

Economic Growth Scrutiny Panel

Agenda
Item:

A.2

Meeting Date: 20th August 2020
Portfolio: Economy, Enterprise & Housing
Key Decision: YES
Policy and Budget Framework: Yes/No
Public / Private: Public

Title: LOCAL ENTERPRISE PARTNERSHIP UPDATE
Report of: CORPORATE DIRECTOR OF ECONOMIC DEVELOPMENT
Report Number: ED 31/20

Purpose / Summary:

Attached a report of the Local Enterprise Partnership as requested by the Panel.

Recommendations:

That the Panel scrutinise the report.

Tracking

Executive:	
Scrutiny:	
Council:	

Carlisle Economic Growth Scrutiny Panel – CLEP Update

Jo Lappin, Chief Executive

CLEP

CUMBRIA
LOCAL
ENTERPRISE
PARTNERSHIP



Cumbria

...the place
to grow

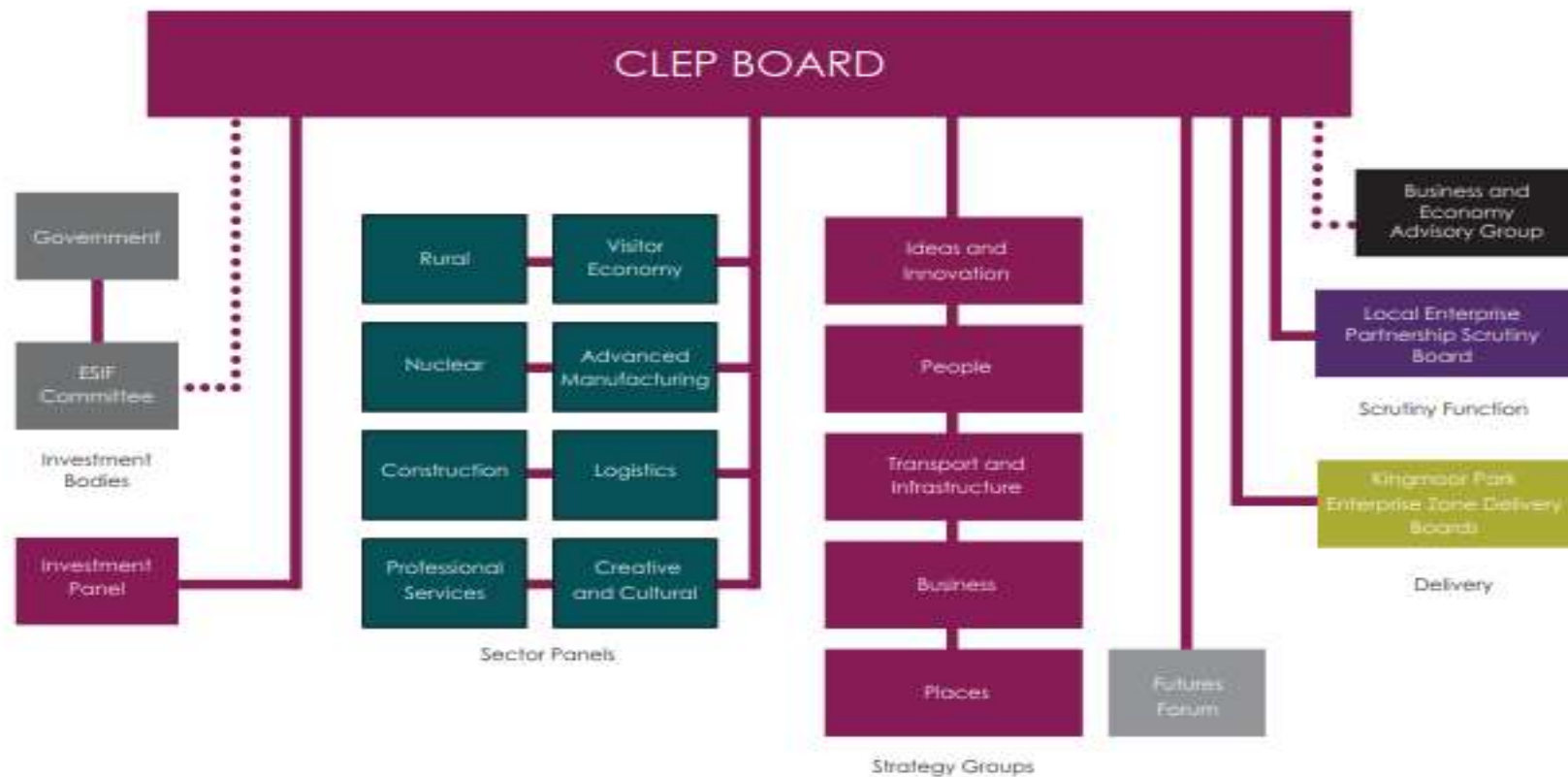
About Cumbria LEP (CLEP)

- CLEP is a company limited by guarantee with a private sector led Board
- Board is Chaired by Lord Inglewood and consists of 14 private sector members and 6 public sector members
- The government endorsed body for economic growth in Cumbria – focused on strategy, investment, advocacy and co-ordination
- Operates in and through partnership with an extensive governance structure
- Executive team of 17 people, who are a combination of direct employees and secondees from Cumbria County Council, Sellafield, NDA, BAE and Inspira

