

CUMBRIA LEP UPDATE ENABLING GROWTH IN 2023

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ENABLING GROWTH THE CHALLENGES

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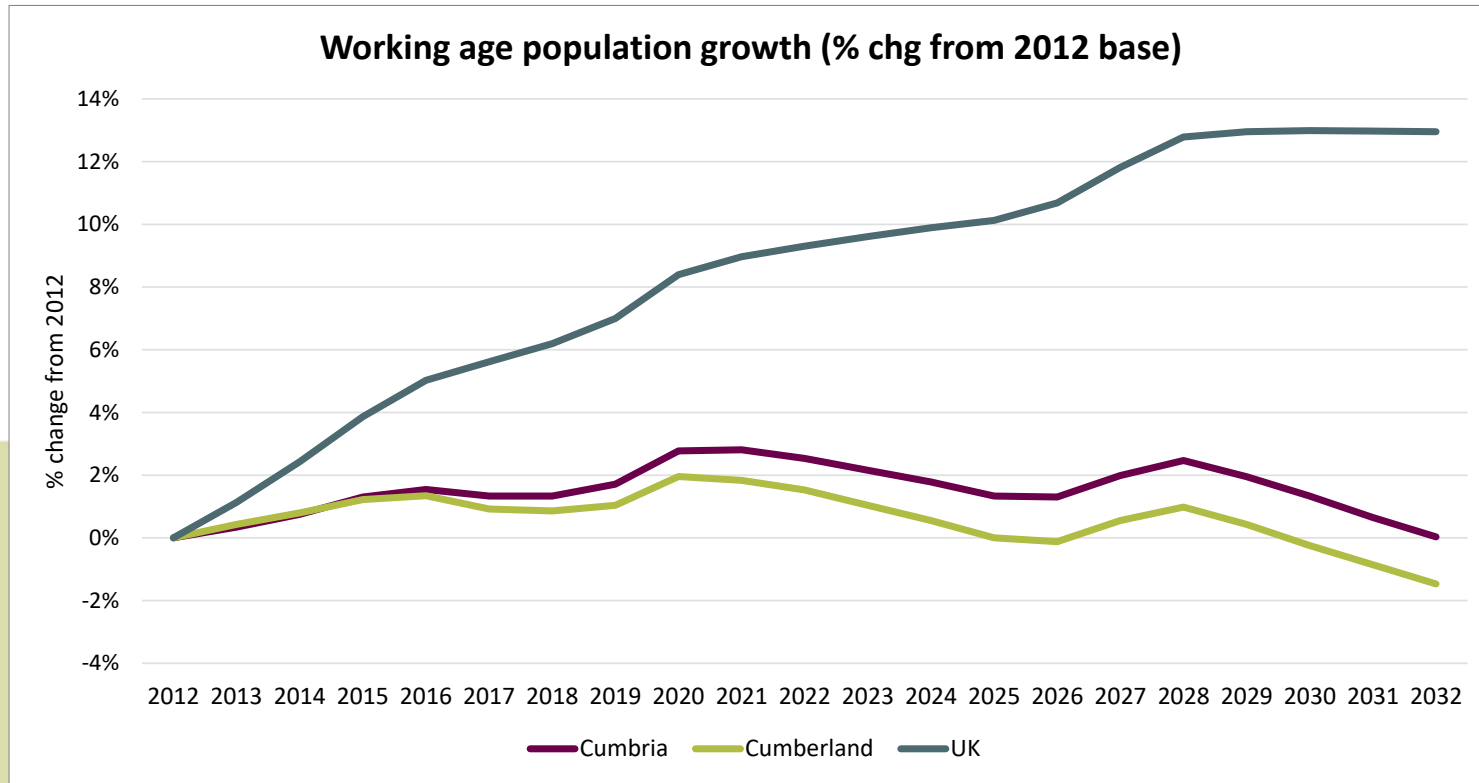
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The Growth Challenge

- **Reduction in Working Age Population**
- **Productivity**
- **Economic Output/GVA**
- **Economic Structure**
- **Innovation**

