



# Technical annexes

## OUR 4 ECONOMIC DRIVERS

Delivery of the 12 investment programmes will be underpinned by investment in our 4 economic drivers:

**Business Support**

**Skills Development**

**Infrastructure  
Improvements**

**Environmental  
Sustainability**



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# BUSINESS SUPPORT

## 1. Introduction:

This paper is an annex to Cumbria's Strategic Economic Plan (SEP). It explains how business support underpins the achievement of the SEP. Here we outline our plans to continue to develop and enhance business support in Cumbria, with the twin objectives of allowing the economy to expand and individuals to prosper. Cumbria is facing a truly once in a lifetime opportunity. Business support is central to our chances of realising this potential, with Cumbria's Business Growth Hub model already identified as a national exemplar.

Cumbria's businesses, existing and future, offer huge potential to grow the county's economy and jobs. To maximise this we will ensure that our businesses, and in particular our SMEs, are inspired and supported to achieve their potential.

A significant element of this is clearly actions to support specific elements of this Strategic Economic Plan (SEP) as highlighted in section 4 below. Equally important are the actions underpinning wider growth and sustainability as set out in our European Structural & Investment Funds Plan (ESIF).

Through this support we anticipate creating in excess of 5,000 jobs and safeguarding a further 2,000.

Cumbria's strengths lie not just in the sectors highlighted for action in the SEP, such as opportunities around our nuclear expertise and advanced manufacturing, but also in the diversity of our business economy.

The 2013 Cumbria Business Survey reports that 28% of Cumbria's businesses grew their turnover last year, and 10% grew employment, with 11% growing staff numbers or turnover by more than 20%. The same survey indicates that 68% of private sector businesses are looking to grow outputs, sales turnover and/or employment. Cumbria's economy is becoming significantly less inward looking, with businesses increasingly taking advantage of opportunities to expand sales nationally and internationally. Interest in exporting is continuing to grow among both exporters and non-exporters.

This positive picture is reinforced by current activity through initiatives such as Cumbria Business Growth Hub and the Regional Growth Fund, demonstrating significant growth and growth opportunities across the range of sectors among businesses of all sizes, also evidenced in Business Growth in Cumbria 2014. This breadth of opportunity is particularly vital in its contribution to the robustness of our economy and its growth.

If our businesses are to achieve their full growth potential and new businesses are to start and grow successfully, the evidence shows that we need a coordinated programme of business support activities, ensuring businesses have the requisite knowledge, skills and networks - and, crucially, raising their aspirations and awareness of the opportunities available to them.

Without this support the other elements of this plan cannot succeed, with business support underpinning them all as set out in Section 4 below. Development of business parks and employment sites for example provides the facilities in which businesses can grow, but without the right business support many will be unable to do so successfully. This is particularly vital given the importance of SMEs to our economy.

We are therefore underpinning our growth plans with a co-ordinated package of business support, supporting the breadth of opportunities within our economy as well as targeting specific support at key identified opportunities such as exploiting nuclear excellence and developing the advanced manufacturing supply chain.

Experience shows that fundamental to ensuring seamless support to clients and hiding the wiring are robust agreements between delivery partners, enabling full sharing of client information and provision of truly coordinated packages of support, with effective management arrangements to support this.

Funding to support this activity will be drawn from a range of sources including private sector partners, public sector partners, business sponsorship and advertising, SME beneficiary contributions, ERDF, ESF, EMFF, EAFRD, RDPE and the Local Growth Fund.



## 2. Policy Linkages: National/Local

National BIS policy highlights a key role for Growth Hubs as the core of business support in each LEP area, operating a model which hides the wiring and delivers in line with identified local needs by drawing on a mix of national resources and localised programmes.

More specifically the support which we will deliver aligns with the range of national such as:

- Small Business: GREAT Ambition
- HM Treasury's Plan for Growth 2011
- BIS's The Path to Strong Sustainable and Balanced Growth 2010
- BIGGER, BETTER BUSINESS: Helping small firms start grow and prosper 2011
- Nuclear Industrial Strategy
- Offshore Wind Industrial Strategy
- UK Strategy for Agricultural Technologies
- Construction 2025
- Encouraging a British Industrial Revolution

It also aligns with local policies beyond the SEP and ESIF such as the Carlisle Economic Partnership Plan, Britain's Energy Coast Blueprint and Towards a New Economic Vision for Furness.

Local research includes Business Growth in Cumbria 2014, Cumbria Business Survey 2013, Cumbria Business Survey 2011, Supporting Key Sectors 2012 and further focus groups to refresh the latter in 2013. Relevant national research has also been taken into account.

## 3. Economic Driver Overview

### 3.1 Challenges and opportunities

A range of recent research by the LEP and partners highlights real opportunities for growth if Cumbrian businesses can access the right support to facilitate it. The need for support is particularly so in the case of SMEs, which account for almost all of Cumbria's businesses, with 98% of our 21,375 registered enterprises employing fewer than 49 employees, and 89% employing fewer than 10. It is estimated that there are a further 27,000 self-employed people within the county beneath the VAT threshold.

Alongside this, primary and secondary research, in Cumbria and beyond, as well as significant experience of delivering business support and being in business, informs the shape of business support on offer. It also highlights the difficulty of trying to identify winners at the outset and the value of providing breadth of support, with further assistance to winners as they emerge.

This indicates the need to support opportunity and aspiration wherever it sits and to operate a wide funnel (rather than focussing only on identified sectors and seeking to identify winners up front) encouraging and supporting all businesses, while focussing increasing support on emerging winners, whatever their sector, as they progress through their growth journey.

That said, the right mix of support is clearly vital to underpin the LEP's priorities for growth – advanced manufacturing growth, nuclear excellence, vibrant rural and visitor economy and the M6 corridor – as part of this supporting the development of the new and growing businesses which will populate the business park developments. There is also a need to bear in mind the role of other businesses in supporting key priority sectors, not least through ensuring Cumbria is an attractive place to live and work, and the need for inclusive growth. Our business support offer must also support the priorities set out in our ESIF plan.

It is important for growth that businesses are open to taking advantage of outside help and have the aspiration to grow and awareness of the opportunities.

Support must be locally relevant, tailored, client centric and easily accessible at a time and in a place to suit businesses. They should not need to think where to go for what – a one-stop-shop with no wrong door – and need easy access to a tailored package of support appropriate to their needs.

SMEs in particular often do not have or do not have affordable access to the full range of skills needed to start, develop and grow successfully. There are often issues with understanding the value of and being confident in purchasing assistance. The offer should include both building skills within the business and overcoming barriers to paying for support.

It should seek to overcome the range of barriers to growth and to accessing support and enable businesses to take advantage of opportunities, overcoming market failures, not least in relation to information, trust and confidence.

### 3.2 Partnership working

Partnership is fundamental to the Growth Hub, drawing on the range of experience and expertise locally, regionally and nationally and building on the best of existing support to deliver in line with the identified needs of Cumbrian businesses now and moving forward.

The delivery partnership will continue to be led by Cumbria Chamber of Commerce.

The current Growth Hub has provided an excellent opportunity to develop this partnership model, exploring the opportunities and challenges of effective partnership working, and provides a robust starting point from which to expand the current partnership.

Key elements of this effective partnership working include:

- Shared ethos and trust, and important to this is working constructively together to enable all partners to meet their required outputs.
- All partners getting behind the Growth Hub brand, rather than a partner brand, while still utilising the strength of individual partner brands.
- Robust datasharing and joint working arrangements, including around referrals and sharing of outputs.
- Effective central coordination and a shared CRM.

These elements are fundamental to a streamlined client journey and truly coordinated packages of support drawing on the best of what is available.

Partners will be confirmed, following due diligence, based on the value they bring to partnership delivery, their ability to bring relevant support and match, delivery experience and track record and wider due diligence (including financial robustness and ability to cash flow activity).

European Funding/Local Growth Fund contractual requirements and risks will be transferred to partners, as part of contracting arrangements, for their elements of delivery, as for the current Growth Hub project.

It is envisaged that the partnership will include organisations such as Lancaster University Management School, UCLan, the University of Cumbria, Cumbria County Council (all of which are current Growth Hub partners), Britain's Energy Coast, Cumbria Tourism, Furness Enterprise, University of Manchester, National Nuclear Laboratory, LDNPA, Enterprise Answers, MAS, UKTI and others, with each initiative within the Growth Hub having its own grouping of partners.

Beyond the business support delivery partnerships relating to specific SEP and ESIF projects we will continue to work with wider Growth Hub partners such as UKTI (core activity), MAS (core activity) and The Edge skills project, linking in their activities with agreed SLAs. We will also continue to work constructively with wider stakeholders such as district councils, intermediaries, consultants and those delivering other support projects and relevant services.

The model allows further partners to be added easily, as well as simple linkage in of other deliverers.

### 3.3 Scope of activity

#### 3.3.1 The model

Business support will be focussed through Cumbria Business Growth Hub, building on and enhancing the current Growth Hub which has already been identified by BIS as a national exemplar and is built on identified and evidenced business needs.

Cumbria Business Growth Hub is a countywide one-stop-shop, helping to unleash their potential and acting as a focal point for support for businesses that wish to be sustainable, increase their competitiveness and grow. Crucially, beyond pure provision of support, it raises aspirations and awareness of opportunities and opens up growth opportunities through new contacts and ideas.



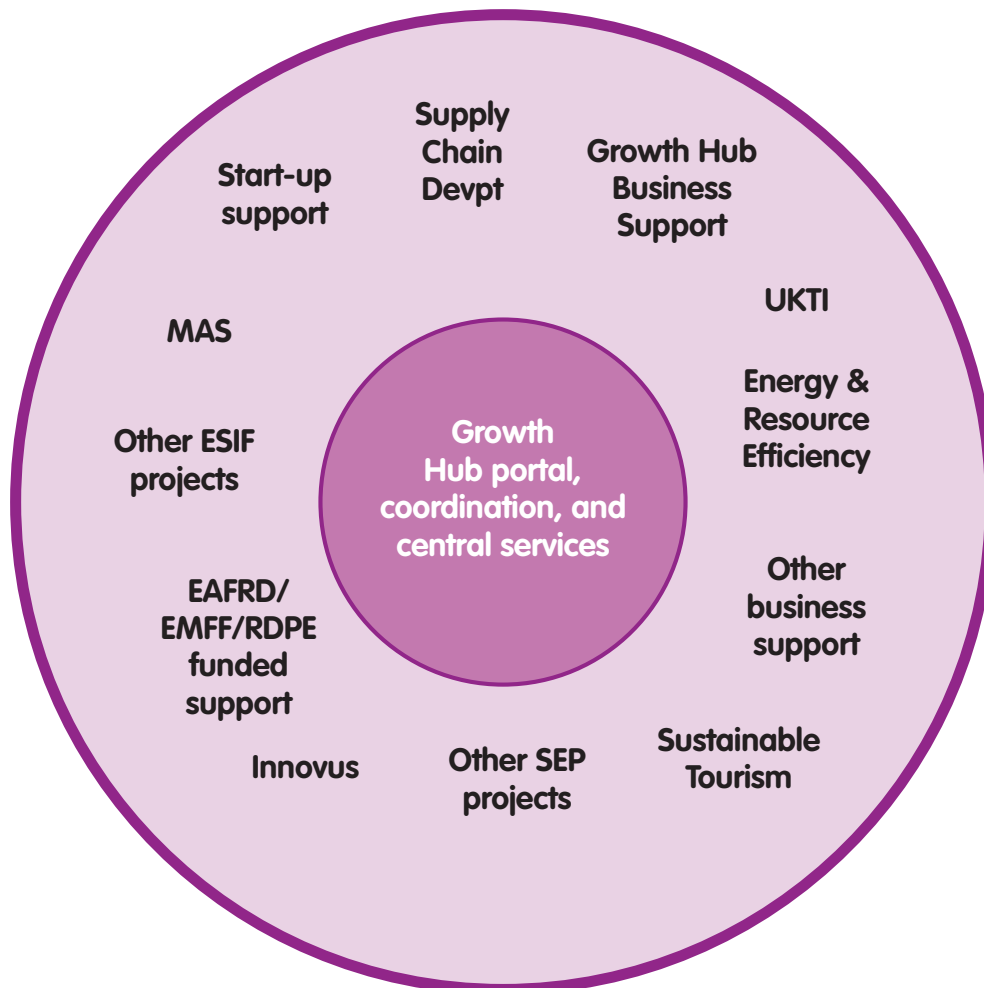
The Growth Hub provides a focus for access to support and provides relevant support and programmes, complementing and referring into further support. It will continue to be expanded to include further specific support under the Growth Hub umbrella.

The spread of activities will support the needs of our key sectors throughout the county as well as a diverse, underpinning economy, in both urban and rural areas, supporting the aims of both the SEP and ESIF.

As with the current Growth Hub, activity will support both rural and urban businesses – and the enhanced Growth Hub will draw in wider funding to enable full coverage.

The range of support is, and will be, designed in line with identified client needs and demand and local and national strategy, complementing other available support, and following on seamlessly from the existing Cumbria Business Growth Hub.

Within the Growth Hub umbrella will sit a range of initiatives as highlighted in the following indicative chart:



This model facilitates addition of further initiatives and partners over time, in line with developing needs and opportunities.

Partners will operate under SLAs relating to datasharing (including sharing of client information and reviews), branding and publicity, referrals and other joint working, building on existing Growth Hub SLAs, enhancing the client journey and maximising complementarity. Discussions are underway with a number of these wider stakeholders to convert existing cross-referral SLAs into wider agreements bringing them in as formal partners, and the intention is to extend the partnership further moving forward.

For national BIS funded partners to be fully integrated into this model their operating agreements will need to be modified to allow them to participate fully in datasharing and to utilise the programme CRM. Without this we cannot operate a truly integrated model and achieve a fully streamlined client journey.

### 3.3.2 The support on offer

Moving forward the Growth Hub will have complimentary core strands activity:

#### **Growth Hub Portal**

The one-stop-shop portal already established, with a number of hubs around the county, a web portal and a supporting telephone service, CRM and central coordination and management, which we will further develop.

#### **Growth Hub Business Support**

A European/Local Growth Fund Cumbria Business Growth Hub delivery project, supporting both ERDF and non-ERDF eligible businesses and activity, and supporting both urban and rural businesses - building on the existing Growth Hub project. Support available to any business includes a wide range of general, sector specific and thematic networking, forums, workshops, training, seminars and events (physical and online), as well as downloads and online tools. Another key element is businesses supporting businesses peer-to-peer through networking, advice, seminars and more. Crucially activities include referrals into support available through the range of other local and national initiatives, as

well as to paid for services. The model takes advantage of the full range available to make sure businesses get the best package of support wherever they are in the county.

Businesses looking to grow can arrange to meet with an experienced adviser who will work with them to help review and understand their business issues, needs, opportunities and aspirations and put together with them a personalised action plan that's focussed on what's right for that business. The plan will include a range of elements drawn from those available to all within the Growth Hub plus general and specialist expert advice and a range of specialist development programmes offered through the Growth Hub and more widely. As now, some initiatives will be focussed on LEP priority sectors but it will also continue to support the LEP underpinning and other sectors. Specialist activity streams include, for example, sector/thematic networks and support (food & drink, digital & creative, agri-business/forestry, adventure capital/country sports, women's enterprise, social enterprise, family business and potentially others), a range of UCLan online toolkits, Lancaster University Management School's Aspiring Businesses in Cumbria programme and University of Cumbria student/graduate/staff placements.

To encourage businesses to understand the value of and use paid for support a 50% subsidy will continue to be available up to £2,500 towards the cost of consultancy to support their action plan. An adviser can help the business to produce a brief and find and select and consultant, and can help to manage and monitor the consultant.

The Growth Hub also helps businesses access funding available through Cumbria LEP's Regional Growth Fund programme and Cumbria Infrastructure Fund (funded through Growing Places) – as well as linking businesses into other available options, whether commercial or public funding. Importantly the adviser can also wrap around a package of support to get the best from the investment, with advice, workshops, referrals and more.





A number of European funding/Local Growth Fund projects within the Growth Hub umbrella, including, for example:

- **Supply chain**

Through a combination of local partners (Britain's Energy Coast, Cumbria Chamber of Commerce and Furness Enterprise) and MAS and UKTI working together we will deliver a mix of targeted specialist advice and discretionary grants to both SMEs and larger businesses, to raise capability and capacity, enabling Cumbrian businesses to win more contracts and building a foundation for exports. This initiative will provide businesses with access to best practice supply chain practice, maximise supply chain involvement by Cumbrian businesses in new developments occurring in the county between 2015 and 2021 (at Sellafield, Moorside power station, defence, submarine, oil and gas, industrial and renewable energy) and elsewhere and enable them to exploit their international potential. It will create a pipeline of future contract opportunities, deliver business capability assessments and follow on intensive consultancy, quantify local performance capabilities and gaps, assist with prequalification requirements, deliver intensive targeted capacity building support and enable investment in capital equipment, R&D, training and innovation. Importantly, it will also facilitate collaboration between businesses and build stronger networks. The initiative will support businesses in developing and exploiting their export potential as well as supporting re-shoring of manufacturing activity and inward investment back into the UK. Businesses supported will be substantially, but not wholly, manufacturing businesses – with a key element including enabling businesses with technical expertise in the nuclear supply chain to exploit their potential both at home and abroad, in nuclear and other markets. Working in tandem with the grant elements where relevant, business advice is fundamental to ensuring that SMEs in particular have the understanding, skills, knowledge and systems needed to win business and operate successfully in key supply chains, providing the basis also to expand beyond that supply chain.

- **Low carbon**

Building on the existing Cumbria Business Environment Network, bespoke advisory support will be offered to SMEs to improve their performance, enhancing efficiency and delivering cost savings, and reducing their environmental impact. Following audit and review, businesses will be helped to implement the findings, with relevant advice and transfer of skills and knowledge. This will support growth and sustainability of these businesses and enhance opportunities for local manufacturers and installers of relevant low carbon products. The project will also support manufacturers and installers to help them take advantage of the opportunities, developing a network of local providers and enhancing their ability to tender successfully.

Promoting Sustainable Tourism in Cumbria will aim to increase take-up of environmental management accreditation by tourism businesses and in doing so increase the number of businesses implementing and monitoring sustainable tourism actions. The initiative will also incorporate networking throughout the tourism supply chain and a visitor marketing campaign.

- **Innovus**

Within the Nuclear Centre of Excellence, this initiative, led by the University of Manchester and National Nuclear Laboratory, will promote, facilitate, support and provide funding towards development of new technology based products and services. It will provide scientific and engineering facilities and business and commercialisation support to enable new technology based businesses to start successfully and existing ones to exploit new opportunities, enhance their competitiveness and grow.

- **Business start-up support**

Supported by ERDF and ESF funding, a package of start-up support, building on the existing BSUS project and other start-up support available within the county, will, as now, link with the support available through national schemes such as DWP's New Enterprise Allowance. It will raise awareness and understanding of the opportunities available through business start-up among young people and the general population, enable individuals and groups to explore the opportunities and provide one-to-one advice and training to facilitate successful and sustainable start-ups. Support will include help for young businesses in their first three years of trading. Specific support will be available to facilitate higher growth, higher tech start-ups.

- Other initiatives such as business support to the forestry sector as part of the Woodland Enterprise Zone building on the existing Rural Growth Network agri-business and forestry network, enhanced agri-business support (also building on that network), the Deer Initiative supporting the supply chain through from land and herd management through to added-value food production and tourism, access to finance support and funding schemes, and ICT/broadband support.

Building on current agreements, other "free-standing" projects/activity within the Growth Hub umbrella such as:

- Wider UKTI international trade support, beyond ERDF opt-in activity.
- Wider MAS activity, beyond ERDF opt-in activity.
- The Edge skills project, Apprenticeships and the wider skills offer.

Support will be continually reviewed and adapted/expanded over the period of the plan in line with emerging needs and opportunities.

It will be aligned with rural physical hub activity through Cumbria County Council, including ten to fifteen key employment sites around the county.

### 3.3.3 The web portal

Emerging opportunities offered by communications technologies are increasingly enabling new ways of communicating and engaging with and between businesses and delivering support. A key element of Cumbria Business Growth Hub is its interactive web portal, which acts as a significant enhancement to more traditional face-to-face activity, adding a valuable layer and alternative way of accessing high quality, personal support. This approach allows us to deliver a service that overcomes issues of distance and time highlighted as significant barriers to take up of support, delivering the service at a time and location to suit the customer.

In developing the Growth Hub Cumbria Chamber of Commerce has worked with a number of key partners to review, assess, develop and test the options. This work has taken account of the need to work as an integrated offer with face-to-face activity and of current and emerging client and partner needs, data protection and management issues and ERDF reporting requirements.

The resulting Growth Hub portal has already emerged as the market leader and is designed to accommodate emerging market needs and opportunities as we move forward, and will be further developed and enhanced over the period of this plan.

The Growth Hub portal owes much of its design to online shopping and social networking, utilising emerging technologies that reflect how people are increasingly choosing to communicate and using the most advanced technology available to overlay the more traditional business support service and enhance it for the iPhone and iPad generation. Designed with the future in mind, this intuitive portal integrates a range of online tools and resources. It uses the latest .NET technology and uses the latest technology of HTML5 and CSS3, ensuring that the web portal is future proof in terms of design and coding.



To ensure that the web portal is accessible to users of varying ability and connectivity, the latest responsive design techniques have been used, taking into account smartphone, tablet, netbook and desktop formats, with the layout changing automatically according to the user's computer screen resolution.

The web portal includes the ability to:

- Add and amend content simply through the Content Management System
- Record, analyse and report on detailed usage
  - o For registered users - for each identified individual, time spent, when and on what, allowing reporting as part of specific client assists and facilitating targeting for support and services.
  - o For all users – standard web analytics collect data to show overall usage of the web portal, allowing analysis of visitors, usage and trends

Designed with the future in mind, this intuitive portal integrates a range of tools and resources and is a real source of valuable information, inspiration and contacts, drawing on the range of national as well as local and regional content. Through the web portal business people can meet each other through online forums or connect through an easy to use contacts index. Open discussion forums provide a central place to communicate and businesses can use social messaging and video chat to engage in private and public conversations, meetings and workshops – and to work with their advisers – exploiting the benefits of tools such as Facetime, Skype and Google Hangouts. There is the opportunity to watch and participate in live broadcast events, and to watch recordings later, as well as online learning from university partners.

Alongside the web portal, a Growth Hub specific CRM tracks and records all activity, capturing detailed activity by each business in forums, downloads, Facetime, Skype, Hangouts, online training, online events, etc. This is already operating successfully for the current Growth Hub. It will be adjusted and access will be expanded to accommodate the enhanced Growth Hub model outlined here.

With a range of ways to access its services, the whole Growth Hub is built around the business and each individual can use it to the extent and in a way that meets the business needs, using as much or as little of the technology as suits. The Growth Hub portal is not a replacement for face-to-face support – it is a significant enhancement, adding a valuable layer and alternative way of accessing the same quality of support. This is business support in the age of now.

[www.cumbriabusinessgrowthhub.co.uk](http://www.cumbriabusinessgrowthhub.co.uk)

## 4. Delivering the strategy

Business support activities underpin delivery not just of the SEP strategy but also the ESIF as a sub-set of that and the wider needs of Cumbria's economy.

Below is an outline of how business support activity will deliver against the specific elements of the SEP. Supporting all elements will be the Growth Hub web portal and telephone service.

### 4.1 Advanced manufacturing growth

#### 4.1.1 Advanced manufacturing initiative

This will primarily be supported through the supply chain project, including grant funding. Additionally this initiative will be supported through the Growth Hub business support initiative, UKTI and MAS.

#### 4.1.2 Growth in Ulverston

The new and growing businesses which will populate these sites and support their ongoing sustainability and growth will be supported through the range of initiatives sitting within the Growth Hub umbrella. Without the right business support, including start-up support, there will be insufficient sustainable businesses to fill the sites.

#### 4.1.3 Barrow Waterfront

The new and growing businesses which will populate this site and support its ongoing sustainability and growth will be supported through the range of initiatives sitting within the Growth Hub umbrella. Without the right business support, including start-up support, there will be insufficient sustainable businesses to fill such business parks.

## 4.2 Nuclear and Energy Excellence

### 4.2.1 Nuclear Centre of Excellence

The Innovus initiative, led by the University of Manchester and National Nuclear Laboratory within the Nuclear Centre of Excellence, will promote, facilitate, support and provide funding towards development of new technology based products and services. It will provide scientific and engineering facilities and business and commercialisation support.

Exploitation of our nuclear expertise will also be supported through other initiatives sitting within the Growth Hub umbrella such as Growth Hub Business Support, the supply chain project, UKTI and MAS.

### 4.2.2 Low Carbon Cumbria

Building on the existing Cumbria Business Environment Network, the Energy Resource Efficiency for Businesses project will offer bespoke advisory support to SMEs to help them improve their performance, enhancing efficiency and delivering cost savings, and reduce their environmental impact. This model is proven to improve resource efficiency and energy awareness. It will also help stimulate the market for low carbon energy goods and services, providing opportunities for local manufacturers and installers.

Promoting Sustainable Tourism in Cumbria will increase take-up of environmental accreditation and the number of businesses implementing and monitoring sustainable tourism actions.

This priority will also be supported by other activity within the Growth Hub umbrella, such as Growth Hub Business Support, Innovus, MAS, Start-up Support and UKTI.

### 4.2.3 Infrastructure, connectivity and employment sites

The new and growing businesses which will populate these sites and support their ongoing sustainability and growth will be supported through the range of initiatives sitting within the Growth Hub umbrella. Without the right business support, including start-up support, there will be insufficient sustainable businesses to fill the sites.

## 4.3 Vibrant rural and visitor economy

### 4.3.1 World class visitor destination

This priority will be supported through Promoting Sustainable Tourism in Cumbria which will increase take-up of environmental accreditation and the number of businesses implementing and monitoring sustainable tourism actions, and tourism marketing funding.

It will also be supported by other activity within the Growth Hub umbrella, such as Growth Hub Business Support, Start-up Support and UKTI.

### 4.3.2 Rural Growth Network

The Rural Growth Network is an integral part of the wider Cumbria Business Growth Hub & Rural Growth Network, which supports both rural and more urban businesses throughout the county with business support, networking and other services delivered as part of Growth Hub Business Support and BSUS Start-up Support. Rural Growth Network physical hubs and employment sites are linked with this.