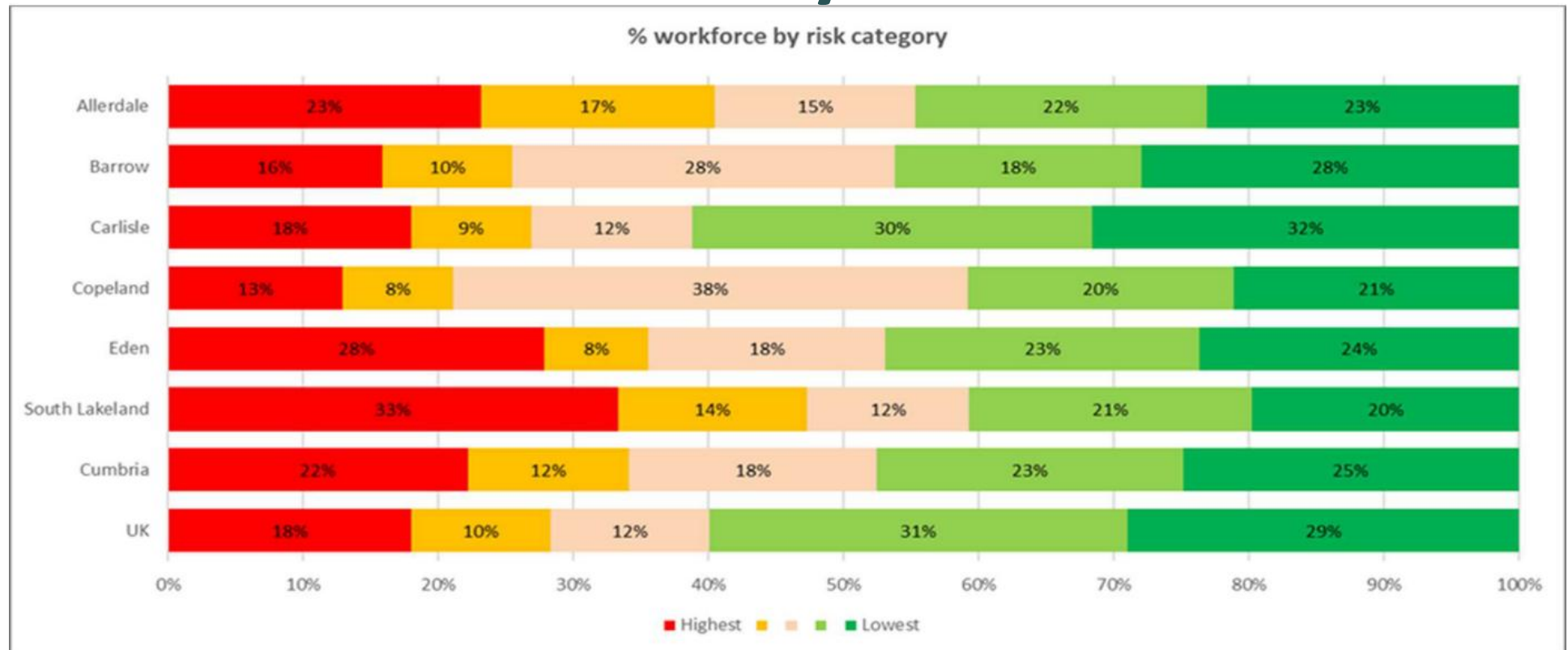
CLEP's Role in Recovery

- **CLEP Chief Executive chaired the Business and Economy Response and Recovery Group (BERRG) of the Local Resilience Forum. BERRG's priorities are to:**
 - ❑ **Assess the economic implications for Cumbria and ensure that accurate and up to date intelligence is collected and disseminated as appropriate**
 - ❑ **Identify the effectiveness of national and local mitigation activity in maintaining economic and business activity and identify any further mitigation actions**
 - ❑ **Develop clear and consistent communication channels to ensure that all businesses are aware of the support available to them**
 - ❑ **Support businesses to continue trading and to manage liquidity during the emergency**
 - ❑ **Develop an economic recovery strategy, at the appropriate point.**