Working Age Population

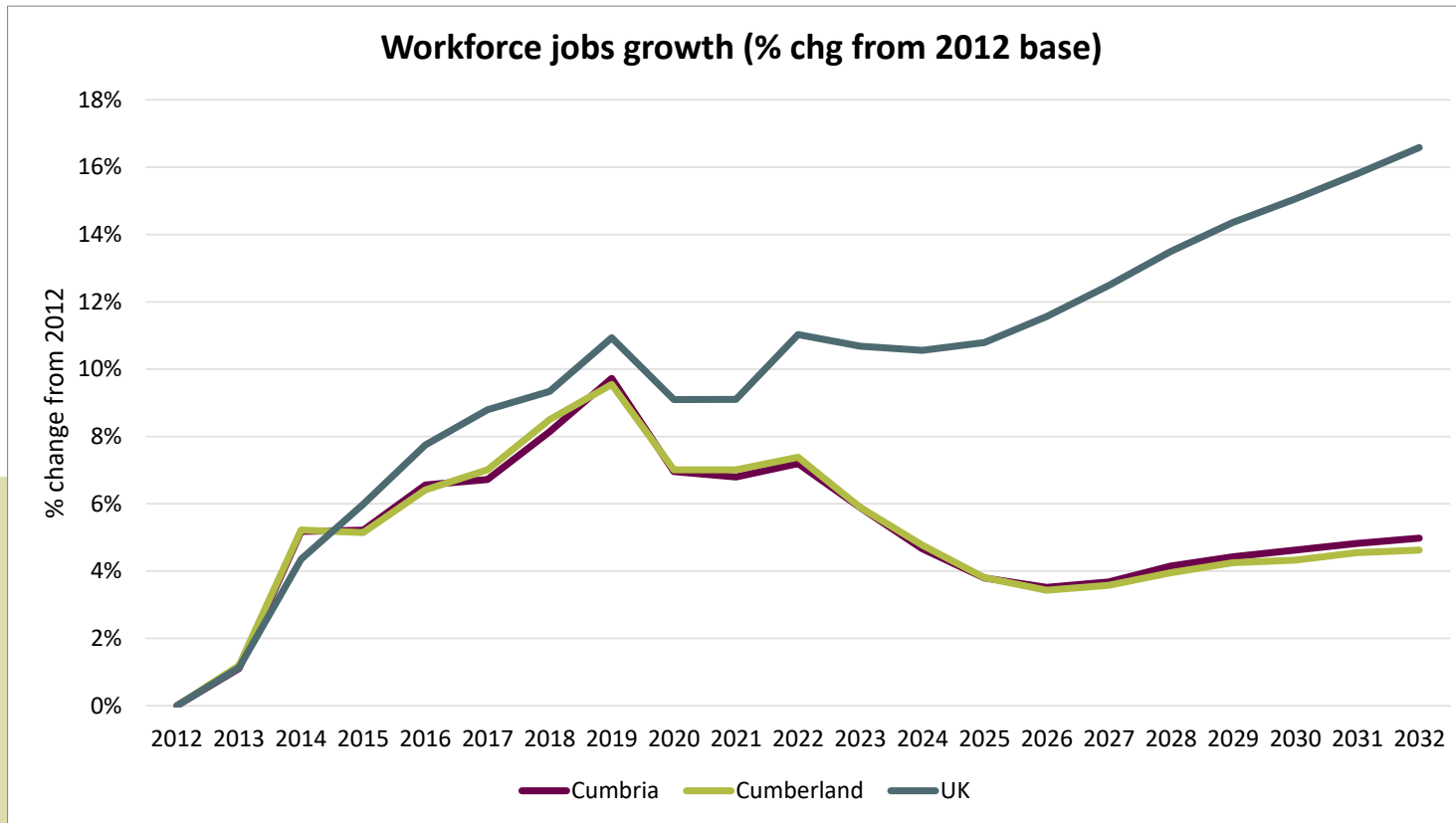


- Cumbria's number one growth challenge
- Between 2012 and 2022 the working age population in Cumbria grew by 7,400 (+2.5%) v 9.3% growth for the UK. In Cumberland growth was 2,500 (1.5%).
- Between 2022 and 2032 the working age population is projected to fall by 7,300 (-2.4%) in Cumbria v 3.3% growth for the UK. In Cumberland the working age population is projected to fall by -4,900 (-3.0%)

