offer guidance and oversight for a marketing campaign aimed at promoting Cumbria – within and beyond its boundaries – as a great place to live, work and invest as well as visit.

Town Deals

Cumbria has had five areas shortlisted for a Towns Deal – Barrow, Carlisle, Cleator Moor, Millom and Workington – from 100 areas nationally. These areas now have the potential to draw down up to £25million over 5 years, which will deliver significant transformation. CLEP will be working closely with local partners to see how it can support the development of their investment plans.

A Places Strategy Group was set up by CLEP to address the range of issues and opportunities ahead.



CASE STUDY

1, Cumbria Place Marketing Campaign

A strong theme of Cumbria's Local Industrial Strategy, currently in the co-production phase with government, is the importance of better promoting and selling Cumbria.

There is already considerable marketing activity promoting Cumbria (and especially the Lake District) as a visitor destination. However, given the challenge we face with a declining working age population, we need to promote Cumbria as a great place to live, work and invest.

There has already been activity by different partners to sell specific career opportunities to people who could move into the county to fill these positions. Outside the visitor economy, however, activity in promoting Cumbria has lacked coherence and a consistent message and campaign. CLEP and its partners are therefore working on a new branding proposition and marketing campaign targeted at the following audiences:

- **Young Cumbrians** – who are starting their career and need to better understand the breadth of career opportunities available; or those that have left the area, or are leaving the area for university, but might be encouraged to return;
- **Potential re-locators** – those with families seeking a better quality of life, potentially people with past connections to Cumbria either through family ties or as visitors;
- **Those interested in natural capital** – and beautiful and affordable locations and/or an active lifestyle offer;
- **Entrepreneurs** – considering setting up new businesses.

The campaign will also look to tackle some of the reasons that people do not want to stay or move to Cumbria, which might be based on misperceptions or a lack of understanding about Cumbria's offer. The work to develop new promotional propositions is therefore focusing on themes such as:

- Closer than you think;
- Surprising Cumbria;
- Beautiful and affordable;
- The place to grow.

CASE STUDY

2, Future High Streets Fund

Four Cumbrian locations have been short-listed for support from the government's Future High Streets Fund.

Carlisle City Centre, Barrow Town Centre, Maryport Town Centre and Whitehaven Town Centre are amongst 100 communities nationwide listed and invited to develop plans to reinvent their high streets. The funding could be used to improve transport and access into town centres, convert empty retail units

into new homes and workplaces, and invest in vital infrastructure.

Successful candidates will progress to the second phase of the Future High Streets Fund and receive up to £150,000 to support the development of detailed project proposals that can be submitted for capital funding. The scheme was launched in December 2018 and is a key part of the Government's plan to renew and reshape town centres and high streets in a way that drives economic growth and sustainably improves living standards.



CASE STUDY

3, Northern Cultural Regeneration Fund (NCRF)

Cumbria's World Heritage Lake District Programme was awarded £3.2 million in funding from the NCRF, which is supported by the Department for Digital, Culture, Media and Sport. The programme comprises three complementary projects:

Windermere Jetty Museum of Boats, Steam and Stories. This was allocated £2.3 million in NCRF support, which helped contribute to the overall £20 million cost of the project. The new museum at Windermere Jetty replaces the former Windermere Steamboat Museum and opened to the public in March 2019. The project will support 29 FTE jobs and is expected to receive around 120,000 visits per year.

The **Reimagining Wordsworth** project will transform the Wordsworth Museum in Grasmere, which holds the finest collection of Wordsworth's manuscripts anywhere in the world. The project will receive £495,000 in NCRF support and will be substantially completed during 2019/20. It will support creation of 5 FTE jobs and 16,500 additional visitors.

Abbot Hall is home to a significant visual arts collection in Kendal. The project will enable the museum to undergo vital refurbishment across its main galleries; create a new project space for exhibitions and artist residencies, community projects and workshops; and achieve full accessibility across the buildings and site. The project is expected to commence in 2019/20 and be completed in 2020/21.



CASE STUDY

4, Tourism Sector Deal

The Tourism Sector Deal, announced by the Department for Culture, Media and Sport (DCMS) in June 2019, sets out how government will partner with industry to boost productivity, develop the skills of the UK workforce and support destinations to enhance their visitor offer.

Government plans to fund up to five Tourism Zone pilots aimed at addressing local market failures in the visitor economy.

CLEP is working with partners across Cumbria in an effort to develop a bid to secure Tourism Zone status for the county as a further initiative in enhancing the place element of the economy and promoting the county's appeal as widely as possible.

Each zone will focus on delivering increased productivity at a local level by initiatives such as enhancing the tourism product, extending the tourism season and investing in skills.

Areas will become Tourism Zones via a bidding process and will receive targeted support from government if successful. Work is underway in developing the Cumbrian bid and expressions of interest are expected by the end of 2019.



SECTOR PANELS



Cumbria has a diverse economic structure, with a tapestry of sectoral concentrations distributed across the county. CLEP recognises and works with nine key sectors that account for over two-thirds of Cumbria's economy in both economic value and jobs within the county. Five of these sectors are considered to have significant current specialisations or unique offers; these are Nuclear, Advanced Manufacturing, Visitor Economy, Rural, and to some extent, Construction. Logistics and Health and Social Care sectors contribute around average shares of GVA and jobs. They are also important sources of employment and provide essential services for other sectors, as well as the wider socio-economic health of the county. There is potential for further development in all sectors. However, Professional Services and the Creative and Cultural sectors are currently under-represented within Cumbria and therefore present opportunity for an increase in productivity and growth.

Inclusive Growth

The RSA Inclusive Growth Commission defines inclusive growth as:

“enabling as many people as possible to contribute to and benefit from growth”. Although there is no industry standard in measuring inclusive growth, by considering specific indicators of prosperity such as aspects of income, living costs and labour market inclusion, Cumbria tends to score well at an aggregate level in terms of employment rates and housing affordability but less well in terms of fuel poverty and in-work tax credits.

There are a number of cross-cutting issues that will influence inclusive growth and productivity in Cumbria across the nine sectors:

- **The working age population:** Over the past 15 years the overall workforce (economically active population aged 16+) in Cumbria has barely changed in size, growing by just 5,700 to around 246,000 or just 2.4%, well below the regional and national rate. Even with employment remaining at current levels and very modest jobs growth, the current trends projected forward are for a steady reduction in the available workforce in Cumbria. In addition, Cumbria currently has the smallest pool of people holding graduate level skills qualifications in the country, although apprenticeship take-up is higher than average.

Over the past 15 years,
the overall workforce
in Cumbria has barely
changed in size,
growing by just **5,700**
to around **246,000**

- **Cold Spots of Deprivation:** In parts of Barrow, Carlisle, Maryport, Whitehaven and Workington, a combination of concentrations of unemployment, deprivation, low levels of skills and worklessness together create areas at risk of being left behind in terms of inclusive growth. In some areas, this is inflamed by the proximity of affluent and deprived areas, exacerbating "cold spots" of worklessness and deprivation as cost of living rises.
- **Cumbria's Digital Connectivity Capability:** Cumbria currently has a similar level of access to super-fast broadband as the UK average, in part down to the Connecting Cumbria project. However, only 9.5% currently have access to ultra-fast broadband (>100meg), in comparison to 56.2% of the UK. In addition, with current limited 4G coverage covering just 46.6% of Cumbria's land area, there is significant scope to address rural 'not spots'. This is a particular concern for the tourism sector, mobile workers and land-based industries.
- **The Net Zero Carbon and Clean Growth agenda:** This year, parliament agreed a net zero carbon Britain target by 2050, and many districts within Cumbria are now establishing their own targets. Sectors have significant parts to play in achieving this goal, from carbon capture programmes, to clean nuclear energy, to advances in manufacturing and construction.
- **Transport Infrastructure:** A county as large as Cumbria inevitably faces some transport connectivity issues, particularly east to west. There has been significant progress on transport infrastructure with, for example, the opening of Carlisle Lake District Airport, investment decisions on the Carlisle Southern Link Road, A595 Grizebeck and the development of the next stage of the bidding process for the Cumbrian coastal rail line upgrade.
- **Sector Deals:** Partnerships between government and industry on sector-specific issues could potentially create significant opportunities to boost productivity, employment, innovation and skills. The sector deals most relevant to Cumbria's economy are nuclear, off-shore wind, tourism, creative industries and construction.
- **Business Start Ups:** Currently, Cumbria's start up rate is 40% lower than the national average, with rates of growth in businesses slower than in many other areas of the UK.
- **Borderlands Inclusive Growth Deal:** In July 2019, the Heads of Terms were signed for the Borderlands Inclusive Growth Deal, moving Cumbria, Northumberland, Dumfries and Galloway and the Scottish Borders a step closer to realising a significant, cross-border investment programme for a number of flagship capital projects.