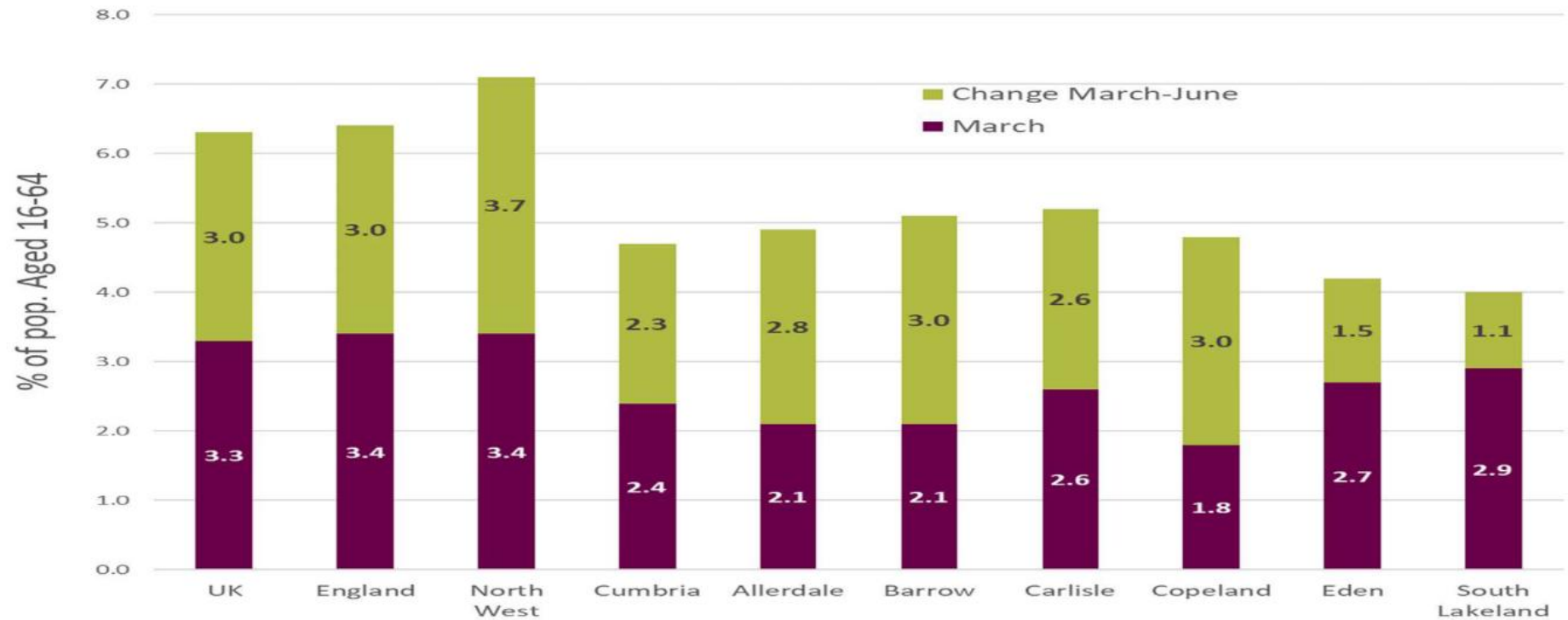
CLEP's Governance Structure



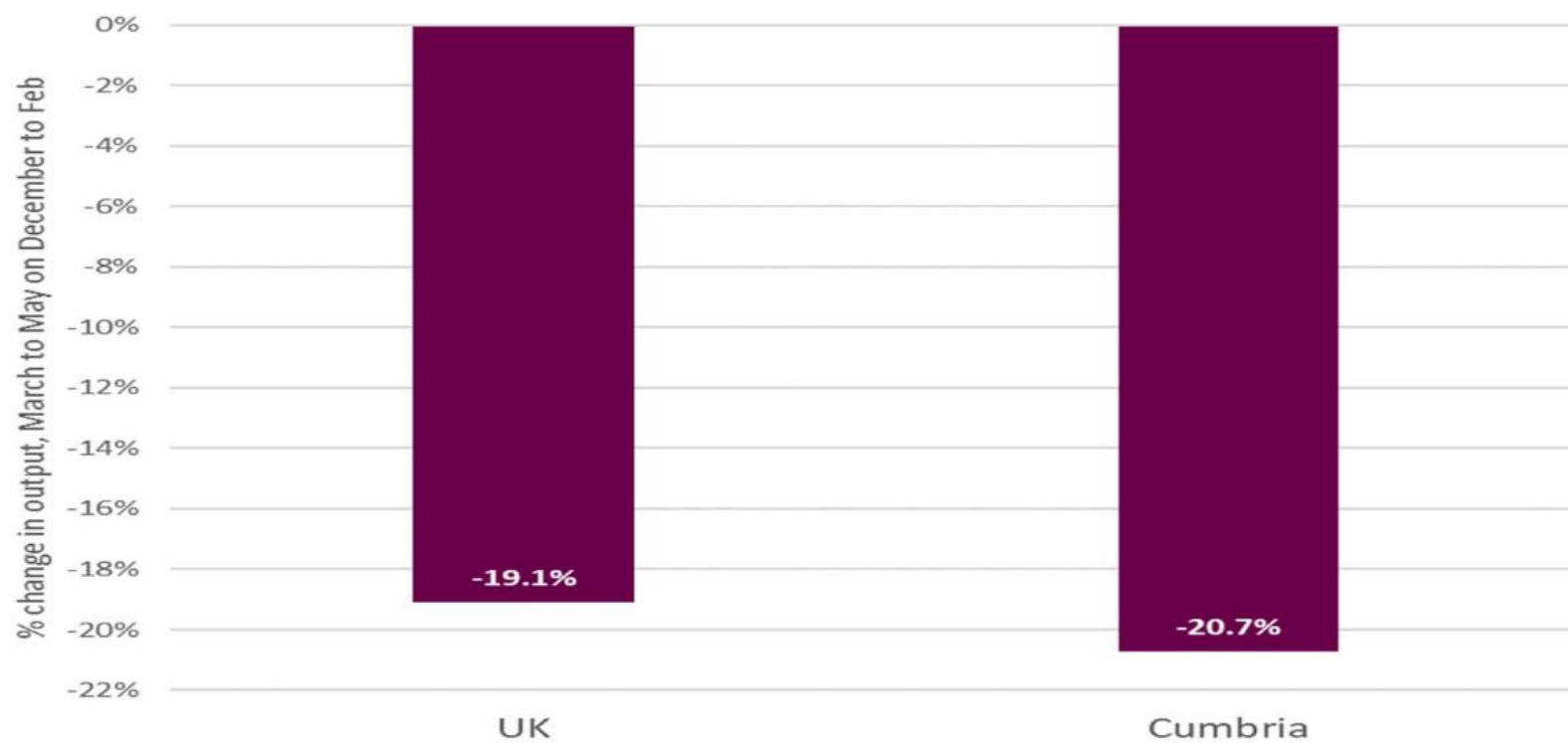
Economic Vulnerability Index



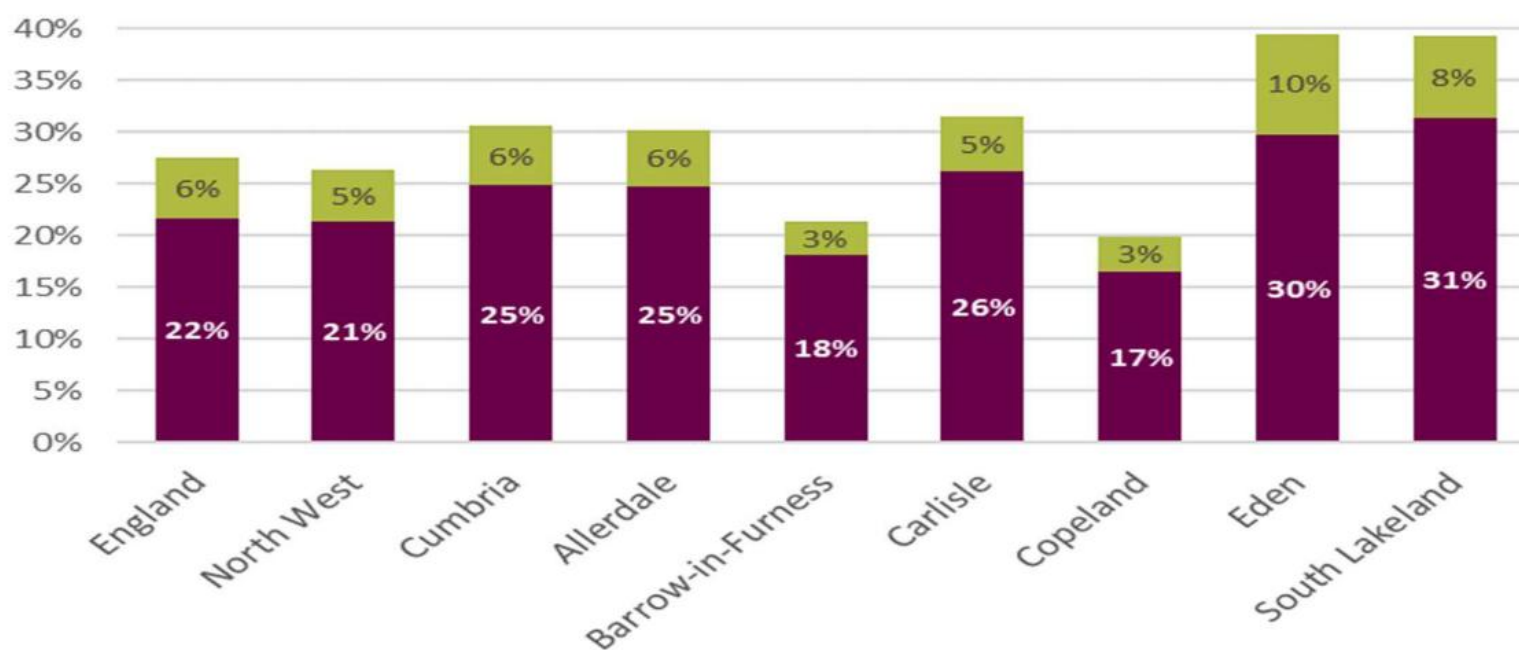
Impact on Employment



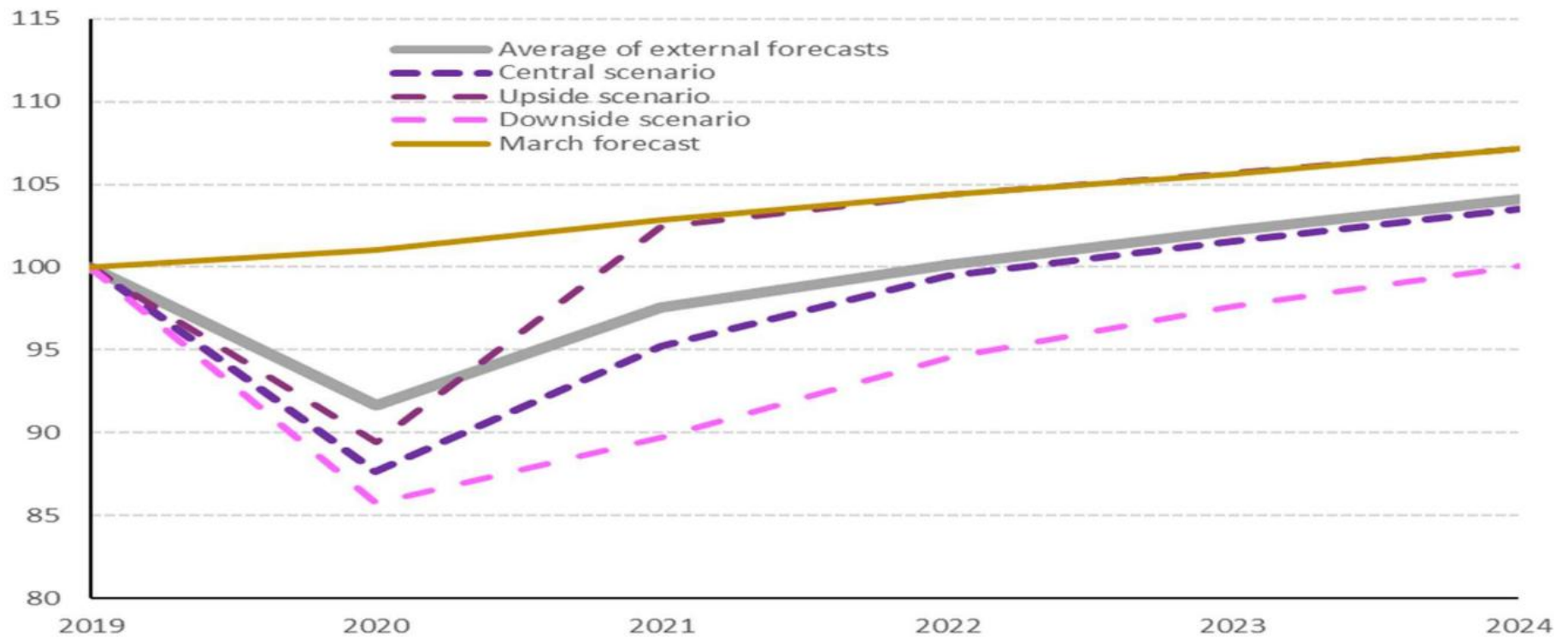
Economic Contraction



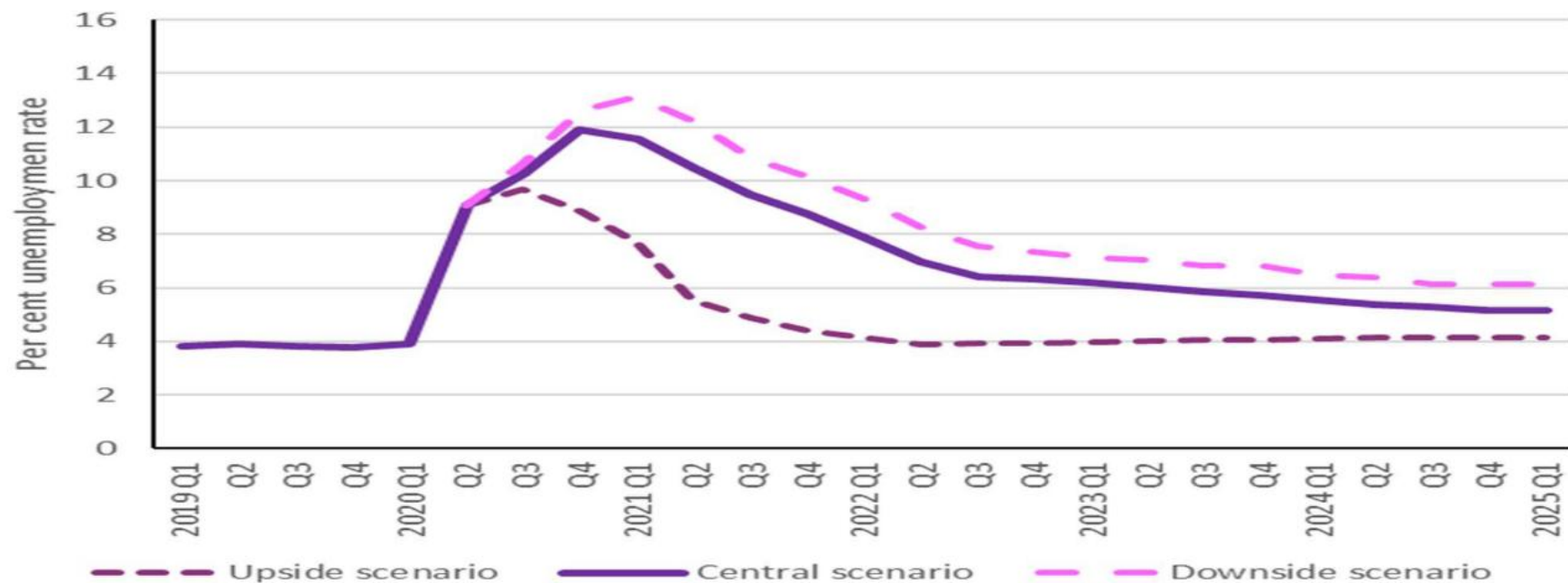
Numbers Claiming CJR and SEISS



UK Forecast Economic Output



UK Forecast Unemployment Levels



Recovery Planning

- **Restart** – getting those businesses that can to return to work. This has already been happening in Cumbria through the active promotion of working safely.
- **Reboot** – Developing a flight path back to those Local Industrial Strategy ambitions, which remain feasible and deliverable.
- **Rethink** –addressing the limitations of some aspects of economic policy including globalisation, just in time supply chains, and short-term policy thinking.

Recovery Planning

- **Mitigation** – ensuring that all actions to minimise impact and support businesses and the economy have been identified and taken
- **Access** – getting people to and from employment and leisure locations in a safe and sustainable way
- **Communication** – getting the right messages to the right people at the right time
- **Measures** – taking all necessary measures to protect employees and customers in a way that is financially viable
- **Attitude** – Developing measures to restore public confidence
- **Policy** – identifying opportunities and challenges to support post-response activity