Source: Experian Regional Planning Service, Sept 2022

Data adjusted to take into account rising State Retirement Age

Workforce Jobs

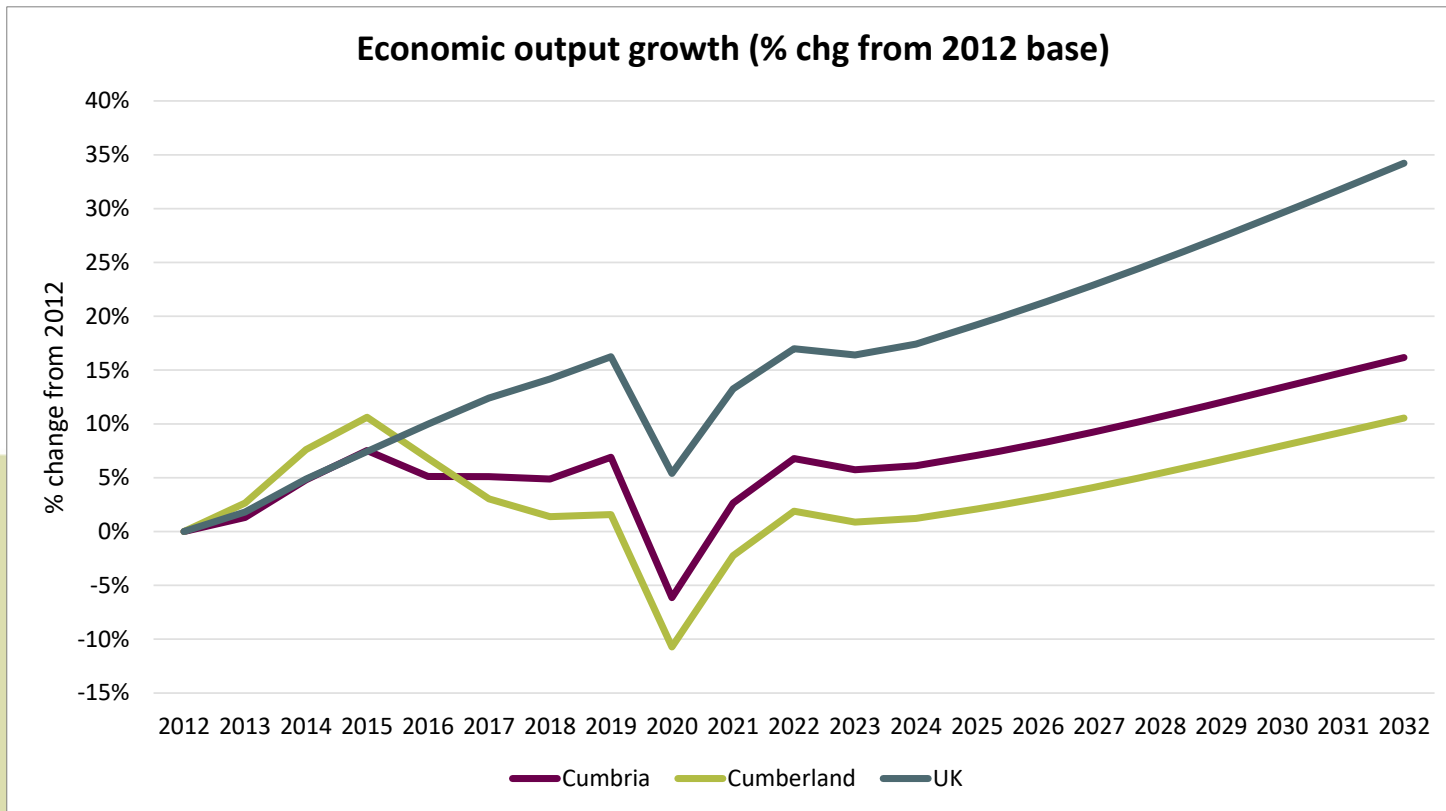


Between 2012 and 2022 workforce jobs growth was +7% (18,200) in Cumbria and +7% (9,900) in Barrow v +11% for the UK

Between 2022 and 2032 workforce jobs change is projected to be -2% (-5,600) in Cumbria, -3% (-3,700) in Cumberland and +5% for the UK