### 4.3.3 Environmental infrastructure

This will be supported through initiatives such as forestry projects within the Growth Hub as part of Woodland Enterprise Zone (building on the existing Rural Growth Network agri-business and forestry network), enhanced agri-business support (also building on that network) and the Deer Initiative supporting the supply chain through from land and herd management through to added-value food production and tourism.

It will also be supported by other activity within the Growth Hub umbrella, such as Growth Hub Business Support, Start-up Support and UKTI.



## 4.4 Strategic Connectivity of the M6 Corridor

### 4.4.1 Employment sites

The new and growing businesses which will populate these sites and support their ongoing sustainability and growth will be supported through the range of initiatives sitting within the Growth Hub umbrella. Without the right business support, including start-up support, there will be insufficient sustainable businesses to fill such sites.

### 4.4.2 Housing delivery

Growth Hub Business Support and BSUS Start-up will underpin this by supporting growth and sustainability of the construction industry.

### 4.4.3 Culture, education and leisure

Growth Hub Business Support and BSUS Start-up will underpin this by supporting growth and sustainability of cultural and leisure businesses.

## 5. Governance

### 5.1 Decision making

The LEP will commission the Cumbria Business Growth Hub to deliver business support across the county on its behalf. This will be a partnership approach to business support delivery utilising the expertise held within local business support organisations. The Chamber of Commerce will act as the lead body responsible for the management and co-ordination of the Growth Hub, reporting to the LEP Board via the Growth Hub Programme Board.

The Programme Board will be established for the Growth Hub to be chaired by the LEP Board member with responsibility for Business Support. The Board will include representation from local business support organisations, the universities and draw in relevant government funded delivery organisations (such as UKTI and MAS). The County Council, in its role as accountable body for LEP managed funding will also be on the Board. The Chamber of Commerce will provide the secretariat for the Programme Board. The Programme Board will review progress, advise on current and future strategy

and ensure service delivery is aligned with the SEP. The Board will also act as the decision making body for conflict resolution for any issues between partners in the programme. The Programme Board will be responsible for reporting to the LEP Board.

The Private Sector Advisory Panel that supports the LEP brings together the core countywide private sector led business membership organisations, including the Chamber of Commerce, Federation of Small Businesses, Cumbria Tourism, NFU and the Cumbria Social Enterprise Partnership (acting on behalf of Third Sector). There is potentially a scrutiny role for the Advisory Panel in respect of the Cumbria Business Growth Hub.

Working together as the Growth Hub, delivery partner organisations will seek to maximise coordination of business support activity, seeking to encourage cooperation, minimise duplication and maximise the use of available resources. The Hub will seek to deliver a seamless network to support innovation and enterprise by providing a neutral platform that encourages and facilitates coordination of all business support activity. This partnership approach will seek to ensure delivery of customised targeted business, export, innovation and capital investment support. An integral part of this approach will be flexing of national programmes.

### 5.2 Project management

Overall project management of the Growth Hub will be undertaken by the Cumbria Chamber of Commerce. The Chamber will use Prince 2 principles in managing the various business support programmes. A Project Initiation Document will set out the quality standards, monitoring and management arrangements, risk management and the risk log, project plan and processes and procedures to be followed by partners.

The Programme Board will review progress and development and advise on current and future strategy. Building on the current successful Growth Hub model, within the overall Growth Hub, each project will be managed as an individual package with its own project manager reporting to the Programme Board. So, for example, supply chain will be managed as a project reporting to the Growth Hub Programme Board.

Project processes and service level agreements between partners will clarify how partners will work together to ensure a seamless journey for each client and that no matter how they enter the Hub, each client will be referred to the most relevant support for their needs. Where eligible for intensive support, clients will benefit from an effective review and development of an action plan which draws together the most appropriate package of support for that client.

Standard shared processes and forms will be used throughout, with the business intelligence held in a central location but accessible to all partners within the Growth Hub. All clients and interactions will be recorded in a programme specific CRM with one record per client to which all partners will have access. Regular reports will be produced from the CRM for reporting to the Programme Board.

### **5.3 Delivery capacity**

The Chamber of Commerce team has considerable experience of managing and delivering business support countywide. This has included management of ERDF and other funding to deliver programmes. It is also the organisation that initiated the Cumbria's existing Growth Hub, identified by BIS as a national exemplar.

An effective delivery team is already in place for the existing Growth Hub and this will be added to as appropriate to expand capacity moving forward. The Growth Hub is a scalable model and utilises subcontracted advisers and trainers. The Growth Hub draws upon the considerable expertise and experience sitting within other partner organisations. Delivery partners will similarly flex their existing team as appropriate moving forward.

The model adopted seeks to maximise the focus of resources on the client and the client facing activities rather replicating overhead costs within multiple delivery organisations established solely for the purpose of running projects.

### **5.4 Key contacts and leads**

The LEP lead on business support is private sector board member Graham Lamont of Lamont Pridmore Chartered Accountants

The key contact for the Growth Hub is Suzanne Caldwell, Cumbria Chamber of Commerce.

# SKILLS DEVELOPMENT

## 1. Introduction

This paper explains how skills underpin the achievement of the SEP and is a precursor to our Skills Plan for Cumbria, 2014-17, to be finalised in September 2014 on the basis of further research and consultation. Here we outline our plans to improve skills in Cumbria with the twin objectives of allowing the economy to expand and individuals to prosper. Cumbria is facing a truly once in a lifetime opportunity and skills are central to our chances of realising this potential as witnessed by inter alia:

- BAE System's successor programme to the Vanguard class nuclear submarine; growth in jobs by a 1/3 from a current 6,500 up to 7,500/8,000 in advanced manufacturing and engineering;
- GSK's £350m investment in its new bio-pharma plant at Ulverston which in the first phase will create some 600 jobs in life sciences;
- Sellafield's ongoing investment of ~£400m pa in new waste treatment and storage facilities to support decommissioning of its legacy ponds and silos;
- NuGen's £9bn investment in the Moorside site to build up to 3x AP1000 reactors creating at its peak 6,000 construction jobs and between 700-900 permanent operation and maintenance jobs per reactor;
- Innovia Films £20m investment in a new polymer plant to produce the new bank notes for the BoE
- National Grid's upgrade of the West Coast HV grid lines up to 444kv, to support construction of NuGen's reactors at Moorside;
- Opportunities presented by the rural and visitor economy, especially for small and medium-sized firms;
- The particular locational advantages afforded by the M6 corridor, which may be enhanced by the opening-up of north west development sites.

The Skills Plan will be overseen by the Local Enterprise Partnership's (LEP's) Employment and Skills Commission (ESC). The LEP Board will review and agree the Plan based on the recommendation of the ESC. The Plan will inform the LEP's approach to skills commissioning and will be reviewed and up-dated annually.

The Skills Plan will build upon research by the University of Cumbria and others, data such as that available through NOMIS ([www.nomisweb.co.uk](http://www.nomisweb.co.uk)) and the UK Commission on Employment and Skills ([www.UKCES.org.uk](http://www.UKCES.org.uk)), consultation with Cumbria's networks for schools, colleges and training providers, the priorities in Cumbria's Strategic Economic Plan (Cumbria LEP, 2014) and European Structural and Investment Funds Investment Plan 2014-2020 (ESIF) (Cumbria LEP, 2014), and government policy and administrative documents such as Rigour and Responsiveness in Skills (DfE and BIS, 2013) and the Skills Funding Statement 2013-2016 (BIS and SFA, 2014). The Skills Plan will also focus upon the needs of employers, large and small, drawing upon evidence from the recent Cumbria Business Survey 2013 and further qualitative discussions with local firms.

## 2. Economic Driver Overview

Cumbria's people, when employed, work in a myriad of occupations and industries. Some have relevant qualifications; others are qualified to do one thing but actually do something else. Some have skills, but few or no qualifications; and people who want to work may have skills that are in demand, but often do not work.

Despite this complex picture, Cumbria does exhibit a strong skill base that supports the large manufacturing and nuclear companies with the county. This specialist expertise and capability is one of Cumbria's strengths and there is demand for additional people with the right skills to support these sectors.

People acquire skills and qualifications through compulsory education, Further and Higher Education, vocational training, learning by doing, and in many other ways. They face a bewildering array of course options; and often they are supported financially by government and employers, invest their own time and money, and accept a short term loss of earnings in order to progress.

The education and training system, of markets and institutions, and employers and individuals, is necessarily complex. Later, this paper describes some of the detail and points to where yet more information can be found. But it is important, first, to get an overview.

In Cumbria as in the UK, people have too few skills, as evidenced by people with few skills being much less likely to find work and to earn good wages. And even though the supply of skills is rising, demand is rising at least as quickly. People in Cumbria have somewhat fewer skills than the national average. The average qualification level is rising, but not 'catching up'. Catching up would have very desirable effects on employment, economic growth, average wages, and other benefits, plausibly including better health and reduced crime and benefit dependency.

The education and training system in Cumbria works reasonably well, whilst not without problems as illustrated by the poor OfSTED report on some of Cumbria's secondary schools issued in February 2014. National initiatives are helping too. They will ensure progress, but not 'catching up'. The **general skills task** is to accelerate progress: with literacy and numeracy ('basic skills') for the least well qualified, up-skilling through apprenticeships and otherwise, getting people into Higher Education where appropriate, and so on.

The general skills task is the same in many places. But there is also a **Cumbria-specific skills task**. People make their own decisions about what careers to follow, how to recruit and train employees, and what qualifications to pursue; and attempts to micro-manage skills demand and supply have not generally succeeded. That said, employers have identified the significant local trends described in our Strategic Economic Plan: the rapidly expanding nuclear and manufacturing industries in the south and west need skilled construction, process and engineering workers; the M6 corridor needs to draw more skilled people into the workforce to meet the growing demand for labour; the tourism industries can provide many jobs for local people, and reduce reliance on long-distance migrants, if the skills are there.

If these tasks are pursued effectively, it should become easier, over time for employers to recruit people with the skills they need. It is, however, the case that the acceleration in economic growth that we are promoting in Cumbria will push in the other direction, tending (other things being equal) to make it more difficult to recruit people with the right skills. The authoritative UKCES Employer Skills Survey (<http://www.ukces.org.uk/ESS13>) revealed that in 2013, 20%<sup>1</sup> of Cumbria's employers had either a skills gap within their existing

workforce or a skills-shortage vacancy (or both), a statistic that is broadly confirmed by our own Cumbria Business Survey (BMG Research, 2013). The measures to be developed within the Skills Plan should allow that figure to fall somewhat, despite growing demand for skilled people.

There are three further contextual points. First, Cumbria's annual cohort of people reaching working age is shrinking (the 16-18 cohort is expected to fall from 18,000 to 14,000 over the next 10 years, albeit with different rates of reduction in different parts of the county), so a rapid rise in the proportion achieving higher level skills is needed. Second, Cumbria, like most rural counties, is under-provided with Higher Education: the University of Cumbria has 10,000 HE students. Although University of Cumbria is the principal HE institution in the county, University of Manchester and UCLAN have a presence on the west coast. Third, economic and labour market conditions, and skill qualification levels, vary substantially across the county and, together with marked differences in industrial structure, will require different approaches to skill delivery.

In the light of the general and Cumbria-specific skills tasks, the top-level targets listed below, to be achieved by 2023/24, ie the final year of the SEP have been suggested. They are subject to change as a result of the further work that will lead to the Skills Plan. They are incremental, ie additional to progress that will occur anyway:

<sup>1</sup>At Table 65.



## Headline Targets for Skills in Cumbria\*

1. To raise the proportion of Cumbria's working age population qualified to degree level by two percentage points (%p) compared with the national average, halving the current 4%p gap between Cumbria and Great Britain and representing an absolute increase of over 6,000 graduates. This is likely to require expansion of HE work in FE colleges, and further development at the University of Cumbria and at the Cumbria campuses of universities based outside the county.
2. To raise the proportion of Cumbria's working age population qualified to Level 2 (but not higher) and to Level 3 (but not higher) each by 1%p, compared with the national average, representing an absolute increase of 3,000 at each level. Although Cumbria has rather more people at these two levels than the national average, the Cumbria-specific circumstances described above necessitate a further rise and suggest that expansion should focus on engineering, construction and other skill shortage areas
3. Corresponding to (a) and (b), to reduce the proportion of Cumbria's working age population with either no qualifications or at most a Level 1 qualification by 4%p, compared with the national average, representing an absolute reduction of 12,000 and yielding substantial increases in employment and reductions in benefit claims
4. As a result of improved skill levels, and despite rising demand for skills, to reduce the proportion of Cumbria's firms facing either a skills gap or a skills-shortage vacancy (or both), by 3%p, as measured by the UKCES Employer Skills Survey.

\* subject to review as the Skills Plan is developed.

## 3. Policy Linkage: National/Local

### 3.1. The Education and Training System in England and Cumbria

In a world of mobile capital and technology human capital - accumulated skills and abilities - is critical to long term prosperity. In the UK, the education system is based mainly upon (non-compulsory) pre-school education, compulsory education from ages 5-16, overwhelmingly in schools, post-16 education (the first year of which is compulsory) in school sixth forms, in Further Education Colleges (FECs) of several types, but notably General Further Education Colleges (GFECs) and Sixth Form Colleges (SFCs), and in work-based learning (WBL), which may be provided by employers, by specialist companies (WBL providers) or by GFECs. A further component of post-16 education is Adult Education commissioned, or provided, by Local Education Authorities (LEAs). In Cumbria, there are various Community Development Centres around the county offering additional training and support to help people into work. Finally, there are Higher Education Institutions (HEIs), mainly universities offering first and higher degrees, though FE Colleges provide significant amounts of HE, and some HEIs provide FE courses. This is only a sketch of a rich and complex system. In particular, the publicly funded system is paralleled throughout by a smaller private system including fee-paying schools and private colleges and universities.

Education and training are funded partly by the state and partly by individuals and companies: it is sometimes forgotten that company funding of training (some £40bn annually in the UK) exceeds ten-fold the amount of public sector funding - in Cumbria, this is represented by the very large training programmes of firms such as BAe Systems and Sellafield, and smaller programmes at a large number of local firms. The Department for Education (DfE), through the Education Funding Agency (EFA), funds compulsory education in schools either directly in the case of academies or through LEAs. The EFA is also responsible for funding education and training for 16-19 year-olds, whether in schools or in FECs or other settings.

The Department for Business, Innovation and Skills (BIS) is, however, responsible through the SFA for skills training for people aged 19 and over in FECs and with employers or private training providers, and for a limited amount of 'Community Learning', still widely referred to as Adult Education. Public Funding for HE (both in HEIs and Colleges) is provided by the Higher Education Funding Council for England (HEFCE). HE is however increasingly dependent on private sector ie income from fee-paying students. This broadly national system is supplemented by the European Social Fund (ESF), which co-finances a wide range of education and training schemes in line with locally-set priorities, which, in the case of Cumbria are set out in the 'ESIF' programme.

The system of state (and EU) support is thus extensive, but to an increasing degree individuals and companies are expected to contribute towards the cost of everything except state schooling (or analogous provisions such as that for 'sixth formers' at FECs). This is especially so with Adult Education, WBL and HE, though in HE the effect is mitigated by the provision of state sponsored student loans.

Three further features of the system should be mentioned here. First, Information, Advice and Guidance (IAG). Schools are required to provide IAG to students in years 9 to 11, and LEAs have at least an implicit responsibility to provide IAG to young people given their duty to encourage participation in post-compulsory education and training. State provision of IAG for most adults is, however, now confined to a web-based system and limited face to face provision for adults operated by the National Careers Service, reliance being placed chiefly on commercial provision. Inspira deliver this in Cumbria. Second, provision for learners with learning difficulties and/or disabilities (LLDD). Such learners are numerous, accounting for over 10% of all learners in schools and colleges, and providers receive enhanced funding to meet their needs. Third, provision for 'basic skills'. The government recognises that basic skills in English and mathematics are essential, both generally for adults to function normally in society and specifically for securing and retaining employment, and that in most circumstances access to training in those skills should be free of charge to people lacking them. An especially important route for basic skills provision is the Work Programme operated by Job Centre Plus on behalf of the Department for Work and Pensions (DWP).

Within Cumbria, the system is represented by Cumbria County Council, as Local Education Authority, a large number of schools, and five FE Colleges, comprising four GFECs, and a single Sixth Form College (Barrow). The land-based colleges (which might reasonably be expected to be important in Cumbria) are represented by the Newton Rigg activities of the large Askham Bryan College, headquartered near York, which has recently made substantial investments to expand the Newton Rigg campus.

Higher Education has historically been under-represented in Cumbria, and only in 2007 did the county acquire its 'own' University of Cumbria. The University of Cumbria was established to be for and of Cumbria to raise aspirations and widen participation and to contribute to the socio-economic growth and development of the sub-region. Prior to 2007 HE was however, provided by the colleges and (UCLAN) campuses that merged to form the successful legacy University, and the University's activities are supplemented by the franchised activities and directly operated activities of the University of Manchester, notably at the world-leading Dalton Nuclear Institute, the University of Lancaster, UCLAN and others.

### **3.2. The Market for Education and Training**

The market for education and training is, in reality, two related markets. First, the market for education and training services, supplied to learners by schools, colleges, universities, work-based learning providers and employers. Here the buyers are individuals, though very often sponsored by the state or employers.

The second market is that for the products of the education and training system, ie individuals with particular skills. Here the buyers are typically employers, and the suppliers are individuals holding or seeking positions in the labour market<sup>2</sup>.

The skills required by employers are extraordinarily diverse. The Standard Occupational Classification identifies, at four digit level, hundreds of occupations, and even within an occupation one employer might require quite different skills from another. Although it is possible in principle to forecast a three-dimensional matrix of employment by industry, occupation and year, to assess the corresponding skills



needs, and to plan provision accordingly, such attempts have not been attended with conspicuous success and more flexible approaches are now usually preferred.

Current approaches stress the value of skills validated through qualifications; the enduring wage premia that qualifications such as first degrees or apprenticeship qualifications offer; the essential character, in a modern regulated society, of basic skills, especially English and maths, though also ICT; and the need to adapt the first of the two markets described above (ie the services offered by suppliers of education and training), to the needs of the second market (ie demand from employers for skills) in the local area.

### 3.3 Skills in Cumbria

Extensive research on skills issues in Cumbria has already taken place, and will be built upon in the course of the preparing the Skills Plan. It includes Cumbria-specific data from national sources, for instance from the UKCES Employer Skills Survey (<http://www.ukces.org.uk/ESS13>) and from NOMIS ([www.nomisweb.co.uk](http://www.nomisweb.co.uk)); regular sources in Cumbria, such as the Cumbria Business Survey (BMG Research, 2013), and resources at the Cumbria Intelligence Observatory [www.cumbriaobservatory.org.uk](http://www.cumbriaobservatory.org.uk), and sources such as the

Skills Scoping Study (Peck & Mulvey, 2013) and Identifying Opportunities for Growth (Murphy, 2012).

The table on the following page shows the fundamentals of Cumbria’s position. The county is somewhat behind the GB average skills qualifications level, chiefly because it has markedly fewer graduates than the nation as a whole. The columns headed ‘Cumbria if like GB’ show what the position would be like if Cumbria’s statistics matched the GB averages and we have added comments relevant to the headline targets for Cumbria presented above. A particular challenge for Cumbria is the need to improve graduate retention (those studying in Cumbria, and attracting graduates to live and work in Cumbria).

Equally challenging is the mis-match between the location and demand for higher end skills, with for example, Barrow being an area of relative high unemployment yet strong demand for a skilled labourforce. Addressing this mis-match between employer demand and local skills will need to be addressed. The proposal for Advanced Technology Training at Furness College seeks to play its part in addressing this issue.

### Qualifications of Working Age People in Cumbria, 2012<sup>3</sup>

	Cumbria	Cumbria	GB	Cumbria if like GB		Comment
	N	(%)	(%)	N	Difference	
NVQ4 only	90,500	30.1	34.4	103,510	-13,010	Cumbria has relatively few graduates. We plan to reduce the adverse gap by half.
NVQ3 only	71,700	23.8	20.7	62,286	9,414	Cumbria has more people than average at Levels 2 and 3, but industries such as construction, engineering and tourism need even more. We plan to make the favourable gap somewhat wider.
NVQ2 only	51,800	17.2	16.7	50,250	1,550	
NVQ1 only	42,400	14.1	12.2	36,710	2,046	Cumbria has slightly more people than average at these lower levels. We aim to reverse the adverse gap as people move up the qualifications ‘ladder’.
Other qualifications	16,900	5.6	6.3	18,957		
No qualifications	27,600	9.2	9.7	29,187		
	300,900	100.0	100.0	300,900	0	

<sup>2</sup>Self-employed people are both suppliers and buyers of their own skills.

<sup>3</sup>Prepared from data taken from [www.nomisweb.co.uk](http://www.nomisweb.co.uk) in March 2014. The source is the ONS Annual Household Survey for the period January 2012 to December 2012.

## 4. Cumbria's Skill Priorities and Requirements

Cumbria's Strategic Economic Plan has four priorities:

- Advanced manufacturing growth;
- Nuclear and Energy excellence;
- Vibrant rural and visitor economy;
- Strategic connectivity of the M6 corridor.

It is immediately obvious that the priorities require an appropriately skilled workforce. To take just two examples: local people will not benefit from new employment at BAe Systems or GSK if they lack the high level skills that those companies require; and the visitor economy will not flourish as it ought without a good supply of workers with the right customer-facing skills. The requirements are tabulated more systematically later in this section. In more general terms, however, our approach is intended to be consistent with the three perspectives of:

- Building Skills in Education including
  - o Literacy/numeracy and STEM subjects
  - o Core skills, flexibility and enterprise
  - o Skills for sectors with longer term job increases.

- Transition into Work including
  - o Work readiness
  - o Return to work
  - o Increasing apprenticeship take-up
  - o Increasing youth employment options and improved careers guidance
- Raising Demand and Improving Skills including:
  - o Leadership and management skills
  - o Project management skills
  - o Up skilling to target workforce skills gaps and progression to higher level qualifications
  - o Skills to support growth priorities and new and emerging skills needs, particularly STEM skills combined with transversal skills,.

Cumbria's priorities for skills, as so far identified, are presented in tabular form below. The table synthesises findings from the Cumbria LEP Emerging Skills Priorities document (Cumbria LEP, 2013); the Skills Scoping for Cumbria report (Peck & Mulvey, 2013) – a report that references numerous other studies, findings from which also appear in the table; and Identifying Opportunities for Growth (Murphy, 2012). The table should not be regarded as comprehensive or fully up to date. It is intended to indicate the current state of thinking prior to completion of the Skills Plan.



Priority Sectors	Apprenticeship Priorities and Sectoral Requirements	Comments from National Reviews <sup>4</sup>	Spatial Considerations	Generic Requirements
Advanced manufacturing	<ul style="list-style-type: none"> <li>Skills shortages in specialist manufacturing, particularly highly skilled and skilled workers and especially STEM graduates.</li> <li>Implement Cumbria-wide manufacturing apprenticeships, linked to sponsored university study; in-house training for apprentices doesn't work for smaller employers.</li> </ul>	Need to promote careers in manufacturing and to ensure Universities supply high level skills.	<p>Growth in advanced manufacturing likely to generate excess demand for skilled engineering and construction workers in Furness.</p> <p>Technical skills shortages in Carlisle.</p>	<p>Many businesses report skills gaps. Generic needs include:</p> <ul style="list-style-type: none"> <li>Better links between business and the education and training system.</li> <li>Accessibility in local (often rural) areas.</li> <li>STEM – including the necessary higher level numeracy skills for progression in the workplace.</li> <li>Commercial as well as technical skills.</li> <li>Business &amp; management skills in SMEs.</li> <li>Level 4/5.</li> <li>Management, customer handling and generic IT.</li> </ul>
Nuclear and energy excellence	<p>Need interesting and rewarding apprenticeship opportunities.</p> <p>Low carbon opportunities to be developed.</p>	Need for STEM skills for decommissioning and nuclear manufacturing. Nuclear new build will expose gaps in the UK supply chain in programme and project management, construction skills health & safety regulation, high grade welding and on-site supervision skills.	In West Cumbria, need for skilled construction and metal engineering workers, trained employees in business services, scientific professions and plant operatives. Sellafield Skills Strategy identifies future skills gaps in project management, engineering design, safety case assessment, human performance, leadership and change management.	<ul style="list-style-type: none"> <li>Enterprise and innovation skills.</li> <li>Support for SMEs to increase take-up of apprenticeships and other education and training.</li> <li>Funding for people to take a qualification in a new skill area even if they already hold a qualification at that level in another area.</li> <li>Qualifications that combine skills areas e.g. a joinery and electrical work.</li> <li>Employability skills, especially having a positive attitude, oral communications, team working, social skills, literacy, numeracy, written communications, customer handling, and general IT.</li> </ul>
Vibrant rural and visitor economy	Difficult to access training locally; lack of customer service skills.	Continuing poor job image and professional career structures. Need management and leadership and customer service skills.		<ul style="list-style-type: none"> <li>General – need to invest capital in the education/skills estate.</li> </ul>

<sup>4</sup>As reported in 'Skills Scoping for Cumbria' (Peck & Mulvey, 2013)

Underpinning Sectors	Apprenticeship Priorities and Sectoral Requirements	Comments from National Reviews <sup>4</sup>	Spatial Considerations	Generic Requirements
Food and drink	<ul style="list-style-type: none"> <li>• Difficult to access training locally.</li> <li>• Need to make more use of apprenticeships.</li> </ul>		Technical skills shortages in Carlisle.	<p><b>Apprenticeships</b></p> <p>Employers are keen to make more use of apprenticeships, with progression to HE where appropriate, especially in manufacturing. Need to expand apprenticeships, particularly</p> <ul style="list-style-type: none"> <li>• for people aged 16-25</li> <li>• employer-led apprenticeships, especially in priority sectors,</li> <li>• in science, engineering &amp; manufacturing technologies and construction, where starts have fallen recently</li> <li>• in smaller businesses (as recommended in the Holt Review (Holt, 2012))</li> </ul>
Construction	Construction skills and up-skilling relevant to low energy, nuclear new build and renewables.	Skills gaps due to low career attraction, lack of gender diversity, relatively low pay and job insecurity. Need to promote careers in construction and increase levels of learning for SMEs and the self-employed.	Particular demands in West and South Cumbria.	
Agriculture*, land and sea-based	<ul style="list-style-type: none"> <li>• Difficult to access training locally; lack of basic/employability skills</li> <li>• Operate apprenticeships linked to work contracts; provide support for travel</li> </ul>			
Digital, media and creative*	<ul style="list-style-type: none"> <li>• Difficult to access training locally, especially for highly skilled IT/media staff</li> <li>• Need more apprenticeships to fill gaps and replace the more traditional graduate recruitment route</li> </ul>			
Logistics* and transport services			Technical skills shortages in Carlisle	
Business services				
Retail*				
Health and social care			Care skills may be especially short in supply in South Cumbria	

<sup>5</sup>Starred sectors were identified as facing particular skills-related difficulties in 'Skills Scoping for Cumbria' (Peck & Mulvey, 2013)

<sup>6</sup>Based on 'Skills Scoping for Cumbria' (Peck & Mulvey, 2013)



## 5. Government Policy ... and Cumbria's Response

The national context is set by Rigour and Responsiveness in Skills (DfE and BIS, 2013), as reinforced by the Skills Funding Statement 2013-2016 (BIS and SFA, 2014), which identify the government's priorities as: Apprenticeships; Traineeships; English and maths for those who need them; and provision for all learners to increase their skills, competence, knowledge and higher level skills. In the remainder of this section we summarise the key features of government policy, and give, in **bold** an indication of the response that we will describe more fully in the Skills Plan.