Example Sector Recovery Plan Synthesis

Annex A - Cumbria Visitor Economy: Moving Beyond Response						
	1. Mitigation – ensuring that all actions to minimise impact and support businesses and the economy have been identified and taken.	2. Access – getting people to and from employment and leisure locations in a safe and sustainable way.	3. Communication – getting the right messages to the right people at the right time.	4. Measures – taking all necessary measures to protect employees and customers in a way that is financially viable.	5. Attitude – Developing measures to restore public confidence in returning.	6. Policy – identifying opportunities and challenges to support post-response activity.
Prestart: Preparation for restart phase	<ol style="list-style-type: none"> 1. Take a coordinated approach to recovery planning and delivery through joint working with all relevant partners, both across the public and private sector (including supply chain and transport providers) 2. Encouraging businesses to adopt digital technology (online booking etc.) to support social distancing 	<ol style="list-style-type: none"> 1. Develop a Safely Managing Public Realm Plan: addressing PHE and social distancing guidelines covering managing visitor flows and increased waste with safe disposal, public amenities, dispersal of visitors to avoid overcrowding. Implement attract and disperse across the county to achieve this 2. Identify and mitigate the impact of restrictions to capacity across the sector 	<ol style="list-style-type: none"> 1. Development and realisation of a multi-layered Marketing Recovery Plan led by Cumbria Tourism, in collaboration with all partners, recognising a dynamic approach to adapting the plan as circumstances evolve, and recognising a segmented market of local, national and international visitors who will return in stages 	<ol style="list-style-type: none"> 1. Adopt National Charter Mark on safe working practices/standards and gain local buy-in to adopt these as a gold standard 	<ol style="list-style-type: none"> 1. Messaging as part of Marketing Recovery Plan 	<ol style="list-style-type: none"> 1. Lobby for change from 2m to 1m 2. Develop a proposal to government for a specific Visitor Economy longer-term support package including extension CJRS; National campaign funding; longer term rates relief, training and capital funds 3. Seek clarification on the public and employee liability for visitors and employees in relation to COVID infection and the cover provided by public and employee liability insurance.
Restart: Starting the economy and leaving emergency response mode	<ol style="list-style-type: none"> 1. Continue as above 	<ol style="list-style-type: none"> 1. Recognise the impact of capacity restrictions to accommodation providers which may inhibit the long term ability to encourage more overnight stays in the County 	<ol style="list-style-type: none"> 1. All partners to continue to subscribe to the above 	<ol style="list-style-type: none"> 1. Ensuring compliance to national cleanliness standards with the aspiration of best practice. 	<ol style="list-style-type: none"> 1. Re-position Cumbria as the UK visitor destination of choice for domestic visitors, given limited international travel opportunities. 	<ol style="list-style-type: none"> 1. Secure funding for investment and training
Reboot: defining a new path towards realising the Local Industrial Strategy (LIS), recognising that the economic landscape has changed significantly since the initial LIS development phase	<ol style="list-style-type: none"> 1. Work with the Sub Regional Tourism Partnerships to shape, enable and support their plans to grow the whole of Cumbria visitor offer, recognising the context and opportunities in each part of the County, and how that will fit with the wider Attract and Disperse strategy 2. Work with relevant partners to enable provision of improved digital connectivity to support businesses adopting more digital working practices 	<ol style="list-style-type: none"> 1. To develop the VE led strategy for sustainable visitor transportation, linking that with the wider County and Borderlands plan for infrastructure improvements and net zero carbon planning 2. Development of a strategy and plan to improve the overall Inclusivity of the VE sector businesses and facilities – to include diversity, economic, social and physical access for all 	<ol style="list-style-type: none"> 1. Promote Cumbria's strategic priorities to key audiences - attract and disperse, overnight higher value stays, access for all 2. Engage with all age groups on the health and wellbeing agenda 	<ol style="list-style-type: none"> 1. Encourage consumers to support local producers and suppliers through their buying decisions, as part of re-booting of the economy 	<ol style="list-style-type: none"> 1. Implement an Excellence Programme - Invest in the skills and career development of the current and future workforce, focused on ensuring that visitors have an excellent experience first time, every time 	<ol style="list-style-type: none"> 1. Lead the development of the Tourism Sector Deal offer and develop Enterprise Zone application for Cumbria as a whole 2. Ensure that key strategic programmes and policies integrate the visitor economy - including Borderlands, Future High Street Funds and Town Deals 3. Accelerated digital connectivity for businesses
Rethink: New ways of looking at policy and economic activity, identifying opportunities and catalysing them locally if not nationally.	<ol style="list-style-type: none"> 1. To develop a strategy and plan for growing all year round tourism, assessing development options and identifying the specific actions and the enablers that are realistically available that could encourage the growth of tourism in the Winter season, including the growth of all year business tourism 2. Identifying ways in which to enable a growing ratio of full time over part time roles in the sector 	<ol style="list-style-type: none"> 1. Create the most digitally enabled visitor location 2. Work with transport companies to encourage take up of sustainable transport usage 	<ol style="list-style-type: none"> 1. Establish an enhanced capability for Marketing and Promotion and digital signposting of our offer that addresses market failures 	<ol style="list-style-type: none"> 1. Re-position Cumbria as the hub for visitor economy supply chain - work with manufacturers to make Cumbria the location to deliver everything needed to operate in a post-COVID world 	<ol style="list-style-type: none"> 1. To use the reset in consumer behaviour forced by lockdown to consider wider questions such as sustainability and longer term consumer behaviour 	<ol style="list-style-type: none"> 1. A new suite of policies and incentives that promote a rethink of the offer – e.g. Low Carbon holidays, more Mobility as a Service activity, visitor giving linked to discount schemes and tax concessions, new investment bonds with Government backing to raise funding to promote new low carbon infrastructure, make Cumbria the UK centre for social prescribing and build upon Glover Report

Impact on LIS Strategic Priorities

Strategic Imperative	Impact			Priority Activity
	Short Term (Sept 2020 to June 2021)	Medium Term (Sept 2020 to June 2021)	Longer Term (Sept 2022 onwards)	
1. Declining Working Age Population	LOW Reduced employment opportunities will mask the shortage of labour.	MEDIUM Jobs recovery projected to be slower and slowly returning to normal levels avoiding obvious labour shortages.	HIGH Jobs return to pre COVID-19 levels exposing the growing workforce gap.	Ensure Jobs Fuse is linking the workforce to job opportunities. Reboot the Your Future Campaign to promote Cumbria as a place to live, work and invest.
2. Thin pool of higher level skills	MEDIUM Demand will be reduced as job opportunities decline. However, this is offset by redundancies some of which will affect those with higher skill levels.	MEDIUM Employment demand will not have fully returned, which will mask the availability of higher level skills.	HIGH Return to pre-COVID-19 levels of employment, increased new business opportunities and potential exit from the labour market of those with higher level skills will expose gap.	Encourage businesses to preserve higher level skills in restructuring activity. Develop Cumbria's HE offer through Citadels and Barrow Campuses. Strengthen linkages with HE institutions outside of Cumbria to promote Cumbria as a live and work destination.
3. Cold spots of worklessness and deprivation	HIGH Forecasting significant increases in unemployment making those further from the labour market less likely to be employed.	HIGH Employment opportunities in short supply. Business base in safeguarding rather than growth mode.	HIGH Increasingly competitive labour market makes it more difficult for long term unemployed to return to work.	Ensure new DWP programmes provides the necessary support to link opportunity and need. Work with CLES to develop and implement reboot Cumbria's commitment to inclusive growth.