Source: Experian Regional Planning Service, Sept 2022

Economic Output

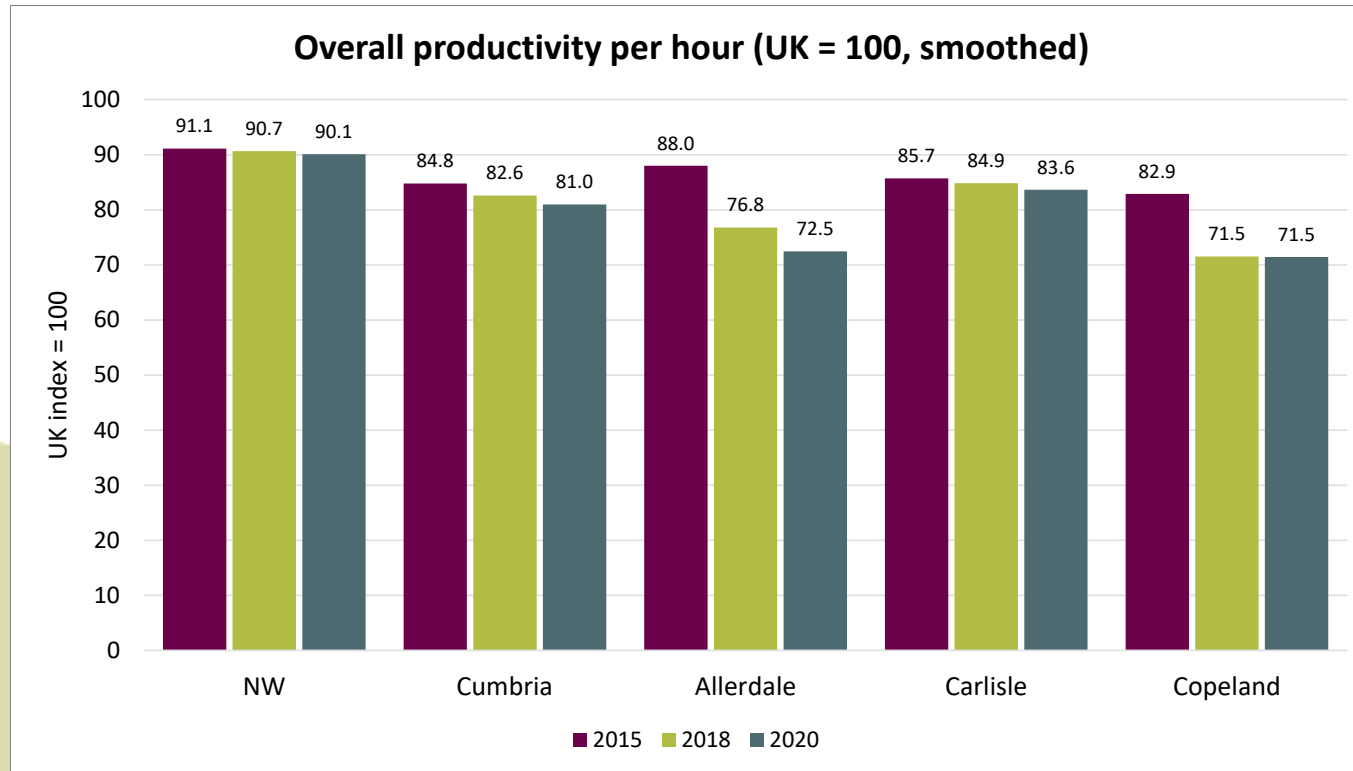


➤ **Between 2012 and 2022 economic output growth was +7% in Cumbria, +2% in Cumberland and +17% for the UK**

➤ **Between 2022 and 2032 economic output growth is projected to be +9% in Cumbria, +9% in Cumberland and +15% for the UK**