### 5.1. Apprenticeships

The government aims to expand and reform apprenticeships in line with the recommendations of the Richard Review that the employer should be the customer and should meet part of the cost ('co-invest'); that government should not set the price of training; and that government funding should be linked to achievement (with some provision for SMEs to receive up-front payments). 'Apprenticeship Trailblazers' (pilot schemes), led by employers, are testing the new funding model and gathering evidence of what works best.

**We endorse the government's plans to expand apprenticeships, including the further expansion and grants for SMEs announced in Budget 2014, and to secure their quality in line with the recommendations of the Richard Review (Richard, 2012). Our apprenticeship priorities were listed above and we will participate fully in schemes such as Trailblazers that aim to promote expansion and new ways of working. Apprenticeships will be especially important in under-pinning the expansion of our manufacturing and nuclear industries and also, through higher apprenticeships, in encouraging more young people to go to university, helping to overcome Cumbria's 'graduate deficit'.**

### 5.2. Traineeships and JSA claimants

Traineeships overseen by employers provide work preparation, a work placement and training in English and maths for people aged 16-24 with limited skills and work experience, and who are not ready to undertake an apprenticeship. JSA claimants undertaking Traineeships are exempt from the '16 hour rule', which prevents more than 16 hours of training per week.

One third of learners starting an FE course are benefit claimants. The Government requires young people who have not achieved level 2 in English and maths at 16 to continue studying these subjects until 19 and plans to pilot a new scheme of support for 18 to 21 year olds on JSA: claimants without level 2 qualifications in English or maths will study these subjects alongside job search; and after 6 months on JSA claimants will be required to participate in a work experience placement, a Traineeship or other relevant skills provision, or a community work placement.

The government has been developing a framework for skills and unemployed learners that contains important flexibilities, such as opportunities for longer than normal full-time training period where people have difficulties with basic skills and support for short courses, eg forklift truck training, that may lead quickly to employment.

**Many people in Cumbria, especially in South and West Cumbria and around Carlisle, have few marketable skills and a relatively low probability of employment. It is vital for these individuals and for the supply side of our economy that they are re-engaged or in the case of young people that they do not join the group at risk of exclusion in the first place. For this reason we endorse the concept of Traineeships and the framework for unemployed learners and will work to use their flexibilities to develop the offer best suited to Cumbria's requirements. We will seek specifically to secure better alignment between SFA and DWP programmes for unemployed people to offer greater flexibility for those under 25 so they are able to take advantage of work-related skills development that will support them to move into employment; and to expand the type of support offered to our 3000 young people aged 16-18 who are not in education, employment or training (NEET).**

### 5.3. Data

Our priority is to make data available to developers to create their own applications which ease access; and through better use of information to make the system more accountable. We will make all our information available through data.gov.uk. UKCES is developing an open access labour market tool which from May 2013 will allow anyone to explore the characteristics of the labour market. By the end of 2013 we will publish new data on earnings and destinations for those who have benefited from Further Education.

**We have the institutional arrangements in Cumbria to optimise data usage and as Skills Scoping for Cumbria (Peck & Mulvey, 2013) notes, our firms already make good use of information, and through preparation of the Skills Plan and the research and data analysis that that will entail, we will extend and systematise the use of data to inform our action.**

### 5.4. Technology

The government wishes to encourage radical approaches to the use of educational technologies especially online learning and has mentioned the work of the Further Education Learning Technology Action Group ([www.feltag.org.uk](http://www.feltag.org.uk)), the Perkins Review of Engineering Skills (Perkins, 2013), and the FutureLearn MOOC ([www.futurelearn.com](http://www.futurelearn.com)) platform as examples of good practice.

**The use of online technology is especially relevant in Cumbria, which has a dispersed population many of whom live at a distance from major towns. Proposals in the SEP to extend broadband coverage will open up further possibilities. We will work with our Further and Higher Education Institutions and others to capitalise on the learning opportunities that emerging electronic and pedagogical technologies present.**

### 5.5. Information, Advice and Guidance

The government is committed to improving IAG and have introduced a statutory duty on schools and a requirement on colleges to provide IAG. The National Careers Service (NCS) offers face-to-face services to unemployed adults and those with greatest need, and phone and web services for all ages, including a Lifelong Learning Account, ie a personal online space hosted by NCS allowing people to keep a record of their learning, create a CV and plan their career goals. Its objectives are customer satisfaction, career management, and jobs and learning together with effective partnership working with LEPs and others.

**Effective IAG is indispensable for overcoming market failures associated with poor information, especially amongst those at greatest risk of exclusion from the labour market. The arrangements summarised above have merit, but there has been a marked fall in available resources for IAG in recent years. We aim first to exploit to the full the remaining centrally-funded (or required) services, but to seek by any means possible to improve IAG provision in Cumbria. IAG is an essential aspect of our plans to link local people to the Level 3 and level 4 opportunities based on STEM skills and future investments in projects of national significance.**

### 5.6. Funding

UK employer investment in skills exceeds £40bn annually, far exceeding the £4bn government funding for adult FE and skills. Government aims to fill the gaps where individuals and employers under-invest, which means in large part concentrating on young adults and those with low level skills, who generally lack access to finance and information, and to support employers and individuals as purchasers of skills, rather than to be a direct funder. Government also supports community learning for the most disadvantaged people with funding of £210m per year. The aim being to widen participation in higher education recognising benefits from social mobility.

Where there are gaps in funded provision government has provided flexibility through the Innovation Code. The Code can form part of a bespoke and quick response to a skills gap, and is promoting innovation and enterprise by funding colleges



and providers for programmes that meet emerging employer skills needs. However it should be noted that this is restricted to the Qualifications and Credit Framework not the Higher Level Qualification Framework. Government continues to fund non-regulated provision of high quality that supports progression and the Vocational Qualifications Reform Plan will consider further how this may be managed. A separate dimension of funding is the Advanced Learning Loans introduced in August 2013 for people aged 24 and over studying at level 3 and above.

**We note that the greater part of funding for skills is from employers (and individuals) rather than from government or the EU. We will work with the market, and aim to use government and other public sector funding to overcome clearly identifiable market failures in our twin markets for education and training and for skills within the labour market, encouraging colleges and other providers (who are, of course, central to our partnership) to make full use of new flexibilities in doing so.**

### 5.7 Encouraging a British Industrial Revolution – Sir Andrew Witty’s Review of Universities and Growth

The review released in October 2013, underlines the Government’s view that local economic growth will be underpinned by a sound understanding of an areas competitive advantage and putting in place activities that support growth in such areas.

The review importantly highlights the role that Universities and other Higher Education providers can play in stimulating economic growth with a number of recommendations that the LEP believe are of key importance in the delivery of its growth agenda. These are as follows;

- Recommendation 3 – The Government should establish a funding stream worth at least £1bn over the life of the next Parliament available to Arrow Project consortium bids.** Cumbria LEP sees tremendous opportunities for collaborative working between our HE providers, the business community and the LEP to continue the development of R&D in the nuclear and advanced manufacturing fields to develop new technologies which can be exported into international markets.
- Recommendation 4 – In order to strengthen the incentives on Universities to engage with innovative SMEs, the Government should make an explicit long term commitment to Higher Education Innovation Funding (HEIF) which should increase to £250m per annum.** SMEs are the lifeblood of the Cumbrian economy and it is recognised that much of our economic growth will come from innovative and potentially innovative smaller businesses. Performance across the UK as a whole in terms of the proportion of SMEs that are innovative is relatively weak, however there is significant opportunity to turn around this trend in Cumbria, linking our growing R&D facilities with forward thinking SMEs to spin out new technologies and services that can provide solutions to UK issues such as low carbon energy as well as exporting these globally.
- Recommendation 5 – Universities should put in place a single point of entry for SMEs that ‘triages’ their needs and directs them to the relevant part of the University.** Such an approach would be welcomed in Cumbria and would complement the work through the **Cumbria Business Growth Hub** and **The Edge** projects to streamline both business and skills support to SMEs.
- Recommendation 6 - LEPs should look to direct a large share of innovation funding towards excellent universities and research centres in order to nurture sustainable growth founded in comparative advantage including through supporting universities supporting innovative SMEs in their localities.** Cumbria LEP has proposed to direct LGF resources and approximately £1m of ESF and £12m of ERDF towards R&D and Innovation, demonstrating the high level of commitment to this important agenda. These LGF and EU funds have the potential to attract considerable match funding from a range of public and private sector partners and the LEP is keen that any and all investments are aimed at creating sustainable improvements to the R&D base in the County to maintain our competitive advantage, particularly in Nuclear, Energy and Advanced Manufacturing.
- Recommendation 9 – The Technology Strategy Board’s objectives should include advancing national strategic economic priorities, including supporting the development of ‘Arrow’ proposals and building its**

**awareness on innovative capability within each LEP area and sharing knowledge to make LEP plans as strong as possible.** The LEP will welcome any additional support via the TSB to develop Cumbria-relevant Arrow proposals and to link the local potential for innovation to wider national and international objectives.

### 5.7. The Role of LEPs

In order to ensure that local priorities are reflected by the provider system, LEPs should have a stronger voice in FE, and funding to help LEPs secure high quality information to inform that voice, representation on colleges' governing bodies (and college representation on LEP boards). And LEP priorities will be reflected through the National Careers Service.

LEPs have a strategic role in skills policy, following Lord Heseltine's recommendations in 'No Stone Unturned' (Heseltine, 2012). As examples, LEPs can identify areas where there is a need to develop specific skills to support growth businesses and can apply for funding from the Employer Ownership Pilot<sup>7</sup> (EOP), for which £340m has been made available over four years, and which offer employers the opportunity to shape training provision, focused on collaborative projects, including industrial partnerships (employer-led groupings); there is an element of skills funding within the Single Local Growth Fund; and LEPs have allocations of European Social Funds (ESF) for 2014-2020 and will have FE capital funding from 2015-16.

**We welcome the steps taken so far. FE Capital funding is especially important given the need to expand provision in capital-intensive areas such as engineering and construction. It can also have catalytic and direct economic effects: new campuses or major buildings have had a substantial economic impact in many areas of the UK, especially in areas facing economic difficulty. The LEP intends to review the capital estate in the county, drawing as appropriate on the expertise of the Skills Funding Agency and of the colleges and other providers based here. The review will be used to develop an estates and capital investment plan that supports the attainment of the SEP priorities.**

**The LEP will also seek to progress developments that that are 'shovel ready' so that employers and learners benefit as quickly as possible from an improved infrastructure. Our delivery plan contains one major capital investment (at Furness College) and we expect others to be required beyond 2015/16, for which provision has been made in the plan's 'pipeline' of projects. We are also determined to articulate Cumbria's overwhelming case, as the heart of the UK's nuclear industry, to host the new Elite Nuclear College<sup>8</sup>. We will press for further freedoms to act so as to promote skills in Cumbria, and thereby raise the rate of employment and output growth in the county and present below an example of the action that we are already taking.**

### 5.8 An example of local intervention: The Edge in Cumbria<sup>9</sup>

'The Edge' is a LEP initiative funded by ESF and the SFA running until July 2015. Carlisle College is leading the project on behalf of all of the Cumbrian Colleges, The University of Cumbria, training providers and third sector organisations.

This project represents a new approach to addressing Cumbrian skills gaps by developing tailored responses to local skills needs. The project has already been developing provision linked to local business needs including sales training, digital & social media, customer service, tendering skills and project management.

The LEP plays a strategic role in monitoring and managing this contract to ensure it provides businesses with the training they need, delivered on businesses' own premises or in locations across the county. Support is available to Cumbrian businesses employing up to 250 people. The training and skills provision will complement other LEP activities such as those supported through the Regional Growth Fund, the Rural Growth Network and Growth Hub.

<sup>7</sup>See [www.ukces.org.uk/employeroownership](http://www.ukces.org.uk/employeroownership)

<sup>8</sup>See [www.gov.uk/government/news/nuclear-college-to-harness-the-power-of-skills-training](http://www.gov.uk/government/news/nuclear-college-to-harness-the-power-of-skills-training)

<sup>9</sup>More detail is at [www.carlisle.ac.uk/news.php?id=149&type=news](http://www.carlisle.ac.uk/news.php?id=149&type=news)



## 6. From this Paper to the Skills Plan

Between now (March 2014) and September 2014, we propose to develop this paper into a Skills Plan using the desk research and consultation approaches summarised below. This will be complemented by other activities led by the Employment and Skills Commission and will include the development of an estate strategy and capital funding investment programme. There is a robust 'ask' included in the SEP Delivery Plan for 2015/16 for skills capital with indicative allocations required for future years.

### 6.1. Desk Research

Our desk based research is set out in the table below.

Task	Approach
Profiling skills provision in Cumbria, eg by attainment levels, vocational and subject areas, and geography.	This is primarily a desk research task. We will, however, aim to identify and focusing on policy relevant data and analysis, rather than reporting what is merely 'nice to know'.
Analysis of the Labour Market Information, including skills gaps and shortages and qualifications, using UKCES reports and the Cumbria LEP Business Survey.	Research from those Sector Skills Councils most relevant to the Plan's objectives as well as UKCES directly and the LEP Business Survey will help to establish current skills gaps and shortages. In addition, we will concentrate on gaps and shortages likely to emerge, especially given the scale of manufacturing and nuclear investment envisaged over the Plan period.
An analysis of trends and issues in school/FE/HE capacity and performance including: trends in the flows from school and colleges to learning take up at age 19;	Again, we will focus on policy relevance. We note February's adverse OfSTED findings on Cumbria's secondary schools and will review that and inspection reports on colleges and work-based learning providers to reach an overall view on the quality and effectiveness of the system. We are used to working with ILR data, which will form a valuable resource. We will also examine progression to HE through use of HEFCE's new POLAR3 data.
An assessment of likely impacts on jobs and growth of future industrial, socio-economic and technology change and the associated skills implications.	This will flow from the analysis described above.
An analysis of existing and future local demographics and the implications for the future skills needs.	The starting point will be the official ONS population projections, including the projected decline in the school age cohort in Cumbria, and the corresponding need to raise substantially the share of the cohort attaining qualifications to Level 3 or above, so as to secure higher absolute numbers within a diminishing cohort.

## 6.2. Stakeholder Consultation

The Employment and Skills Commission's Skills Plan must enjoy the support of stakeholders, Local Authorities, FE Colleges, Training Providers, Schools/Academies, Job Centre Plus and the SFA. Inevitably, this means 'broad support' rather than consensus: it is unlikely, for instance, that every single school and training provider will support the Plan. The following organisations will be consulted and engaged in the development of the skills plan:

- Local employers through qualitative one-to-one meetings and focus groups.
- FE Colleges (4 GFECs; 1 land-based; one SFC);
- University of Cumbria;
- Private/third sector skills providers through the Cumbria Work-Based Learning Provider Forum;
- Cumbria County Council as Education Authority;
- SFA and DWP as commissioners of skills provision, especially through the Work Programme;

## 7 Governance

The Employment and Skills Commission has been established as a standing sub-group of the Cumbria LEP. Underpinning the county's growth is the availability of motivated and skilled people, able and willing to be effective employees and vibrant entrepreneurs. As identified in the LEP's Key Priorities, the Commission will identify skills and training needs and barriers to training and employment throughout the county. It will use this information to encourage provision which addresses these needs.

The aims and priorities of the Commission are to:

- Consider the issues around attracting and retaining graduates and people with higher level skills and implement actions to address these, including development of alternative routes locally
- Look at the challenges of areas of deprivation and other inequalities alongside areas of job opportunity and identify appropriate actions
- Work with schools, colleges and universities to enable young people to better understand the career opportunities and the choices that are available in businesses in the county and through self employment

- Work with partners to raise awareness of the benefits of and opportunities through apprenticeships and working with providers to develop appropriate delivery and employment models
- Support development of entrepreneurialism and business skills and encouraging more people in the county, of all ages, to start-up in business and enabling a more enterprising workforce

Wider activities include:

- Leading on research, planning and assessment of current and future employment and skills needs
- Developing a world class and highly skilled workforce that attracts investment into Cumbria and enables businesses to compete successfully in a global economy
- Ensuring that new and existing businesses can recruit and retain suitably skilled employees
- Increasing employer investment in workforce skills development
- Ensuring local people have the necessary skills to access, sustain and progress in the workplace, appropriate to their abilities and aspirations
- Ensuring Cumbria's needs are acknowledged and addressed at local, regional and national level
- Pooling knowledge and resources from the private and public sectors to facilitate a strategic response to employer and individual demand for employment and skills services

The Skills Commission is an employer led private/public partnership, chaired by the private sector.

It comprises:

- Six business representatives, reflecting the sector, business size banding and geography of the county
- One Further Education representative
- One Higher Education representative
- One Workbased Learning representative
- One education and schools representative (Cumbria County Council)
- Chair of the LEP Private Sector Advisory Panel / private sector
- Chair of the technical officers group / public sector



- One Skills Funding Agency representative (as an observer only)
- One DWP representative (as an observer only)

Underpinning the county's growth is the availability of motivated and skilled people, able and willing to be effective employees and vibrant entrepreneurs.

As identified in the LEP's Key Priorities, the Commission will identify skills and training needs and barriers to training and employment throughout the county. It will use this information to encourage provision which addresses these needs. To achieve its aims and insofar as it benefits business and business growth, the Commission will influence and establish a role in relation to:

- Education (14-19)
- Skills (higher level, intermediate and job entry level)
- Employment (access, recruitment, retention and progression)

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# INFRASTRUCTURE IMPROVEMENTS

## 1. Introduction

This section explains how infrastructure underpins the achievement of the SEP and links to the key infrastructure related policies and strategies across the county. Here we outline our plans to improve infrastructure in Cumbria with the twin objectives of allowing the economy to expand and individuals to prosper. Cumbria is facing a truly once in a lifetime opportunity and infrastructure is central to our chances of realising this potential as witnessed by:

- Recent investment in the Port of Workington for a new container handling facility and crane
- Securing pinch point funding to unlock employment land at Gilwilly Industrial Estate, Penrith
- Completion of Carlisle Northern Development Route

The Cumbria Strategic Economic Plan (SEP) sets out the following four priorities for the county:

**Advanced manufacturing growth**  
**Nuclear and energy excellence**  
**Vibrant rural and visitor economy**  
**Strategic connectivity of the M6 corridor**

One of the four economic drivers vital to help deliver continued sustainable economic growth across these four priorities is improving Cumbria's infrastructure. This includes investment in road, rail, air, port and broadband infrastructure.

Infrastructure plays a vital role in delivering the SEP priorities and the delivery of Infrastructure is a key component of many of the projects detailed in the Delivery Plan.

In each of the 6 districts of Cumbria, Local Plans are being developed that identify a number of sites ideal for housing and employment development. An associated Infrastructure Deficit Plan (IDP) is able to identify where those sites require significant investment in infrastructure through measures such as site preparation to unlock and maximise their development potential.

Each Local Plan will be compared with the Strategic Economic Plan and associated IDP and fuller assessments of all infrastructure required to deliver on each proposals and help to prioritise necessary infrastructure to support the growth agenda.

Significant investment is also required across the road, rail, and cycle networks as well as broadband to maximise connectivity across and to and from Cumbria.

There are other areas of important infrastructure required such as education and drainage which are directly related to the creation of sustainable development and communities.

Cumbria LEP will work with key partners to deliver the identified infrastructure requirements. Cumbria County Council as the highways authority has a key role in delivering the required improvements to the highways and transport infrastructure to meet the economic needs of the County. This will be done in partnership with a range of organisations. This document outlines how the Infrastructure Plan links to national policy, what the challenges and opportunities are in bringing about infrastructure improvements in Cumbria and how we will work in partnership to deliver the required improvements.

The Infrastructure Plan then sets out the strategy for delivering the infrastructure improvements. The infrastructure which will be implemented for each of the four SEP priorities is set out. Projects are defined as deliverable in the short term (2015/16), Medium term (2016/17 – 2020/21) and the Longer Term (2020/21 onwards). Where projects have funding from other sources other than the Local Growth Fund this is clearly set out. Focus is given to the projects proposed for delivery in the short term (2015/16).

A summary table of schemes that have been identified as infrastructure priorities to support the SEP is included in the Summary section.

Business case proformas have been prepared for projects that will commence delivery in the short term, with input from Mott MacDonald and Grant Thornton, and are available separately, for the following schemes:



- Ulverston access improvements;
- Barrow Waterfront;
- Kendal infrastructure deficit;
- Optimising Connectivity;
- MOD Longtown;
- Durranhill, Carlisle.

The final section of the Infrastructure Plan sets out the governance arrangements for making decisions on, and delivering, managing and monitoring the programme of infrastructure projects.

## 2. Policy Linkages: National/Local

The government considers investment in infrastructure as a key means of helping to develop a strong economy and create the conditions for economic growth and job creation. This was clearly set out in 'Investment in Britain's future' report (June 2013).

This approach is strongly supported in the Cumbria SEP where the infrastructure projects identified are focussed on unlocking and maximising the growth opportunities in the Cumbrian economy across the four SEP priorities.

Integral to this approach and in line with national planning policy is the alignment of the infrastructure projects to the development proposals being identified in Cumbria's emerging local plans. Each of the six Districts and the Lake District National Park Authority are setting out the required housing and employment growth for their areas over the next 15 to 20 years to support the conditions for sustainable economic growth. The next stage is to assess the associated Infrastructure delivery plans and how these align with delivery of the Strategic Economic Plan.

Government policy, as set out in the transport White Paper 'Creating Growth, Cutting Carbon' also sees investment in sustainable transport as vital to supporting the economy and reducing carbon emissions. This vision is strongly supported in this Infrastructure Plan. A key component of the 'vibrant rural and visitor economy' SEP priority is a project to optimise

connectivity for visitors to the Lake District National Park through a range of innovative sustainable transport initiatives.

Facilitating increased sustainable travel in West Cumbria is a key aspect of the 'Nuclear and Energy excellence' SEP priority.

The Highways Agency is developing Route Based Strategies to inform their investment strategy for the strategic road network. In Cumbria this affects the M6 (Junction 36 to Junction 45), A66, A595 (West of the A66) and the A590.

The Highways Agency is working with the LEP and County Council in the development of the Route Based Strategies and in the identification of key priorities in Cumbria to support economic growth.

We will:

- Actively work with DfT, Network Rail, Rail north and NEBU to ensure the future franchise specifications, infrastructure investment plans and decentralisation proposals reflect the vision for the Cumbrian rail network;
- Work with Train Operating Companies to improve the quality and standard of rolling stock and station facilities;
- Promote improvements to the Furness Line between Barrow and Lancaster and support the business case development;
- Work in partnership with network Rail and TOCs in developing a detailed business case for improvements to the Cumbrian Coast Line in order to secure the services required to service the Energy Coast;
- Work with DfT and HS2 Ltd to ensure High Speed Rail proposals bring real benefits to Cumbria;
- Work closely with the Highways Agency to establish a co-ordinated approach to delivery of infrastructure improvements to the trunk road network in Cumbria, particularly on the A590, A595, A66 and A69.

## 3. Economic Driver Overview

### 3.1 Challenges and opportunities

There are both significant challenges and opportunities facing Cumbria and its partners to improve the infrastructure of the county so that it can help maximise long term sustainable economic growth across the SEP's four strategic priorities.

The location of Cumbria in northern England relative to other growth centres presents a number of challenges but also a range of opportunities. Due to the rural nature of the county and distance from other key centres, highways and transport infrastructure is critical to a successful Cumbrian economy. Despite its rural nature Cumbria benefits from good access via the M6 and West Coast Mainline. These existing networks are an asset to the County and the benefits of this are recognised through the M6 corridor priority. The potential extension of HS2 through Cumbria to Scotland is a major opportunity to improve connectivity to the county and maximise economic growth.

As set out in the SEP, advanced manufacturing is vital to the Cumbrian economy. The sector has a strong concentration in the Barrow and Ulverston area and there are significant opportunities to build upon this expertise to grow the advanced manufacturing economy. The challenge is to deliver the required infrastructure improvements to unlock this potential growth. The A590 trunk road provides the only direct strategic road link from Barrow and Ulverston to the M6 and beyond and therefore maintaining access and reliability on this key link is essential to the economic growth potential of the south Lakeland and Barrow area. The challenge is to bring forward the employment growth opportunities whilst preventing delays on the A590, particularly through Ulverston where the strategic road network also functions as the local road network.

West Cumbria is home to one of the most diverse and experienced centres of nuclear expertise in the world. It contains Sellafield Ltd and adjacent to it Moorside one of the sites selected to host a new generation of nuclear power stations. West Cumbria has all the right building blocks to provide excellent transport connectivity by rail, road, and sea.

However there needs to be significant investment in the Cumbria Coast Rail Line, Port of Workington and Strategic Road network to provide the required quality of connectivity to support and develop the nuclear industry and unlock employment growth across West Cumbria.

The visitor economy forms a vital component of the wider Cumbrian economy supporting over 31,000 jobs. The natural beauty of the Cumbrian landscape means it is one of the UK's most visited destinations with approximately 38 million visitors annually. Travel to and within Cumbria is a key element to the successful growth of this sector of the economy.

The challenge is to ensure that its growth as a world class visitor destination can continue, without detrimental impact on its outstanding natural environment. A range of innovative sustainable transport initiatives building upon the successful schemes being delivered in the Lake District National Park will be brought forward.

The M6 corridor and West Coast Mainline provide East Cumbria with excellent inter-regional transport connectivity. This makes the key settlements of Carlisle, Penrith and Kendal easily accessible and attractive locations for investment to develop and strengthen this part of the Cumbrian economy. However growth in the M6 corridor is currently constrained by the inadequate highways infrastructure linking the M6 to key employment and residential sites identified for growth through the local plan process.