4G coverage is limited covering just **46.6%** of Cumbria's land area



There has been significant progress on transport infrastructure



Cumbria's business start up rate is **40% lower** than the national average

Sector Panels



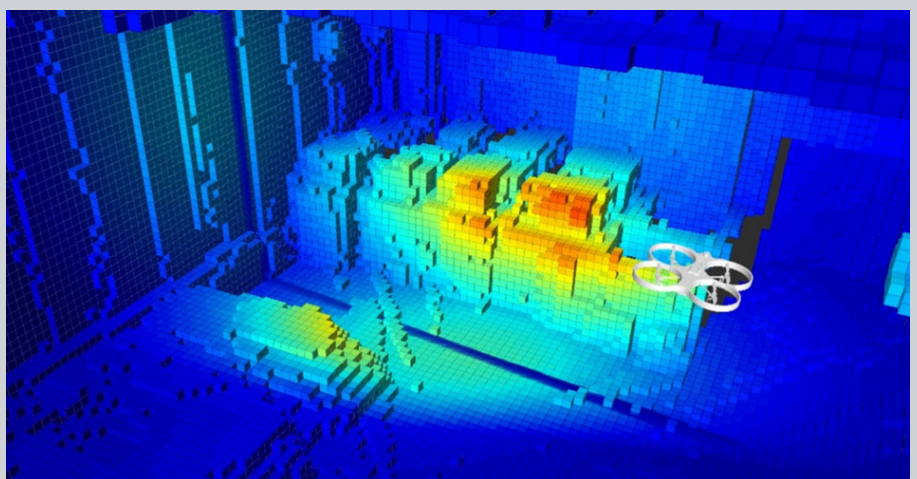
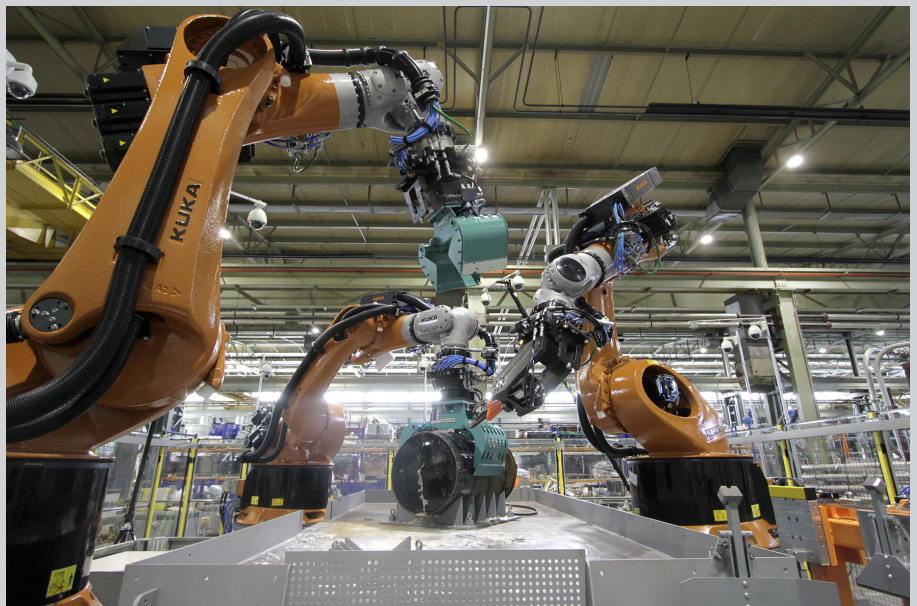
During the establishment of the Sub-Governance structure at CLEP, nine Sector Panels, comprising business leaders, local authorities and other public sector bodies and voluntary sector representatives, have been formed to work collaboratively to address the drivers of productivity and inclusive growth for the county as a whole within their sectors. The following pages detail the current challenges, and potential opportunities for inclusive growth and productivity as identified by the Sector Panels.

Advanced Manufacturing



Cumbria has a major concentration of manufacturing and engineering activity, with strengths in wood and paper, nuclear, maritime and engineering, rubber and plastics, accounting for over 13.1% of the county's GVA. 360 businesses employ over 16,000 workers, which is an above average employment share in comparison to the rest of the UK. The advanced manufacturing sector holds the highest productivity of any in Cumbria, with £83,875 GVA per job, which sits just below the UK average.

With such a vibrant sector, there are opportunities to build on existing strengths to increase productivity to at least the UK average and beyond in the coming years. In order to do this, the Advanced Manufacturing Sector Panel has identified the need to work cohesively as a sector to develop and promote the work of the sector through collaboration and partnership. The panel also recognises the need to identify and develop new emerging international market opportunities, to anchor further research and development funding in Cumbria, make the most of innovation and new technology developments, to develop a stronger manufacturing skills identity to attract a modernised and skilled workforce into the county, and to ensure targeted business support programmes are available to support the growth of SMEs to encourage innovation within the sector.



Construction



The Construction Sector in Cumbria generates £809 million in GVA, providing employment for 14,000 workers, across 2,915 businesses. Specialised construction is the largest of the sub sectors, providing employment for 7,000, most of whom work within the Nuclear sub-sector. Productivity is lower than the national average, due in the main to lower productivity in the less specialised buildings construction sub-sector. Productivity in civil engineering and specialised construction, much of which is related to the supply chains of the advanced manufacturing and nuclear sectors, is close to the national average.

The newly-formed Construction Sector Panel recognises the need for the sector to act cohesively to develop a clear voice for construction within the county, and address overarching themes such as skills shortages for particular roles, the further development of clear career pathways in order to convert apprenticeship take up into a robust workforce for the future, and to act as an informal self-regulator on quality services within the supply chain. Inclusive growth is also a key topic for development, as attracting a diverse workforce will be vital to sustaining and growing the sector into the future.



Creative and Cultural



The Creative and Cultural sector represents £268 million GVA in Cumbria, supporting 9,000 FTE jobs working across 1,355 businesses. Productivity overall in the sector is only around half the national average, which reflects the nature of activities in Cumbria and higher than average incidence of part time working. There is considerable potential to develop the sector further, providing additional cultural opportunities to appeal not only to the 47 million tourists that visit Cumbria each year, but also to contribute significantly to the quality of life of Cumbrian residents. In this way, a rich cultural tapestry plays a key role in place-making and encouraging thriving community networks.

Early in 2019, The Creative and Cultural Sector Panel commissioned a new Creative and Cultural Strategy to map current cultural assets and identify key opportunities for development of the Sector in Cumbria. This process is ongoing and expected to be complete by October 2019. Engagement with the strategy consultation has so far been positive, with a variety of stakeholders from across the country participating in consultative workshops, individual discussions and online surveys. The strategy will form the backbone of the Creative and Cultural Sector Panel's work plan for 2019/20 and beyond, and will feed directly into the priorities of the Local Industrial Strategy.

There are also prospects for the sector within the Creative Industries Sector Deal, with a specific opportunity to further develop creative digital industries within the county.

Health and Social Care



The Health and Social Care sector accounts for 31,500 jobs, 1,280 businesses and generates £798 million in GVA. The concentration of jobs and GVA is similar to the national average. However, GVA per job is lower, perhaps reflecting a higher incidence of part-time working in Cumbria. Cumbria's health economy is a complex eco-system, existing on two co-existing footprints dividing the county in half.

An important feature of Cumbria is the strength of its communities and the social cohesion in most of its settlements. This is reflected in recorded measures of happiness, life satisfaction and the extent to which people describe their lives as worthwhile, which are consistently above national and regional average in Cumbria. An above average concentration in residential care provision within the Sector is reflective of the above average proportion of older residents and retirees living in Cumbria.

The newly formed Health and Social Care Sector panel recognises the complexity of health and social care provision within Cumbria and, with the specific remit of increasing productivity and fostering inclusive growth, the panel will focus on some key themes in the coming year. These include contributing to an inclusive environment where a super-ageing population is supported and able to contribute to the economy more effectively and over a longer period of time, fostering the retention of skills of experienced people across all sectors within Cumbria, encouraging and supporting thought leadership and best practice in the county on fostering diversity within the workplace, and promoting the development of healthy working environments as part of the place-making agenda to attract people to relocate to the county, thus addressing the projected skills gap of the future.

Logistics



The Logistics sector in Cumbria accounts for 10,500 jobs, 895 businesses and generates £53 million in gross value added within the Cumbria Economy. The largest sub-sector is road haulage, which provides 6,500 jobs. The concentration of jobs and GVA in land transport is above the national average, reflecting the good road transport links, especially the M6 /A66 axis along the east of the county. With significant public and private investment in the Carlisle Lake District Airport ahead of the opening of commercial flights in 2019, there is now further potential to build on Cumbria's good network links to increase Cumbria's share in the logistics market.