Source: Experian Regional Planning Service, Sept 2022

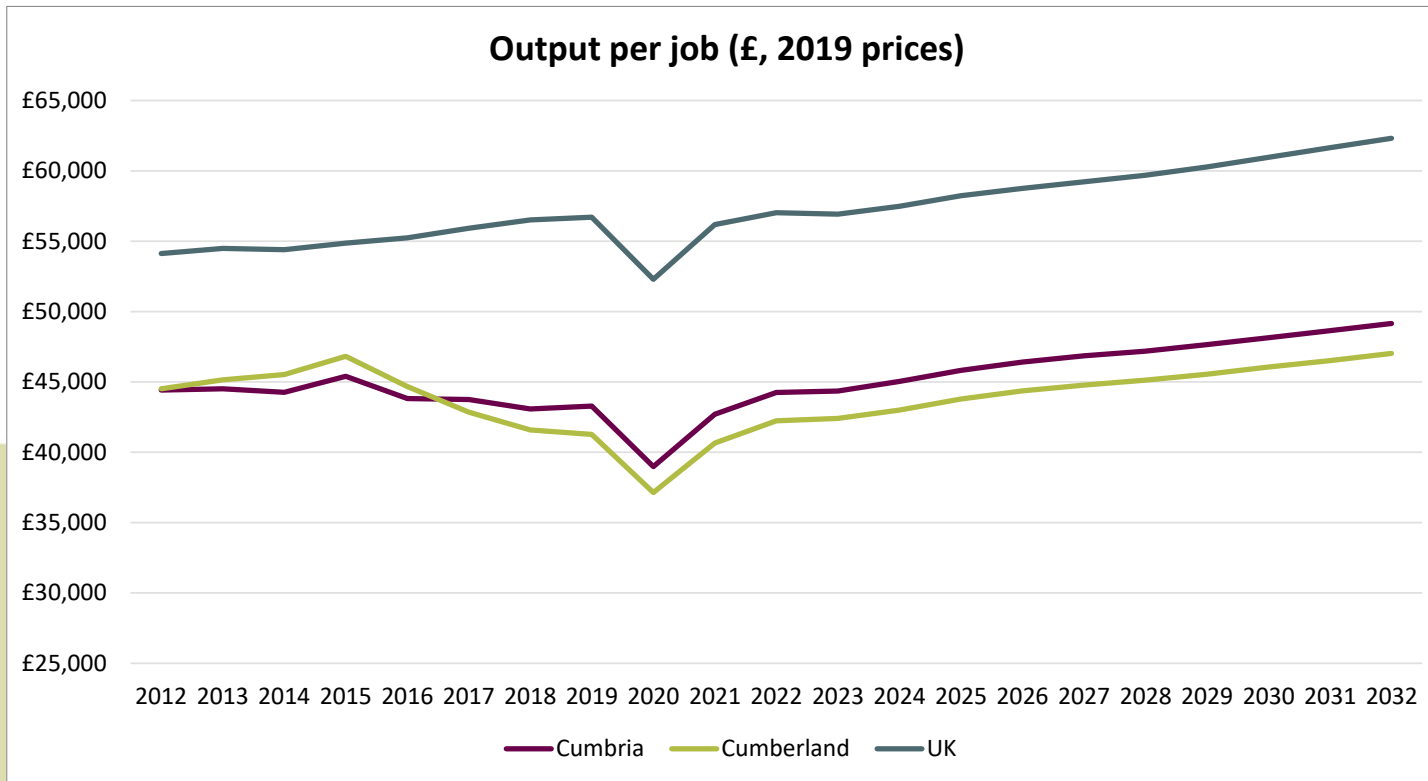
Productivity



Source: Office for National Statistics Subregional Productivity 2020 (data not available for Cumberland)

- At Cumbria level, productivity per hour has consistently been below the UK average and the gap has widened in recent years.
- The NW also lags behind the UK and has seen a widening gap but not to the same extent as for Cumbria or the constituent parts of Cumberland.
- Allerdale and Copeland have experienced the greatest widening in productivity gap.

Economic Output Per Job (£)

