

Economic Growth Scrutiny Panel

Agenda
Item:
A.2

Meeting Date: 9th July 2020
 Portfolio: Economic Development
 Key Decision: No
 Policy and Budget Framework: Yes/No
 Public / Private: Public

Title: Carlisle's Economic Recovery and Renewal Post COVID-19
 Report of: Corporate Director of Economic Development
 Report Number: ED.26/20

Purpose / Summary:

This Report outlines key work streams that will contribute towards Carlisle's recovery from the challenges presented as we move out of the COVID-19 lockdown as we move towards economic recovery and renewal.

Recommendations:

To consider the contents of the report and contribute to emerging thinking regarding economic recovery and renewal of Carlisle District.

Tracking

Executive:	
Scrutiny:	
Council:	

1. BACKGROUND

1.1 COVID-19's Impact on Carlisle's Economy – Macro Economic Paper

1.1.1 COVID-19 is set to have unprecedented social and economic impacts for the UK, impacting the plans and priorities for national and local government for many years to come. As such, plans will need to have a solid understanding of the potential impacts on Carlisle and how economic strategy can help with the restart, recovery and renewal of the local economy.

1.1.2 Carlisle City Council in responding to the COVID-19 pandemic, in the short, medium and longer term. COVID-19 is set to have unprecedented social and economic impacts for the UK. Mott MacDonald have been tasked with setting out a plausible scenario for the progress of the disease and its effects on the UK economy. Initial findings will raise some questions that the Council may wish to consider, rather than seeking to offer definitive analysis or solutions. To inform the Council's COVID-19 response stakeholder engagement with Carlisle's major employers, industry representative groups and community stakeholders is underway. The full report is due by the end of September 2020.

1.1.3 Based on the national scenarios for recovery an initial report (Appendix 1) outlines the challenges across several areas of economic activity, infrastructure, 'net zero', and the labour market as a whole. It identifies those factors that will mitigate towards a favourable economic recovery for Carlisle. These considerations will inform and provide direction Council priority and resource setting in order to optimise on the opportunities that will arise during the renewal of the local, regional and national economy.

1.2 COVID-19 Recovery Framework

1.2.1 Developed by the Institute of Place Management, the COVID-19 Recovery Framework is being adapted for use at national, regional and local levels and has been adopted by the High Streets Task Force to deliver support to local authorities and communities who want to transform their high streets.

1.2.2 The Framework consists of four stages designed to help towns and cities to recover after the pandemic:

- Crisis: Immediate actions to be done now and in the foreseeable future
- Pre-recovery: As well as dealing with the current crisis, place managers and leaders start planning for recovery
- Recovery: How the IPM will support high streets and town centres in attracting visitors back

- Transformation: The conscious attempt to improve high streets, towns, cities and commercial areas – to do more than recover but to innovate and address new challenges