### 3.2 Partnership working

Cumbria LEP will work in partnership with a range of organisations to deliver the required infrastructure improvements.

Cumbria County Council as the local highway authority will work with the District Councils, National Park Authorities Highways Agency, Network Rail, Train Operating Companies, and Bus Operators to deliver the highways and transport infrastructure.





**District Councils**

Cumbria LEP will work closely with Cumbria County Council, the 6 District Councils and 2 National Park Authorities to ensure synergies are established between statutory Local Plans and highways and transport infrastructure priorities to ensure the deliverability and effectiveness of both in supporting the priorities of the SEP.

**Highways Agency**

Cumbria LEP will work closely with the County Council and Highways Agency to deliver its Route Based Strategies across the motorway and trunk road network in Cumbria to address the infrastructure improvements required to align with the priorities in the SEP.

**Network Rail / Train Operating Companies**

There is an extensive rail network in the county which is vital to both the local and national economy. Cumbria LEP in conjunction with Cumbria County Council will work in partnership with Network Rail, the main Train Operating Companies (TOC's) and the various Community Rail Partnerships to ensure the infrastructure and services continue to be improved. The County Council is actively engaged in the refranchising process for the Northern and Trans Pennine Express franchises. Improvements to rail services on the Cumbria Coast Rail line are particularly important for supporting the nuclear sector and enabling better accessibility and more sustainable travel into and out of West Cumbria.

**National Park Authorities**

Cumbria LEP and the County Council will be working in partnership with the Lake District National Park Authority and Cumbria Tourism in delivering a range of sustainable transport initiatives including cycling to optimise connectivity to support the rural and visitor economy.

Sustainable transport measures will be integrated into the proposed infrastructure projects being delivered across the county to ensure there is good quality connectivity on foot and by bike to the new employment and housing developments identified in the SEP. Cumbria LEP will work closely with Sustrans, British Cycling and bus operators to maximise the journeys undertaken by sustainable transport.

**3.3 Scope of activity**

The programmes and projects summarised in the infrastructure plan address the infrastructure required to deliver the SEP priorities. Some programmes and projects are already part funded and are included in this plan to capture all the infrastructure activities that are aligned to the SEP.

**DfT Devolved Major Schemes Funding**

In July 2013 Cumbria Local Transport Body was allocated £7.9 million, available from April 2015 for the delivery of projects developed and prioritised as aligned with the Central Assurance Framework approved by DfT in Summer 2013. At the meeting in July 2013, Cumbria LTB prioritised schemes based on the state of readiness for delivery at the time.

The following schemes were identified as high priorities (i.e. ready to deliver from April 2015) with DfT devolved major scheme funding:

- 1. Workington Station Hub
- 2. Maryport Station Hub
- 3. Currock Bridge, Carlisle

Reserve

- 4. Access Improvements to Gilwilly Industrial Estate

Other schemes were identified as priorities but were not sufficiently developed at the time of the LTB meeting. Cumbria County Council has committed to investing £600,000 in developing these projects over 2013/14 and 2014/15 to ensure the successful delivery of these projects from 2015 onwards.

**Local Pinch Point Funding**

In October 2013 Cumbria County Council successfully secured £1.6 million of DfT Local Pinch Point funding for some junction improvements to improve access to Gilwilly Industrial Estate in Penrith.

Match funding for the scheme has been secured from Cumbria County Council, Eden District Council and Cumbria Infrastructure Fund (CIF). The scheme is programmed for delivery in 2014/15.

## 4. Delivering the strategy

### 4.1 Advanced Manufacturing Growth

The advanced manufacturing sector is currently concentrated in the Furness area in Barrow and Ulverston. It is estimated that over the next 5 years around £1 billion of investment from key investors such as BAE Submarine Solutions and Glaxo Smith Kline (GSK) will be made in the Furness area. There are significant opportunities to build upon this investment and expertise to develop the advanced manufacturing economy in the Furness area within the towns of Barrow and Ulverston.

The A590 trunk road provides the only direct strategic road link from Barrow and Ulverston to the M6 and beyond and therefore maintaining access and reliability on this key link is essential to the economic growth potential of the Furness area. However there are currently traffic delays along the A590 particularly through Ulverston where the strategic road network also functions as the local road network. Improvements to the existing highway infrastructure are integral to the successful delivery of this priority. These highway improvements will complement flood infrastructure improvements required in South Ulverston. These infrastructure improvements will support the anticipated economic growth and unlock development interest in employment and housing sites.

#### 4.1.1 Advanced manufacturing initiative

No specific infrastructure requirement has been identified to date. It is likely that infrastructure will be an element of the project as it is developed through the pipeline.

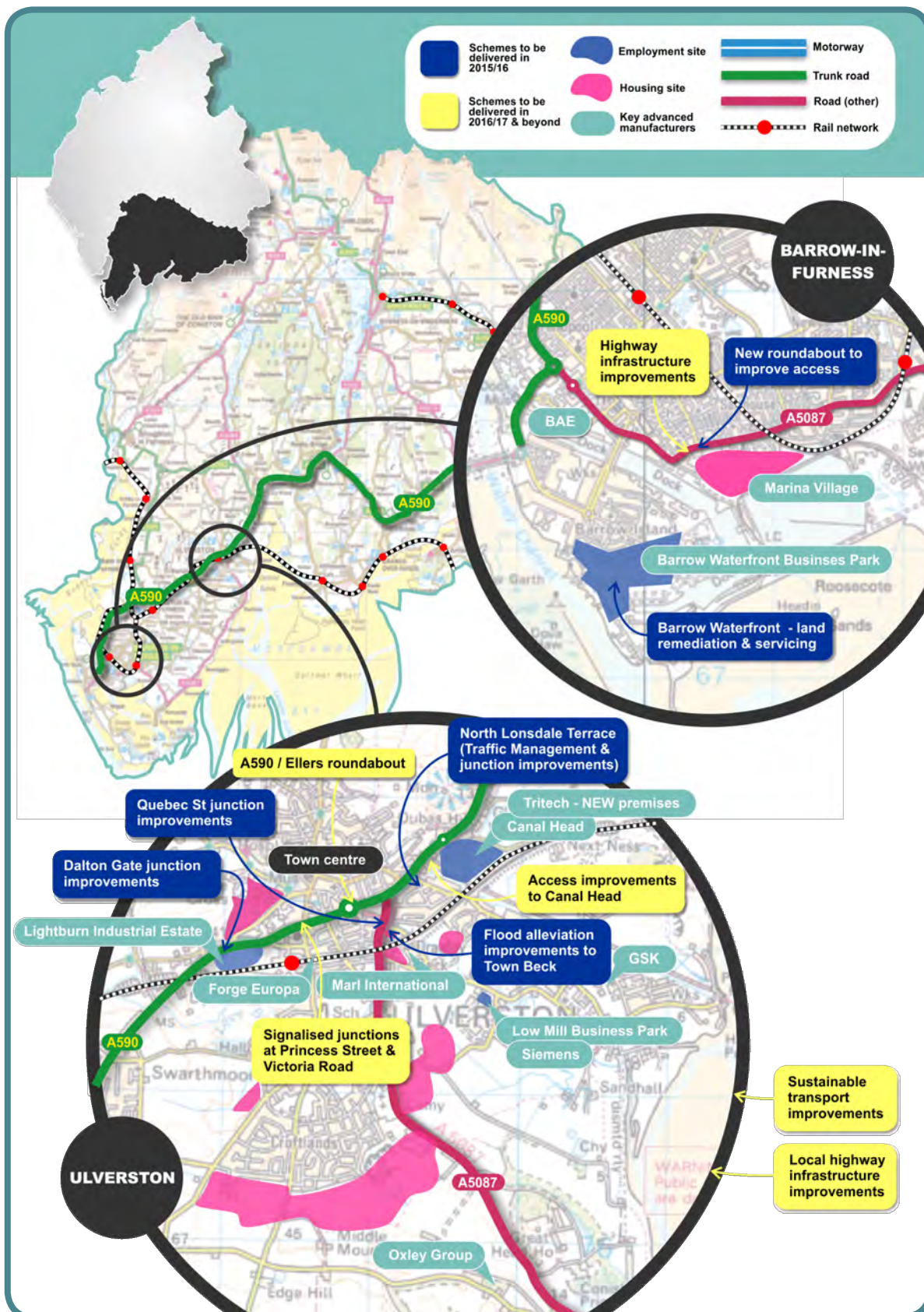
#### 4.1.2 Growth in Ulverston

Ulverston is host to a number of leading advanced manufacturing and high-technology businesses, including GlaxoSmithKline (GSK), Siemens and Trittech, which are important components of Cumbria's advanced manufacturing offer. Many other local businesses including The Oxley Group, Marl International and Forge Europa all specialise in LED lighting systems and are also performing very well. It is anticipated that all of these businesses will be seeking to expand their business operations in the future.

Development already committed includes GSK's announcement to build a new £350m biopharmaceutical manufacturing facility in South Ulverston, £30m private investment expected from the expansion of Siemens and the relocation of Trittech to new expanded premises at Canal Head. These commitments will create 600 jobs over the next 10 -15 years.

This project comprises several highway, transport and flood infrastructure projects in South Ulverston to support the economic growth in Ulverston. The project focuses on unlocking future employment land around the town whilst supporting the future investment plans of existing key businesses. In addition to the jobs created through the proposed expansion of GSK and Siemens, it is estimated that the improved infrastructure in South Ulverston will have a net additional impact of 724 jobs.

Given the growth of existing businesses and excellent links to the strategic road network, Ulverston has been identified as a key area for further economic growth in Cumbria. In total 6.39ha of new employment land and 69.21ha of housing land has been allocated in South Lakeland District Council's adopted Land Allocations Development Plan Document in Ulverston. The majority of the employment and housing sites are located to the south of the A590 (key employment sites include Lightburn Industrial Estate, Low Mill Business Park and Canal Head). Traffic modelling highlights that the A590



/ A5087 junction in Ulverston is operating over capacity and other junctions on the A590 (North Lonsdale Terrace and Ellers roundabout) are operating close to capacity irrespective of any development generated traffic.

Traffic modelling confirms that the local plan land allocations and identified committed development, traffic from South Ulverston accessing the A590 will increase by 300 vehicle movements in the PM peak. With this increase in traffic, a number of junctions will be operating over capacity in 2025. Without improvements to highway infrastructure, development is limited to committed sites.

At present access to South Ulverston from the A590 is via residential streets passing a number of derelict and poorly maintained sites. These constraints cause localised congestion during peak periods and the image does not provide prospective investors in South Ulverston with the confidence that the area is a hub of advanced manufacturing. To exacerbate the issue, the area south of the town centre is low lying close to the Ulverston Canal and River Leven estuary. Records show the area floods an average frequency of once every 10 years, most recently flooding in 2012 and 2013. The local lead flood authority (Cumbria County Council) will not permit further development in this area until measures are implemented to alleviate this flood risk.

The total cost of improving transport and flood infrastructure in South Ulverston is estimated to be in the region of £11.2 million. Investment of this magnitude reduces the commercial viability of sites in South Ulverston and delays the delivery of housing and employment land in the town. This project seeks to ensure that the transport and flood infrastructure supports the significant anticipated economic growth in Ulverston, reducing the development costs of individual sites bringing forward development of employment and housing sites.

To maximise the benefits of recent interest in Ulverston associated with GSK's recent announcement of plans to expand (March 2013) and the adoption of South Lakeland District Council's Local Plan in December 2013, it is critical that infrastructure is delivered in the short term.

The Environment Agency in conjunction with Cumbria County Council are working to deliver required infrastructure to mitigate the impact of flooding in South Ulverston. The Environment Agency has a scheme programmed in 2014/15 to address flood risk from Town Beck and are working with GSK, South Lakeland District Council and Cumbria County Council to reduce the flood risk in this area of Ulverston. This is in addition to maintenance work and improvements to existing defences after the flooding in 2009. Although an integral element of this project, funding to progress this element will be sought from through the Environment Agency and EU funding and does not require Local Growth Funding.

Previous study work completed for South Lakeland District Council's local plan (Ulverston and Swathmoor Traffic Study, KR Synergy, February 2012 and Further Highways Evidence Report AECOM, March 2013) identified the following key junctions as operating over capacity with the development proposals:

- A590/ North Lonsdale Terrace;
- A590/ Quebec Street;
- A590 / The Ellers roundabout;
- A590 / Prince's Street / Queen Street.

Recognising the impact of development on the highway network, Cumbria County Council and South Lakeland District Council are working in partnership with the Highways Agency to identify measures to mitigate the impact of development traffic on the highway network. This work includes the development of a traffic model and study work (Ulverston traffic study (Mott MacDonald, February 2014) which identifies a range of possible improvements to the highway network to mitigate the impact of development traffic.

This project focuses on the highway infrastructure that is required in the short term. Further work is required to identify a longer term solution to alleviate journey time reliability issues identified in the Highways Agency Route Based Strategy – North Pennines (draft February 2014).



### Short term projects (2015/16)

Short term improvements to be funded by the LGF focus on small scale highway improvements to alleviate the following issues:

- Pinch points on the network identified to be operating significantly over capacity with development proposals
- Highway infrastructure required to unlock development sites with known interest.

With the current congestion and demand for development in Ulverston, there is a risk that if infrastructure improvements are not delivered in the short term, businesses will relocate elsewhere. The following improvements have been identified as necessary in the short term to alleviate identified capacity issues:

#### Strategic Road Network (Highways Agency)

- A590 / Daltongate improvements;
- Highway improvements to A590 / North Lonsdale Terrace;
- Highway improvements to A590 / Quebec Street (A5087).

#### Local Highway Network (Cumbria County Council)

- Traffic management improvements to North Lonsdale Terrace;

#### Flood Infrastructure

- Town Beck flood alleviation scheme (to be partner funded).

These schemes are being developed in preparation for delivery in 2015/16 and further detail is included in the project business case.

### Medium term projects (2016/17 to 2021)

Medium term projects have been identified in the study work undertaken as required but are unlikely to be critical until the end of the local plan period. Further work is required to establish when these improvements will be required.

- A590 improvements in East Ulverston;
- Sustainable transport improvements throughout Ulverston;
- Flood mitigation measures to reduce the impact of flooding in South Ulverston.

### • Longer term projects (2020/21 onwards)

With the proposed improvements in the short and medium term access to the A590 in Ulverston will improve. However as the local and strategic highway network, it is recognised that further improvements will be required. Work is ongoing through the development of the Highways Agency Route Based Strategy (North Pennines) to establish the feasibility of a longer term solution to alleviate this issue.

#### 4.1.3 Barrow Waterfront

BAE systems Submarine Solutions are currently pursuing an investment programme to include 7 Astute class nuclear density powered attack submarines and 4 successor nuclear deterrent boats. This build programme requires £400m of new site investment in new buildings processes and infrastructure. 750 new jobs will be created and the strategy will support over 1200 companies nationwide.

Commercial and industrial land in Barrow is in short supply and the only remaining vacant site is at Barrow Waterfront. BAE has committed to build a new logistics facility on the site. To facilitate additional growth and to maximise the benefits of BAE expansion there is a requirement to invest in site infrastructure to increase the available land on Waterfront Business Park for supply chain businesses.

The Barrow Port Area Action Plan (2010) provides the planning framework to support the delivery of employment and residential development in Barrow. The Action Plan is focused on two areas; the Waterfront Business Park for employment and the 'Marina Village' for residential development.

The focus in the short term is on the business park to maximise the benefits from the BAE investment. By investing in the infrastructure, combined with a package of incentives, the site will be promoted to supply chain businesses to deliver additional growth in Barrow. Further details on the proposal are contained in the project business case.

Barrow Waterfront Business Park was acquired serviced and remediated by Cumbria County Council. Ramsden Business Park (4.9 ha) has been fully remediated and serviced to allow immediate development. The remaining 10 ha requires some remediation to treat contamination, ground works and servicing to bring the land to a developable standard.

BAE has committed to occupying the whole of the Ramsden Business Park site, leaving no other readily available commercial or industrial land in the Borough.

The estimated costs of bringing the remaining 10 ha to a developable standard are £5.3m. This will provide sufficient land for 425,000 sq ft of new floor space. Based on employment ratios this could provide between 1000 and 2250 jobs.

The programme of infrastructure work required will last 9 – 12 months and will be ready to commence in 2015. A detailed report has been prepared by Capita to provide costs for the infrastructure works.

A key cog in the regeneration process of Barrow is diversifying the range of housing stock in the town so as to provide an increased amount of higher quality executive housing. Barrow suffers from a lack of this type of housing which can prevent the required workforce being attracted to the town. The proposed Marina Village development site which is part of the Port land in need of redevelopment will provide 600 high quality houses. The largely derelict site which lies off the A5087 Salthouse Road currently has a hugely negative impact on the image of the area.

Marina Village site has not been developed to date due to the cost of improving access to the site and lack of demand for housing. At present access is from the A5087, however due to the poor alignment of the highway in this location, access to the site is restricted.

With the forecast growth at Barrow Waterfront business park there is the expectation that investment confidence will increase and in turn enable the private sector to deliver the housing growth in Barrow. Delivery of this will be assisted by investment in improving the access to the site.

### Short term projects (2015/16)

- Groundworks and site preparation at Barrow Waterfront Business Park.
- A new roundabout to open up development of the residential site.

### Medium term projects (2016/17 to 2021)

- Highway infrastructure improvements to Marina Village.

## 4.2 Nuclear and Energy Excellence

West Cumbria is home to one of the most diverse and experienced centres of nuclear expertise in the world. It has for many years excelled in the nuclear and energy sectors, pioneering in the fields of nuclear power generation, research, decommissioning and the development of nuclear skills.

West Cumbria's employment tradition was originally founded on heavy industry, through iron ore and coal mining to steel production and chemicals. The area has long been home to major industries which dominate local employment. The decline of these industries at various times has brought about significant job losses and economic impacts. The advent of nuclear power saw West Cumbria become the first area in the UK to host a nuclear power station at Windscale, now known as Sellafield.

The dominance of Sellafield's operation in West Cumbria, coupled with the development of new nuclear power generation capacity at Moorside, means that the nuclear sector is a major economic driver from which there are significant opportunities for economic growth.

### 4.2.1 Centre of Nuclear Excellence

No specific infrastructure requirement has been identified to date. It is likely that infrastructure will be an element of the programme in future years.



#### 4.2.2 Low Carbon Cumbria

No specific infrastructure requirement has been identified to date. It is likely that infrastructure will be an element of the programme in future years. Although it is noted that the sustainable transport proposals at 4.3.1 and at 4.2.3 will have low carbon benefits.

#### 4.2.3 Infrastructure, connectivity and employment sites

Sellafield Ltd is by far West Cumbria's biggest current employer, directly providing around 10,000 jobs several thousand more in its supply chain. Power generation ceased at Sellafield in 2003 and a process of phased decommissioning began leading up to planned closure of the site. However the predicted decline of employment at the Sellafield site has not materialised as the site has emerged as the UK's centre for Nuclear Decommissioning, capitalising on the wealth of nuclear industry expertise present in West Cumbria.

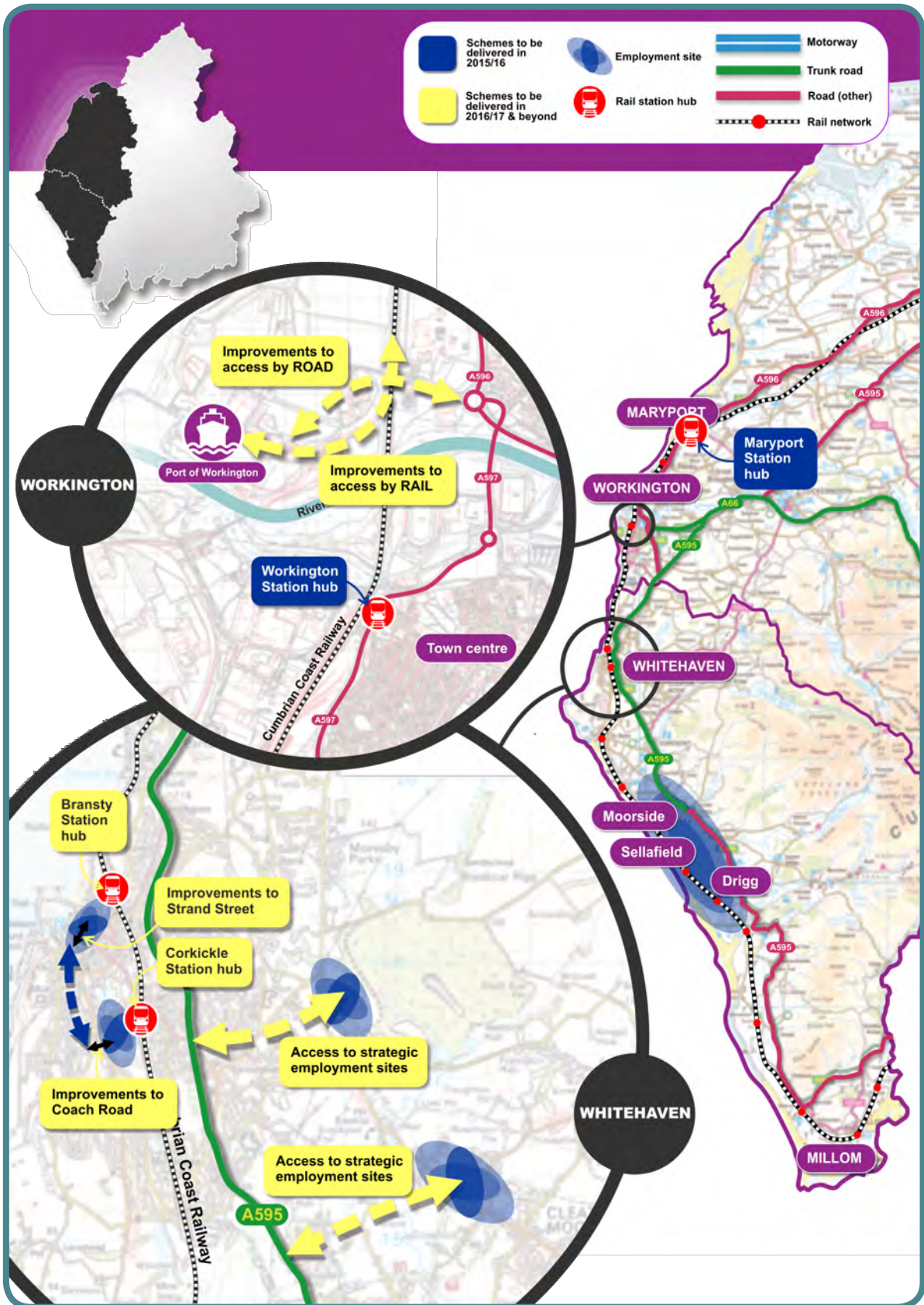
Moorside, immediately north of Sellafield, is one of 8 sites in the UK selected in 2011 to host a new generation of nuclear power stations. This Nationally Significant Infrastructure Project will begin producing power for the National Grid in 2025. Prior to that, the huge construction project will employ around 6,000 people at its peak and will take approximately 7 years to complete. This represents both a major economic opportunity for the area and a significant challenge.

Infrastructure and connectivity must be suitable to support current decommissioning activity and create the conditions to support the construction and ongoing operation of nuclear new build. Dedicated access to Moorside by sustainable transport is required for the construction and operation workforce, as is transport for bulk construction materials and modules which minimises the impact on local communities and the environment.

Significant changes in travel-to-work patterns are already emerging in response to relocation of non-site-essential nuclear sector employment away from licensed sites to town centres and other employment sites. At the same time there is growing demand for the nuclear sector supply chain to be brought physically closer to improve efficiencies and further strengthen local skills and expertise. Both Sellafield Ltd and NuGeneration Ltd (the nuclear new build consortium) are developing strategic plans around these two emerging trends. The primary aim is for West Cumbria to enhance its position in the global marketplace by growing and leveraging our existing, internationally unique strengths, to benefit the UK by becoming more economically diverse and resilient. Having the right transport infrastructure to provide sustainable and resilient connections between businesses and their markets and workforces is fundamental to realising that potential.

Available employment land in West Cumbria is often a legacy of the area's former heavy industry which relied on highly-localised labour markets, and used smaller road freight vehicles and a multiplicity of local rail freight connections. As car ownership and personal mobility have increased, road freight vehicles have become much larger and heavier, and local rail connections have long since been removed, some employment land has become difficult to access, whilst most of the larger employment sites including nuclear sites tend to rely very heavily on private car travel.

The nuclear sector is increasingly looking for suitable employment land in close proximity to existing and future operations at Sellafield and Moorside to meet its development needs. There are a number of potential sites, particularly to the east of Whitehaven, which can meet the proximity requirement but which are not easily accessible. Whitehaven town centre, which is ready to accommodate much more employment activity, has a constrained local highway network where unmanaged road traffic growth is not a practical option.







Nevertheless, West Cumbria has all the right building blocks to provide excellent and sustainable transport connectivity by rail, road, and sea. The Cumbrian Coast Railway Line links Carlisle to Barrow via the Cumbrian coast passing along its route through all the main West Cumbrian towns, major nuclear employment sites and outstanding coastal landscape. The line has significant untapped potential to carry a greater number of passengers, but is presently restricted by poor station infrastructure and accessibility, poor timetabling and an absence of a comprehensive weekend schedule. Improvements to this are absolutely vital to sustainable transport and economic growth in Cumbria. The potential of the line to provide an excellent commuter service between key employment sites and leisure and tourism services in an area with an outstanding landscape is clear. The line's lack of Sunday services constrains weekend tourist activity along the Cumbrian coast.

The line also carries significant volumes of rail freight, including the transportation of nuclear materials to Sellafield and the Low Level Waste Repository at Drigg. Connections to the West Coast Main Line and other parts of the national rail network at Carlisle and Lancaster enable freight to be transported to and from West Cumbria from all regions. The line could do much more – it is vital to meeting the freight demands of forthcoming construction projects at Moorside (Nuclear New Build), Drigg (Low Level Waste Repository) and Sellafield (Hazard Reduction Programme).

Signalling, speed restrictions and a number of single track sections presently limit the capacity of the Cumbrian Coast Line to carry significantly more passengers and freight. However, scalable infrastructure enhancements would be of huge benefit for rail capacity. The ultimate aim is for full resignalling of the line along with infrastructure enhancements and doubling of track throughout. Improving street-side access to the railway for travel-to-work, education and leisure is also vital through better pedestrian and cycle links and adequate off-street car parking.