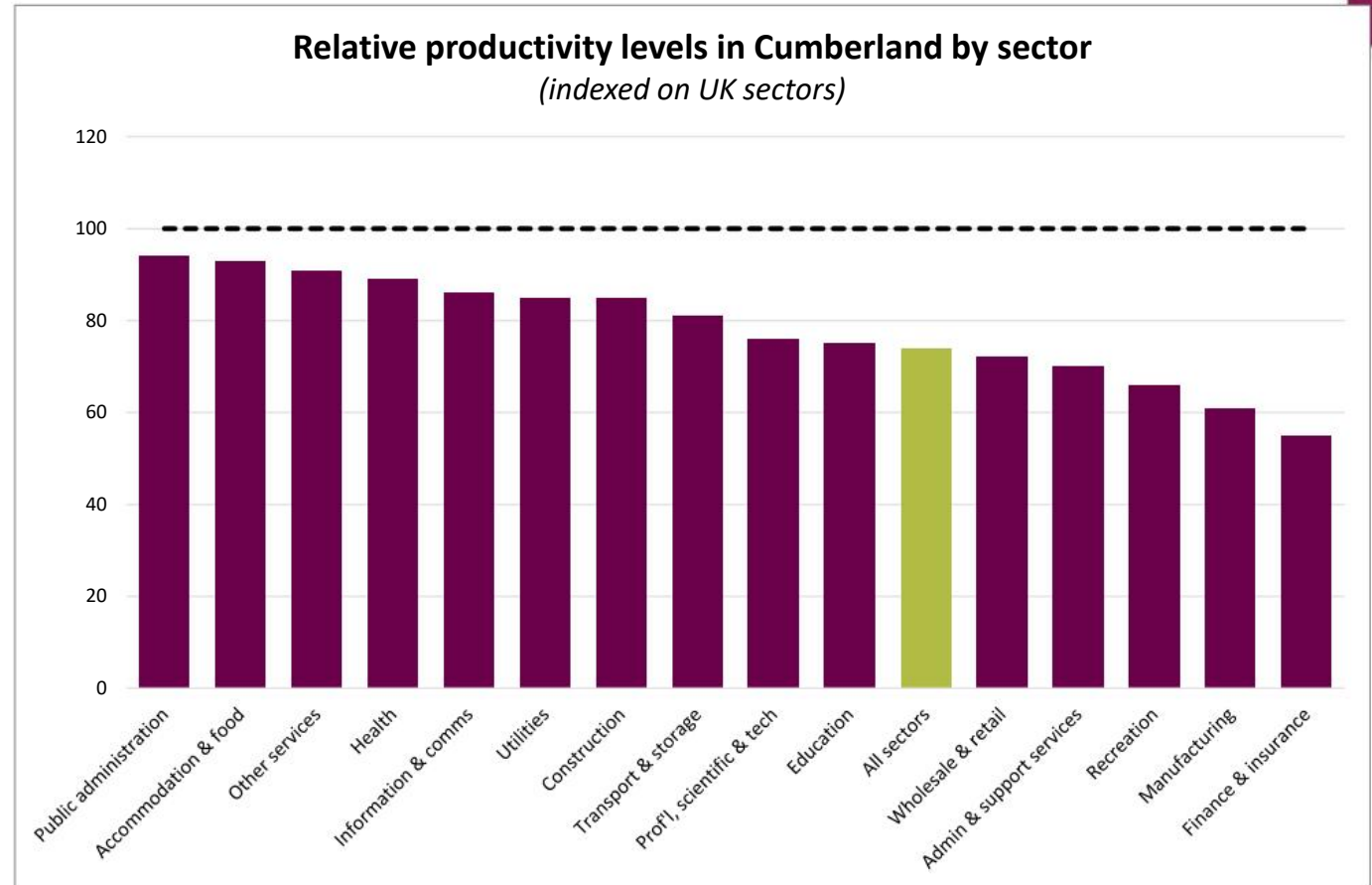


- In 2012 output per job in Cumbria was £9,700 lower than the UK (-18%) and in Cumberland it was £9,600 lower (-18%).
- This gap is projected to widen over the next decade to £15,300 per job in Cumberland in 2020.