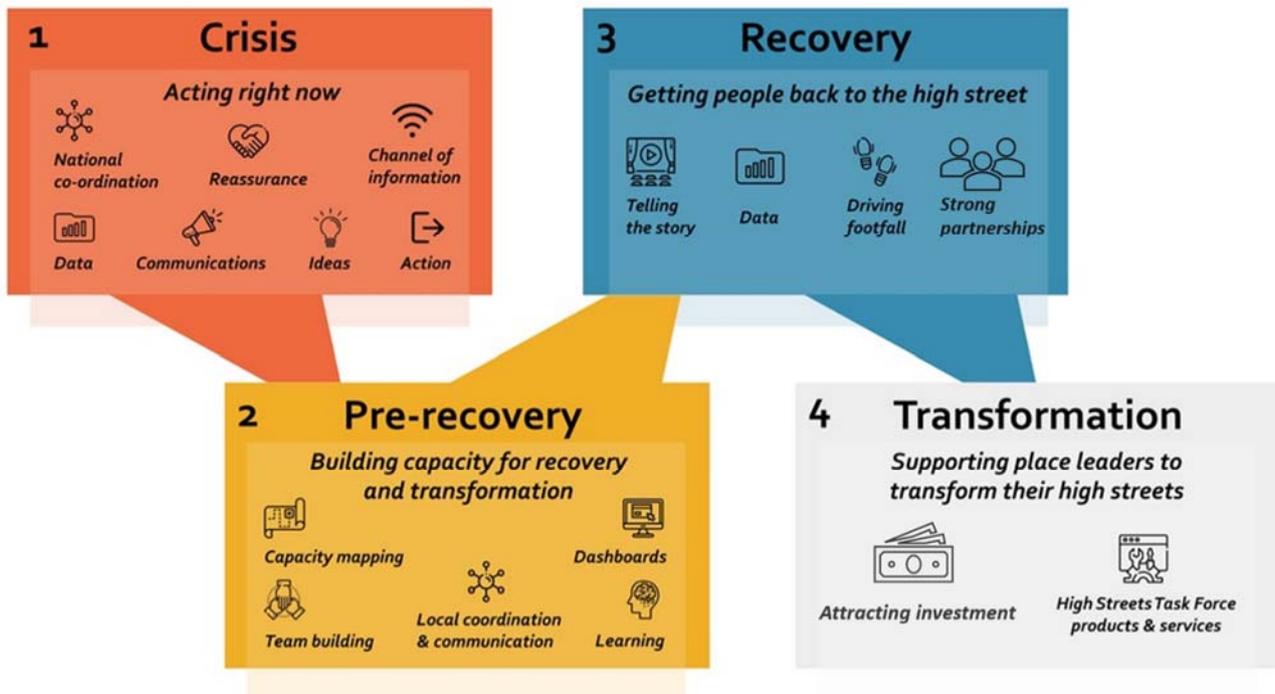


Figure 1: Post Covid-10 Framework for Recovery

1.2.3 Carlisle is moving from (2) pre-recovery stage: which is a crucial step towards building collective capacity and moving towards place governance and coordinated leadership; to the (3) the recovery stage with tasks undertaken once the lockdown measures start to be lifted in order to get businesses and people back to places. Finally, in the (4) transformation stage, the lessons learnt from the three previous stages will contribute to assisting place managers in leading the long-term transformation and evolution of their places. The ‘transformation’ stage will involve a conscious attempt to improve the Carlisle.

2. RECOVERY

2.1 Action Plan/Business Reopening

To prepare for the re-opening of the non-essential retail businesses on the 15th June 2020 in Carlisle’s city centre, a cross sector working group was convened including Businesses, County Highways Officers and City Council Officers with the task of preparing an action plan (Appendix 2). The Recovery Group has coordinated action and preparedness for the 15th June re-opening and continues to meet on a weekly basis to monitor and review this recovery stage. Alongside the action plan are city centre maps indicating key areas of concern and resources information packs for businesses and the public.

2.2 Business Support

- 2.2.1 The government has made additional funding available to support small businesses through the Local Authority Small Business Discretionary Grant which is aimed at small businesses who are not eligible for other government coronavirus grants. Local Authorities have the discretion to award grants at the following level: £25,000, £10,000 and under £10,000. Carlisle has been allocated just over £1.3 million for the scheme. The deadline for applications to the scheme was Midday on Monday 15 June and nearly 500 applications were received in total.
- 2.2.2 The government guidance prioritises the following businesses: Businesses with a rateable value/ongoing property costs of under £51,000; Small businesses in shared offices or other flexible workspaces; regular market traders with fixed building costs; Bed & Breakfasts which pay Council Tax instead of business rates; charity properties in receipt of charitable business rates relief.
- 2.2.3 Work is underway to process and make decisions on all applications as quickly as possible.

3. TRANSFORMATION / RENEWAL

- 3.1 Carlisle has accessed and continues to apply for considerable levels of funding to put in place transformative projects through significant opportunities for investment including:
- 3.2 St Cuthbert's Garden Village**
- 3.2.1 An ambitious proposal that could include the development of around 10,000 new quality homes, new employment opportunities, community facilities and a new Southern Link Road for which £102 Million has been secured.
- 3.2.2 The preferred final option, informed by the outcomes of consultation, is now being worked up as a full masterplan framework to show the illustrative detail of such matters as interface of new development parcels with existing villages, how important views can be protected, location of schools and other community facilities and rights of way and their wider connectivity. This illustrative masterplan will be accompanied by a report and is due to be received shortly.
- 3.2.3 Moving forward further engagement on the draft Masterplan Framework will be undertaken. Initially we will consult on the preferred option with technical stakeholders. We have recently reconvened the Members' Advisory Group which includes two parish council representatives.