The Logistics Sector Panel recognises that to do so, steps can be taken to operate more effectively as a sector, building on existing networking groups to advocate for issues that have an impact on the sector. Developing clear skills pathways for people starting out in their logistics careers, and facilitating role migration for sector workers into non-physical roles will also support the sector in ensuring knowledge is kept and transferred within the sector. There is also potential to support the growth of Cumbria as an exporter of goods, as well as looking to the future of logistics, considering issues such as the net zero carbon agenda and the use of ports.



Spotlight on the Nuclear Sector Deal

Announced in 2018, the Nuclear Sector Deal aims to support the UK's nuclear sector in remaining cost competitive with other forms of low-carbon technologies to assist with central government's Clean Growth Strategy. Over the past year, work has begun to realise the aims and objectives of the deal, with five workstreams formed to support this. The five workstreams focus on new build cost reduction, legacy cost reduction, winning new business, developing the future workforce and innovation and research and development. The Cumbrian nuclear sector has good representation on the working groups, and the sector as a whole is well connected to the delivery of the deal.

Nuclear



The Nuclear sector in Cumbria is well established and provides employment for a large number of workers across a handful of businesses. It is estimated that there are 24,000 people working directly in nuclear decommissioning. However, when considering supply chain, nuclear defence and the classification of how figures are accounted for in official statistics, the number is likely to be much higher than this. GVA is currently calculated at £435 million.

A cluster of skills, training, testing and research facilities resides primarily in and around Copeland, and several Cumbrian engineering firms export their nuclear related expertise overseas.

Cumbria has the largest concentration of nuclear skills in the UK and one of the world's major concentrations of civil nuclear expertise, especially in decommissioning, waste management and environmental clean-up.

Whilst the sector is resilient, there are ways in which it can be strengthened further, to increase productivity and inclusive growth. The panel is therefore fully participating and contributing to the development and realisation of the Nuclear Sector Deal.

Sector Deals are partnerships between the government and industry on sector-specific issues that can create significant opportunities to boost productivity, employment, innovation and skills.

The sector also looks ahead to the Energy White Paper, which holds special importance for growth of nuclear generation within nominated existing sites, and a consultation on the proposed regulated asset base model for new nuclear provision.

As well as being a consented site for new nuclear build, Cumbria also has potential to play a leading role in the development of new nuclear technologies, such as Small Modular Reactors.

The panel has identified that the sector within Cumbria has a part to play in future green growth for energy generation and environmental remediation, supporting inclusive growth and workplace diversity. In line with that approach, the CLEP Board is considering whether or not the panel's remit should extend to incorporate the wider clean growth agenda for the county.

Beyond nuclear, Cumbria has potential to play a significant role in that wider clean growth agenda. It is already home to the world's biggest off-shore windfarm and is an area where new technologies such as wave power and new battery technologies sit alongside more mature forms of generation.

The county has excellent green energy resources and opportunities for new initiatives to build upon an existing portfolio that includes major biomass plants and a small but growing hydro sector. The potential for tidal power to play a role in both the Solway Firth and Morecambe Bay also exists.



Professional Services



The Sector represents a wide range of businesses that provide essential support to all other sectors, from accountancy and legal services through to veterinary and education services. The professional services sector in Cumbria accounts for 17,500 jobs, spread over 4,000 businesses. GVA per job is £56,629, which, although the second highest per sector within Cumbria, is still significantly below the UK average by 15%. This sector is currently under-represented and therefore has the potential for significant growth and will be instrumental in supporting inclusive growth for other sectors within the county.

One challenge the sector faces in terms of growth is the slow rate in which professional services businesses have been expanding. In addition, continuing professional development training and opportunities are often located out of the county, leading to higher travel expenses and longer diversions away from core business. Despite this, the sector in Cumbria has a unique offer for early careers, in that smaller businesses allow trainees more hands-on opportunities and the chance to progress quicker in their careers than graduates in large cities, where there is greater competition.

The newly-convened Professional Services Sector Panel will look to address sectoral challenges and identify opportunities to develop the sector further in the coming year.



The rural sector within Cumbria is formed of food and beverage manufacture and production, forestry and fishing, and agriculture. 5,125 businesses support 18,865 jobs, and generate £502 million in GVA, higher than the national average. Productivity overall is lower than average in the sector but varies by sub sector, being close to average in forestry and in food manufacturing, but much lower than average in agriculture, due to current high take-up of subsidies, which are not included when calculating GVA.

Cumbria has a large share of cattle stock, sheep flock, and over a fifth of all the "less favoured area" grazing area in England. This reflects the climate and the topography in Cumbria, which supports dairy and meat production as the main sources of farming, with limited arable or horticultural production. In addition, subsidies play a big part in agriculture within the county, with upland farms relying on subsidies of up to 91% of their total income. This makes them potentially vulnerable in the current economic climate.

Food production within Cumbria is varied, supporting a broad range of producers from large manufacturers such as McVitie's and Nestle, through to SME artisan businesses. Artisan producers in particular support the Visitor Economy Sector by contributing to a unique local visitor offer, whilst the larger businesses provide stability within the sector's jobs market.

Despite current challenges, there are opportunities to develop the productivity and sustainability of the sector in the long term. For instance, there is the opportunity to work on increasing international exports whilst ensuring food production also meets the needs of UK markets to a greater extent. Cumbria is also well served in innovation within the rural sector, and there is scope to widen this activity, especially within the remit of the Borderlands Natural Capital Innovation Zone.

The Rural Sector Panel recognises the important role that the sector plays in the net zero carbon agenda, and supports the move to develop a structured county-wide approach to addressing the current UK-wide target of net zero carbon by 2050.

Natural Capital and Monetising Eco-System Services

Cumbria has been the focus of a wide range of activity looking at how eco-system services and natural capital can be measured, and how systems can be developed to find ways of paying for eco-system services. These include:

- Catchment Pioneer Pilot Project -- to 'test new tools and methods as part of applying a natural capital approach in practice' in Braithwaite, Glenridding and Staveley;
- Lake District Eco-system Accounting Pilot -- funded by Defra;
- Petteril River catchment improvements -- led by United Utilities developing new ways of paying for land management to improve water quality;
- Bassenthwaite Eco-system Services Pilot Project;
- Cumbria BogLIFE project;
- Wild Ennerdale Natural Capital Assessment.

Visitor Economy



Tourism is a key economic sector for Cumbria. In 2018, an estimated 47 million visits took place in the county, with 6.8 million of these resulting in overnight stays. Visitors bring in around £3 billion to Cumbria's economy each year. 38,000 FTE jobs are currently supported within the Sector, which equates to a significantly above average market share compared to the UK average, and over 10% of Cumbria's total workforce. Over 2,500 businesses provide tourism sector services, and productivity within tourism is higher than the UK average, currently sitting at £26,863 GVA per job.

Cumbria has a rich and diverse visitor offer that includes the Lake District World Heritage Site, which reached its second anniversary in 2019. No doubt the landscape and atmospheric character of the county are big draws for many visitors, as well as a varied cultural heritage and wide range of historic buildings and ancient monuments. Despite being a thriving economy, there are still areas of potential that can be built upon in order to further increase productivity and inclusive growth. There is the potential to increase the number of overnight stays, opportunities to extend the tourism season further, and to further develop the already successful “attract and disperse” model where visitors attracted to the strong brand of the Lake District are encouraged to discover the wider tourism offers in the county as a whole. There are also significant opportunities to develop international markets further.

The sector faces challenges with attracting the workforce into the high density attraction areas, where house prices, higher cost of living and infrequent public transport combine to work against the dynamic shift and work patterns often required for seasonal positions.



Carlisle Kingmoor Park is the only Enterprise Zone in Cumbria and is a former Ministry of Defence site, located adjacent to junction 44 of the M6.

CLEP was delighted to work with partners to help secure Enterprise Zone status for the site back in 2016.

That status continues to add impetus to maximising the opportunities that the Site can provide for the area's economy. For a 25-year term from its 2016 launch, it will continue to offer a combination of business rates relief and capital allowances.

The Enterprise Zone site is 122 hectares in total, of which 49 hectares are already developed, including high quality employment space, and is currently home to over 150 companies employing some 2,500 people.

The site offers over 2 million square feet of space and buildings for industrial, office and warehouse and distribution use.

A key aim is to take advantage of Cumbria's outstanding reputation as a centre for excellence in the nuclear and power generation sector, as well as building on a vibrant advanced manufacturing and logistics base.

Kingmoor Park has the potential to create an additional 3,000 jobs in advanced manufacturing,

nuclear supply chain and logistics. It is highly accessible and offers considerable opportunity to attract new investors to the county and offer grow-on space for existing businesses.

A Delivery Board has been established to oversee the implementation of the Enterprise Zone, with membership drawn from the CLEP Board, Carlisle City Council, Cumbria County Council and the Kingmoor Park Executive Team.

