



Cumbria  
**Local Enterprise**  
Partnership

Cumbria Local Enterprise Partnership

# ANNUAL REPORT 2016





# FOREWORD

George Beveridge,  
Chairman of the Board



**Cumbria faces an exciting future, and the Local Enterprise Partnership and its partners are working hard to make sure we maximise the potential for economic growth in the county.**

We have a lot to be proud of. Cumbria has been the fourth fastest growth area in the UK over the last decade, and approximately £25 billion of new investment is planned here over the next 15 years.

We are responsible for nationally significant assets which are vital to the success of both the UK economy and the Northern Powerhouse.

We have made some significant progress but the next decade brings unprecedented national and local opportunities that we must seize collaboratively.

It is vital that Cumbria has the infrastructure, skills and business environment to enable the success of these projects and to maximise the benefits.

We have put in place strong foundations to contribute to economic success for Cumbria, the Northern Powerhouse and the UK.

In particular, the Cumbria Growth Deal developed by the Local Enterprise Partnership builds on the existing strengths of the county across manufacturing, nuclear, tourism, agriculture and logistics.

The current Growth Deal will see £47.7 million invested in Cumbria up to 2021 for delivery of our Strategic Economic Plan. We will shortly be submitting ambitious plans for growth and investment, as part of our bid for further Growth Deal funding.

Delivery of Regional Growth Fund grant programmes has already helped to safeguard or create hundreds of jobs and lever over £12m of private sector investment, aligned with business support through Cumbria Business Growth Hub.

Our pipeline of projects and significant investment packages are focused on promoting innovation and building on our effective collaboration, sector strengths and growth opportunities. We are also focused on overcoming the specific barriers to growth in the county in respect of our skills base, housing supply and infrastructure.

Connectivity is crucial to business success and an important piece of strategic work undertaken by the Local Enterprise Partnership on behalf of the county is our infrastructure plan which identifies the priorities and funding sources for infrastructure and transport developments.

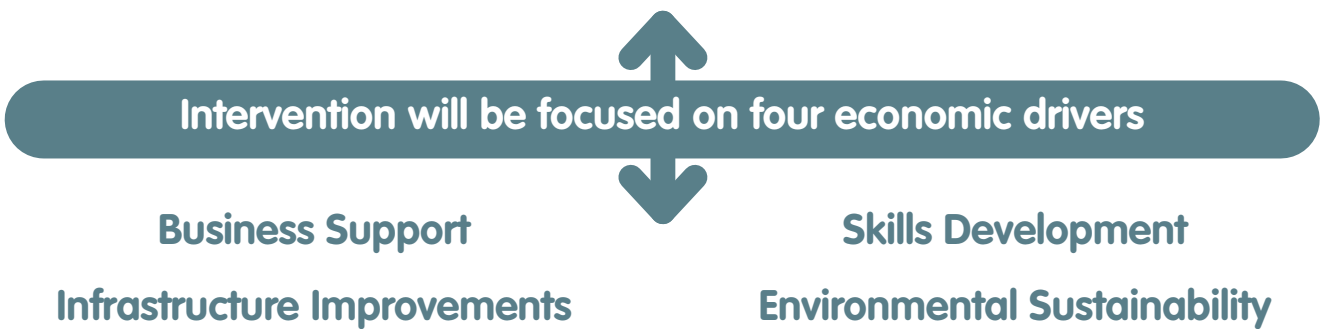
The launch of our Skills Investment Plan early in 2016 has brought into sharper focus what Cumbria needs to do to respond effectively to the current and future needs of our economy.

Cumbria Local Enterprise Partnership also continues to play an active role with our local authorities in ongoing negotiations with central government to secure a package of devolved powers for strategic growth. If we can secure greater control over our resources, we will be better placed to ensure that the Strategic Economic Plan for Cumbria becomes a reality.