3.2.4 Work on the St Cuthbert's Local Plan, which will be used in tandem with the masterplan to guide development in the area, is also continuing. A progress report has been produced which sets out feedback from the previous round of consultation, and how policies and objectives could be updated in response. The next stage of work on the Local Plan will be to fully draft the text of the strategic policies required to implement the spatial elements of the masterplan.

3.3 Towns Fund

3.3.1 The City of Carlisle was selected with 100 other towns and cities in September 2019 for the £3.6 billion Towns Fund and invited by the Ministry for Housing, Communities and Local Government (MHCLG) to create proposals for Town Deal with the opportunity to bid for transformative projects of up to £25 Million

3.3.2 Progress continues to be made despite the challenges of COVID-19. A series of virtual workshops were held during May 2020 where the vision, strategy and objectives for the Town Investment Plan were agreed and the drafting of the Plan has now commenced. A virtual Board meeting was held on 18 June 2020 where details of a forthcoming public consultation were agreed.

3.3.3 The detailed guidance for the Towns Fund was published on 15 June 2020. This sets out the timescales for submission of Town Investment Plans. Carlisle will be submitting their Town Investment Plan in October 2020.

3.4 Future High Street Fund

3.4.1 Carlisle high street was also selected along with 101 other towns and cities in August 2019 for the £1 billion Future High Street Fund (FHSF) and invited by MHCLG to develop a strategy for the city centre and a business case for investment. Currently an outline business case is being developed for circa £16 Million;

3.4.2 Funding is being sought for a package of support to modernise and repurpose key buildings, giving them a future purpose, improve event space and public realm to support economic activity and widening the opportunities to have more people living and working in the centre. The proposed scheme comprises six distinct but inter-related elements:

- Securing redevelopment for Hooper's Department Store
- Repurposing 6-24 Castle Street
- Preparing Central Plaza site for redevelopment
- Reimagining Market Square as Carlisle's events space and gateway to the Historic Quarter
- Pedestrian enhancement of Devonshire Street
- Caldew Riverside remediation of urban living development site

3.4.3 This proposal seeks to deliver a distinctive, coherent and inclusive city centre that will improve the perception of the city, increase social value, and ultimately improve economic performance through greater resident and visitor footfall and demand. The strength of the historic and cultural offer already embedded within the city will be enhanced securing a vibrant legacy from the investment.

3.5 Borderlands Inclusive Growth Deal

3.5.1 Preparation of the business cases for the wider Borderlands programmes (e.g. place, energy, digital business infrastructure) continues. COVID-19 has had an impact on the timetable but the Programme Management Office is now in place, funded by the Borderlands partner authorities, that will provide additional capacity and support this process.

More specifically for Carlisle:

Place Programme - forms a key element of the Borderlands Inclusive Growth Deal and will provide an investment package for rural towns across the Borderlands area. The funding ask of the Borderlands Partnership is currently £50 million, one rural town/village will be selected from Carlisle District to benefit from this fund;

Carlisle Citadel and Station Gateway Project – A strategic outline business case that aims is to create a new high-profile gateway development for Carlisle has been approved by MHCLG – the three phased programme includes: Station re-development improving access to the station and refurbishment of the internal space with a £15 Million Borderlands ask; Citadel redevelopment with the University of Cumbria as anchor occupier and with complementary leisure and cultural elements to increase vitality into the city centre, £50 Million ask from Borderlands; and Caldew Riverside development site that requires remediation in order to bring it to the development market, funding being sought from Homes England and the Cumbria Local Economic Partnership.

3.5.2 Good progress continues to be made on the two key projects in Carlisle:

- Carlisle Station - The detailed business case for the Station project is close to being finalised; and
- Citadels Project - Work on the detailed business case for the Citadels has commenced, with a recent issues and options consultation undertaken between 14 May – 4 June 2020.