Impact on LIS Strategic Priorities

Strategic Imperative	Impact			Priority Activity
	Short Term (Sept 2020 to June 2021)	Medium Term (Sept 2020 to June 2021)	Longer Term (Sept 2022 onwards)	
4. Increase Business Start Ups	HIGH Start-ups unlikely in uncertain and difficult trading environment	MEDIUM More stable trading environment and availability of redundant workers stimulate start-ups.	MEDIUM Trading environment still not strong enough to see significant start up activity.	Target would-be entrepreneurs through the Your Future and Our Future campaigns. Ensure business start-up is an option for redundant workers
5. Increase Faster Growing Firms	HIGH Business focussed on stabilisation and preservation.	HIGH Businesses focussed on returning to pre-COVID performance.	MEDIUM Trading environment more settled and potential for growth returns.	Implement Peer-to-Peer Network programme. Implement Covid-19 Supplementary BEIS programme.
6. Increase Innovation Activity	MEDIUM COVID-19 has forced innovations as businesses have needed to adapt to survive.	MEDIUM Innovations implemented in COVID-19 period are refined and developed.	LOW The combination of COVID-19 and Brexit will have fostered innovations.	Develop and implement the Cumbria Innovation Programme, providing a route map through innovation products and services. Roll out the learning from the MIT REAP programme.
7. Improved Infrastructure	MEDIUM Infrastructure performed well during lockdown and delivered acceleration of digital working.	LOW Demand settles in a way that balances supply and demand.	LOW Greater harmony on infrastructure supply and demand, which facilitates further economic growth.	Promote and identify investment for Cumbria's Infrastructure priorities. Finalise and implement Digitalisation Strategy.

Impact on LIS Priorities

Promoting Cumbria	Innovation and Idea	People and Skills	Business environment	Infrastructure	Places
PC1: Develop Brand Cumbria to effectively markets Cumbria's enviable offer H	Id1: Anchor more R&D activity M	Sk1: Make best use of available talent (amongst the workless and older residents) M	BE1: Develop and nurture a stronger enterprise culture in Cumbria L	Inf1: Improve our digital connectivity H	Pl1: Address cold spots of worklessness and social deprivation in Cumbria H
PC2: Develop soft landing packages for those re-locating to Cumbria L	Id2: Operate as the national testbed for new ideas L	Sk2: Develop and retain higher level skills in our economy H	BE2: Increase the rate of fast growing businesses in Cumbria L	Inf2: Invest in road and rail to facilitate growth and productivity H	Pl2: Support local place shaping programmes M
PC3: Promote Cumbria as the place where outdoor lifestyle meets technology businesses M	Id3: Commercialise our excellent innovation and ideas M	Sk3: Create the future workforce and skills to meet the needs of our economy M	BE3: Develop strong and productive sectors and networks H	Inf3: Develop products and interventions to increase housing delivery M	Pl3: Encourage housing which is the right product at the right price in the right place M
PC4: Promote Cumbria as a great location for inward investment H	Id4: Develop the Innovative Cumbria programme H	Sk4: Develop our future leaders and managers M	BE4: Enhance and exploit supply chain opportunities H	Inf4: Support development of new sites and premises in areas of demand L	Pl4: Encourage and support bespoke local area economic diversification strategies H
	Id5: Identify opportunities for innovation in "clean growth" H	Sk5: Address worklessness and youth unemployment H	BE5: Increase trade and new investment H	Inf5: Ensure the key infrastructure to support the development of a resilient and green economy H	Pl5: Work with public sector partners to deliver high quality public services L
H High Importance M Medium Importance L Low Importance					

Transport Investment Priorities

SHORT TO MEDIUM TERM ROAD

Scheme	Description	Request
A595 Grizebeck Improvements	The scheme seeks to improve connections between South and West Cumbria supporting major economic activity at BAE and Sellafield. The scheme would see a new 1km single carriageway road between Chapels and Grizebeck, to the east of the existing A595; significantly improving journey time reliability.	Confirmation of £12.7m funding from DfT to ensure that Growth Deal funding of £2.25million can be spent before March 2021.
A595 Bothel Improvements	Delivering a package of measures along a 5km section of the A595 near Bothel the scheme seeks to improve connectivity between Carlisle and West Cumbria. Enhancements include climbing lanes, carriageway realignment and junction improvements.	Confirmation of DfT Major Road Network Funding of £24.5m. Getting Building funding of £5million secured, subject to compliant Business Case.
A66 Ramsay Brow	This proposal would support logistics activity in west Cumbria by improving accessibility at a key pinch point in Workington. The scheme would see the delivery of significant improvements to junction capacity, layout and pedestrian access and in so doing, enhance access to Workington Town Centre, Port of Workington and employment sites at the east and north of the town.	DfT Pinchpoint funding for the scheme.