The A66, A595 and A590 provide strategic connectivity from West Cumbria to other parts of the county, to the M6 and the rest of the UK. Other important county roads, including the non-trunk section of A595, the A596 and A5086 complete the main connections between population centres and key existing and future employment sites. Advancement of strategic employment sites to the east of Whitehaven will necessitate improved connections onto the A595 and wider strategic road network. The strategic road junctions at A595 / A5094 Inkerman Terrace and A595 / Rosehill are especially important in providing access to employment in Whitehaven. Key pressure points across the road network are well-understood and investment in localised improvements on these and other highway routes will help open up employment land within West Cumbria and improve access to existing priority employment sites. The ability to locate suppliers in close proximity to centres of demand in the nuclear sector may require more significant transport infrastructure investment in future to meet the sector's needs. Plans are well-developed for town centre environmental enhancements to support economic diversity and growth and encourage active travel.

### Short Term Projects (2015/16) West Cumbria Rail Station Hubs

The initial focus for 2015/16 is the programme of Rail Station Hub IMPROVEMENTS at Maryport, Workington and Whitehaven (Corkickle and Bransty) which will help unlock development of key town centre employment sites to meet the anticipated demand for office and other employment floorspace for the nuclear sector.

Access to the Cumbrian Coast Line will be improved at these stations through the provision of off-street car parking, pick up and drop off facilities for cars and taxis and improved pedestrian and cycle links to surrounding residential and employment areas.

The Cumbria Local Transport Body has already allocated funds for delivery of the Maryport and Workington schemes and nuclear sector funding has been secured for scheme preparation in Whitehaven, with the remainder of funding for delivery to be sought through the EU Structural and Investment Fund Programme.

The Hub schemes will encourage and guide nuclear and other private sector investment into key employment sites particularly in Whitehaven town centre that can accommodate 2500 jobs, enabling people living close to key settlements in West Cumbria and beyond to have access to employment and training opportunities arising from nuclear expertise in West Cumbria.

The Hubs will also deliver journey time benefits through modal transfer from road to rail, reducing delay on the A595 strategic route and other parts of the road network. Land for off-street car parking is already in local authority ownership at Workington and Corkickle and negotiations are proceeding to secure land currently in private ownership at Maryport. No land acquisition is necessary for the scheme at Bransty.

The Hub schemes are accompanied by engagement in the Rail Refranchising process to press for train services which can meet travel needs in West Cumbria, engagement with Network Rail to bring forward its investment in resignalling the line, and submission of an LSTF revenue bid to provide a trial Sunday service along the coast.

### **Medium and Long Term Projects Port of Workington access and infrastructure**

The Port of Workington, close to the mouth of the River Derwent, is particularly well-located to serve West Cumbria and offers both loose and container freight handling facilities, along with storage and multi-modal onward distribution. All berths are connected to the Cumbrian Coast Railway enabling the Port to function as a railhead and the port is close to the A596, A595 and A66 highway routes. Work is underway to identify on-site wet-side infrastructure improvements to support the Port's operations.

The Port has handled construction freight for Low Level Waste Repository projects in recent years, and NuGeneration Ltd has repeatedly stressed the importance of sea and rail to its strategic construction freight transport plans.

The existing access arrangements at the Port of Workington are a limitation on its ability to exploit growth opportunities. There are three key issues:

- Poor resilience caused by having a single road access which is narrow, and relies on a historic masonry arch bridge with structural problems and lacking pedestrian and cycle facilities.
- Potential constraint on the Port's ability to provide rail connection to meet future demand due to finite capacity on the main lines and no adjacent crossover connection between the northbound and south bound main lines.
- Limitations on the Port's ability to grow its business further by expanding its site to provide capacity to handle more freight.

Steady growth in existing sea-borne traffics and market intelligence around potential new flows of traffic including trans-European containers, biomass energy fuel, energy from waste, Sellafield decommissioning and nuclear new build at Moorside, requires the Port of Workington to be better equipped to meet the challenge.

In addition, stronger links by rail and road to a new freight logistics centre at MOD Longtown would provide an opportunity to increase the Port's capacity to support economic growth on the M6 corridor as well as in West Cumbria.

In this context, the substandard strategic road network junction at A66 Ramsay Brow / A596 Washington Street is a known constraint on large goods vehicle access between the Port and the strategic road network.

Targeted incremental road and rail access improvements at the Port itself will match investment against demand to unlock employment development land to allow the Port to expand and grow its role as a key multi-modal freight transport hub supporting the economy throughout Cumbria.

The first access improvement will be delivered through a Network Rail funded maintenance scheme in September 2014 which will strengthen the existing road-over-rail bridge which provides the Port's only road access.



Further access improvements at the Port itself would include the medium term provision of a rail crossover between northbound and southbound main lines to enable more efficient train handling entering and leaving the Port and, when development demand requires it, a direct rail link from the Port to a new set of loop sidings adjacent to the Cumbrian Coast Line which will enable train handling without the need to occupy the main lines to the detriment of other passenger and freight traffic movements. This will also require the replacement of the existing road-over-rail bridge with a new twin-span road bridge to accommodate the new direct rail link and provide vehicle, pedestrian and cycle access designed to modern standards for the Port and adjacent employment land to the north.

### West Cumbria strategic employment site access

As nuclear sector strategic plans and specific site needs emerge more clearly, access improvements will be required to provide better pedestrian connectivity between available employment development sites and existing transport and commercial facilities within Whitehaven town centre, and to better connect suitable employment sites east of Whitehaven with the A595 strategic route.

Among other sites, interest has been shown by the nuclear sector in the potential for supply chain related development at Whitehaven Commercial Park and Leconfield Industrial Estate, Cleator Moor since both these sites are in a high state of readiness for development.

Initial proposals are for junction improvements at A595 / Rosehill to improve access to Whitehaven Commercial Park, and to identify the constraints and opportunities for a potential new highway link corridor to connect the A595 strategic route with the B5295 and the local road network that serves Leconfield Industrial Estate and other employment sites to the east of Whitehaven.

Both these highway elements have potential to form part of a Whitehaven eastern highway corridor which would also support access for emerging education campus proposals including an elite nuclear college.

In Whitehaven town centre, a well-developed Streetscapes project has already seen partial implementation with developer funding through the Albion Square office development which will be home to 1000 Sellafield employees from Summer 2014. Further incremental implementation of the Streetscapes project would help to attract private sector investment to key employment sites whilst also providing further developer funding opportunities to improve pedestrian freedom and secure spin-off economic benefits from increased town centre footfall.

### 4.3 Vibrant Rural and Visitor Economy

The visitor economy forms a vital component of the wider Cumbrian economy supporting over 31,000 jobs. The outstanding natural beauty of the Cumbrian landscape means it is one of the UK's most visited destinations with approximately 38 million visitors (8% from overseas) per year. There is a need to ensure that its growth as a world class visitor destination can continue, without detrimental impact on its outstanding natural environment.

The Lake District National Park and Hadrian's Wall World Heritage Site are particularly attractive to visitors as a destination. However a lack of sustainable transport connectivity between key gateways into the county and to key visitor destinations hinders the growth in the international and domestic visitor markets.

Many visitor journeys to/from and within Cumbria are currently being undertaken by car. This leads to significant congestion at honeypot locations across Cumbria, in particular within the central and southern Lake District, and therefore a detrimental experience for visitors. Currently, visitors, and in particular international visitors, tend to concentrate their visit on the central and southern Lake District.

#### 4.3.1 World class visitor destination

The Transport programme to support the visitor economy is called **Optimising Connectivity**. The Optimising Connectivity Programme comprises three inter-dependent elements aimed at growing the number of international visitors.

- Improvements to transport to improve accessibility to key visitor destinations
- Improvements to visitor destinations
- Marketing and promotion of the measures in the Programme The Optimising Connectivity programme will be delivered through a combination of LGF, ESIF and LSTF funding sources. The LSTF revenue funding is for 2015/16, the ESIF funding for 2014 to 2020 and the LGF funding is required for this project from 2015/16 to 2020/21).

The Optimising Connectivity programme will focus on the following key areas:

- The main transport gateways into Cumbria at:
  - Carlisle Railway Station
  - Penrith Railway Station and Rheged Visitor Centre
  - Oxenholme Railway Station;
- The development of key corridors in to Cumbria, the Lake District and key visitor destinations:
  - Carlisle – Hadrian’s Wall and the North Lakes
  - Penrith – Rheged – Ullswater
  - Keswick - Borrowdale
  - Oxenholme – Windermere – Grasmere - Rydal
  - Oxenholme – Windermere – Hawkshead – Coniston;

In terms of transport the Programme will focus on the movement of visitors into Cumbria from key transport gateways. Once visitors have arrived the focus will then turn to onwards connectivity, and enhancing the key corridors and transport options available for travel onto their destination.

The programme will build on and develop the approach currently being delivered by the Go Lakes Travel programme, and measures that have proved successful will be rolled out further, to areas of the County where barriers to the use of sustainable travel exist.

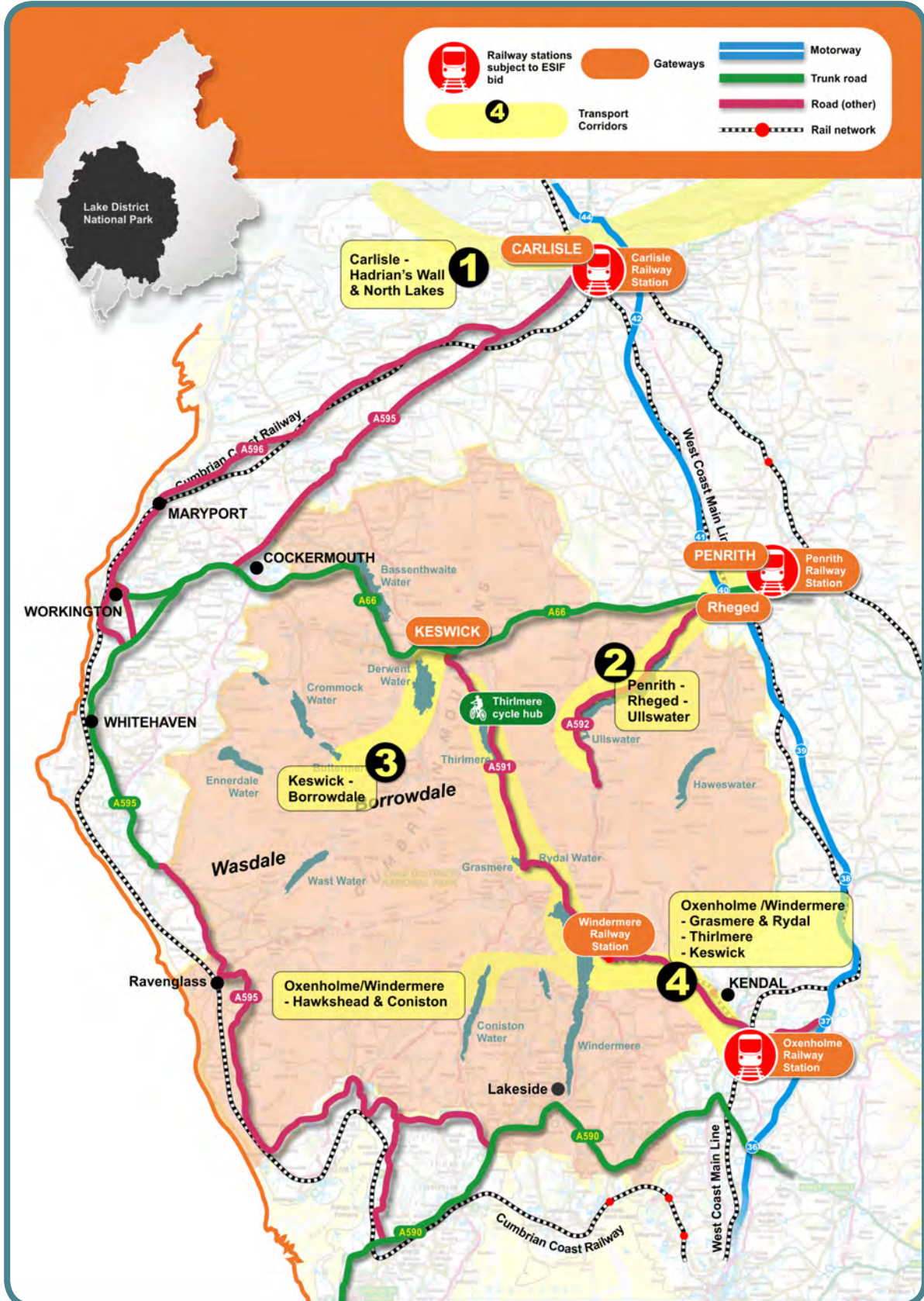
In 2011/12 Cumbria County Council, in partnership with the Lake District National Park Authority and Cumbria Tourism was successful in obtaining funding from the Local Sustainable Transport Fund (LSTF) aimed at tackling the barriers to the use of sustainable travel in a pilot area of the southern and central Lake District.

The current four year LSTF Go Lakes Travel programme is already having significant success in changing the travel behaviour of visitors, both travelling into and around the southern and central Lake District, through the implementation of a range of sustainable transport measures. These include: new bus services including the bike bus; new jetties and boat services on Lake Windermere; new cycle networks; electric car and bicycle hire networks and various other measures to encourage car drivers to leave their car for the day and explore by sustainable means. Measures are promoted through the ‘Drive Less See More’ marketing campaign which is also proving successful.

However, there remain barriers to sustainable movement of visitors to other areas of Cumbria and the Lake District National Park, in particular for visitors arriving at Oxenholme, Carlisle and Penrith, and those wishing to travel onwards to places such as Ullswater, Keswick and Derwentwater, Windermere and Hadrian’s Wall. At present, the infrastructure and facilities that exist are functional but incoherent when considered from the perspective of international quality sustainable travel.

The lack of sustainable transport connectivity between public transport hubs and key visitor destinations is a key issue which needs resolved in order to attract more international and domestic visitors, through offering a high quality product and more choice. This would in turn help unlock sustainable economic growth in the County. There is significant opportunity for influencing how visitors approach the key attractions to enhance the quality of the visit, to reduce congestion at hotspots and bottlenecks, but also spread the benefit of tourism wider than the main destination locations.

The focus for this SEP priority from an infrastructure perspective is on sustainable transport to support growth of the visitor economy and in particular raising the profile of the UK as an international visitor destination.



The proposed measures are based on:

- Innovative solutions for accessing honeypot sites and visitor attractions on arrival in Cumbria;
- High quality arrival points;
- The development of sustainable transport hubs to provide door-to-door journey opportunities; and
- Public realm enhancements to encourage use of sustainable transport.

### Short term projects (2015/16)

The short term measures for Local Growth Funding focus on infrastructure improvements for sustainable transport along the A591 corridor between Bowness on Windermere and Grasmere. The A591 provides access to key visitor destinations but suffers from significant congestion during the summer months. The measures are aimed at reducing the impact of the car and improving the connectivity of four key visitor destinations by sustainable transport:

#### The Lake District Visitor Centre at Brockhole

The Visitor Centre needs to act as a hub and interchange for visitors, but access by bus services is poor due to the configuration of the car park and highway network. The vehicular access will be reconfigured to enable frequent bus services on the A591 to access the site.

#### Hotel, commercial and marina developments, Bowness on Windermere Bay

Bowness Bay and The Glebe is the most heavily visited single destination in Cumbria, but future investment is being curtailed by the lack of effective and attractive access to the development sites. The car parking arrangements will be reconfigured and traffic management measures implemented, including shared surface treatments on Glebe Road, in order to address barriers to pedestrian flows and access to businesses.

#### Low Wood Hotel, near Ambleside

The hotel is bisected by the A591, creating a physical and perceived barrier to water-borne public transport access and that has and has prevented the creation of an international convention centre on the lakeshore. It is proposed to enhance the public jetty and create crossing points and shared surface treatments on the A591.

#### Jerwood Centre at Dove Cottage, Grasmere

Currently there is poor pedestrian connectivity between the Wordsworth Trust Dove Cottage and Grasmere village centre which provides the main car parks and bus stops / coach drop-off points. Traffic management measures will be implemented for pedestrians on the A591 and local roads including crossing points and shared surfaces.

ESIF match funding is being sought to ensure the implementation of the development of Thirlmere on the A591 as a cycle hub. This will provide an 11 mile cycle route around the tranquil Thirlmere reservoir, making use of the existing minor road on the western shore and a new purpose built trail along the eastern side to avoid use of the A591. The route will be delivered through a partnership with United Utilities, who have pledged to contribute a significant level of funding (£2.31 million capital investment) and resources.

A bid for further LSTF revenue in 2015/16 has will be made to support the capital measures sought through the Local Growth Fund. The LSTF measures will focus on Pay as You Drive low emission/hybrid car hire at visitor arrival points, fleets of Twizy electric cars based along key corridors and at visitor destinations, the development of corridor travel plans, kickstarting transport service developments to provide high quality travel options suitable for international visitors, cycle measures, visitor information provision, marketing and promotion.

The proposed new Cumbria Cycleway, a spectacular 190 mile circular cycle route using quiet lanes following the boundary of the Lake District National Park and linking the beautiful valleys of the Lune and the Eden, will be signed and promoted. This would aim to bring in similar economic growth to the Cumbrian economy as the Coast to Coast cycle way (currently £2 million).



The promotion of Sky Rides Local will capitalise on the opportunities opened up by recent infrastructure improvements such as the Hadrian's Cycleway and Windermere West Shore route.

### Medium term projects (2016/17 to 2021)

Local Growth Funding will be required in future years for the Optimising Connectivity Programme.

The highway infrastructure measures will be centred on improving the transport hubs and corridors. This will include high quality public transport transfer infrastructure, rights of way improvements, lake jetty and launch upgrades, and signage and orientation improvements.

Cycling measures and network improvements will be implemented in order to further enhance Cumbria as a cycling destination for both international and domestic visitors.

The 'Pay As You Drive' low emission/hybrid car hire at visitor arrival points (gateway hubs), and electric car (Twizy) fleets will be expanded within the corridors/hubs and at key destinations. The electric vehicle network improvements will follow on from the expansion through the current Go Lakes Travel programme, but will also build on the project to deliver electric vehicle charging infrastructure following a successful bid to the Office for Low Emission Vehicles by Cumbria County Council in partnership with several District Councils and Britain's Energy Coast.

Corridor travel plans will be developed, and information provision applicable and accessible to international visitors made available at the gateway hubs and along corridors.

As well as the Thirlmere cycle hub, EU funding will be sought for a programme of rail gateway improvements, to create world class entry points for international and domestic visitors travelling by sustainable transport. This will be achieved by providing quality arrival facilities and information and through the wider programme encouraging more visitors to travel to Cumbria by rail and use sustainable transport options to move around during their stay.

The improvements proposed in the Optimising Connectivity programme will all contribute towards making Cumbria, the Lake District National Park and Hadrian's Wall a world class visitor experience and world class visitor economy. As well as improving the range and quality of existing tourist attractions, more visitors to places outside the main tourism centres will benefit the local rural economies, contributing to successful businesses and job creation that result from visitor spend.

Many of the proposed sustainable transport measures outlined above are proving to be successful in Phase 1 of the LSTF funded Go Lakes Travel programme. Monitoring and evaluation towards the end of the programme will provide additional evidence to illustrate which measures delivered by the programme have been the most effective.

Innovative solutions for accessing honeypot sites will add a new layer of excitement and enhance the experience of visiting the Lake District and Cumbria and thus attracting more international visitors and increasing the level of visitor spend. Measures will in turn benefit local residents, through improved links to employment sites, and through direct and indirect job opportunities. Further detail on the Optimising Connectivity Programme is available in the project proforma.

### 4.3.2 Rural Growth Network

Our rural communities play a big part in the Cumbrian economy but they are often disadvantaged due to their relative remoteness and suffer from poor access to services. The Rural Growth Network programme seeks to ensure our rural communities are better connected and able to access services. From an infrastructure perspective this includes provision of rural community transport and maintenance of the extensive highway network.

## Broadband

In order to address the barriers to isolation broadband is recognised by the LEP and local partners as the most important intervention required to improve connectivity. For this reason the County Council is currently working with BT to roll out the next generation of broadband through the £52 million Connecting Cumbria Programme. This will ensure 93% coverage. Additional funding has been offered by BDUK for the remaining 7% subject to securing the match funding. The LEP will look to secure funding from the EU Structural and Investment Fund Programme for this.

The Broadband delivery project is also a key part of strengthening the visitor economy in Cumbria. It supports the continued prosperity of the accommodation and food industries allowing businesses to advertise and conduct their business over high speed links. Also, for the visitor access to fast broadband is becoming an essential part of the experience.

### 4.3.3 Environmental Infrastructure

The infrastructure for this programme is covered in the Environmental Sustainability Annex to the SEP.

## 4.4 Strategic Connectivity of M6 Corridor

The M6 corridor and West Coast Mainline provides East Cumbria with excellent inter-regional links. The key settlements of Carlisle, Penrith and Kendal located on the M6 corridor are attractive locations for investment and will play a key role in developing and strengthening this part of the Cumbrian economy. However the M6 corridor is currently constrained by a shortage of available development sites and the highways infrastructure on the local highway network is required to bring forward a number of employment sites.

To achieve early delivery of housing and employment growth and maximise the economic potential of East Cumbria, district councils (Carlisle City Council, Eden District Council and South Lakeland District Council) are working closely with the County Council to progress their Local Plans. The LEP recognises the importance of up-front investment in infrastructure to help accelerate delivery of housing and employment land allocations in Local Plans. Infrastructure delivery plans are a key part of the Local Plan and the LEP will seek to align investment in infrastructure to unlock Local Plan site delivery.

Development on the M6 Corridor is focused around the key settlements of Carlisle, Penrith and Kendal. Growth of these areas is related to the progress of the Local Plan which varies between districts.

### South Lakeland District (Kendal)

South Lakeland District Council approved their local plan in December 2013. A traffic and infrastructure study was undertaken as part of the Land Allocations DPD examination which assessed the traffic impact of the proposals using an existing transport model. This study has informed a draft Infrastructure Delivery Plan (IDP) which identifies the highway and transport measures required to unlock development opportunities and enable the local economy to grow.

Transport infrastructure identified in the IDP includes a range of capacity improvements at junctions and sustainable transport measures to encourage increased journeys on foot, by bike and passenger transport. This project focuses on the delivery of the infrastructure deficit to accelerate development in Kendal where there is known developer interest.

The model used in South Lakeland will be applied to Eden District and Carlisle City as the Local Plan progresses.

### Eden District Council (Penrith)

Eden District Council have consulted on proposed employment and housing sites. Although the key employment and housing sites are broadly understood, smaller sites are still to be agreed. Cumbria County Council has worked with Eden District Council to identify some initial highway infrastructure deficit at key sites however this needs to be finalised as the local plan is developed.