3.5.3 The Borderlands Inclusive Growth Deal was constructed in the pre-Covid19 period. It now needs amended, updated and supplemented in order to form the firm foundations of a longer-term response to the economic crisis that dealing with the Coronavirus has created. Work is underway to support the case for fast tracking investment and delivery

of the Deal to support the local recovery response to the economic impacts of COVID-19.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 Whilst each of these transformative work streams are separate and distinct, they each share a similar purpose; to support regeneration across the district and drive Carlisle forward, supporting the growth agenda set out in the Local Plan. The delivery of these investments will: encourage people to stay and move to the District to live, work and visit; diversify the offer of the city centre; support business growth; and improve economic prospects for the people of Carlisle; improve the quality of our local environment; whilst further developing cultural facilities and promoting Carlisle as a place full of opportunities and potential.
- 4.2 Progress on the developing the Council's Economic Strategy continues to be made. The COVID-19 work, detailed above, will form an integral part of its development and ensure that activity is focussed on supporting economic recovery across future years. Members will be engaged over the coming weeks to help influence the strategy and emerging actions.
- 4.3 Members to note the activity under each of the phases of the recovery framework and work streams currently being progressed to address each of the elements.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 Contributions to Carlisle Plan priorities 2015-18:

- Support business growth and skills development to improve opportunities and economic prospects for the people of Carlisle
- Address current and future housing needs to protect and improve residents' quality of life
- Promote Carlisle regionally, nationally and internationally as a place with much to offer - full of opportunities and potential

Contact Officer: **Zoe Sutton**

Ext:

**Appendices
attached to report:**

Appendix 1: Mott Mac Donald -Technical Report

Appendix 2: Action Plan and Maps

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

COVID-19 and the Economy of Carlisle

This note identifies certain short-term and medium-term economic issues for the City of Carlisle arising from COVID-19, set against two plausible scenarios for the progress of the disease and their respective effects on the UK economy. The scenarios are broadly central in character (rather than ‘outliers’) and the out-turn may be better or worse than in the scenarios.

Mott MacDonald is committed to working with Carlisle in the interests of local people, and to employing our expertise in infrastructure and economics to help Carlisle to overcome the grave difficulties posed by COVID-19. This note is starting point: it raises questions for Carlisle to consider, rather than seeking to offer detailed analysis or solutions.

Two Scenarios for the Macro Environment

Introduction

This section sets out two plausible scenarios for the UK economy in the short to medium term. The scenarios have much in common, but the first is relatively optimistic and the second less so – they correspond to the widely discussed V-shaped and U-shaped recoveries from COVID-19. In the early stages (March/April) of the crisis, government, private and OBR analysts appeared to think a V-shaped recovery more likely, but sentiment now tends to favour a U-shaped recovery¹.

Features Common to both Scenarios

The effects of UK COVID-19 peak in summer 2020 without causing collapse in wider society or in the NHS, social care, food distribution or utilities. By late autumn, the number of cases is at levels regularly associated with flu, and remaining COVID-19 restrictions, though irksome and perhaps of long duration, have more limited economic effects than at present².

In Spring 2020, the government ‘threw away the fiscal rulebook’, resulting in additional expenditure and lost tax revenue of up to £1trn³ by March 2021, though much is in loans repayable by the private sector, and much is effectively financed by the Bank of England through Quantitative Easing.

The crisis leaves the fundamental productive capacity of the UK unimpaired, though certain industries, notably tourism, consumer durables (especially cars), financial services and high street retailing, recover more slowly than the economy as a whole. As a partial offset, some industries expand, especially healthcare, pharmaceuticals, online retailing, logistics, and perhaps the ‘green economy’.

In the short term, unemployment rises, and GDP falls sharply, though the measured extent of the fall is influenced by statistical treatment⁴.

¹ The U-shape, with no full recovery of GDP in 2021, appears also to be the consensus view for the EU, see: <https://www.thetimes.co.uk/edition/business/eurozone-boost-after-ecb-puts-another-600bn-into-economy-89hfz7lg>

² The potential implications of a possible “second wave” of COVID-19 infections in Autumn 2020 is not considered in the scenarios modelled in this note.

³ Commitments at the time of writing appeared to be around £400bn - £1trn is a plausible maximum once lost tax revenue is included. It should be noted that the current (4 June 2020) OBR expenditure estimate of £132.5bn excludes business loan schemes, which are the largest single element of cost, put by the Chancellor at over £300bn.