# Our priorities

The Cumbria Strategic Economic Plan (SEP) for 2014 – 2024 is focused around our four priority themes and four drivers for delivery:

- 1 Advanced manufacturing growth
- 2 Nuclear and energy excellence
- 3 Vibrant rural visitor economy
- 4 Strategic connectivity of the M6 Corridor



In order to monitor progress towards the ambitions set out in the Strategic Economic Plan, we have identified the following economic indicators:

KEY INDICATOR	EARLIER AMBITION	WHAT WE CAN ACHIEVE *
Employment	15,000 more Full Time Equivalent jobs by 2024	31,500 more Full Time Equivalent jobs by 2024
Superfast broadband coverage	100% by 2024	100% by 2024
% of UK electricity generated in Cumbria	7% by 2024	10% by 2024
GVA of Cumbria's economy	Boost economy by £600m more than baseline projects (7% above baseline)	Boost economy by £1.3bn more than baseline projects (13% above baseline)
Proportion of businesses facing skills gap	3% reduction in proportion facing skills gap	4% reduction in proportion facing skills gap
Proportion of businesses reporting growth in employment or turnover	5% increase in those reporting growth	7% increase in those reporting growth

\* With additional support from government, the Strategic Economic Plan target could be increased to reflect the potential of the LEP being able to drive forward further economic activity and growth.

# OUR GROWTH DEAL INVESTMENT PROGRAMME

## Growth Deals 1 and 2

Barrow advanced manufacturing centre	£1,126,000
Carlisle advanced manufacturing centre	£900,000
Growing our potential	£506,000
Cumbria skills and capital programme	£2,000,000
South Ulverston infrastructure improvements	£4,500,000
Ulverston infrastructure programme – flooding	£5,000,000
Barrow Waterfront	£7,178,470
Infrastructure funding – devolved majors	£7,800,000
Port of Workington – road access	£2,000,000
Optimising connectivity	£2,000,000
Carlisle airport	£4,750,000
Connecting Cumbria	£3,600,000
Business flood recovery grants	£2,000,000
Durranhill access improvements	£2,000,000
Kendal transport infrastructure	£2,300,000
<b>TOTAL</b>	<b>£47,660,470</b>

Current programme as approved by the LEP Board in May 2016



The current Growth Deal will see £47.7m invested in Cumbria up to 2021. £9.07m has already been spent with £19.5m to be spent in 2016/2017. **This programme has already seen the delivery of the following investments in 2015/2016:**

- New Advanced Manufacturing Centre at Furness College.
- Site servicing of Durranhill.
- Early site works at Barrow Waterfront and new BAE Systems logistics facility.
- A specialist power line engineer training academy at Newton Rigg.
- New STEM labs at University of Cumbria's Carlisle campus.

**Projects that are on track to be substantially completed within 2016/2017 are:**

- Advanced manufacturing training facility at Carlisle College.
- A new bridge at Currock in Carlisle.
- Transport hubs at Workington and Maryport railway stations.
- Optimising connectivity - sustainable transport improvements on the A591 corridor.
- Highway improvements in Ulverston unlocking the Lightburn Road employment site.
- Port of Workington - new road over railway bridge, improving port access resilience.



The Growth Deal 1 and 2 programmes are set to deliver the following outputs and benefits for Cumbria:

An additional  
**£29.6m**  
private / public sector  
investment.

**5,742**  
new homes delivered.

**275,651**  
sq metres of premises  
refurbished.

**7,305**  
jobs created and  
supported.

**3,881**  
additional learning  
opportunities created.

**5,925**  
additional premises with  
access to Superfast  
Broadband.

Our Growth Deal 1 & 2 projects have contributed to our economic drivers

	Business support	Infrastructure improvements	Skills Development	Environmental sustainability	Advanced manufacturing growth	Nuclear & energy excellence	Vibrant rural & visitor economy	Strategic connectivity of the M6 corridor
Optimising connectivity	✓	✓	✓	✓			✓	✓
Barrow Waterfront		✓			✓			
Kendal transport infrastructure		✓					✓	✓
Barrow advanced manufacturing centre	✓		✓		✓			
South Ulverston infrastructure improvements		✓			✓			
Durrhill access improvements		✓						✓
Connecting Cumbria	✓	✓	✓	✓	✓	✓	✓	✓
Growing our potential	✓				✓	✓	✓	
Cumbria skills and capital programme			✓		✓	✓	✓	
Carlisle advanced manufacturing centre			✓		✓			
Port of Workington – road access		✓				✓		
Ulverston infrastructure programme		✓		✓	✓			
Carlisle airport		✓						✓



# Growth Deal 3



The government announced a further round of Growth Deals in March 2016. Cumbria Local Enterprise Partnership has built upon the successful delivery of the previous Growth Deals and has now stepped up with a more ambitious plan for growth and investment.