Highlighted activity is as follows:

- **New speculative development** -- comprising 19 units and 55,000 sq ft of commercial floor space was completed. Marketing of these units is now underway and initial interest is strong from SMEs and growing ventures;
- **Solar farm development** -- a proposal to provide a green energy solution to the site's private power supply (offering 12-15% of the business park's current energy requirement) up to 20% is currently being highlighted;
- **Energy from Waste Power Plant** -- section 73 application by Verus Energy was successful in January 2019 and the project is being progressed and due for commencement on site during 2021;
- **Revised commercial masterplan** -- is being developed and will be completed shortly;
- **Infrastructure and access roads** -- were completed to provide access to new plots across the site;
- **Employment levels** -- have now reached 2,500 jobs.





Graham Booth,
Chair of the Kingmoor Park
Enterprise Zone Delivery Board

“I was delighted to take on responsibility for chairing the Delivery Board to promote this first class investment location, which is adjacent to the M6 and able to cater for a wide range of industry sectors and sizes of organisation. The Enterprise Zone Board is committed to working with the Kingmoor Park team to ensure that the financial incentives and support to businesses are widely promoted.”



What is an Enterprise Zone?

Enterprise Zones are designated areas across England that provide financial incentives and Government support. Established in 2012, Enterprise Zones are at the heart of the Government's long-term economic plan, supporting businesses to grow.

What are the benefits?

- Up to 100% business rate relief (BRR) worth up to £275,000 per business over a 5-year period;
- 100% enhanced capital allowances (tax relief) to businesses making large investments in plant and machinery within specified areas;
- Government support to ensure that superfast broadband is rolled out throughout the zone, and, if necessary, public funding.

What are the community benefits?

All business rates growth generated in an Enterprise Zone is kept by the Local Enterprise Partnership and local authorities in the areas for 25 years to reinvest in local economic growth.

GROWTH DEAL/FUNDING PROGRAMME PERFORMANCE

CLEP is currently investing over £60 million of funding from the Government's Growth Deal programme in a range of projects designed to accelerate economic growth in the county.

This includes the creation and protection of key employment sites, improvements to road, rail, port and airport facilities, investment in better ICT and broadband coverage, and provision of state-of-the-art training facilities for workforce development.

The aim is to create at least 4,000 new jobs, 1,700 learning opportunities, 3,000 new homes and over 60,000 square metres of new business space, as well as supplying 5,000 premises with superfast broadband by 2021.

Current forecasts are that CLEP activity will deliver the following outputs in 2019/20:

- Support the creation of around 650 new jobs;
- Lever in around £35 million of investment;
- Create and refurbish 15,935 sqm of premises;
- Help the delivery of 145 new homes;

Overall, CLEP has plans to support 25 projects via the Local Growth Fund. Of these, two are closed, three are financially completed but outputs are still being monitored, six are in development, one is in contracting and 13 projects remain live.

Completed projects in the past 12 months include:

- £4.95 million funding package for Carlisle Lake District Airport that delivered significant airport infrastructure improvements (see page 19);
- £3.6 million allocation to Connecting Cumbria, the project to support the rollout of superfast broadband in the county (page 21);
- £2.6 million support for flood protection work at James Walker and Co.'s Cockermouth premises (see page 24);
- £274,305 to Support In Sport (SIS) allowing investment in, and expansion of, its manufacturing and warehousing facilities at its Maryport factory (see page 29).

The overall progress and forecasts of the main outputs recorded for all LGF supported projects is summarised below as is spend.

| LGF Outputs in Cumbria (as of Q4 2018/19) | | | | | | |
|---|--------------------------|----------------------|------------------------------|----------------------------|---------------------------|---------------------------|
| Output Measured | Actual achieved to date* | Forecast for 2019-20 | Current Forecast for 2020-21 | Target (BEIS offer letter) | Total lifetime forecast** | Total approved (lifetime) |
| Jobs (Created and Safeguarded) | 1,816 | 652 | 722 | 4,000 | 6,854 | 5797 |
| New Homes Created | 408 | 145 | 1,468 | 3,000 | 3,400 | 3,400 |
| Leverage (£ms) (Public/Private Sector Leverage/Follow on Investments) | £34.38 | £34.89 | £27.45 | £100 | £118.42 | £104.64 |
| Premises Created (sqm)/Refurbished | 95,061 | 15,935 | 35,956 | 62,000 | 218,769 | 199,905 |
| Serviced Employment Land (Ha) | 2.82 | 9.66 | 3.57 | | 28.39 | 28.39 |
| Learning Opportunities | 2,169 | 801 | 848 | 1,700 | 7,470 | 4,576 |
| Premises with Access to Superfast broadband | 6,776 | 298 | - | 5,000 | 9,171 | 5,925 |

Notes: ** including future years beyond 2020-21

| LGF Spend in Cumbria | |
|------------------------|--------------|
| | £ms |
| Total Funding Approved | £60.32 |
| Spend to end 2017/18 | £35.75 |
| Final spend 2018/19 | £6.06 |
| 2019/20 | £6.82 |
| 2020/21 | £11.69 |

Other Funding or Growth Programmes

European Structural Investment Funds

CLEP has been supporting the management of the European Structural Investment Funds (ESIF) programme 2014-20, which includes the European Regional Development Fund (ERDF), the European Social Fund (ESF) and European Agriculture Fund for Rural Development (EAFRD).

Based on current exchange rates, Cumbria has an allocation of £49.4 million of ERDF. As of April 2019, across the whole programme, £34.34 million of this allocation was contracted or in application stage with a total value of projects of £108m including match funding.

Specifically, £26.4 million (53%) was contracted, £0.6 million was at funding agreement in progress stage and £7.27 million was in outline or full application stage, leaving £15.09 million (30%) unallocated.

The main issue in Cumbria has been in developing projects in Priority 1 (R&D and Innovation) due to the lack of large scale research-based institutions coupled with the ineligibility of the nuclear sector within the ERDF programme.

CLEP has a particularly healthy pipeline of projects in Priority Axis 4 (low carbon) with a number of these contracted and commencing activities.

Progress and projects of note that are delivering activity and outputs include:

- The £4.1 million Cumbria Innovations Platform programme (CUSP) being delivered by Lancaster University (and also involving the University of Cumbria) aimed at innovation in SMEs (Priority Axis 1);
- The ICTIS - Information and Communication Technology Improvement Support project delivered by Allerdale Borough Council (Priority Axis 2);
- The Cumbria Growth Hub (see below) and Business Start-up support programmes being delivered by the Chamber of Commerce under Priority Axis 3;
- The £2.2 million Eco-Innovation Cumbria programme for SMEs being delivered by the University of Cumbria in Priority Axis 4, which is operational;
- The £7.3 million Low Carbon Lake District programme being run by the Lake District National Park Authority, which is now live.

| Status of ERDF in Cumbria, May 2019 | | | | | | | |
|---------------------------------------|-----------------------|-------------|---------------------|---------------|------------------------------|------------------------|---------------|
| Status | 1. R&D and Innovation | 2. ICT | 3. Entrepreneurship | 4. Low Carbon | 5. Climate change adaptation | 6. Resource efficiency | Total |
| Outline (£ms) | £0.0 | £0.0 | £0.0 | £5.39 | £0.0 | £1.37 | £6.77 |
| Full application | £0.0 | £0.0 | £0.5 | £0.0 | £5.3 | £0.0 | £0.5 |
| Funding agreement in Development | £0.0 | £0.0 | £0.6 | £0.0 | £0.0 | £0.0 | £0.6 |
| Contracted | £2.4 | £0.5 | £10.6 | £5.5 | £0.0 | £0.0 | £24.47 |
| Contracted Financial Instruments | £0.0 | £0.0 | £2.0 | £0.0 | £0.0 | £0.0 | £2.0 |
| Total value of projects at all stages | £2.44 | £0.5 | £13.7 | £10.95 | £5.3 | £1.37 | £34.34 |
| Notional Allocation | £9.19 | £0.6 | £20.99 | £11.43 | £5.7 | £1.5 | £49.4 |
| Balance remaining | £6.74 | £0.1 | £7.27 | £0.48 | £0.4 | £0.14 | £15.1 |
| % taken up | 26.6% | 84% | 65.4% | 95.8% | 94% | 90.4% | 69.5% |
| % contracted | 26.6% | 84% | 55.4% | 48.5% | 0% | 0% | 53.5% |

Commitment of **ESF** in Cumbria is performing well with 89% of the total ESF available committed. Where funding remains, for example in measures 1.2 and 1.4, CLEP is working with local partners and Department for Work and Pensions (DWP) to identify possible projects that maximise spend and deliver objectives identified within Cumbria's Local Industrial Strategy.