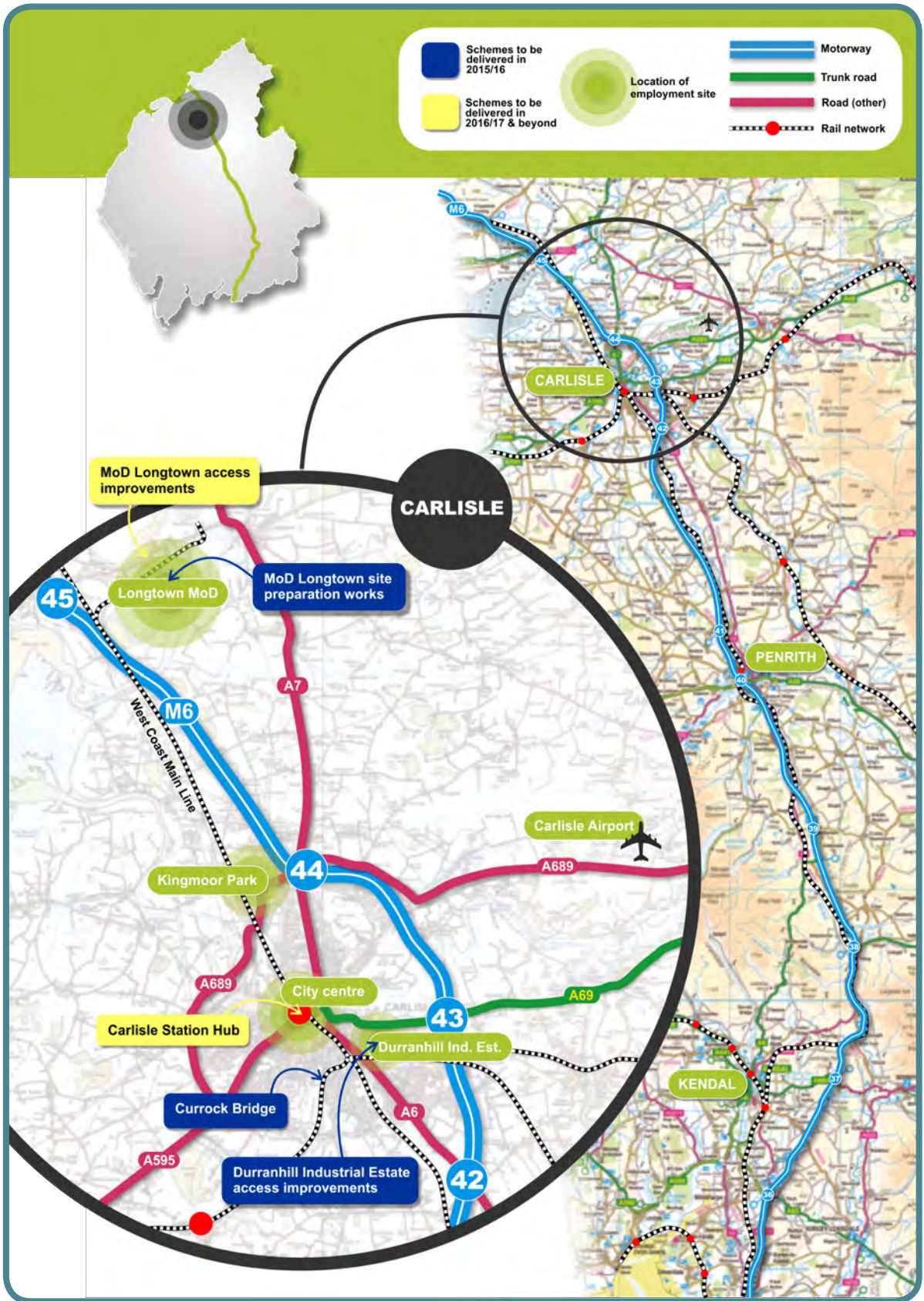


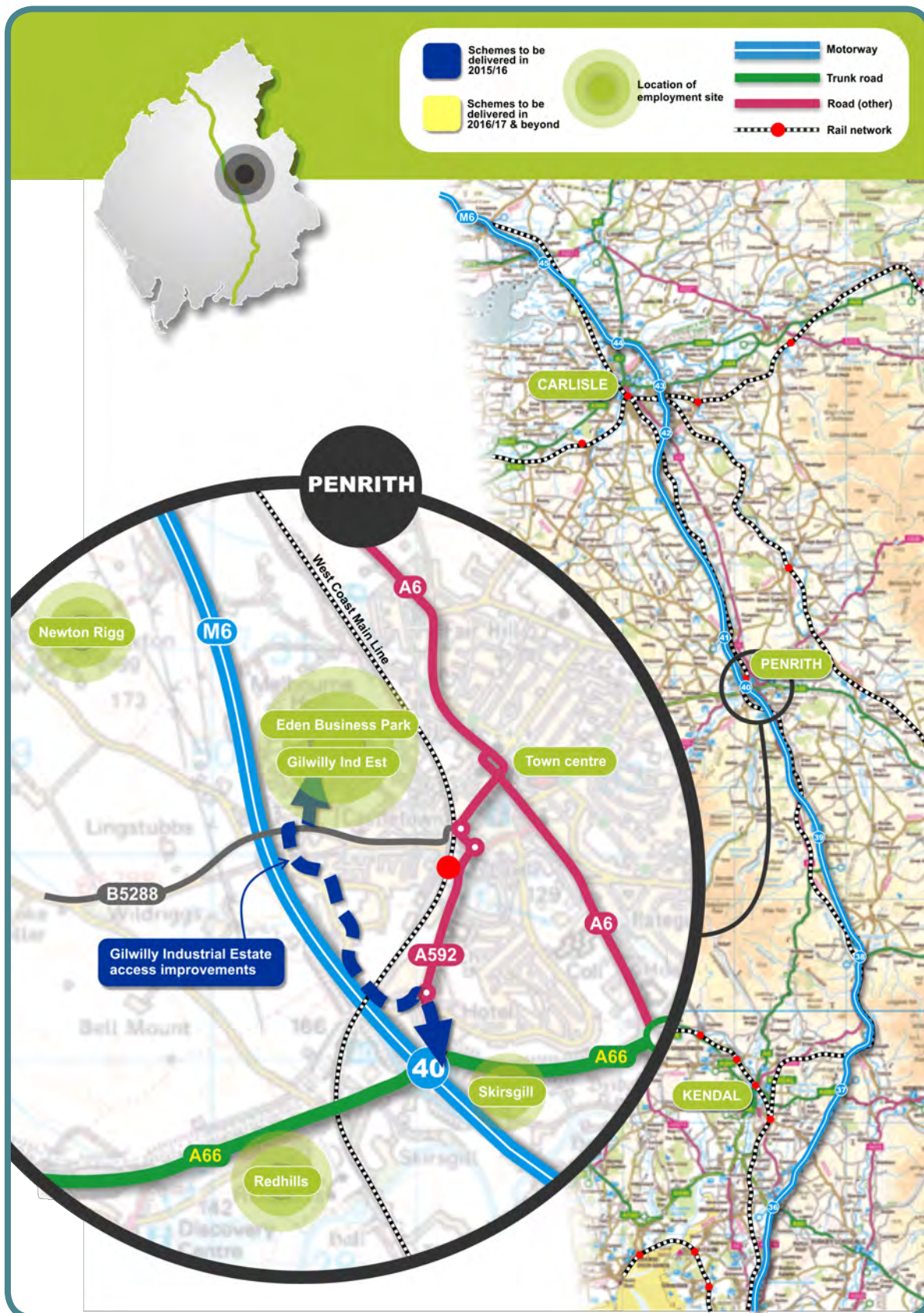
### Carlisle City Council (Carlisle)

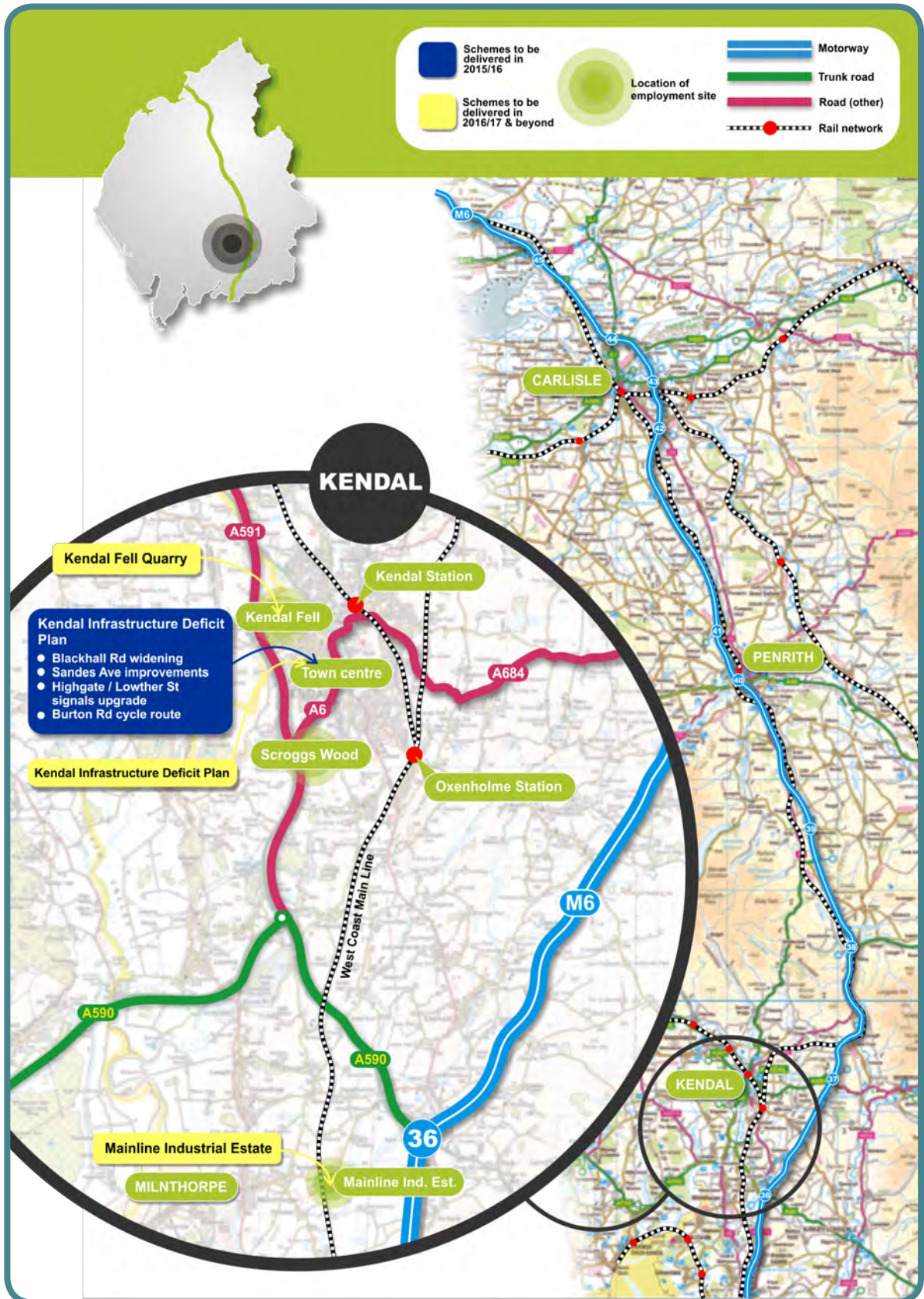
Local plan preferred options have been identified and the County Council and the City Council will be developing an infrastructure delivery plan in a similar way to South Lakeland District Council.

In addition to the local highway improvements specific to employment sites, Cumbria County Council is working in partnership with the Highways Agency to ensure that access to Cumbria via the strategic road network does not constrain access to key settlements on the M6 corridor. Of particular importance are the following corridors:

- A66 corridor providing linkages across Cumbria but also to the east of the Pennines. Penrith is strategically located at the junction of A66 and M6.
- A69 corridor providing access east to Newcastle. Carlisle is strategically located at the junction of the A69 and M6.
- A590 corridor provides access to South Cumbria, the Lake District and key employment sites in Barrow and Ulverston.









#### 4.4.1 Employment sites

A number of key sites along the M6 corridor have been identified as key to unlocking employment opportunities and strengthening the local economy. A number of these sites require highway infrastructure improvements to improve access to the site from the local and strategic network.

##### Carlisle

The current Carlisle Local Plan (2001-2016) identifies a number of strategic employment sites across the City. The existing strategic site of Durranhill is on the south west side of Carlisle and well related to the M6 and housing in the south and west of the City. The site has 3.8 ha of available land and this will provide 613 new jobs. The provision of a second access to the site from the local road network will unlock development of the site and improve the attractiveness of the estate as a location for new businesses leading to the redevelopment of existing sites. In the short term funding is sought through the Local Growth Fund in 2015/16 to deliver a second access to the site to ensure that sites receiving current interest from developers can be delivered.

Work is presently proposed for alternative uses at MOD Longtown and a business case is available that has been worked up with the MOD. There are potential opportunities for the future development of the site as a dry port facility due to its rail connectivity with the Port of Workington. In the short term Local Growth Funding is sought for 15/16 to prepare the site for private sector investment and to establish the site as a logistics hub.

In the medium to long term the impact of the site operation on the wider highway network will be established. Cumbria County Council will work in conjunction with the MoD and the Highways Agency to identify the necessary improvements to ensure that access to the site from the M6 (J45) does not constrain the future development of the site.

Infrastructure required to improve access to other employment sites within Carlisle's Local Plan will be developed in the medium term when sites are confirmed through the Local Plan process.

Of particular note is the key 30ha site at Kingmoor Park which has capacity to accommodate 1,500 jobs. The County Council will work with the developer to support the development of this site.

Carlisle Airport is also identified in the Local Plan and is recognised by the LEP as a key infrastructure asset with potential to bring significant economic benefit to the County, if revitalised.

##### Penrith

Penrith with its excellent transport connectivity at the junction of the M6 and A66 trunk road and West Coast Main Line is an attractive location for new and existing businesses.

Eden District Council's Local Plan Core Strategy has identified 30 ha of employment land to be delivered in the Local plan period (2010 – 2025). Although work is still ongoing to finalise the preferred employment sites, Gilwilly Industrial Estate and Eden Business Park are currently the primary employment sites in Penrith and Eden District Council have identified in their Local Plan Employment Preferred Sites and Policies consultation 12 ha of land at Gilwilly Industrial Estate and 4.2 ha at Eden Business Park. There is currently significant interest in both sites with a recent development on Eden Business Park creating 100 new jobs.

The sole existing site access is a constraint to the expansion of Gilwilly Industrial Estate and to enable development to come forward highway improvements on the corridor between Gilwilly Industrial Estate and the M6 are required. DfT Local Pinch Point fund has been successfully secured to deliver some of these corridor improvements and delivery is programmed to commence late 2014. These improvements will help to improve access to key employment sites in Penrith, reduce congestion and journey time reliability in west Penrith, and improve access to the strategic road network from the town centre. By facilitating the growth of Gilwilly Industrial Estate 730 new full time jobs can be created. The GVA increase will amount to £33.5 million.

Further work is required to ensure that access from the Strategic Road Network (M6, Junction 40 and A66) does not constrain further growth.

Eden District Council is also in the process of assessing other employment sites throughout the Penrith area to meet the identified need. As housing sites are still to be finalised, work is still required to identify the infrastructure deficit. This will be developed as the Local Plan is progressed and the County Council and the LEP will seek to align infrastructure priorities with supporting delivery of the local plan.

## Kendal

Kendal is easily accessible and an attractive location for investment and economic growth, however as identified in the infrastructure deficit plan, there are highway constraints at key locations in Kendal which will hinder the successful development of South Lakeland District Council's adopted Land Allocations Development Plan Document (DPD).

The approved South Lakeland Land Allocations Development Plan Document (DPD) proposes to deliver around 24 ha of employment land in Kendal by 2025. The primary employment allocation is 11 ha at Scroggs Wood which could generate 550 jobs. A further 1.2 hectares of employment land is allocated in Burneside. At an occupancy level of 80 per cent, the 25 ha of employment land could deliver 1,943 jobs. The GVA impact is calculated as £79.4m.

In addition to these sites, the Kendal Fell Quarry site is an existing site of 8 ha on the western edge of Kendal. Although not currently allocated (as it is outside of SLDC's local plan area) the site has potential for employment and the potential creation of 400 jobs. Existing access to the site is poor and will prevent full development of the quarry.

Mainline Industrial Estate is an existing employment area near the town of Milnthorpe 2 miles west of the M6 and adjoining the West Coast Main line. An additional 8 ha of employment land is proposed there which could create 400 jobs. The current designated route from the M6 to Mainline Industrial Estate is constrained by Crooklands Bridge a Grade II listed structure which imposes access limitations due to its width, and the poor alignment of the B6385. South Lakeland District Council and Cumbria County Council are working in partnership to identify options for improving access from the M6 and A590 to the site.

## 4.4.2 Housing delivery

In terms of proposed housing development the three District planning authorities covering East Cumbria (Carlisle, Eden and South Lakeland) are aiming to deliver approximately 22,500 new dwellings over their respective Local Plan periods.

### Carlisle

The city of Carlisle with access to three junctions on the M6 and served by the West Coast Main Line is of key significance to the future economic growth of the county. There is a strong aspiration for Carlisle to achieve sustainable growth and the emerging Carlisle District Local Plan currently proposes the delivery of 6,300 houses in the City by 2030. It is anticipated that a package of infrastructure deficit will be developed in 2015 with a view to delivery from 2016 onwards.

Amongst proposals within the developing Carlisle Local Plan is a broad location for longer term growth at the south of the City which is anticipated to incorporate new homes, employment and community facilities. Development there is expected to commence after 2025 and together with social infrastructure, it is anticipated that significant highway and transport improvements will be required.

### Eden (Penrith)

Penrith is the main town for Eden District located at the junction of the M6 and A66 trunk road and also served by the West Coast Main Line. The emerging Eden Local Plan proposes 2,392 houses in the town by 2025. It is anticipated that a package of infrastructure deficit will be developed in 2015 with a view to delivery from 2016 onwards.

### South Lakeland (Kendal)

Kendal the main town in South Lakeland is situated 8 miles to the west of the M6 with close proximity to Oxenholme Station on the West Coast Main Line. As set out in the South Lakeland Land Allocations Development Planning Document 2,185 new dwellings are proposed in the town.

Travel time delays on the highway network causes issues for business activity and proposed growth for sites at the north of the town. Measures undertaken to resolve issues will help reduce the negative perception of the local highway network for potential investors and developers of the housing and employment sites.

The IDP identifies a range of improvements vital to unlocking housing and employment development (around 25 hectares of employment land and 1590 dwellings) to strengthen the local economy at a cost of £2.3 million.

This project focuses on unlocking sustainable development through addressing the cumulative traffic impact of new housing and employment allocations in Kendal, to allow the economic growth of the town. There are currently a number of highway constraints in Kendal, particularly in the town centre where there is an Air Quality Management Area due to traffic emissions. The measures include a mixture of highway capacity improvements and sustainable transport measures to encourage mode shift. Detail of infrastructure included in the package of work is included in the project business case. To deliver this infrastructure deficit, South Lakeland District Council are developing a Community Infrastructure Levy (CIL) which should be operational by 2015.

As CIL is currently not in place and it is difficult to forecast when monies may be collected, as it is dependent on the timing of development commencing (the allocations will come forward over a 10 year time period). Site specific developer contributions have to pass the CIL regulation tests, and given these measures relate to cumulative impacts rather than site specific impacts this limits the scope of sourcing funding through such means. Typically the infrastructure improvements need to be funded in advance of the development and therefore there is a need to fund the infrastructure up front and recover the investment when development covers on stream via CIL.

Given the uncertainty of timing for delivering the infrastructure through the CIL, the preferred option is to fund these with Local Growth Funding as a recoverable investment.

This will enable the housing and employment sites to be ready for development at the earliest opportunity, alleviating current highway and air quality constraints and making Kendal with its close links to the M6 a particularly attractive place to invest in. The funding recovered via the CIL will be used to deliver other priority infrastructure required to support housing and employment sites. With the South Lakeland Allocations DPD approved there is scope to deliver the improvements starting in 2015/16.

The following schemes can be delivered in 2015/16. These schemes will provide immediate benefits to journey times, air quality and provide a high quality cycle route providing links to employment sites as well as the hospital, secondary school and leisure centre.

- Blackhall Road widening
- Sandes Avenue / Beezon Road improvements
- Highgate / Lowther Street signals upgrade
- Burton Road cycle route.

#### 4.4.3 Culture, education and leisure

To complement the delivery of housing and employment sites on the M6 Corridor infrastructure improvements are required to increase the attractiveness of East Cumbria as a location for commercial and population growth.

##### Currock bridge, Carlisle

This scheme is identified as priority local major scheme by Cumbria Local Transport Body in July 2013.

The scheme aims to provide a key cycle link across the Cumbria Coastal Railway in Carlisle. The bridge will provide a missing link in the existing cycle network in Carlisle, providing a direct cycle route from deprived wards in the Carlisle to the City Centre and associated employment opportunities.

Devolved local major scheme funding has been secured for this scheme and delivery is programmed from April 2015 onwards.

## Carlisle Station Hub

Located on the West Coast Mainline and with development growth in Carlisle City Centre, Carlisle Station is a key gateway to the City for tourists and business users. Improvements to Carlisle Station are required to respond to forecast growth in rail use and to improve the visitor experience, through enhanced facilities and excellent links to public transport and car parking.

The scheme was identified as a potential scheme for devolved major transport scheme funding. Further work is ongoing to develop the detail of the scheme with a view to delivering the scheme in future years.

## High Speed 2

The M6 Corridor is a rail as well as a road corridor, both the West Coast Mainline (WCML) and the M6 taking advantage of the Kent and Eden Valleys to traverse the high ground of Cumbria. Research by the County Council has indicated the advantages the HS2 will bring to the county, especially if improvements are made to the conventional system in the county, including re-signalling, station improvements, electrification of certain lines, and track dualling or the provision of passing loops, and if a 'Carlisle terminator' service from London is included within HS2 plans obviating the need to change to/from HS2 at Birmingham.

The benefits are associated primarily with increased capacity on the WCML and include securing the future of the Lakes and Furness lines that are vital to South Cumbria (they are under threat without greater capacity), raising the frequency of train stops on the WCML, and permitting greater use of rail freight of numerous kinds but including nationally essential arrangements for nuclear freight. It is thus the case that HS2 will under-pin the continuing growth of Cumbria's economy beyond the Plan period.

## 4.4.4 Delivery Timescales

### Short term projects (2015/16)

Within the initial years of the Strategic Economic Plan, investment in infrastructure to deliver employment and housing sites on the M6 Corridor will be focused on the following projects. Detailed project proformas for these projects are available separately.

These projects focus on the sites that are receiving current interest from developers and infrastructure deficit is clearly understood.

- MOD Longtown (site preparation works);
- Durrhill (local highway site access improvements);
- Gilwilly Industrial Estate (delivered through the Local Pinch Point funding in 2014/15);
- Currock Bridge, Carlisle (delivered through devolved major scheme funding);
- Kendal Infrastructure.

### Medium Term Projects (2016/17 to 2020/21)

The following projects are likely to be delivered in the medium term as the Local Plans are approved:

- Kendal Fell Quarry (access improvements to the site);
- Mainline Industrial Estate (access improvements to the site from the A590);
- Kingmoor Park (site infrastructure improvements in conjunction with the developer);
- Carlisle Airport;
- MOD Longtown (longer term measures to improve access from the M6);
- Kendal infrastructure deficit (outstanding improvements identified in the IDP as detailed in the project business case);
- Penrith infrastructure deficit (delivery of a package of highway and transport improvements to ensure the successful delivery of the Local Plan land allocations);
- Carlisle Infrastructure deficit (delivery of a package of highway and transport improvements to ensure the successful delivery of the Local Plan land allocations);
- Carlisle Station Hub.





## 5. Summary

Project / Activity	Short term	Delivery Med. Term	Long Term	Comments	Funding	
	2015/16	2016/17 – 2020/21	2020/21 onwards		LGF	Other
<b>Advanced manufacturing growth</b>						
<b>Advanced manufacturing initiative</b>	<i>No infrastructure schemes identified</i>					
<b>Growth in Ulverston</b>						
<ul style="list-style-type: none"> <li>Highway infrastructure</li> </ul>	✓	✓		Short term schemes include: <ul style="list-style-type: none"> <li>A590 / Daltongate improvements,</li> <li>Traffic management improvements to North Lonsdale Terrace,</li> <li>Highway improvements to A590 / North Lonsdale Terrace,</li> <li>Public realm improvements to North Lonsdale Terrace,</li> <li>Highway improvements to A590 / Quebec Street (A5087)</li> </ul>	✓	✓
<ul style="list-style-type: none"> <li>Flood mitigation (Town Beck)</li> </ul>	✓	✓		Environment Agency and ESIF funding. No LGF funding required.		✓
<b>Barrow Waterfront</b>						
<ul style="list-style-type: none"> <li>Site preparation at Waterfront Business Park, Barrow</li> </ul>	✓				✓	✓
<ul style="list-style-type: none"> <li>Access to housing development site (Marina Village), Barrow</li> </ul>	✓	✓			✓	✓
<b>Nuclear and energy excellence</b>						
<b>Centre of Nuclear Excellence</b>	<i>No infrastructure schemes identified</i>					
<b>Low Carbon Cumbria</b>	<i>No infrastructure schemes identified</i>					
<b>Infrastructure, Connectivity and employment sites</b>						
<ul style="list-style-type: none"> <li>West Cumbria Rail Station Hubs</li> </ul>	✓	✓		<ul style="list-style-type: none"> <li>Maryport and Workington allocated full delivery funding by Cumbria LTB.</li> <li>Corkickle and Brantsy secured nuclear sector (BEC) funding for scheme preparation. Balance of delivery sought from ESIF.</li> </ul>		✓

<ul style="list-style-type: none"> <li>Port of Workington access and infrastructure</li> </ul>		✓	✓	<ul style="list-style-type: none"> <li>Rail crossover – medium term.</li> <li>Direct rail link and loop sidings – medium or longer term subject to emerging demand.</li> <li>Twin-span road-over-rail bridge – medium or long term subject to emerging demand.</li> <li>Wet side infrastructure improvements – medium or long term subject to emerging demand.</li> </ul>	✓	✓
<ul style="list-style-type: none"> <li>West Cumbria Strategic employment site access</li> </ul>		✓	✓	<ul style="list-style-type: none"> <li>A595/Rosehill – medium or long term subject to emerging demand.</li> <li>A595-B5295 links – long term.</li> <li>Streetscapes – medium term subject to emerging demand.</li> </ul>	✓	✓

### Vibrant rural and visitor economy

#### World class visitor destination

<ul style="list-style-type: none"> <li>Optimising Connectivity</li> </ul>	✓	✓		<ul style="list-style-type: none"> <li>LSTF funded schemes 2015/16</li> <li><u>ESiF funded schemes</u></li> <li>Thirlmere cycle hub 2015/16</li> <li>Rail gateway improvements 2016/17 to 2020/21</li> <li>LGF funded schemes 2016/17 – 2020/21</li> </ul>	✓	✓
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#### Rural growth network

<ul style="list-style-type: none"> <li>Broadband connectivity</li> </ul>	✓	✓		<ul style="list-style-type: none"> <li>Partner funded (LSTF / ESiF).</li> </ul>		✓
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#### Environmental Infrastructure

<ul style="list-style-type: none"> <li>Flood defences / mitigation</li> </ul>		✓				✓
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### Strategic connectivity of the M6 corridor

#### Employment sites

<ul style="list-style-type: none"> <li>Site works at MOD Longtown</li> </ul>	✓		✓	<ul style="list-style-type: none"> <li>Internal site infrastructure improvements in the short term.</li> <li>Longer term scheme will depend on the success of the site and anticipated traffic generated.</li> </ul>	✓	✓
<ul style="list-style-type: none"> <li>Improved access to Durrhill Industrial Estate, Carlisle</li> </ul>	✓				✓	
<ul style="list-style-type: none"> <li>Improved access to key employment sites (e.g. Kingmoor Park)</li> </ul>			✓	<ul style="list-style-type: none"> <li>To be developed in conjunction with the developer.</li> </ul>		✓
<ul style="list-style-type: none"> <li>Highway access improvements to Gilwilly Industrial Estate, Penrith</li> </ul>	✓			<ul style="list-style-type: none"> <li>Delivered through Local Pinch Point Funding in 2014/15</li> <li>Potential longer term infrastructure scheme</li> </ul>		✓
<ul style="list-style-type: none"> <li>Improvements to M6, Junction 40</li> </ul>			✓		✓	
<ul style="list-style-type: none"> <li>Access improvements to Mainline Industrial Estate</li> </ul>			✓	<ul style="list-style-type: none"> <li>Highway infrastructure improvements are dependant on developer interest in the site.</li> </ul>	✓	✓



(Milnthorpe)

• Access improvements to Kendal Fell Quarry		✓		• Highway infrastructure improvements are dependant on developer interest in the site.	

**Housing sites**

• Kendal Infrastructure plan delivery	✓	✓			
• Penrith infrastructure plan delivery		✓		• To be identified as the local plan is developed	
• Carlisle infrastructure plan delivery		✓		• To be identified as the local plan is developed	

**Culture, education and leisure**

• Currock Bridge, Carlisle	✓	✓		• Delivered through devolved major schemes funding	
• Carlisle Station Hub		✓	✓		

## 6. Governance

### 6.1 Decision making

The LEP Board provides the strategic direction for investment to deliver the SEP priorities. The LEP Board has delegated responsibility for transport infrastructure to the Cumbria Local Transport Body (CLTB). CLTB is responsible for making decisions on the programme of highways and infrastructure projects in the SEP. The CLTB infrastructure programme will include devolved major transport schemes, local pinch point and local growth funding schemes.

The status and role of the CLTB is set out in Central Assurance Framework approved by the DfT in 2013.

The administrative and professional support to the CLTB will be resourced from within Cumbria County Council. This will cover scheme prioritisation, scheme development and design, programme management and provision of information.