Transport Investment Priorities

INTERNATIONAL CONNECTIVITY

Scheme	Description	Request
Carlisle Airport – Public Service Obligation	Carlisle Airport achieved a significant milestone when it opened in July 2019, improving connectivity to Carlisle and the wider Borderlands region. However, commercial passenger services ceased at Carlisle Airport following Covid-19. To facilitate reestablishment of passenger services it is considered necessary for a Public Service Obligation to be introduced.	Funding support from DfT through a Public Service Obligation.
Multi-Centre Freeport	Delivery of a multi-centre Freeport for Cumbria utilising Workington Port, Carlisle Airport and Barrow Port. This would support economic growth, allowing the County to capitalise on significant manufacturing and clean capabilities.	Early sight of the application process to facilitate development work on Cumbria's application.

Transport Investment Priorities

LONGER TERM ROAD

Scheme	Description	Request
Whitehaven Relief Road	New eastern bypass of Whitehaven. This would transform journey times, resilience and reliability; enhancing access to major employment and nuclear sites to the south of town; it would also increase access to markets, employment and services while supporting housing and employment growth.	Acceleration into Road Infrastructure Scheme 2 (RIS2) programme
A66 Brigham/ Broughton Junction	A66 provides strategic connections between M6, Lake District and West Cumbria. This scheme would see the provision of a new roundabout to resolve significant safety issues at staggered junction.	Funding support to proceed under RIS2
A689 Trunking	Inclusion of the A689 between the A69 and J. 44 of the M6 within the Strategic Road Network to ensure better legibility of the SRN and to enhance connections to Carlisle Lake District Airport.	Funding support to proceed under RIS2
A590 Improvements	A590 is only route to the Furness peninsular and is critical for access to major manufacturing businesses, including BAE. Improvements to junctions at Ulverston, Meathop and Brettargh Holt are required to enhance the reliability, and resilience while also improving integration and accessibility within Ulverston.	Funding support to proceed under RIS2
Kendal Northern Access Route	To support the longer term growth of this market town, a new link road is required to help remove traffic from the town and to unlock development land. The proposal would include a new link between the A6 and A591 to the North of Kendal. This would address traffic and air quality issues in the town, support future growth and facilitate prioritisation of public and active travel within historic town centre.	Funding from DfT Large Local Major Fund to develop an Outline Business Case and a position on DfT pipeline



Transport Investment Priorities

Rail

Scheme	Description	Request
Cumbrian Coast Line		
	The Cumbria Coastal Line is critical to major businesses in West Cumbria, including the servicing of national nuclear assets of Sellafield and Low Level Waste Repository. The line has suffered from under-investment and requires up-grades to improve capacity and journey times. Investment in the line will also support inward investment and enhance service provision linked to major wind and nuclear investment opportunities.	DfT to complete business case by summer 2021.
Lakes Line and Windermere Station Gateway	The Lakes Line connects West Coast Mainline at Oxenholme to Windermere in the heart of the Lake District World Heritage Site. This Line is critical to supporting the visitor economy and clean growth by enabling visitors to arrive by sustainable transport. Capacity improvements are required to support increased services between Oxenholme and Windermere. Project supported by major station redevelopment proposal at Windermere.	Network Rail to prepare Strategic Outline Business Case for Lakes Line and development of a proposal Windermere Station Gateway.
Borders Railway	Extension of the Borders Railway to Carlisle, transforming accessibility for communities and enhancing rail capacity between Scotland and England.	Borderlands Inclusive Growth Deal funding to support development activity.
Furness Line	Improvements to line speed to improve connectivity and integration.	Funding to support scheme development ahead of Control Period 7

Transport Investment Priorities

LONGER TERM

Buses

Scheme	Description	Request
Rural Mobility	Future sustainability of our rural communities relies on connectivity and access to services. New models of bus service provision are required. This scheme seeks to pilot on-demand rural bus services taking a hub and spoke model based focused on rural service centres (initially Penrith, Egremont/St Bees, Ulverston and Wigton).	DfT Rural Mobility Funding to support implementation.
Barrow Electric Bus Town	Barrow strong has ambitions for clean growth and wants to establish the town as one of the first Electric Bus Towns. The proposal seeks funding for development of all electric bus fleet and supporting infrastructure improvements. This will support modal shift, support major employment sites and clean growth.	DfT Bus Fund required to fund detailed proposal

Transport Investment Priorities

ACTIVE TRAVEL AND DECARBONISATION

Scheme	Description	Request
Local Walking and Cycling	Significant decarbonisation benefits can be realised through changing travel behaviours. A major programme of walking and cycling infrastructure plans is under development in Cumbria focused on the six main towns in Cumbria: Barrow, Carlisle, Kendal, Penrith, Whitehaven and Workington.	Delivery funding to implement the walking and cycling plans.
Strategic cycling corridors - along A590, A66, A591 and Hadrian's Wall	To create a low carbon visitor attraction and to increase active travel, ambitious plans are being developed to create continuous off-road multi-user cycle trails along the strategic corridors (A66, A591, A590 and along the Hadrian's Wall corridor in West Cumbria).	Inclusion of Hadrian's Wall Cycle route and the Lake District World Heritage Way along the A591 (See More Lake District) in Borderlands Inclusive Growth Deal. DfT funding to support other routes.

Rethink Priorities

- **Clean Energy Production**
- **Diversify to Thrive**
- **The New Visitor Experience**
- **The Future of Food**
- **Cumbria – the UK's Natural Capital**
- **The Way we Live, The Way We Work Now**

Brexit

- **Completed two Brexit Impact Assessment Reports – December 2018 and August 2019 – identified significant risks for Cumbria**
- **Reviewed proposed new tariffs and identified that far more benign if implemented**
- **Monitoring negotiations on Deal or No Deal**
- **CLEP Board has agreed to complete a further Brexit Impact Assessment, when the time is right**