| Cumbria | | | | |
|--------------|--------------------|--------------------|---------------------|---|
| IP | Allocation (€) | Allocation (£) | ESF Committed Spend | Pipeline (including Project change requests and appraisals) |
| 1.1 | €10,879,168 | £9,464,876 | £9,483,333 | £1,103,697 DWP |
| 1.2 | €2,328,076 | £2,025,426 | £1,200,000 | |
| 1.4 | €3,826,631 | £3,329,169 | £2,500,000 | £539,116 BLF |
| 2.1 | €18,655,332 | £16,230,138 | £16,424,750 | |
| 2.2 | €2,628,137 | £2,286,479 | £0 | £2,284,459 Direct |
| Total | €38,317,344 | £33,336,089 | £29,608,083 | £3,927,272 |

There has been generally good progress in commitment of delivery of the number of participants compared to targets. CLEP's focus over 2019/20 is working with partners to ensure that projects are successfully delivered and both spend and beneficiary outputs achieved.

| Participants | 2023 target | Total committed to date | Total committed as % of target |
|---|-------------|-------------------------|--------------------------------|
| 1.1 Access To Employment For Job-Seekers And Inactive People | 9,062 | 8,398 | 93% |
| 1.2 Sustainable Integration Of Young People | 2,098 | 1,124 | 54% |
| 1.4 Active Inclusion | 1,771 | 976 | 55% |
| PA1 Total | 12,931 | 10,498 | 81% |
| 2.1 Enhancing Equal Access To Lifelong Learning | 13,886 | 11,998 | 85% |
| 2.1 Improving The Labour Market Relevance Of Education And Training Systems | 238 | 0 | 0% |
| PA 2 Total | 14,124 | 11,998 | 85% |
| Total | 27,055 | 22,496 | 83% |

| EAFRD | | | | |
|-------------------------------|----------------------|-----------------|---------|--------|
| Element | Business development | Food processing | Tourism | Total |
| Funding Available (£ms) | £2.83 | £1.75 | £3.17 | £7.75 |
| Current pipeline spend | £2.42 | £0.78 | £5.58 | £8.79 |
| Under or over programmed | -£0.4 | -£0.97 | +£2.41 | +£1.04 |
| Contracted | £1.02 | £0.74 | £1.65 | £3.24 |
| Number of projects contracted | 9 | 5 | 10 | 24 |

Growing Places Fund/Cumbria Infrastructure Fund

The Cumbria Infrastructure Fund is the local mechanism for using the Growing Places Fund. The fund was established to promote the delivery of key infrastructure needed to unlock developments that help generate jobs and homes.

The total amount of funding awarded was £6.1 million, which was established to act as a revolving fund to allow future investments once returns to the programme are made. Funds have already started to be reinvested as the programme has committed a total of £8.7 million to projects.

Progress and activity is as follows:

- Over 200 new homes being developed across four housing sites in South and West Cumbria;
- 53 jobs created through the Small Business Development Loan scheme. This is an investment programme within CIF established to support SMEs access to finance for small scale capital developments. There are three remaining live projects within the programme tasked with creating 61 jobs;
- In 2019/20, the programme will see the completion of the contracting of the Cross a Moor scheme, which is for the development of a roundabout in South Ulverston. Through this, four housing sites will be "opened up" and, working with housing developers, over 1,000 new homes will be created over future years. Repayments will be made to the fund through Section 106 agreements agreed between the Planning Authority and Developers.

Cumbria Growth Catalyst

The Cumbria Growth Catalyst programme, being delivered by the Cumbria Chamber of Commerce, is aimed at ensuring that there is a single point of contact for businesses seeking support to grow in the county.

It complements assistance provided through ERDF funding by ensuring that those sectors and businesses that are ERDF-ineligible can access appropriate support.

Cumbria County Council received the annual offer letter for funding of £246,000 in April from BEIS, following approval of the delivery schedules jointly submitted by CLEP and the Council. The original contract with the Cumbria Chamber of Commerce will therefore be extended for 2019/20 with revised performance targets of:

- Triage (telephone service) - 532 hours (minimum)
- Diagnostics - 779 @ 3 hours
- Scale up Assists - 88 @ 12 hours (for businesses with the ambition and potential to increase turnover by 50% within three years)
- Workshops - 32 (spread across 6 districts)

A new Evolutive CRM system has been introduced to provide CLEP with real time data and to support the monitoring of contractor performance, sectoral and geographical distribution of support and to facilitate reporting to BEIS.

Amion has been appointed to undertake an independent interim review of the programme, bearing in mind the delayed start to the programme. It will subsequently complete a whole programme evaluation looking at how it can be improved. Additionally, a satisfaction survey will be conducted by the Chamber of Commerce.

GOVERNANCE

Following the CLEP 2018 Governance review, a new governance structure was implemented, with all sub-governance Strategy Groups and Sector Panels fully mobilised by July 2019.

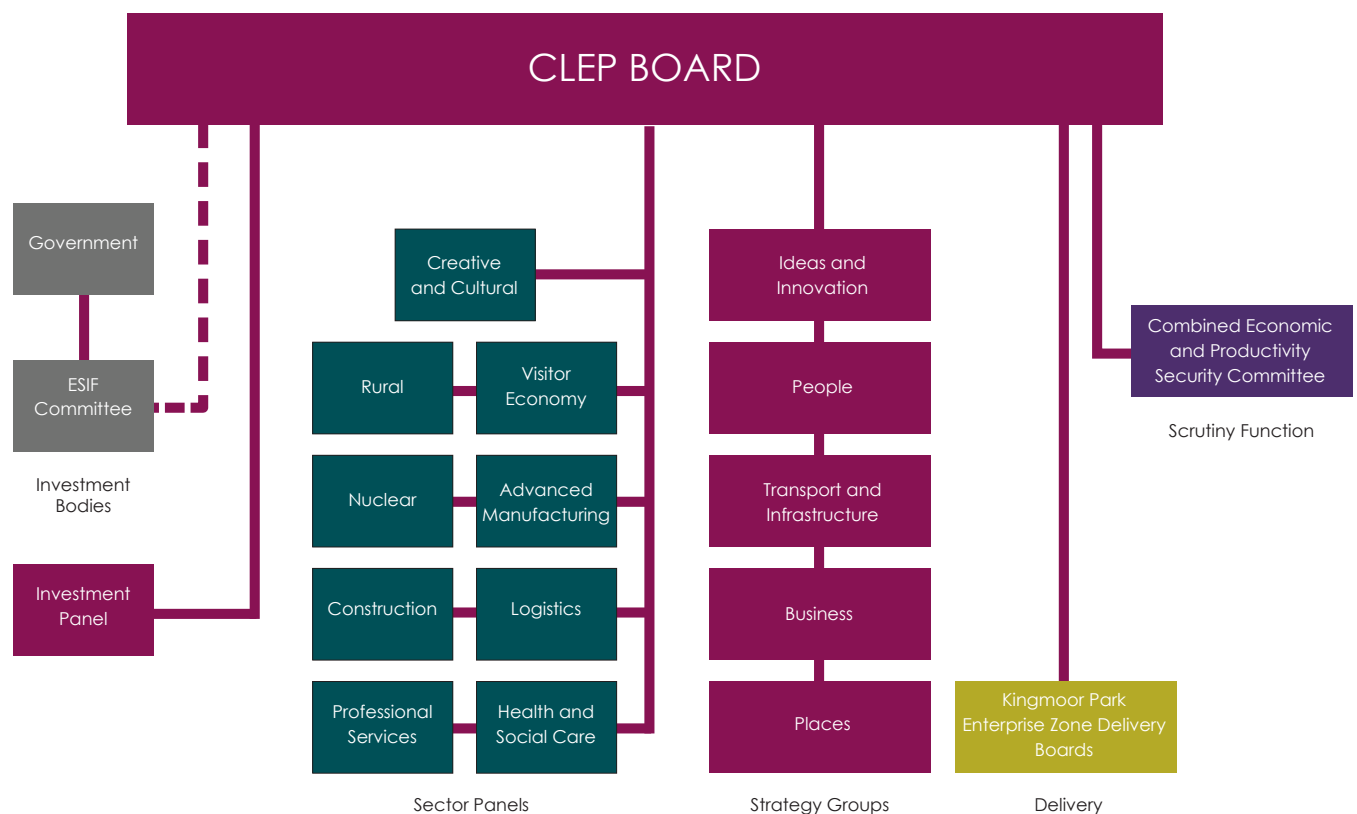
The structure aims to be inclusive, action-focused, aligned to Cumbria's strategic priorities and operating to the highest standards of accountability and propriety.

The new structure aligns with and supports the Local Industrial Strategy, with five Strategy Groups addressing the five foundations of productivity: Ideas and Innovation, Transport and Infrastructure, Business Environment, Places, and People, Employment and Skills. Together these strategy groups form the structure for delivering actions to address overarching issues which are relevant to various sectors within Cumbria.