Cumbria Local Enterprise Partnership is seeking £165m of investment in the proposed Growth Deal 3. Guided by our strategic aims and subsequent investment priorities, Cumbria Local Enterprise Partnership has developed a transformational new pipeline of proposals that can be delivered by the Growth Deal.

The proposal includes projects that will contribute to the delivery of the ambitions set out in the Strategic Economic Plan. Projects are being prioritised where they will deliver excellent value for money, are capable of leveraging in additional investment and will bring the greatest benefit to the local economy.

The government is expected to announce the allocation of Growth Deal 3 funding later in 2016.

**£165m Growth Deal 3 requested would:**

Deliver over  
**5,500** gross jobs

Leverage over  
**£376m** of additional investment

Deliver and support over  
**5,000** homes

Develop over  
**600,000** sqm of workspace



# Growth Deal 3 project proposals

These proposals comprise the following time-critical, prioritised strategic projects to deliver economic growth in Cumbria.

PROJECT	GROWTH FUNDING REQUESTED	PROJECTED OUTCOMES INCLUDE
Whitehaven Town Centre North	£11,235,000	Benefits to town from upgrades to costal railway & A595. 632 jobs, 46 new homes, over £40m investment levered, new workspace developed.
Carlisle Station Gateway and the Citadels	£21,724,164	A new development including, hotel, retail, bars & residential. 530 jobs, 36 new homes, new workspace, over £40m investment levered.
Optimising Connectivity 2	£4,999,999	Innovative & integrated means of moving people, improving the visitor experience. 596 jobs, £286.5m investment levered.
Skills Capital Programme	£20,000,000	Funding projects to enable delivery of Cumbria Skills Investment Plan.
Flood Resilience Programme	£25,000,000	5337 homes & businesses protected, 553 jobs safeguarded, £72,000 investment levered.
Growing our Potential	£20,000,000	Loans to unlock private sector investment. 769 jobs, £50m investment levered, 99% broadband coverage.
Lillyhall North	£8,500,000	Measures to enable development of employment site. 658 jobs, 350,000sqm of workspace.
North Gateway Workington Development	£10,835,000	Rail improvement to support major energy sector & open up employment sites. 133 jobs, 46,000sqm of workspace developed.
Nuclear Technology Innovation Gateway	£15,000,000	New academic research centre, laboratories, offices for National Nuclear Laboratory. 14 jobs, 100 skills packages, £38m investment levered.
Cross-a-Moor	£2,440,000	Upgraded A590 junction, 1300 jobs, 908 new homes.
Agri sector Programme	£15,400,000	300 jobs, £77m investment levered.
Tourism Growth Programme	£10,000,000	333 jobs, £10m investment levered, 500sqm of workspace developed.

# Regional Growth Fund Grants

We have awarded grants worth over £4m to businesses across the county through Regional Growth Funding. The case studies on these pages show how some of these grants are helping to support growth and jobs in Cumbria.

Hawkshead Relish Co Ltd	£60,000
Abbeyhorn	£38,867
JE Wilson & Sons (Kendal) Ltd	£86,500
John Chapman Ltd	£25,000
Hawkshead Brewery Ltd	£22,174
Different Strokes Painting & Decorating Ltd	£24,000
TreeWise Solutions Ltd	£71,400
Cumbria Wildflowers Ltd	£51,426
The Croft	£120,000
Stone Eden Nursery School	£100,000
Calder Foods (Manufacturing) Ltd	£167,738
Worth Furnishing Ltd	£152,375
Bells of Lazonby Ltd	£45,000
King Kong Climbing Centre Ltd	£95,000
Ast Signs Ltd	£53,200
Ast Signs Ltd	£300,000
Cranstons Quality Butchers Ltd	£141,450
Bells of Lazonby Ltd	£135,000
Safety Critical	£65,204
Treetop Trek Ltd	£70,000
Fulcrum Films Ltd	£30,000
Alfa Precision & General Engineering Co Ltd	£36,982
Pure Lakes Skincare Ltd	£17,140
Houghton Parkhouse Ltd	£198,000
Liberty Work & Leisure Wear Ltd	£95,000
Enviroguard NW Ltd	£30,000
Old Hall Veterinary Centre Ltd	£74,700
Grosvenor House Papers Ltd	£33,988
Ginger Bakers	£6,954
Cumbria Profiling Ltd	£89,600
Ast Signs Ltd	£61,400
Spotted Dog Children's Centre	£13,340
Traybakes Ltd	£24,000
Metalwork Solutions (UK) Ltd	£46,000
Urofoam Ltd	£30,000
C.T. Hayton Ltd	£77,162
Trade Copiers Ltd	£180,000
The Lakes Distillery Company Ltd	£210,000
Bath House	£19,608
Classic Desserts Ltd	£45,319
TJS Northern Ltd	£32,000
Willow Water Ltd	£4,261
Ast Signs Ltd	£80,979
The Spinners Arms/Carlisle Brewing Co	£25,600
Bartletts	£78,900
First Engineering Services Ltd	£325,910
Siemens PLC	£250,248
Marl International Ltd	£93,000