The CLTB will be informed by the County Council's Area Committees and Cabinet and by the Cumbria Local Enterprise Partnership Technical Officers Group and the LEP Board. The CLTB will be serviced by the County Council's Highways and Transport Officers.

Where there are changes to the agreed programme this is reported back to the LEP Board.

### 6.2 Project management

The highways and transport infrastructure projects in the SEP Programme will be managed by the already established Cumbria County Council Major Projects Programme Board, known as the Highways and Transport Strategic Review Group. Project Boards will be set up for each of the infrastructure projects and will report to the Local Major Schemes Programme Board. Key stakeholders will be included on the relevant Project Board to ensure that stakeholder interests are considered as the project progresses. For example the Optimising Connectivity project identified in Section 4.3.1 Vibrant rural and visitor economy will be managed in partnership with the Lake District National Park Authority and Cumbria Tourism.

The Senior Responsible Owner for each of the SEP infrastructure projects will be Andrew Moss, Assistant Director Highways and Transport who will chair the Major Projects Programme Board and he will report to the LTB.

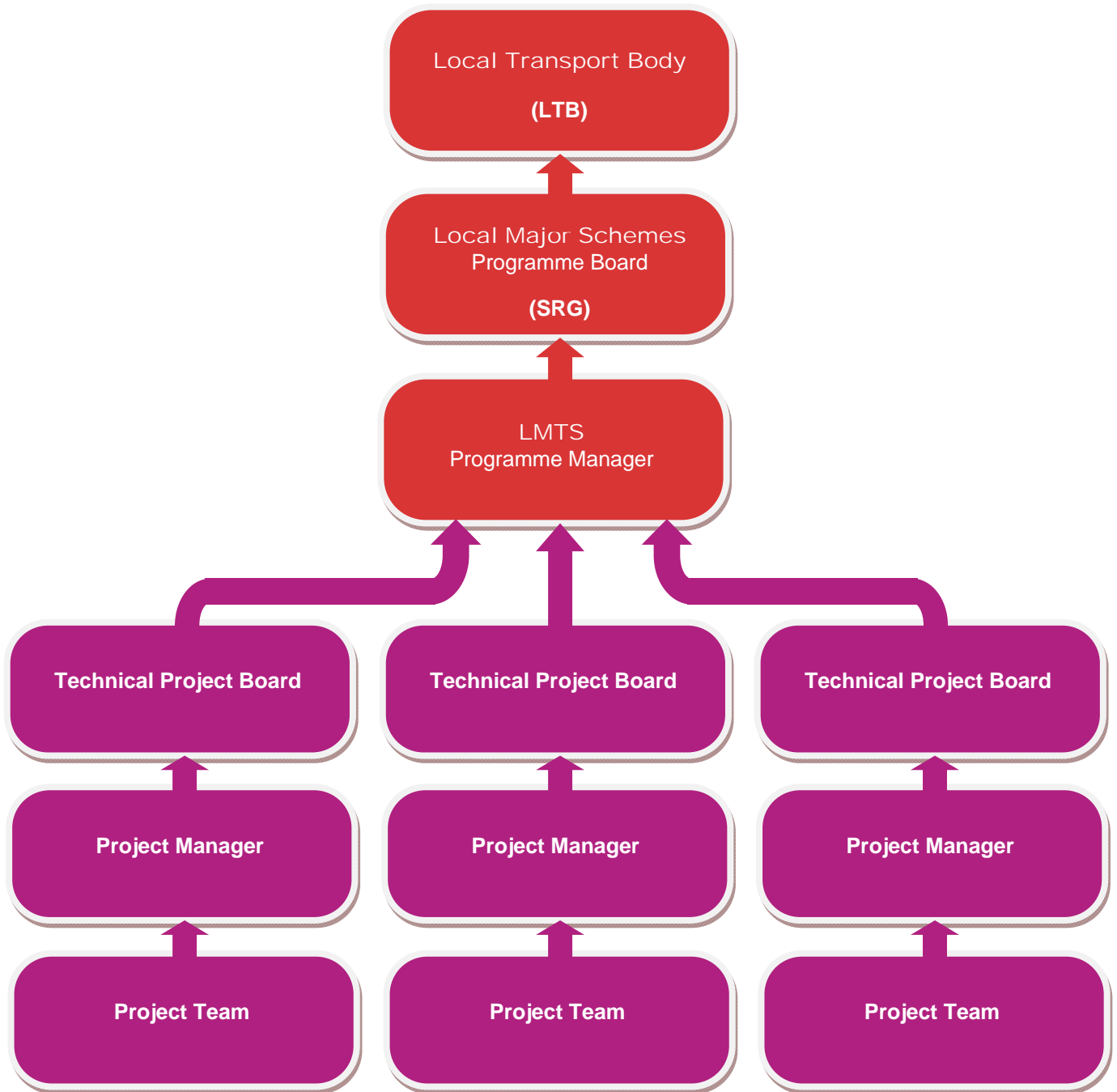
Each project will be managed and aligned with Cumbria County Council's Project Management Toolkit which comprises the following project management phases;

- Project initiation
- Project definition
- Project delivery
- Project closure

Within each of these phases budget timescale, risk and benefits are monitored and reported regularly to the Project Board.



## Project Management Structure



### 6.3 Delivery capacity

The projects will be delivered primarily by staff in the Environment and Communities Directorate of Cumbria County Council which includes Highways and Transport, Economic Development and Spatial Planning. Within these services there is extensive experience of delivering a range of infrastructure projects including:

- Carlisle Northern Development Route which was opened on time in February 2012 provides a 8km western bypass of the city connecting the M6 with the A595 to west Cumbria. The road scheme was completed with a PFI contract.
- Northside Bridge, Workington was opened on time in October 2012. The 152 metre long structure replaces the bridge severely damaged in the local floods of November 2009. The £11.8 million bridge was completed within budget.
- Go Lakes Travel Programme. This is four year £4.9 million Local Sustainable Transport Funded project commencing in 2011 aimed at changing the travel behaviour of visitors both travelling in to and around the southern and central Lake District. A range of sustainable transport measures have been implemented including new bus services, cycle networks boat services and electric vehicles.

External consultants may be used to assist in the development assessment and design of infrastructure projects. The consultants will be procured through Cumbria County Council's professional services framework.

The professional services framework incorporates 27 companies able to deliver "professional services" covering nine different areas. The selected companies have all gone through a rigorous tendering exercise and will give the flexibility and control to find the best value for money.

Schemes can also be delivered using contractors appointed to Cumbria County Council's High Value Framework.

### 6.4 Monitoring

The infrastructure projects that are delivered through the SEP programme will be monitored and evaluated. The evaluation of schemes will provide evidence that the scheme is delivering value for money and ensures transparent and accountable decision making.

Scheme evaluation will be undertaken in line with the DfT guidance on the monitoring and evaluation of local authority major schemes. A Monitoring and Evaluation Plan will be prepared for each scheme.

The process for progress reporting will be set out in the Monitoring and Evaluation Plan. It is anticipated that an initial report would be produced within two years of a scheme opening, based on data collected after at least one year of scheme opening; and a final report would be produced within six years of scheme opening, based on data collected after at least five years of scheme opening.

The use of the closure phase of the County Council's Project Management Toolkit will ensure that project evaluation is consistent and takes account of benefits, risks, financial issues and lessons learnt.



## 6.5 Key contacts and leads

The following individuals within Cumbria County Council's Highway and Transport Team have been identified as leads for the infrastructure elements of SEP. Project leads will be responsible for developing appropriate governance structure for each project and ensuring projects are managed as aligned with the County Council project management toolkit.

### Overall coordination

#### Andy Brown

Strategic Asset Manager, Cumbria County Council  
 Andy.Brown@cumbria.gov.uk  
 Tel No: 01228 221434

The lead contacts for the SEP Priorities within the Infrastructure Plan are:

### Advanced manufacturing growth

#### Victoria Foster

Design Manager, Cumbria County Council  
 Victoria.Foster@cumbria.gov.uk  
 Tel No: 07786 111028

### Nuclear and energy excellence:

#### John Pearson

Major Projects Manager, Cumbria County Council  
 John.Pearson@cumbria.gov.uk  
 Tel No : 07795 285888

### Vibrant rural and visitor economy

#### Nicola Parker

Transport Infrastructure Manager, Cumbria County Council  
 Nicola.Parker@cumbria.gov.uk  
 Tel No: 07500 975157

## Strategic connectivity of the M6 corridor

#### Mark Goodwill

Development Management Co-ordinator, Cumbria County Council  
 Mark.Goodwill@cumbria.gov.uk  
 Tel No 01228 226734

# ENVIRONMENTAL SUSTAINABILITY

## 1. Introduction

This section explains how Environmental Sustainability underpins the achievement of the SEP. Here we outline our plans to enhance and improve environmental sustainability in Cumbria with the objectives of allowing the economy to expand, individuals to prosper, and sustainability to be secured, as witnessed by:

- Lake District National Park
- Parts of Yorkshire Dales National Park
- Solway Coast Area of Outstanding Natural Beauty (AONB) and parts of Arnside and Silverdale AONB and North Pennines AONB
- St Bees Heritage Coast (the only Heritage Coast in the North West)
- Parts of Hadrian's Wall World Heritage Site
- The 2016 UK Nominee World Heritage Site of the Lake District.
- 6 RAMSAR sites (87,420ha), designated for being a wetland of international importance; 5 SPA designations, important for vulnerable birds and 33 Special Areas of Conservation, important for habitats (202,332ha combined); 308 Sites of Special Scientific Interest (158,123ha); 27 National Nature Reserves, 10 Local Nature Reserves and 1660 Local Wildlife Sites.
- 863 Scheduled Ancient Monuments, 7581 Listed Buildings, 20 designated Parks and Gardens and 109 Conservation Areas
- New Cumbria Coast Marine Conservation Zone.

In addition to its outstanding natural environment, many of Cumbria's settlements and urban areas are of historic and cultural importance and make a significant contribution to the environmental assets and the economy of the county.

Cumbria's environment supports and is supported by its high quality agricultural and food production sector and a significant part of the UK's forestry and timber sector. Agri-related businesses, the environment and tourism are interlinked and interdependent; using the environment and Cumbria's natural assets to our economic advantage has particular appeal when this can offer effective environmental management as part of the process.

Economically, the Cumbrian environment plays a vital part in:

- World class tourism - over 33m visitors in 2012, generating £2.1bn for the Cumbrian economy.
- Agriculture - approximately 80% of Cumbria's land area used for agriculture, employing over 11,000 people.
- Food and drink – vital source of drinking water for the North West, growing reputation for locally produced food and drink.
- Forestry - 10% land cover in Cumbria, comprising 60% of the North West woodland cover, including 18,143ha currently under-managed.
- Renewable energy – wind, solar, hydro, biomass and anaerobic digestion all dependent on harnessing natural resources.

All 12 of the strategic investment priorities will be underpinned by environmental sustainability and can use Cumbria's rich environmental assets to help deliver growth. For example, industrial activity has an environmental dimension in the County, given the special sensitivity of the landscape, but also in that large scale investment will require, for example, that flood risk is minimised.

One of the 12, the "Environmental Infrastructure" strategic investment priority, will focus on delivering on the growth potential of the environment itself. Management of water, both its quality for drinking water supply and its quantity in terms of flood risk, are key issues. Both require local hard engineering solutions and catchment-wide natural flood management solutions. The initial priorities are for flood alleviation that enables land with high growth potential to be realised. The woodland enterprise zone will release the potential for growth in the forest industry in Cumbria leading to increasing tree cover and better managed forests, both good for the economy, for people and for wildlife, water, soils and carbon storage. Cumbria is well placed to realise greater economic value from the goods and services produced from the environment (ecosystem services). Cumbria can improve its economic return from its high quality agri-food products and strong place-based branding. And Cumbria needs to re-invest in the people to ensure we have the high quality land-based skills to maintain and enhance this world class environment into the future.





Social and economic cohesion is essential to safeguarding the natural and cultural environmental qualities of rural Cumbria by maintaining an active stable population. Farmers and forestry workers are key to preserving and developing the Cumbrian environment they work in, and the Cumbrian environment is key to the economic development of the county.

## 2. Policy Linkages: National/Local

Cumbria's rich environment is well placed to contribute significantly to both the Government's environmental and economic strategies and policies, including the following examples:

The Natural Environment White Paper 2011, introduced the concept of Nature Improvement Areas and Local Nature Partnerships and Cumbria is host to the Morecambe Bay Nature Improvement Area and has established the Cumbria Local Nature Partnership. There are also two other Local Nature Partnerships (LNPs) that partially overlap into Cumbria: The Morecambe Bay LNP and the Northern Upland Chain LNP. The Cumbria LNP is starting to work on how to implement the Government's England Biodiversity Strategy "Biodiversity 2020" and the Lawton Report in Cumbria.

Cumbria is working to deliver the objectives of the Government's Forestry Policy Statement June 2013. A group of public, private and third sector partners have developed the Cumbria Trees, Woodland and Forestry Strategy (2013). This includes the proposal of a Cumbria Woodland Enterprise Zone which is included in this Strategic Economic Plan.

Cumbria is well placed to respond positively to the Government's Offshore Wind Industrial Strategy August 2013. With a large expanse of coastline, Cumbria is well placed to continue to build on existing and planned developments in the sector such as the Walney Offshore Windfarm as well as a growing hub of expertise in technological support to the sector.

The UK Strategy for Agricultural Technologies July 2013 – Agriculture plays a key role in the Cumbrian economy and in maintaining and protecting our outstanding natural environment that attracts businesses, workers, residents and visitors. Cumbria is well placed to work with Government to identify how its existing institutions, particularly the University of Cumbria and Newton Rigg College can work with our local enterprises to help them innovate, increase productivity, develop new processes and access new markets, whilst sustaining the Cumbrian environment.

Cumbria is working towards both the Government's Climate Change mitigation and its Climate Change Adaptation strategies and policies. Proposals in the Strategic Economic Plan will contribute to reducing the UK's greenhouse gas emissions through transport, energy, food and drink and land management proposals and help Cumbria adapt to the effects of climate change through proposals for engineered and natural flood alleviation proposals.

The key local policy linkages for environmental sustainability and economic growth are the Cumbrian Local Planning Authorities' Local Development Plans. These set out how environmental sustainability and economic growth can be achieved and managed through the planning system. Other key relevant local strategies, plans and policies include the following examples:

- Lake District National Park Partnership's Plan 2010-2015
- Yorkshire Dales National Park Management Plan 2013-2018
- Solway Coast Area of Outstanding Natural Beauty Management Plan 2010-2015
- North Pennines Area of Outstanding Natural Beauty Management Plan 2009-2014
- Arnsdale and Silverdale Area of Outstanding Natural Beauty Management Plan 2014-2019
- Cumbria Wind Energy Supplementary Planning Document (2008)
- Barrow Port Area Action Plan Development Plan Document (2010)
- Green Infrastructure Strategy for Carlisle District (2011)
- Carlisle Energy Efficiency Supplementary Planning Document (2011)

### 3. Economic Driver Overview

An exciting aspect of the Cumbria SEP is that not only does the environment underpin the growth priority sectors, but it also provides significant economic growth potential in its own right. The LEP's Business Plan rightly recognises that Cumbria's environment offers significant potential for growth across a range of sectors outlined in this SEP – and protecting that environment is vital to the success of many of our businesses.

#### 3.1 Outcomes

The following outcomes for environmental sustainability will be achieved by delivering the four strategic investment priorities over the next 10 years.

**Flooding** - Water management will protect economic growth sites against flooding and will enable long term growth investment and security. Cumbria LEP will be able to proactively attract investors to appropriate development sites and opportunities that are 'future proofed'. Natural Flood alleviation will complement flood defence engineering to increase the security and prosperity of economic assets and communities.

**Low Carbon** - The Lake District National Park Partnership will have reduced the National Park's carbon budget by 1% per year. Cumbria as a whole will be contributing at least its fair share to the Government's target of an 80% reduction of carbon and greenhouse gas emissions by 2050, from 1990 levels. The interim target is 50% by 2025.

**Renewable Energy** - Cumbria is producing more of its energy needs from renewable sources.

**Forestry** - Cumbria's forests and woodlands will help to improve water quality, will be more resilient to Climate Change; will increase biodiversity; will help alleviate flooding; will produce low carbon building materials and energy sources; will improve the backdrop and infrastructure supporting many other enterprises, such as the tourism businesses and; will create more attractive, robust places for people to live, work and visit.

**Rural and visitor economy** - People will move around Cumbria more sustainably contributing to Cumbria's lower carbon footprint. The natural and cultural heritage that people value and come to see in Cumbria will be sustainably managed. Cumbrian food and drink will have an increased market share of the Cumbrian food and drink sector

**Habitats and species** - Cumbria will be contributing to the Government's targets in England's Biodiversity Strategy.

#### 3.2 Opportunities

**The visitor economy** - the LEP recognises the tremendous potential offered by expanding Cumbria's international tourist business. The visitor economy can generate up to an additional £795m in GVA and create 7600 new FTE jobs. Currently around 8% of Cumbria's visitors are from North America, Australia and Northern Europe, which are key markets, but there is clearly a great opportunity to attract visitors from the increasingly wealthy in China, India, Brazil and Japan.

International visitors in general spend more. The quality of our landscape, history and heritage and food and drink aligns perfectly with their requirements, but awareness of our offer in their home countries is currently low. The LEP is supporting the marketing of the Lake District Cumbria to key international growth markets. To increase our attractiveness to such visitors, our tourism businesses need to be at the forefront of developments in sustainability, promoting areas such as green tourism destinations and the protection of natural resources. The LEP will work with private sector investors to facilitate these activities.

**Food and drink** - Cumbria's agri-food sector builds on and exploits Cumbria's active agricultural sector, providing strong provenance, increasingly important to customers and the supply chain. There is huge opportunity to increase the share of Cumbrian food in the visitor economy, linked to the increase in international visitors, and maximising the concept of local produce for local consumption. By supporting added value on farm or local processing to support primary producers we can also extend unique local products into export markets. The efficient conversion of a proportion of farm production from 'commodity' to 'product' will improve farm incomes, also bringing a reduction in carbon footprint.



**Forestry** - Cumbria is the major forest processing hub in England, well placed to benefit from the current increase in exports and replacement of imports in the sector with local plans to develop a Woodland Enterprise Zone. Local partners will seek to unlock timber from under-utilised forests, harvesting an additional 100,000 tonnes per year either for use in the UK or for export.

**Renewable Energy** - Cumbria could potentially meet a third of its total energy needs from renewable sources by 2020, with commercial wind expected to contribute most of this. However, hydro, marine, solar and biomass energy can also make significant contributions. Core farming business offers opportunities for energy generation through anaerobic digestion, wind turbines, solar energy production and ground heat source energy where appropriate. Land based renewable energy is a developing sector especially suited to rural enterprise and land use. Land-based groups could be developed for wind power, bio-mass, bio-fuels, solar energy, geothermal and emerging technologies.

**Carbon storage** - Cumbria has a unique offer to contribute to UK climate change mitigation in terms of increasing carbon storage. The Cumbrian environment, in particular in its peatlands and woodlands, is a highly significant carbon 'store'; there are, for example, 12.5m tonnes of carbon stored in the woodlands of the Lake District alone. And there is environmental and economic potential in increasing carbon storage by improving peatland management and increasing woodland cover. So the economic – as well as environmental – value of carbon storage and its potential growth is a priority.

### 3.3 Challenges

**Flooding** - devastating flooding in 2005 and 2009 had considerable impact on local businesses. Since then key partners including the Environment Agency have invested heavily in flood defences, ensuring resumption of trading in key retail centres such as Carlisle and Cockermouth, and the continuation of key businesses in the local area, retaining high value jobs and expertise. Currently there are over 35,000 properties at risk of flooding from rivers and the sea in Cumbria, of which 12% are residential properties at significant risk. Future development will require flood defence and climate change mitigation at key business sites.

**Climate change resilience** – Cumbria needs to focus on effective management and development of key environmental and infrastructure assets so that the anticipated growth and environmental enhancements can be fully realised.

**Environmental capacity** – The Cumbrian environment places some limitations on the nature and extent of growth opportunities and already has many demands placed on it from the economy and communities. For example the remoteness of some areas, difficulties of access to modern infrastructure, demands on the water supply network and suitability of the environment for renewable energy generation. The Cumbrian partners will work strategically to target growth investment where these limitations can be overcome and will assess the cumulative effects of economic growth on the Cumbrian environment.

**Protection of designated areas and species** - In order to support all of the strategic investment priorities, Cumbria's regulatory organisations need to rise to the challenge of creating efficient regulatory processes with joined up approaches by all relevant agencies – meaning the anticipated growth and environmental enhancements can happen with the least possible delay and cost.

### 3.4 Partnership working

Cumbria has a strong history of partnership working. These Cumbria partnerships have risen to extreme environmental challenges in recent years. These have included the Foot and Mouth Disease outbreak in 2001/1 when Cumbria experienced 44% of all UK outbreaks. The response to FMD from the partnership of local and national agencies included the creation of a Rural Action Zone and a Rural Regeneration Company, which was the first of its kind in the country.

During both the 2005 and 2009 major flood events, Cumbria partners alongside regional agencies, the Environment Agency and Government Departments worked round the clock to ensure that both residents and businesses received all possible support to return to their homes and to resume trading as quickly as possible. Since then, a partnership of organisations in Cumbria, including the Environment Agency, has brought forward significant investment in flood defences, ensuring that key retail centres such as Carlisle and Cockermouth can retain high value, businesses, economic activity and jobs.

Cumbrian partners have also demonstrated an ability to deliver on the environment in non-emergency situations. Examples include the Cumbria RDPE LEADER Local Action Groups over the 2007-13 period. Cumbria's two LAGS, Cumbria Fells and Dales and Solway, Border and Eden have had a combined programme value of £15m, the largest LEADER funding in England. These broad rural partnerships have delivered prioritised investment in rural land-based businesses. This has created 300 jobs, assisted 120 rural businesses and enabled 8,500 to undertake training.

The formation of the Cumbria Local Nature Partnership in 2013 has created a new and exciting opportunity for the environment and economy in Cumbria to work hand in hand for sustainable growth. The Cumbria Local Nature Partnership (CLNP) is a private, public, third sector partnership that will be the strategic environmental partnership for the county and work closely with the LEP. Two other LNPs overlap on the southern and eastern edges of the County. These being the Morecambe Bay Local Nature Partnership and the Northern Upland Chain Local Nature Partnership, respectively.

### 3.5 Scope of activity

Environmental sustainability will be delivered across the programme through two key aspects: Environmental project delivery and; Environmental assurance.

Environmental Project Delivery – Many of the investment programmes include projects that involve direct environmental sustainability investments. Where relevant these will be managed through the Governance arrangements outlined in section 5, using best practice project management methodology. These investments will deliver economic growth outcomes through investments in Cumbria's environmental sustainability that unlocks currently under-exploited economic potential.

Environmental Assurance – The regulatory authorities in Cumbria will coordinate their efforts to provide a joined-up, efficient regulatory service to advise and work with all sectors of the Cumbria economy and to assure the LEP and Cumbrian communities that all SEP investment is being delivered in accordance with appropriate environmental standards, is meeting all legislative requirements and, where possible, environmental enhancement is achieved.

### 3.6 Cumbrian LEADER Programmes (2015-2020)

The 2015-2020 LEADER Programmes will be expected to deliver 70% of their funding directly in support of job creation and growth in GVA. The Solway, Border and Eden and Cumbria Fells and Dales Local Action Groups through the 2007-2013 RDPE LEADER Programmes have delivered a total of 321 jobs created and 112 jobs safeguarded. This is far in excess of the 100 jobs contracted by Defra and more than any other LEADER Programme in the country. This achievement puts the Cumbrian Local Action Groups in an extremely good position to be able to deliver future LEADER Programmes with a jobs creation and growth in GVA focus.

Delivery of the 2015-2020 LEADER Programmes will be against six key policy priorities:

- Improving productivity of farm businesses
- Support for rural tourism
- Improving productivity of forestry businesses
- Support for rural service provision
- Support for micro and small enterprises and farm diversification
- Support for cultural and heritage activity

A number of LEADER's key policy priorities complement the Cumbria LEP's strategic investment priority 'The Creation of a Vibrant Rural and Visitor Economy'. By aligning approaches to growth and co-ordinating actions Cumbria will be able to maximise the impacts and benefits of EU Structural and Investment Funds.

LEADER's key strengths are its ability to work intensively at a local level to build the capacity and resilience of businesses and community organisations, to develop integrated multi sectorial solutions to local needs, to be innovative and to work in cooperation with others.

Projects funded by LEADER which illustrate these strengths and demonstrate how LEADER and LEP approaches to growth might be aligned include 'seedbed' investments to support early developments of micro enterprises which have then gone on to expand transformationally, creating jobs and accessing other funding streams such as the Regional Growth Fund and Heritage Lottery. Examples include Hawkshead Relish, Lakeland Free Range Egg Company, Windermere Steamboat Museum and Trade Copiers Ltd.