Source: Experian Regional Planning Service, Sept 2022

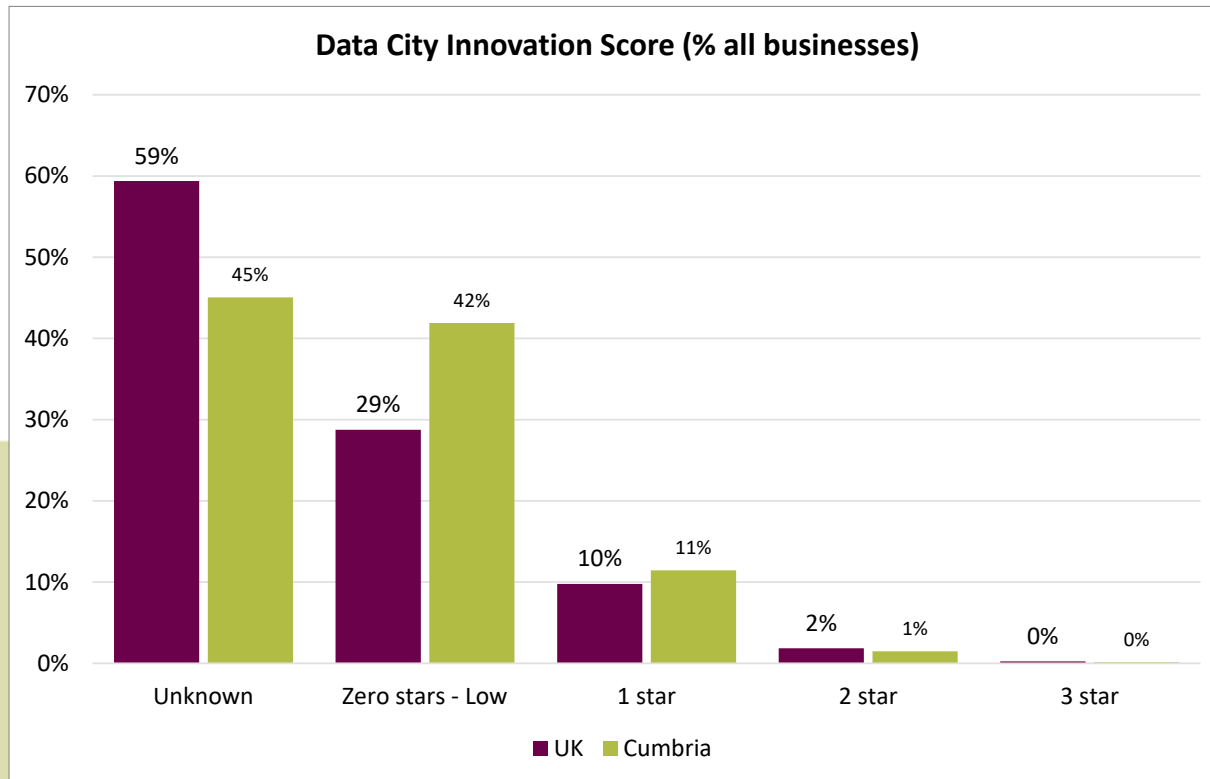
Economic Structure and Productivity

- Variations across sectors and within sectors
- Overall 40% of Cumbria's gap with the UK is due to the nature of our economy and around 60% due to lower productivity within our sectors



Source: Experian Regional Planning Service, Sept 2022

Innovation Score



Source: Data City

- **Data City estimates that 42% of businesses with a presence in Cumbria are likely to be low innovators compared to 29% for the UK.**
- **The proportion classified as high innovators is broadly similar to the UK and equates to 3,700 businesses in Cumbria.**
- **The Data City innovation score uses machine learning derived from analysis of businesses with known R&D spend and analysis of website text to apply an innovation score to other businesses.**
- **Zero stars indicates the business is a low innovator. 1-3 stars indicate the level of confidence that a business is a high innovator (from 60% confident to 90% confident)**
- **Unknown indicates there is insufficient information on the company record to calculate a score.**



ENABLING GROWTH THE OPPORTUNITIES

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The Growth Approach

- Led by data and analysis
- Building on competitive advantages
- Going with the grain of policy
- Developing credible investable propositions
- Identifying investment sources, increasingly focused on private
- Leveraging geography – Heart of UK, natural capital, geology etc.

The 'Re-Think' Themes

- **Clean Energy Generation** – implementing the Clean Energy Strategy, which looks to use Cumbria's world recognised heritage and expertise as a catalyst for significant future investment in energy generation
- **The Future of Food** – ensuring that Cumbria's existing meat and dairy excellence is supported to grow, whilst at the same time considering opportunities that will put Cumbria at the forefront of supporting food security and resilience and sustainability
- **The UK's Natural Capital** – promoting and exploiting the commercial benefits created by having the most protected landscape in percentage of area terms in England



The Re-Think Themes

- **Diversify to Thrive** – moving to the next level in terms of localisation of supply chains, movement into new markets and extending inward investment
- **The New Visitor Experience** – capturing the changes in sustainable visitor behaviour by offering a world class experience to a wider range of markets
- **The Way We Live, The Way We Work Now** – benefitting from opportunities that people now have and will have in the future in the way that they will live and work

Key Enablers

- **Appetite for Growth** – really wanting this
- **Investment** – to incentivise and enable development
- **Sites** – that the market views as desirable
- **Planning System** – surety and pace of delivery
- **Housing** – right product, right place, right price – choice, availability and affordability
- **Transport Connectivity** – sites with multi-modal access
- **People** – attracting and retaining



LOCAL GOVERNMENT REORGANISATION

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Local Government Reorganisation

- **Accountable Body** – advised that Westmorland and Furness will be CLEP's AB
- **Business as Usual** – CLEP's activities will continue 'as is' in the immediate term
- **Levelling Up White Paper** – LEPs to integrate with Local Government by 2030
- **Trigger** – creation of MCA/Combined Authority led by Local Authorities