Alongside the strategy Groups sit nine Sector Panels, which focus on addressing the twin platforms of productivity and inclusive growth within key sectors for Cumbria. The panels are action-focused and from inception have started to develop work plans that identify how the opportunities for the sector will be maximised and any challenges addressed.

THE FIVE STRATEGY GROUPS:

1. Ideas and Innovation
2. People
3. Transport and Infrastructure
4. Business Environment
5. People



The nine sector panels are:

- **Advanced Manufacturing**
- **Construction**
- **Creative and Cultural**
- **Health and Social Care**
- **Logistics**
- **Nuclear**
- **Professional Services**
- **Rural Economy**
- **Visitor Economy**

CLEP retains an Investment Panel responsible for overseeing and developing the pipeline of investment opportunities.

CLEP is fully committed to strong scrutiny arrangements and has worked with local government colleagues to develop the LEP Scrutiny Panel, which reflects Government's requirements to see local government actively involved in the scrutiny of LEPs. The LEP Scrutiny Panel will meet twice yearly and will determine the subjects to be considered independently of CLEP. Membership is drawn from Cumbria County Council and the six district councils. CLEP is committed to effectively responding to any findings and recommendations that come forward.

CLEP also retains the Kingmoor Park Enterprise Zone (EZ) Delivery Board to ensure that the opportunities presented by the EZ are maximised for Carlisle and Cumbria.

Local partners continue to actively participate in the nationally-led Ministry of Housing Communities and Local Government European Structural and Investment Fund Committee.

When the Strategy Groups and Sector Panels were established, previous members of existing governance bodies were invited to 'migrate' to the analogous body in the new structure. As new panels formed, representatives from private, public and voluntary and community sectors were invited to join, thus widening participation within CLEP's governance structure.

An important requirement of the new structure is to ensure that we reflect the communities that we serve. All LEPs have a target to achieve at least a third female Board membership by 2020 and equal representation by 2023. The first milestone has been achieved a year ahead of schedule and, in addition, five of the nine Sector Panels are now led by female chairs. CLEP wants to make equally strong progress on broader diversity issues and encourage participation from under-represented groups and people with protected characteristics.

In the coming year, CLEP is committed to starting a new board, made up of 18-35 year olds who live and work in Cumbria, who have a keen interest in economic development.

We recognise that young people are one of our most valuable assets. It is therefore important that they have a stake in the future of Cumbria's economy and are involved in influencing CLEP's activities going forward. The new board will fully reflect the make-up of Cumbria's economy, with individuals invited from the private, public and voluntary sectors.

The CLEP Board would like to thank all of our businesses, public and voluntary and community sector colleagues for the important contribution that they have made in taking forward Cumbria's growth and for their continued support and engagement with the CLEP governance structure.

THE NINE SECTOR PANELS:

1. Advanced Manufacturing

2. Construction

3. Creative and Cultural

4. Health and Social Care

5. Logistics

6. Nuclear

7. Professional Services

8. Rural Economy

9. Visitor Economy

Jim Jackson

Deputy Chair



“I am delighted to have taken over as the Deputy Chair of CLEP, which also brings with it responsibility for Chairing the Investment Panel.”

This is the body responsible for overseeing the development of the investment pipeline and ensuring that all projects are appraised in line with our Local Assurance Framework. The current round of Growth Deal funding must be spent by March 2021 and therefore a significant priority for 2020 will be ensuring that CLEP has sufficient project commitments that can be completed and spent by that date.

Additionally, I want to make sure that we have a strong pipeline of projects ready should any future funding become available, so that Cumbria is well placed to take advantage of this.

Clearly, CLEP also needs to stand ready and provide whatever support our businesses might need to manage the transition post-Brexit.

Stewart Young

Vice Chair



“A clear focus in 2020 will be the implementation of the Local Industrial Strategy (LIS) and making sure that CLEP has a robust work programme in place to translate the ambition into practical actions that deliver productivity improvements and inclusive growth.”

Over the last few years, CLEP has proved itself to be an effective vehicle for Cumbria to speak with one voice about our economic priorities. We must continue to do this in order to maximise our influence with the key decision makers including Transport for the North, Highways England, Network Rail, the Department for Transport and of course ultimately the Government. By doing so, we have made strong progress in raising Cumbria's profile nationally, and it is essential that we maintain this momentum.

Finally, turning to my role as Leader of Cumbria County Council, CLEP's Accountable Body, I will be working to ensure that CLEP continues to demonstrate its strong commitment to good governance, transparency and accountability.



2018/19 Accounts

I am pleased to present Cumbria LEP's (CLEP's) unaudited accounts for 2018/19, which have kindly been prepared by colleagues in Cumbria County Council.

The LEP received some additional funding later in the 2018/19 financial year, which when coupled with a prudent approach to financial management enabled CLEP to carry forward a healthy £571,879 into 2019/20. CLEP incorporated on 17 December 2018, with the company becoming operational on 1 April 2019 and taking responsibility for managing its own finances in line with company requirements. Independent accountants and auditors have been appointed to complete CLEP's management and statutory accounts for the 2019/20 financial year.

All necessary systems and processes have been introduced to effectively manage CLEP's finances. In order to test these systems, CLEP invited David Allen & Co., its independent auditor, to review the control procedures of CLEP to obtain reasonable assurance so as to form our conclusion and to include tests of specific control procedures, to obtain evidence about CLEP's effectiveness in meeting the related control objectives.

I was very encouraged that David Allen concluded that in all material respects:

- The control procedures of Cumbria Local Enterprise Partnership were suitably designed such that there is reasonable, but not absolute, assurance that the specified control objectives would have been achieved if the described control procedures were complied with satisfactorily; and
- The control procedures that were tested, were operating with sufficient effectiveness for us to obtain reasonable, but not absolute, assurance that the related control objectives were achieved in the period to 30 August 2019.

I look forward to CLEP continuing to maintain effective and compliant systems and processes.

Finally, I would like to thank Cumbria County Council for their in-kind contribution, which equated to £136,018.67 and to Sellafield Ltd for their secondment of senior level employees to support CLEP's operations during the 2018/19 financial year.

Nigel Wilkinson
Chair, Finance, Resources and Audit Committee

LEP Core & Strategic Funding 2018-19 as at End March 2019

Core Budget

| INCOME | | | |
|---------------------------------------|-------------------|------------------------|--------------------|
| | Budget 2018-19 | Actual Outturn 2018-19 | Variance to budget |
| Funding brought forward - Core | 96,285.49 | 136,440.29 | 40,154.80 |
| MHCLG Core Funding | 250,000.00 | 247,986.25 | -2,013.75 |
| Additional MHCLG Capacity Funding | 0.00 | 100,000.00 | 100,000.00 |
| Core Match funding - other parties | 40,000.00 | 35,000.00 | -5,000.00 |
| Core - Match funding - Sellafield | 50,000.00 | 50,000.00 | 0.00 |
| Conference Centre / Incubator Units | 0.00 | 0.00 | 0.00 |
| Energy Strategy Support | 16,666.67 | 0.00 | -16,666.67 |
| DIT Key Account Management Grant | 36,000.00 | 0.00 | -36,000.00 |
| Skills Advisory Panel | 0.00 | 75,000.00 | 75,000.00 |
| Creative & Cultural Strategy | 0.00 | 12,500.00 | 12,500.00 |
| Growth Hub Management | 0.00 | 36,900.00 | 36,900.00 |
| Sellafield - NW Nuclear Arc | 0.00 | 100,000.00 | 100,000.00 |
| Total Core Income | 488,952.16 | 793,826.54 | 304,874.38 |
| EXPENDITURE | | | |
| Staff costs | | | |
| LEP Director | 125,000.00 | 135,126.84 | -10,126.84 |
| LEP Director - Recruitment | 0.00 | 12,550.00 | -12,550.00 |
| LEP Staffing | 80,000.00 | 80,052.59 | -52.59 |
| Administrator | 25,000.00 | 12,400.00 | 12,600.00 |
| Investment Project Manager | 45,000.00 | 45,000.00 | 0.00 |
| Board & Operational Expenses - Travel | 8,000.00 | 969.64 | 7,030.36 |
| Board & Operational Expenses - Other | 2,000.00 | 14,911.66 | -12,911.66 |
| Energy Strategy Support | 16,560.00 | 0.00 | 16,560.00 |
| Marketing & Comms | | | |
| Events & Materials | 25,000.00 | 20,360.70 | 4,639.30 |
| Comms - General | 70,000.00 | 61,412.79 | 8,587.21 |
| Miscellaneous | | | |
| LEP Network | 6,000.00 | 6,000.00 | 0.00 |
| Contingency | 20,000.00 | 0.00 | 20,000.00 |
| LEP Review | 0.00 | 0.00 | 0.00 |
| Business Survey | 12,000.00 | 0.00 | 12,000.00 |
| Total Expenditure | 434,560.00 | 388,784.22 | 45,775.78 |
| FUNDING TO CARRY FORWARD | 54,392.16 | 405,042.32 | 350,650.16 |
| NET CORE FUNDING | 0.00 | 0.00 | 0.00 |