**Grand Total** £4,034,424



## Case studies

### POSITIVE SIGNS OF THINGS TO COME

A £300,000 grant has helped Ast Signs, a UK market leader in vehicle graphics, commercial signage and interior branding, build a bespoke headquarters and manufacturing hub on Eden Business Park in Penrith.



Ast Signs managing director Mark Aston, says: **“Our new purpose-built headquarters provides 20,000 square feet of workspace, integrating all our state-of-the-art production equipment with our management and administration. It allowed us to consolidate operations into one space which has transformed efficiency and communication.”**

### SERVING UP A DELICIOUS LINE IN FOOD PRODUCTION



Carlisle based Calder Foods Ltd has been supplying the contract catering teams at national events including The British Open, The Ryder Cup, Royal Ascot and Wimbledon. By securing grant funding of over £167,000 the company was able to update existing production lines and create 20 new jobs.

Paul Barker from Calder Foods, says: **“We are a Cumbrian business committed to our manufacturing and distribution operations in Carlisle. The grant funding has been a huge benefit to the business.”**

### GROWTH FUND GIVES NEW OPPORTUNITY FOR LIBERTY



Corporate workwear firm Liberty Work & Leisure was awarded a £95,000 grant which has helped it complete a £450,000 move to new premises, trebling the size of its headquarters and providing the work and office space to fuel its expansion.

Managing director Andrew Dunning, says: **“We’ve had inspiring support from Cumbria LEP. We have ambitious targets for growth but with the financial assistance, we have the perfect platform in place to achieve them and create more new jobs.”**

### MANUFACTURING GROWTH A PIECE OF CAKE FOR TRAYBAKES

Traybakes Ltd has doubled the size of its workforce and secured a string of new business contracts thanks in part to Regional Growth Fund investment. With demand for its hand-made cakes on the rise, the firm quickly outgrew its premises and needed to adopt new technology.



Managing director Justine Carruthers, says: **“Traybakes can now service bigger nationwide clients from its headquarters outside Penrith. It has resulted in a direct approach from Amazon to sell our produce through the leading website and we are even supplying Wimbledon. This has put us on a completely different playing field.”**

## Flood recovery work and investment

Since the storms of December 2015, we have been working with Cumbria County Council, the Cumbria Growth Hub, and other partners to help businesses affected by flooding.

The Flood Recovery Grant Scheme ensured that grants of up to £10,000 were made available to help businesses recover more quickly and start trading again. We have already committed £3.5m to support 648 businesses with their flood recovery.

## European Structural Funds Programme 2014-2020

As at July 2016, Cumbria's EU programme for 2014-2020 is currently worth approximately £73.8m. This includes the European Regional Development Fund (ERDF), European Social Fund (ESF) and European Agriculture Fund for Rural Development (EAFRD).

This funding presents a significant opportunity to support business growth, to create jobs and improve skills levels.

Contracts worth approximately £27.9m are currently being processed, with further rounds of European funding due to come on stream in the coming months. Cumbria LEP is lobbying Government Departments to release further funding rounds as soon as possible.

Although it is still too early to be certain, our understanding is that EU funds already allocated for existing project contracts will be honoured. Cumbria Local Enterprise Partnership will work with the business community, our partners and MPs to maintain investment at EU levels.