⁴ eg the output of the education industry is greatly reduced by COVID-19, but measurement of its output focuses on staff wages, which are maintained.

In the wider world, the impact of COVID-19 varies greatly. By late autumn 2020 most countries are in recovery, though some countries with elderly populations or weak administrative and healthcare systems remain in difficulty. The net adverse effect on the UK economy is moderate.

In the EU and UK specifically, there are continuing economic difficulties. The EU and the UK have a strong, shared interest in avoiding additional economic disruption, and although the BREXIT transition is not extended beyond 2020 *ad hoc* and formal arrangements ensure a smooth continuation of economic relationships.

Scenario A (more likely): U-Shaped Recovery

The continuing global effects of COVID-19 and the damage to particular UK industries reduce medium term growth in the UK compared with the levels anticipated before COVID-19. Employment and GDP recover rapidly, but not fully, from the crisis, and unemployment remains substantially higher than before. The scenarios and forecasts tabulated below present a broadly consistent picture of unemployment peaking in late 2020 before declining during 2021 but remaining substantially higher than in 2019.

Recent ⁵ scenarios and forecasts for LFS unemployment		
<i>Pre-COVID-19 Actual</i>	<i>Dec 2019 – Feb 2020</i>	4.0%
OBR Scenario	Q4 2020	8.5%
Bank of England Scenario	Spring 2021	7.0%
Average from HM Treasury’s May 2020 compilation of ‘recent’ independent forecasts	Q4 2021	6.3%

Unemployment on this scale is consistent with GDP in 2021 being slightly below its 2019 level, occasioning a material reduction in tax revenue compared with pre-COVID-19 forecasts of economic growth. Increased government debt interest, and step-change increases in NHS, Adult Social Care, and benefits spending, add further to pre-existing fiscal pressures⁶. The restoration of fiscal discipline ushers in a multi-year period of fiscal retrenchment, focused on the relatively few areas of government spending – such as defence, transport, and higher education – that are not ‘protected’; although it is assumed that the government remains committed to pursuing its central manifesto commitments such as regional “levelling-up”.

Scenario B (less likely): V-Shaped Recovery

GDP recovers fully in 2021 to equal (in real terms) its 2019 level. Unemployment, however, does not recover fully, in part because growth between 2019 and 2021 is zero on average and in part because dislocation in the labour market, with some skills in strong demand and others in surplus, raises the equilibrium level of unemployment. In April 2020, the OBR published a reference scenario (not a forecast) that explicitly assumed full recovery in GDP and a consequent unemployment rate of 6.0% in Spring 2021; and HM Treasury’s April compilation of independent forecasts then suggested 5.5%. These figures indicate the approximate rate of unemployment in the event of a V-shaped recovery.

The fiscal constraints imposed on government by reduced tax revenues and increased spending operate in the same adverse direction as in the U-shaped recovery, but are less severe and make it easier for government to maintain its commitments to levelling-up and infrastructure investment.

⁵ The most recent from the three organisations at the time of writing in early-June 2020.

⁶ Occasioned (1) by “Baumol’s Law”, that the share of public expenditure in national income will rise over time because of the lower potential for productivity growth in industries such as health and education than in, say manufacturing or private sector services, and (2) by UK demographics.

Carlisle

Carlisle comprises the city itself and extensive rural areas studded with villages and small towns. Before COVID-19, Carlisle, like Cumbria as a whole, displayed a moderate level of economic success and prosperity; indeed labour shortages appeared to present a greater challenge than unemployment⁷, which at 2.9% was about one percentage point below the historically low national average of about 4%. There were, of course, economic problems, such as disappointingly low average productivity.

This short note cannot offer a full economic analysis of Carlisle, such as those produced by the local authorities, the Local Enterprise Partnership, or the Cumbria Observatory. It aims only to draw attention to some of the economic issues posed by the current epidemic and set against our two scenarios.

Short and Medium-Term Prospects: issues for consideration

This section considers just some of the issues relevant to Carlisle. It covers, first, several areas of economic activity, and then infrastructure, 'net zero', and the labour market as a whole.