Strategic Budget

| INCOME | | | |
|---|----------------------------|---------------------------|--------------------|
| | Original Budget 2018-19 | Actual Outturn 2018-19 | Variance to budget |
| Funding brought forward - Strategic | 51,279.50 | 72,217.10 | 20,937.60 |
| MHCLG Strategic Funding | 250,000.00 | 240,763.75 | -9,236.25 |
| Additional MHCLG Funding | 0.00 | 100,000.00 | 100,000.00 |
| Strategic - Match funding - other parties | 0.00 | 5,000.00 | 5,000.00 |
| Strategic - Match funding - Sellafield | 50,000.00 | 50,000.00 | 0.00 |
| Energy Strategy Support | 0.00 | 26,720.00 | 26,720.00 |
| Rural Growth Network (RGN) Contribution | 0.00 | 10,000.00 | 10,000.00 |
| Total Strategic Income | 351,279.50 | 504,700.85 | 153,421.35 |
| EXPENDITURE | | | |
| Operational Management / Intelligence | | | |
| Growth Deal Mangement by Accountable Body | 85,000.00 | 85,000.00 | 0.00 |
| European Technical Assistance / Strategic Support | 45,000.00 | 15,000.00 | 30,000.00 |
| Research & Intelligence Activity | 45,000.00 | 35,886.08 | 9,113.92 |
| External Professional Support | 100,000.00 | 69,834.43 | 30,165.57 |
| Local Industry Strategy Development | 30,000.00 | 56,583.75 | -26,583.75 |
| Strategic Studies | 40,000.00 | 41,500.00 | -1,500.00 |
| Energy Strategy Support | 0.00 | 30,000.00 | -30,000.00 |
| Rural Growth Network (RGN) Expenditure | 0.00 | 4,060.00 | -4,060.00 |
| Total Expenditure | 345,000.00 | 337,864.26 | 7,135.74 |
| FUNDING TO CARRY FORWARD | 6,279.50 | 166,836.59 | 160,557.09 |
| NET STRATEGIC FUNDING | 0.00 | 0.00 | 0.00 |

MEET THE TEAM



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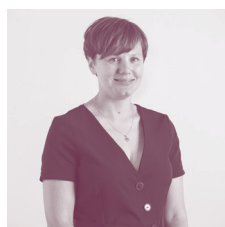


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THANK YOU TO OUR GROUP AND PANEL MEMBERS

Thank you to all members who have contributed to, or continue to contribute to our governance structure in 2019. Your involvement in the work of the Cumbria LEP is greatly valued.

CLEP BOARD MEMBERS

Peter Allen - Lake District
Graham Booth - E H Booths
John Coughlan - TSP Engineering
Steve Curl - Business Consultant
Lord Inglewood (Chair) - Member of House of Lords
Jim Jackson - Fourwinds 60 Consulting
Patricia Livsey - Eden Valley Hospice
Julie Mennell - University of Cumbria
Emma Porter - Story Contracting
Lee Roberts - Barrow Borough Council
Mary Robinson - Eden District Council
Mike Smith - Business Consultant
Mike Starkie - Copeland Borough Council
Sarah Swindley - Lake District Foundation
Rebecca Weston - Sellafield Ltd
Nigel Wilkinson - Windermere Lake Cruises
Andrew Wren - Furness College
Stewart Young - Cumbria County Council

THANKYOU TO RETIRING MEMBERS

Giles Archibald - South Lakeland District Council
Jackie Arnold - BAE Systems
Colin Glover - Carlisle City Council
Mike McKinley - Lake District National Park
Alan Smith - Allerdale Borough Council

IDEAS AND INNOVATION

Frank Allison - I2C Ltd
Giles Archibald - Chair/South Lakeland District Council
Julie Betteridge - Copeland Borough Council
Gareth Candlin - South Lakeland District Council
Anne Fleck - Eggbase Ltd
Andrea Hines - Allerdale Borough Council
Rick Holland - Innovate UK
Anne Knott - Manchester University
Caroline Redhead - Burnetts Solicitors
Caroline Waters - Balfour Beatty

BUSINESS STRATEGY GROUP

Martin Allman - Cumbria County Council
Paul Armstrong - University of Cumbria
Sue Barnard - British Business Bank
Emily Bond - Eden District Council
Mark Bowen - Lancaster University
Suzanne Caldwell - Cumbria Chamber of Commerce
Anne Campion - The Growth Company
Steve Curl - Chair
Eleanor Farrell - Cumbria County Council
Paul Foster - Federation of Small Business
Lynne Gillen - Department for International Trade
John Grainger - Britain's Energy Coast Business Cluster
Gill Haigh - Cumbria Tourism
David Hall - National Farmer's Union
Andrea Hines - Allerdale Borough Council
Phil Holfield - University of Central Lancashire
Sue Howarth - Family Business Network
Richard Jeffrey - The Growth Company
Stuart Klosinski - Furness Economic Development Forum
Grahame Latus - Enterprise Answers
Barry Leahey - Playdale
Gary Lovatt - Federation of Small Business
Alistair Mackintosh - NFU
Angela McDougall - Carlisle City Council
Sarah Mitchell - Copeland Borough Council
Steve Smith - Copeland Borough Council
Tiffany Solender - Department for International Trade
Mike Starkie - Copeland Borough Council
Charles Watt - Charles Watt Consultancy
Alistair Westwood - CBI
Stewart Wren - Capita

INVESTMENT PANEL

Alison Hatcher - Cumbria County Council
David Southward - Cumbria County Council
Jackie Arnold - University of Cumbria
Jim Jackson - Fourwinds 60 Consulting
Mike Smith - Business Consultant
Mike Starkie - Copeland Borough Council
Pam Duke - Cumbria County Council
Paul Turney - Cumbria County Council
Peter Hensman - Lake District Estate
Ruth Pugsley - DCLG
Sami Falou - BEIS
Simon Sjenitzer - WYG
Rebecca Bryning - DCLG
Steve Curl - Business Consultant

PEOPLE, EMPLOYMENT AND SKILLS STRATEGY GROUP

Mark Bowman - Inspira
Stuart Davison - David Allen
Chris Dempsey - Cumbria County Council
Sarah Glass - Centre for Leadership Performance
Grant Glendinning - Carlisle College
David Gregson - Lancaster University
Nik Hardy - Allerdale Borough Council
Chris Hebblethwaite - Department for Work and Pensions
Tony Higgins - SP Training
Martin Hottass - City and Guilds
Jonathan Johnson - West Lakes Academy
Ruth Leahey - South Lakeland District Council
Jane Meek - Carlisle City Council
Sarah Mitchell - Copeland Borough Council
Chris Nattress - Lakes College West Cumbria
Judith Shafer - Beacon Hill School and Cumbria Association of Secondary Heads
Leily Sharif - G4S
Mike Smith - Chair/Business Consultant
John Taylor - Education and Skills Funding Agency
Amanda Towers - Cumbria County Council
Robert Trimble - University of Cumbria

THANK YOU TO OUR GROUP AND PANEL MEMBERS

ADVANCED MANUFACTURING SECTOR PANEL

Adam Wellings - Ast signs
Adrian Rawlinson - Marl International
Alan Otway - Marl International
Alan Wilson - Pirelli
Andrea Pattinson - 2SFG
Andy Okolowicz - New Balance
Angela Torney - M Sport
Dave Watson - James Cropper PLC
David Moore - Copeland Borough Council
David Hymers - Total Post
Ross McMahon - Kendal Nutricare
Mike Henry - Siemens
Ian Sinker - University of Cumbria
Jayne Moorby - Oxley Group
John Coughlan (Chair) - TSP Engineering
Jonathan Hardisty - Siemens
Jonathan Miller - Tornado Wire
Jonny Lowe - Holmen
Mark Brook - James Walker
Mark Jefferson - BAE Systems
Matt Williams - SLDC
Michael Heaney - Pladis Global
Nik Hardy - Allerdale Borough Council
Pat McIver - GSK
Paul Ashley - Clark door
Paul Storey - Gen2
Phil Wild - James Cropper PLC
Philip Jardine - Nuclear Advanced Manufacturing Research
Ross McMahon - Kendal Nutricare
Wayne Middleton - Innovia Films

PLACES STRATEGY GROUP

Tazeem Abbas - Tranquil Otter
Peter Allen - Lake District National Park Authority/Chair
Julie Betteridge - Copeland Borough Council
Phil Davis - Community Energy Cumbria Ltd and Burnside Community Energy Ltd
Ian Hassall - South Lakeland District Council
Angela Jones - Cumbria County Council
Kevin Kerrigan - Allerdale Borough Council
Hannah Latty - Lake District National Park
Jane Meek - Carlisle City Council
Cath Purdy - South Lakes Housing
Steve Robinson - Carlisle City Council
Oliver Shimell - Eden District Council