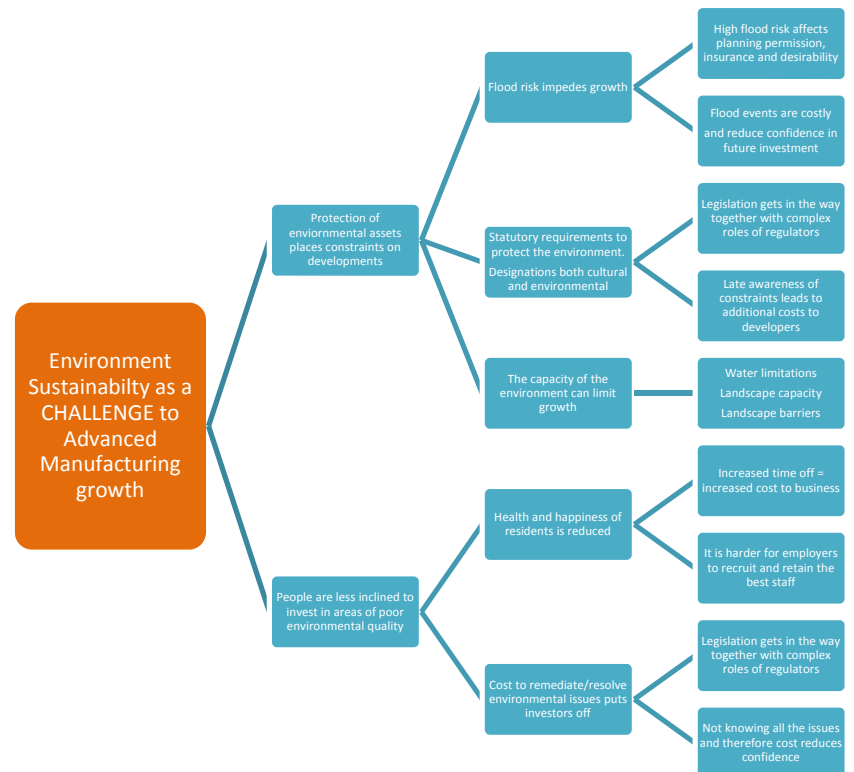
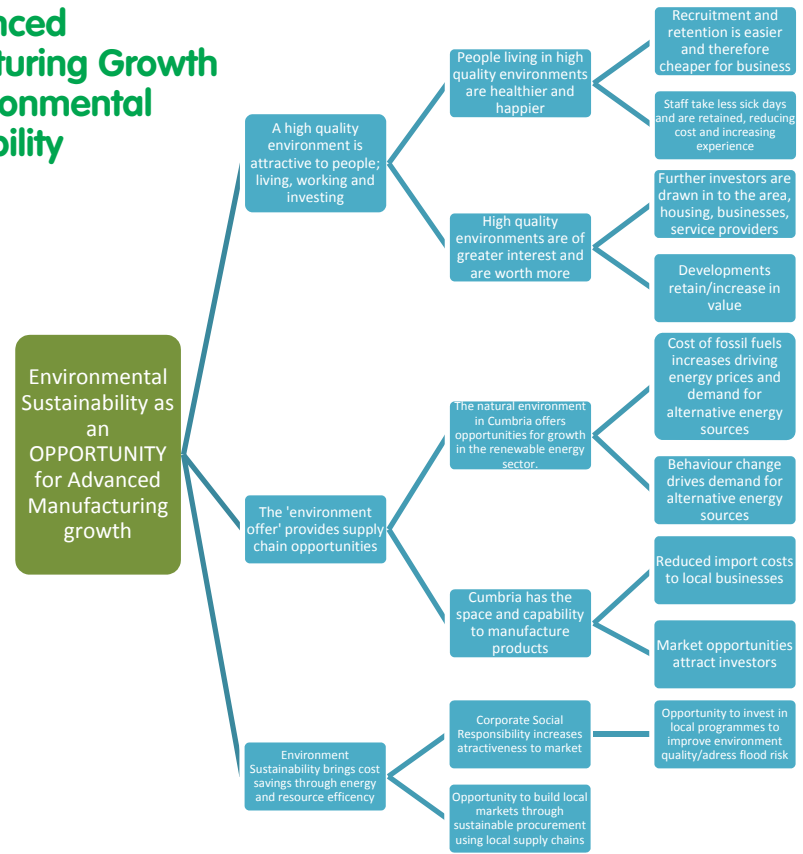
LEADER funding given to the delivery of the Woodland Advisory Service, Woodfuel School and for small capital investments to forest holders and contractors has helped stimulate the Woodfuel sector in Cumbria and support the creation and success of a Woodland Enterprise Zone.

The Cumbrian Local Action Groups are at the start of a transition phase which enables them to consult widely and deeply with businesses, community and voluntary organisations and individual stakeholders to ensure locally relevant, targeted and complementary 2015-2020 LEADER Programmes.

### 4.1 Advanced Manufacturing Growth and Environmental Sustainability

## 4. Delivering the strategy

The following pages illustrate how environmental sustainability will be enhanced and contribute to each of the twelve investment programmes under the four strategic investment priorities. The flow chart for each strategic investment priority illustrates the opportunities and challenges of environmental sustainability for that strategic investment priority. Taking these opportunities and challenges the following page then describes the actions that will be taken to deliver the strategy and our environmental sustainability requirements.



Investment Programmes in the SEP:

- 1.1 Advanced Manufacturing Initiative
- 1.2 Improving access to South Ulverston
- 1.3 Barrow Waterfront

Nuclear and Energy Excellence as a priority enables Cumbria to support and drive Environment Sustainability across the Cumbria LEP's Strategic Economic Plan.

A history of competency in the Advanced Manufacturing sector across Cumbria provides great opportunity for growth, particularly on the Furness Peninsula but in other locations throughout Cumbria. The sector relies upon demand for 'parts' and the ability to access distribution links. Although distribution is largely addressed through the Infrastructure driver, Environment Sustainability is a vital component in the chain.

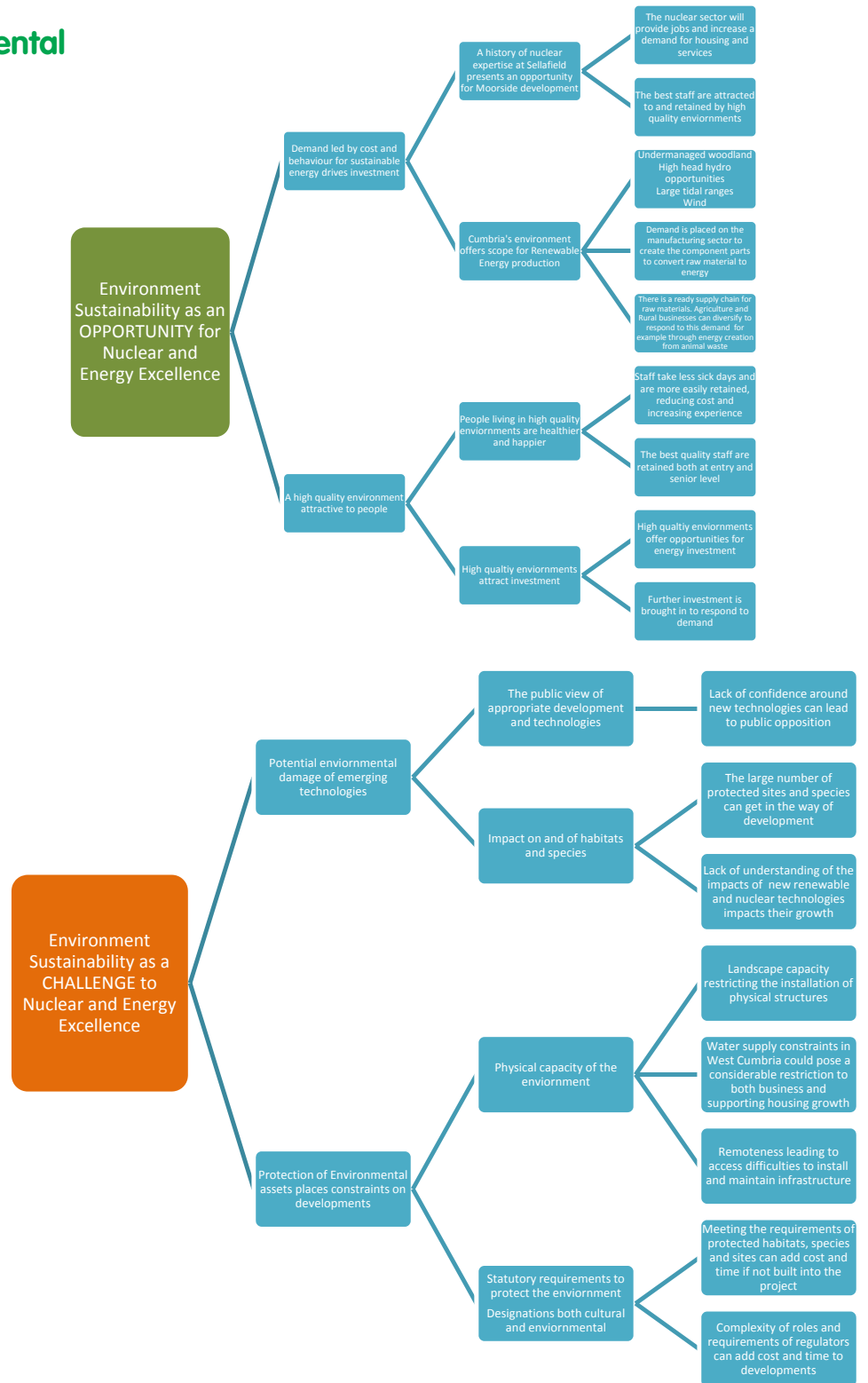
- A demand for lower cost, cleaner energy drives demand for the development of alternative technologies. Upon development of the technology, demand is increased for production of parts. Paired with development of the Nuclear and Energy Excellence priority, Advanced Manufacture provides the practical parts to utilise this emerging technology.

- Advanced Manufacturing businesses are costly to establish with expensive machinery. Recovery from flood events is costly and reduces confidence in an area. The issues need to be assessed and resolved on a catchment basis. Solutions must be delivered by multiple agencies, investors and communities. Case study – South Ulverston
- Environment Sustainability is an essential consideration when assessing the infrastructure requirements of Advanced Manufacture. Solutions must be future proofed offering solutions that are not dependent upon high cost, energy intensive distribution chains. These may include expansion of rail networks.
- Advanced Manufacture has the potential to attract the employees across the jobs market. Ensuring the surrounding environment is protected and enhanced will ensure the best people are attracted to and retained within the sector. In return, business grows in experience and
- The typical Advanced Manufacturing locations in Cumbria are some of the most deprived with high levels of health and wellbeing issues. Partnerships must be established between health care professionals, investors and experts in Environment Sustainability to address these issues and ensure the future labour market is protected both socially and economically.

## CASE STUDY

Using ESIF funding to finance a £75,000 project, deliverable in 2014/15. The project will investigate and map the extent of flood risk current and future from all sources in South Ulverston. The outcome will present a range of solutions to address the threat of flood risk to growth of Advanced Manufacturing business and associated housing and services.

## 4.2 Nuclear and Energy Excellence and Environmental Sustainability



Investment Programmes in the SEP:

2.1 Centre of Nuclear Excellence

2.2 Low Carbon Cumbria

2.3 Infrastructure, Connectivity and Employment sites

Nuclear and Energy Excellence as a priority enables Cumbria to support and drive Environment Sustainability across the Cumbria LEP's Strategic Economic Plan.

Expertise in the nuclear sector provides great opportunity for growth and knowledge transfer through a Centre of Excellence. The rising costs of fuels and increasing impacts of climate change drive a demand for Environment Sustainability which in turn supports the emergence of exciting Low Carbon technologies. Developed of these two areas will provide opportunities for diversification, entrepreneurship and job creation whilst protecting Cumbria from rising energy costs and ensure a climate ready County.

Delivery will be private sector led supported by the Growth Deal combined with careful use of the European programme to incorporate complementary activities that look to short term engagement and longer term behaviour change.

UK Nuclear Centre of Excellence operating alongside Low Carbon Cumbria will present Cumbria as a place with both experience and opportunity to lead the way in sustainable energy production:

- Demand within the Nuclear and Energy sector demands growth in the supply chain. Cumbria's capabilities within the Advanced Manufacturing sector are ready to respond to that demand.
- Support programmes offer practical advice to agricultural and non-agricultural businesses in rural areas to form the supply chain for raw materials (biomass from animal waste, wood) to feed larger business but also to become energy producers themselves.
- A revolving loan fund removes barriers to finance in emerging sectors. The expertise and experience offered by UK Nuclear Centre of Excellence and Low Carbon Cumbria provides the support and reassurance required.
- Academia provides research and development to emerging technologies and 'grows' the workforce with skills to respond to this changing growth area. Local education providers specialise in renewable energy (Lancaster), Forestry (Newton Rigg, Penrith), nuclear excellence (Workington and Lancaster).

## CASE STUDY

Timber products are a global trader commodity. The UK typically imports 80% of its requirements although this has decreased since the economic downturn showing growth in the UK production market.

Cumbria is the major timber processing hub of England. By utilising our under-managed woodland, a further 100,000 tonnes/year could be released into the system.

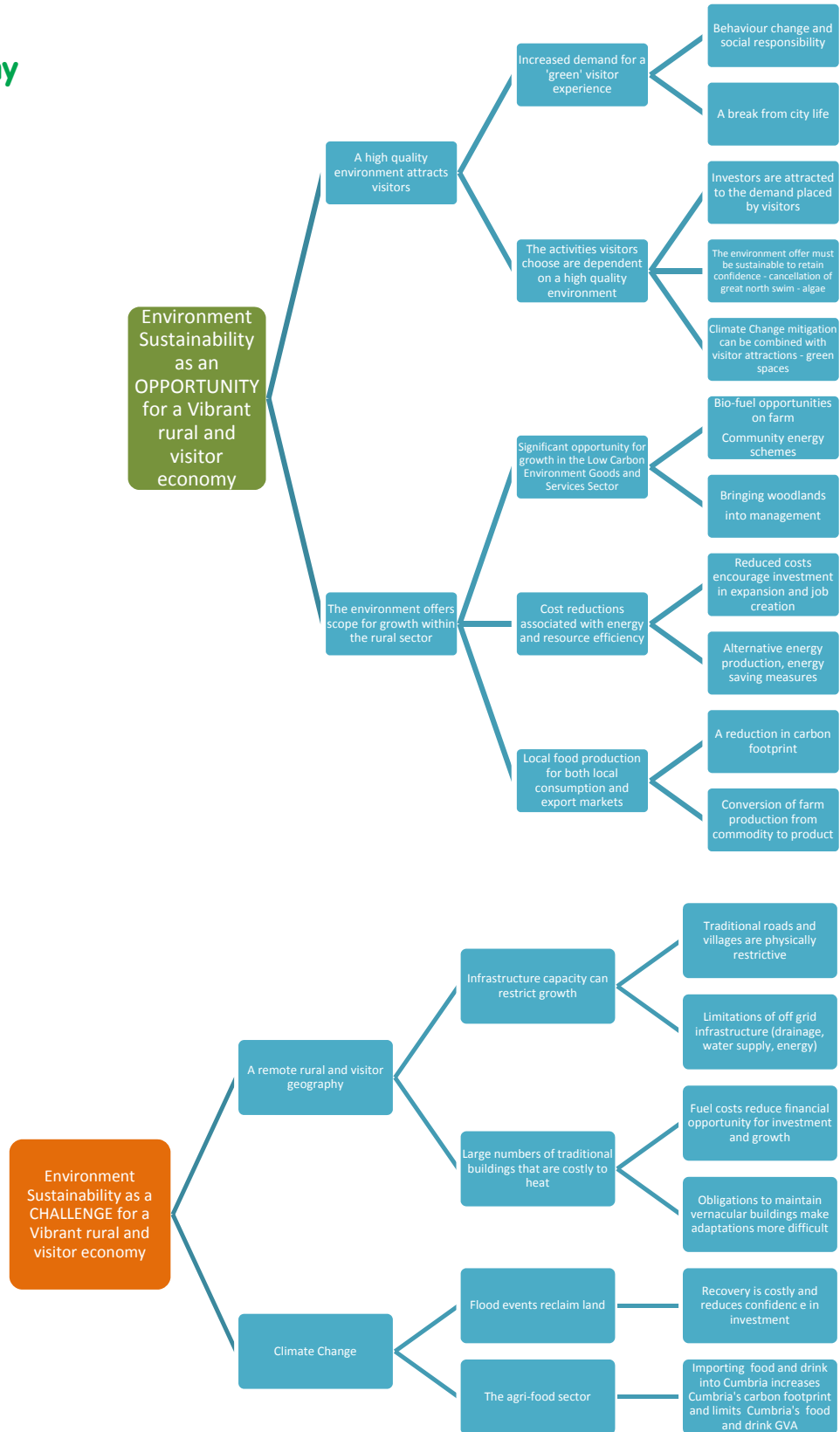
Management of woodlands produces a range of products; high quality timber for building, chippings for energy, pulp for paper.

As part of a Woodland Enterprise Zone to manage this supply chain and buyer market, there is considerable scope for Low Carbon energy





### 4.3 Vibrant Rural and Visitor Economy



Investment Programmes in the SEP:

3.1 World Class Visitor Destination

3.2 Rural Growth Network sites and Growth Hub

3.3 Environmental Infrastructure

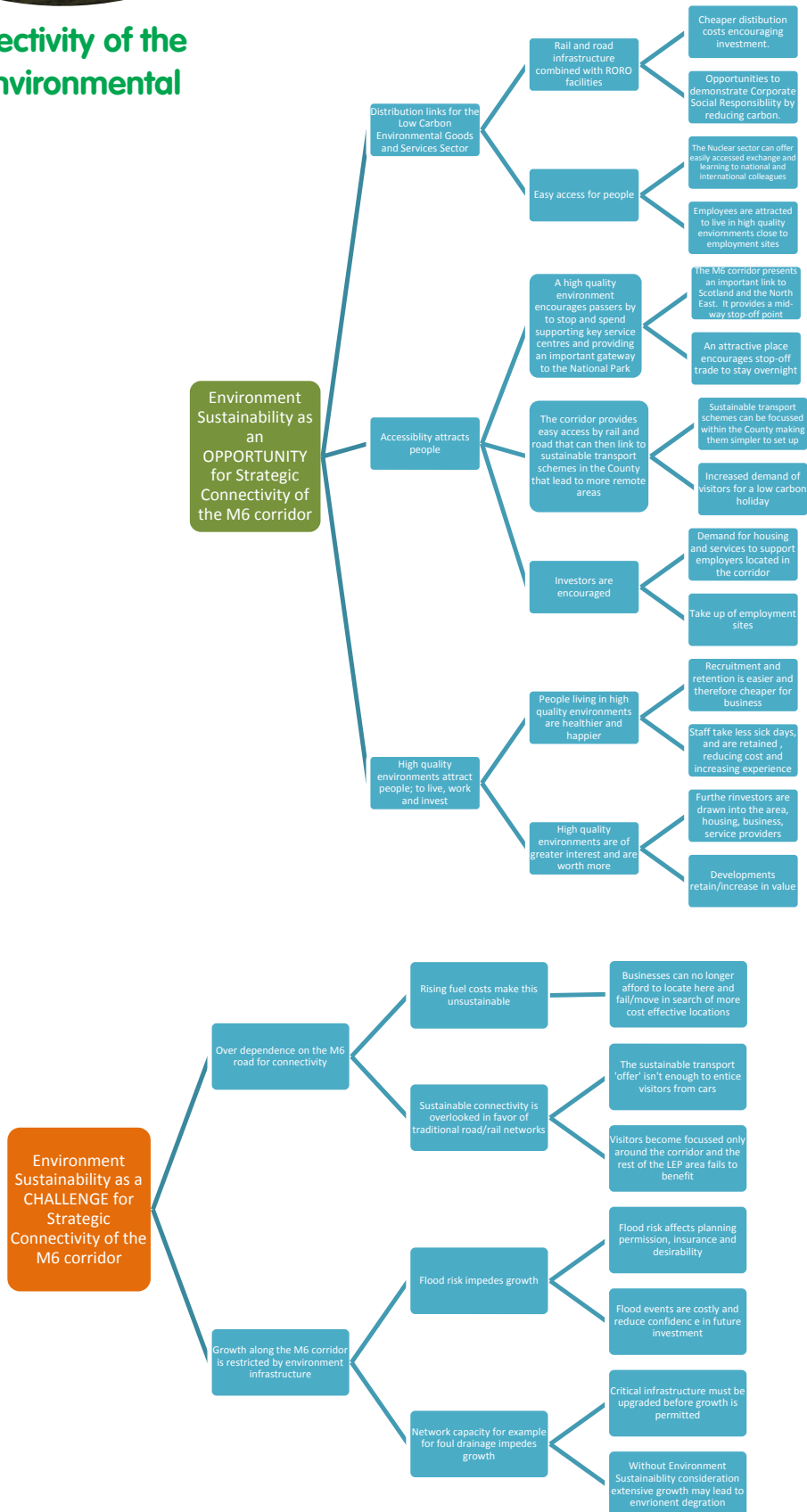
For Cumbria's rural and visitor economy to meet its full potential the challenges and opportunities presented by environment sustainability must be addressed.

Implementation of the over-arching principles set out for this key economic driver in Cumbria will support this economic priority, together with actions to deliver for the rural and visitor economy that will be put in place through a combination of the Local Growth Fund and European funding streams.

- Maintaining the county's prized environmental assets against the pressures of climate change and the demands of increased visitor numbers and a growing economy will ensure that both investors and visitors can be confident in the quality of the attractions, and that the Cumbrian experience meets the expectations of a modern 'green' place live and work place and visitor destination.
- Developing a sustainable transport network right across Cumbria will ensure that the remote geography and traditional infrastructure currently in place does not inhibit visitor access and provides support for growth in locations where this has been a limitation.

- Effective water management in catchments provides reduced flood risk and leads to confident investment, development in the most appropriate locations and reduced damaging flood recovery time and costs.
- Supporting agricultural skills and developing a strong premium Cumbrian food identity will enhance the rural economy, providing it with the tools to adapt land management practices to respond successfully to climate change, and to increase the value of local food production through both the export of products and increased local demand.
- Capitalizing rural Cumbria's opportunities for energy production, such community based hydropower schemes or bio-fuels through woodland management, will reduce the energy cost demands on local businesses enabling them to invest in growth and jobs.

### 4.4 Strategic Connectivity of the M6 Corridor and Environmental Sustainability



Investment Programmes in the SEP:

- 4.1 Employment Sites
- 4.2 Housing Delivery
- 4.3 Culture, Education and Leisure

Environment sustainability actions will ensure that the economic benefits to Cumbria presented by well- developed connectivity between the main settlements of Carlisle, Penrith and Kendal and the access points to and from the rest of the county created by the M6 motorway and West Coast Mainline are maximised through all opportunities and that challenges are mitigated against.

- Excellent connectivity of the corridor infrastructure to the sustainable transport network being established within the county is essential for increasingly carbon conscious visitors' requirements to be fulfilled, ease pressure on the rural road network and to provide residents from the expanding urban centres easy movement around the county for both employment and leisure opportunities.
- Businesses and their employees increasingly demand locations that are both accessible and attractive. Maintenance of current environmental assets, and development which encourages attractive green spaces and is sensitive to climate change risks and resource efficiency together with the central location within the UK of the corridor's towns will maximise the retention of the county's young people and draw new investment in.
- Development of the low carbon economy within Cumbria, supporting climate change mitigation, is enhanced by greater connectivity to and from the county for accessibility to the Nuclear Centre of Excellence for knowledge exchange, for the export of high value local Cumbrian food products and distribution of timber products from increased managed woodland areas.
- The rising cost of fuel and over-dependence on the M6 and road network damages Cumbria's potential to attract investment, and limits the ability of current businesses to expand. An improved sustainable transport network would ensure this is not a barrier to business's locating here.
- Flood event recovery is costly and risk of flooding damages confidence in investment. Flood risk mitigation actions together with sensitive development will ensure that growth Penrith, Kendal and Carlisle is not limited by environmental infrastructure.

## 5. Governance

### 5.1 Decision making

The LEP recognises the extensive organisations and networks who are involved in Environmental related activity throughout the County. The LEP has endeavoured to build on these skills, knowledge and expertise by bringing these stakeholders together to establish an Environment working group.

This working group has advised the LEP on the environment content in the SEP and its other plans, including the ESIF Plan. The group is drawn from private, public and third sector and includes representatives from farming, local authorities and the Defra family and has been coordinated by the Lake District National Park Authority. The group's recommendations have been reported to and decided on by the LEP Board.

Now that the Cumbria Local Nature Partnership has formally established (and it is recognised that there are 3 LNPs covering Cumbria), the LEP and the Cumbria LNP have entered into initial discussions as to their working relations and how the CLNP can support the LEP's environment-related strategy and activity. These are at an early stage, but the LEP and CLNP expect to formalise this relationship and governance arrangements in summer 2014.

### 5.2 Guiding principles

Environmental Sustainability is a cross-cutting theme requirement for the European Structural Investment Programme and is a key consideration for the UK Growth Deal. Although there has been no guidance issued on the requirements for this, Cumbria LEP have started to develop guiding principles to address Environmental Sustainability across their plans for growth. Cumbria LEP believes that the environment is a vital component for growth in the county, both through the opportunities it presents in offering a world class visitor destination and place to live and work but also as an opportunity for the development of emerging technologies in energy production.



After satisfying the requirements for a Strategic Environmental Assessment of the ESIF programme, Cumbria LEP intends to use the principles for sustainable development set out by the UK Government, to develop a more thorough set of principles that respond to the unique environment presented in Cumbria. This will be done in consultation with partners and colleagues including but not limited to; Cumbria LNP, ESTA (ENWORKS) project, Cumbria Environment Group, Low Carbon Cumbria, DEFRA family.

An emerging set of Cumbria LEP principles for application across all priorities:

- Early engagement offered by all licensing authorities will identify opportunities for environment enhancement and early and clear identification of and solutions to constraints. Prospectuses are currently being developed for all strategic sites providing the LEP and developers with an early scoping opinion.
- Procurement practices will maximise the potential to support and grow local markets (for example through the Low Carbon Environmental Goods and Services Sector)
- Housing and service growth in response to sector growth will demonstrate best practice in sustainability; incorporating future proofed drainage solutions, green spaces offering habitat creation and low carbon transport options.
- Projects demonstrating best practice for Environment Sustainability will be given additional support.
- Projects emerging from Cumbria LEP's plan will complement and build upon the environmental policies created by the Cumbrian Local Authorities.

### 5.3 Delivery capacity

The well developed public/private/third sector partnership approaches that are embedded in Cumbrian economic and environmental activity will ensure that programme delivery will be supported by a wide range of Cumbrian partner organisations with the appropriate skills, knowledge and experience. This delivery capacity is being planned into the investment programmes and project pipeline development.

### 5.4 Monitoring

The approach to monitoring of the environmental aspects of the Strategic Economic Plan will be agreed between the LEP and the CLNP as part of its relationship and governance agreement to be confirmed in summer 2014 and referenced in section 5.1 above. Cumbria is well placed to effectively monitor the environmental performance of the SEP through its strong environment partner network and resource including the Cumbria Biodiversity Data Centre, the local teams of the Defra family of arms length bodies and the local partners, including Cumbria County Council and the Lake District National Park Authority.

### 5.5 Key Contacts and Leads

LEP Board Members:

Bill Jefferson: Chair of the Lake District National Park Authority (Environment)

Marna McMillan: Energy4all (Nuclear, Energy & Low Carbon)

Katie Milbourn: Walby Park Farm (Rural & Farming)

Lead partner staff:

Graham Jackson-Pitt, Cumbria Local Nature Partnership Coordinator (Cumbria Wildlife Trust)

Andrew Herbert, LEP Environment working group coordinator (Lake District National Park Authority)



Cumbria  
**Local Enterprise  
Partnership**

unleashing potential through partnership