Education

State school education will resume as restrictions are lifted, though its contribution to the economy may be reduced by fiscal stringency – for instance through reduced budgets for areas of recent growth such as Teaching Assistants.

UK universities are likely to face considerable difficulties. Student loan arrangements may tighten, placing indirect pressure on fee income; inflows of overseas students are certain to fall at least in the short term; and even UK recruitment prospects seem poor.

The well-respected University of Cumbria is central to plans for Carlisle city centre and for the local and wider Cumbrian labour markets. It is, however, within an HE group (the Million+ group) that may be particularly vulnerable to competition for students from institutions such as Russell Group universities. And the University's financial position, though stable⁸, lacks substantial reserves. Across the sector, investment by universities and in student accommodation is likely to fall sharply, though any economic effects on Carlisle may be mitigated, in relative terms, by the city having a lower share of employment in Higher Education than comparably sized cities such as Lincoln.

The prospects for Further Education seem ambiguous. The sector has often been a target for austerity induced cutbacks, but its appeal to government and students as an efficient provider of post-16 education may offer some protection. The NCG Colleges Group, owners of Carlisle College, are committed to continuing development of provision in the city and this will be vital in overcoming the skills mismatches arising from COVID-19.

Although school education will largely be protected, a U-shaped recovery will, in our judgment, place funding for Higher Education, and to a lesser extent for Further Education, under severe threat.

Healthcare

Healthcare, viewed as an industry, is expanding rapidly to meet the epidemic. Expansion will slow as COVID-19 comes under control, but the sector is likely to remain substantially larger than before to

⁷ Cumbria LEP, Annual Report 2019

⁸ Based on a review of the most recent published accounts (2018/19)

cope with continuing effects (eg recurrent outbreaks of COVID-19) and a greater national awareness of the need to prepare for the next emergency.

Much healthcare, for instance GP surgeries, is spread widely throughout the district but the economic opportunities associated with expansion may be greatest in the City of Carlisle itself, close to Cumberland Infirmary. Moreover, and unlike in the education sector, Carlisle has an above average share of employment in healthcare and related activities. This is a positive feature of the post-COVID-19 economy, that will obtain under both our scenarios.

High Street Retail and City Development

Many towns and cities faced secular decline in high street retailing, pre-COVID-19, because of the growth of online and out-of-town shopping. The immediate difficulties associated with the epidemic are obvious, but the secular trend is likely to be reinforced as many people – perhaps especially older people – who previously relied on the high street become more accustomed to ‘online’.

Carlisle will face the same trends, though its role as the administrative and commercial centre for Cumbria, and even for parts of southern Scotland will offer some protection.

It may, however, be necessary to rethink plans for the city centre and to move away from retail and traditional office space, and towards leisure, residential, green space, and flexible workspaces. City of Carlisle Council, in conjunction with Cumbria County Council, may need to intervene in land and property markets to facilitate the changes required.

The changes will depend partly on central government funding. In the event of a U-shaped recovery, there is a risk that planned expenditure that is not committed will not proceed. It will, at least, need to be firmly grounded in *Green Book* compliant cost-benefit analysis

Tourism, Leisure and Travel

At the time of writing, these industries had effectively been shut down by government. They will rebound as COVID-19 restrictions ease from 4 July, as announced on 24 June.

The tourism industry, including accommodation, restaurants, bars etc, is an important part of Carlisle’s economy, though less so than in the heart of the Lake District. The prospects for the industry during the epidemic and in what may be an extended process of relaxing restrictions on trading are poor. It will be important to prevent ‘scarring’ – the permanent loss of capacity⁹ during the epidemic – so far as possible.

The medium-term prospects are better. The UK is a net importer of tourism services and, in future, fewer overseas visitors may be more than offset by more domestic visitors, providing that capacity is not too damaged by scarring. There may be a need to consider how a move away from international tourism and towards domestic tourism can be managed effectively.

Although a U-shaped recovery will be somewhat worse for tourism than a V-shaped recovery, the industry depends on consumer expenditure, which will be less affected by the type of recovery than, for instance, public sector capital investment.