CREATIVE AND CULTURAL SECTOR PANEL

Jane Beardsworth - Arts Council
Matt Burke - Kendal College
Chris Hogg - Cumbria County Council
James Cobbold - Theatre by the Lake
Catherine Coulthard - Prism Arts
Darren Crossley - Carlisle City Council
Richard Elder - Rosehill Theatre
Richard Foster - Arts and Culture Network
Colin Glover (Chair) - Carlisle City Council
Simon Higgins - Cumbria County Council
Charles Holmes - Allerdale Borough Council
Roddy Hunter - University of Cumbria
Karen Jones - University of Cumbria
Lou Kneath - Plus 3k Ltd
Elizabeth Kwasnik - Copeland Borough Council
Adrian Lochhead - Eden Arts
Andrew Mackay - Tullie House Museum
Michael McGregor - Wordsworth Trust
Liz Moss - Lakeland Arts
Siobhan Newton - Miles More
Maddi Nicholson - Art Gene
Kerry Powell - Lake District National Park Authority
Miriam Randall - Brewery Arts Centre
Jacqui Scott - Kendal Mountain Festival
Oliver Shimell - Eden District Council
Tom Speight - Independent Artist/ EVAN
Nick Turner - We Are Intro
Iona Winters Lewis - South Lakeland District Council

LOGISTICS SECTOR PANEL

Robin Brown - SP Training
Robin Casson - University of Cumbria
Stephen Davidson - A W J Transport
Dale Foster - Stobart Group
Tony Higgins - SP Training
Chris Hoban - Copeland Borough Council
Anthony Markley - Cumbria County Council
Helen Parkhill - Butterworths Solicitors
Neil Robinson (Chair) - Tyson H Burridge
Karen Stalker - Stalkers Transport
Tracey Taylor - A W Jenkinson
Sue Todd - Mountain Goat
Philip Wanless - C BEN
Mark Whitelocks - Stagecoach
Jennifer Whyberd - Wm Armstrong

NUCLEAR SECTOR PANEL

Richard Arnott - RSM UK
Sian Beaty - High Moorside Consulting
Adrienne Easterbrook - Energus
Paul Fletcher - Wood PLC
Richard Griffin - Allerdale Borough Council
Craig Hatch - WYG
Alison Hatcher - Cumbria County Council
Paul Howarth - National Nuclear Laboratory
Francis Livens - Manchester University
Ian Sinker - University of Cumbria
David Southward - Cumbria County Council
Steve Smith - Copeland Borough Council
Martin Walkingshaw - LLWR
Rob Ward - Copeland Borough Council
Rebecca Weston (Chair) - Sellafield Ltd

TRANSPORT AND INFRASTRUCTURE STRATEGY GROUP

Michael Barry - Cumbria County Council
Mark Duggleby - Department for Transport
Debbie Francis - DRS Ltd
David Golding - Network Rail
Alison Hatcher - Cumbria County Council
Jim Jackson - Fourwinds 60 Consulting
Keith Little (Chair) - Cumbria County Council
Robin Miller-Stott - Transport for the North
Peter Molyneux - Transport for the North
Stewart Mounsey - Environment Agency
Heather Pritchard - Network Rail
Mike Sinnott - Highways England
Stewart Young - Cumbria County Council

KINGMOOR PARK ENTERPRISE ZONE

Graham Booth (Chair) - E H Booths
Colin Glover - Carlisle County Council
Tony Goddard - Kingmoor Park
Neil McIntyre - Kingmoor Park
David Southward - Cumbria County Council
Nigel Wilkinson - Windermere Lake Cruises

THANK YOU TO OUR GROUP AND PANEL MEMBERS

PROFESSIONAL SERVICES SECTOR PANEL

Ewen Alcorn - MacArthur Recruitment
Kate Armstrong - Blue Shadow
Joanne Holborn - Baines Wilson
Alison Johnson - Dodd and Co
Patrick Freeman - University of Cumbria
Sarah Pemberton - Copeland Borough Council
Rachel Ritson - Grisdales
Caroline Rouncefield - University of Cumbria
David Stout - P F & K Ltd
John Stashkiw - Logic
Margaret Watson - Cumbria County Council

HEALTH AND SOCIAL CARE SECTOR PANEL

Kerry Anderson - Cumbria County Council
Katherine Fairclough - Cumbria County Council
Brian Groves - Skills for Care
Les Hanley - Nuclear for Health
Cathy Jackson - University of Central Lancashire
Alan Lille - Cumbria NHS
Helen McGahon - North Cumbria University Hospital
Julie Mennell (Chair) - University of Cumbria
Chris Nattress - Lakes College West Cumbria
Jackie O'Reilly - Copeland Borough Council
Barbara Redshaw - Risedale Care Homes
Helen Sant - Allerdale Borough Council
Sarah Swindley (Chair) - Lake District Foundation
Judith Toland - Cumbria NHS
Amanda Towers - Cumbria County Council
Brian Webster-Handerson - University of Cumbria

RURAL SECTOR PANEL

Matthew Bagley - Newton Rigg College
Libby Bateman - Country Landowner's Association
David Black - Paragon Vets
Robert Craig - Dairy Farmer / Director
Adam Day - Farmer Network
Chris Edwards - Cumbria County Council
Sami Falou - Department for Business, Energy and Industrial Strategy
Deryck Fell - Consolid
John Geldard - Low Foulshaw
David Hall - NFU
Naomi Hewitt - Allerdale Borough Council
Simon Humphries - Natural England
Keith Jones - Forestry Commission
Cllr Kevin - Eden District Council
Elsbeth Lees - University of Cumbria
Garry Legg - Carlisle City Council
Alistair MacKintosh - Farmer
Lois Mansfield - University of Cumbria
Michael Mashiter - N W Auctions
Liam McAleese - Lake District National park
Keith McClure - W McClure
Jessica Patten - Environment Agency
Mary Robinson (Chair) - Eden District Council
Amanda Starr - Copeland Borough Council
Rae Tomlinson - Carrs Billington
Alistair Wannop - A W S Power
Julian Whittle - Cumbria Chamber of Commerce
Matt Williams - South Lakeland District Council

CONSTRUCTION SECTOR PANEL

Adrian Ash - Waitings Ltd
Monica Costelloe - CITB
Tommy Cubby - Cubby Construction
Kate Dixon - University of Cumbria
Paul Graham - Top Notch Construction
Stephen Hall - Cumbria County Council
Paul Hardon - Morgan Sindall
Nick Hayhurst - Copeland Borough Council
Greig Hill - Roland Hill Ltd
Sarah McGregor - All Together Cumbria
Emma Porter (Chair) - Story Contracting
Chetna Reay - Construction Risk Consultants
Ian Sinker - University of Cumbria
Chris Snow - Eric Wright
Mark Steele - Thomas Armstrong
Ian Wishart - RH Irving Construction Ltd

VISITOR ECONOMY SECTOR PANEL

Paul Armstrong - University of Cumbria
Will Ashcroft - Watergate Bay
Dee Ashman - Predator Experience
Stephen Broughton - Mountain Goat
James Cobbold - Theatre by the Lake
Mike Dunbobbin - Appleby Manor
Richard Foster - Brewery Arts
Iona Frost-Pennington - Muncaster Castle
Peter Frost-Pennington - Muncaster Castle
Jessica Goodfellow - Eden District Council
Curt Green - Netherwood Hotel
Gill Haigh - Cumbria Tourism
Craig Harrop - Northern Rail
Sally Hemsley - Eden District Council
Peter Hensman - Lake District Estate
Naomi Hewitt - Allerdale Borough Council
Phil Johnson - The Coppermines
Graham Kennedy - Allerdale Borough Council
Jonathan Lee - CN Media
David Little - Lake District Estates
Gary Lovatt - Federation of Small Business
Andrew Mackay - Tullie House Museum
Celia MacKenzie - Whitehaven harbour Commissioners
Lucja Majewski - First Group
Graham Meiklejohn - First Group
Vanessa Metcalfe - Keswick Tourism
Katie Milbourne - Walby Farm Park
Sarah Mitchell - Copeland Borough Council
Nicola Parker - Cumbria County Council
Stephen Ratcliffe - Lake District National Park
Jackie Robinson - South Lakeland District Council
Sarah Ross
Jane Saxon - National Trust
Grant Seaton - Cumberland Building Society
Dan Visser - Langdale Estates
Jim Walker - Cumbria Tourism
Paul Walker - Carlisle City Council
Mark Whitelocks - Stagecoach
Nigel Wilkinson (Chair) - Windermere Lake Cruises



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ANNUAL REPORT 2019

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