## Our Skills Investment Plan

Due to demographic changes, economic growth and investment in the county, in the next 5 years Cumbria will need a larger and more skilled workforce.

Our Skills Investment Plan will help more local people gain the qualifications they need to access new jobs being created in sectors such as advanced manufacturing, nuclear and biopharmaceuticals, as well as providing businesses with a supply of skilled staff.

TARGET	CURRENT POSITION	2020 TARGET	CHANGE
Working age population qualified to Level 2 or above	74%	76%	+6,000 people qualified to Level 2
19-year-olds qualified to Level 3 or above	53%	57%	+200 19-year-olds per year qualified to Level 3
Working age population qualified to Level 4 or above	29%	32%	+9,000 people qualified to Level 4
20% increase in apprenticeships	5,000 starts p.a	6,000 starts p.a	+ 1,000 starts p.a
Proportion of businesses in Cumbria reporting skills gaps	16%	Below national average (currently 15%)	400 fewer businesses reporting skills gaps
County-wide employment rate	76%	78%	+6,000 people in employment

Other proposals include workforce development, support for SMEs, and graduate career opportunities in STEM disciplines. We are also lobbying government for capital investment for more education and training opportunities in civil engineering, construction, nuclear operations and tourism.

## Our Infrastructure Plan

Infrastructure has a crucial role in boosting economic growth by attracting visitors, workers and investment to Cumbria. Our Infrastructure Plan for the county sets out what is needed to facilitate economic growth and maximise opportunities from large scale projects over the next fifteen years.

### Critical short term priorities:

- Cumbrian coastal railway enhancements
- A595 corridor enhancements
- Flood resilience & mitigation
- Connecting Cumbria Phase 3: 4G & broadband connectivity
- Port of Workington improvements.

### Important short term priorities:

- Carlisle Station & surrounding area
- Carlisle Airport enhancements
- Port of Barrow improvements
- Rail station improvements
- Town centre transport improvements
- Optimising connectivity.

### Medium / long term priorities:

- Carlisle southern link road
- A590 road enhancements
- A66 road enhancements
- Ulverston bypass
- Whitehaven relief route.

# Our board

## Private Sector

**George Beveridge** – (Chair) Representing energy and nuclear and based in West Cumbria.

**Jackie Arnold MBE** – (Vice Chair) Representing specialist manufacturing and based in Furness

**Jim Jackson** – Openreach Regional Infrastructure Director for the North

**Rob Johnston MBE FCIM** – Chief Executive of Cumbria Chamber of Commerce

**Duncan Peake** - CEO, Holker Group

**Ian Robinson** - Innovia Films Procurement Director

## Public Sector

**Councillor Stewart Young** – Leader, Cumbria County Council

**Mike McKinley** – Lake District National Park Authority

**Councillor Dave Pidduck** – Leader, Barrow Borough Council

**Councillor Kevin Beaty** – Leader, Eden District Council

**Mike Starkie** – Directly-elected mayor of Copeland Borough Council

**Professor Peter Strike** – Vice Chancellor of the University of Cumbria

## New board member appointments

We have recently appointed four new board members from the private sector and three from the public sector.



**Duncan Peake** has led the Holker Group through a change management programme and has helped establish it as a key player in the South Cumbria local economy.



**Ian Robinson** from Wigton based Innovia Films has been involved in supporting a variety of FMCG manufacturing operations across Europe.



**Jim Jackson** is currently responsible for the deployment of Superfast Broadband, including infrastructure for new homes and businesses and the rearrangement of Openreach's network.



**Mike Starkie** became Cumbria's first elected mayor in May 2015. He also represents Copeland on the Energy Coast West Cumbria Board, the Copeland Community Fund Board and the West Cumbria Site Stakeholder Group.



**Rob Johnston** CEO of Cumbria Chamber of Commerce, is an active advocate of business start-ups and international trade support.



**Councillor Dave Pidduck** is the current leader of Barrow Borough Council and its official spokesperson for economic development and regeneration, as well as human resources.



**Councillor Kevin Beaty** is the leader of Eden District Council and a Cumbrian dairy farmer who also runs a composting and green waste business.

For more information about Cumbria LEP and updates on our work programme visit [www.cumbrialep.co.uk](http://www.cumbrialep.co.uk)