Manufacturing

Manufacturing industry is rather more important in Carlisle than the national average as a source of employment and economic activity. As in other districts of Cumbria (though to a lesser degree),

⁹ The recently announced permanent closure of the Derwentwater Hotel and the Windermere Hotel is one example in Cumbria.

manufacturing is anchored by a fairly small number of large plants, such as the Pirelli tyre works and the 2 Sisters (Cavaghan and Gray) food production and distribution facility.

In a rather different way, the Kingmoor Park Enterprise Zone is vital to the city's future. Focused in part on nuclear engineering, energy, and advanced manufacturing, it also accommodates other manufacturing firms, as well as distribution firms, and has some 2,500 employees on site.

The critical point is that manufacturing recovery from COVID-19 will depend on the performance of specific plants and of the Kingmoor estate rather than on 'manufacturing' in a general way. Public agencies will doubtless seek to enhance their existing support for those plants and their work to promote and expand nuclear engineering and other high productivity activities at Kingmoor.

Transport and Other Infrastructure

Current national plans for large-scale transport infrastructure spending may be reviewed: first, because post-COVID-19 fiscal challenges may place particular pressure on the transport capital budget, which is one of the few areas of government spending that is relatively easy to cut; second, because projections for growth in user numbers may be reduced. On the other hand, infrastructure spending is a means of stimulating a weak economy and a central feature of the government's 'levelling up' agenda, factors that may offer some protection to the capital budget.

Although investment is sorely needed to underpin economic growth, it would seem reasonable to make contingency plans for optimal use of reduced transport budgets should this become necessary, whilst recognising that government may maintain the budgets as a means of economic stimulus. 'Optimal use' is likely to require a sophisticated approach, with many smaller projects, often related to modal shift away from car use, and away from travel generally, in favour of internet-based working. This in turn will reinforce the case for improved resilience and much greater capacity in the broadband infrastructure.

Carlisle Lake District Airport was closed at the time of writing, but before the epidemic had just commenced passenger flights to London Southend, Dublin, and Belfast. Although the population catchment for the airport is too small for extensive operations, a resumption of these flights and would promote business recovery.

The infrastructure budget is likely to be especially sensitive to differences in our two scenarios. Government is likely to make every effort to maintain investment, but its ability to do so in the event of a U-shaped recovery may be more limited.

Logistics and Distribution

Carlisle enjoys good communications and a good supply of land, albeit at a peripheral location within the UK. As a result, land transport and logistics are major employers, notably on the Kingmoor site and at the airport. This is an industry with good growth prospects, especially with the further advance of online purchasing during the COVID epidemic, and Carlisle, unlike many other locations, has the potential to offer the space the industry requires.

Net Zero

The government commitment to net-zero carbon emissions by 2050 will, presumably, remain intact. COVID-19¹⁰ may, indirectly, favour its achievement, for instance if remote working increases, so reducing transport emissions. On the other hand, fiscal stringency, especially in the event of a U-shaped recovery, may limit scope for the large expenditures needed to achieve net zero; and in the

¹⁰ The drop in emissions during the epidemic has limited long-term significance.

short term, as employment and work travel recover, capacity limitations on the public transport network may raise car usage and emissions.

The plans already set out by central and local government will need to be re-worked in the light of these changes. It also appears likely¹¹ that in July the government will announce measures to raise employment in green industries to absorb job losses in, for instance, food and beverage service.

Knowledge Intensive Business Services

A relatively low share of Carlisle's employment is in the Knowledge Intensive Business Services sectors, with 8.2% of jobs in these sectors vs. 16.4% for Great Britain as a whole¹². The largest impact of COVID-19 on these sectors is likely to be from any long-term behavioural changes that arise from the extended home working in these sectors during the lockdown period of the pandemic. It has been suggested that employers in these sectors (and potentially other sectors where home working is possible) may be more willing to support employees working from home on a permanent basis post-lockdown. This offers potential benefit to employers (reduced overhead costs) as well as employees (greater flexibility of locational choices), but this will need to be balanced against the long-standing identified benefits of predominantly urban office working (agglomeration economies via spatial clustering).

Towns and cities such as Carlisle – with a strong “lifestyle” offer and established long-distance transport connections – may benefit from increased activity by workers in the KIBS sectors where homeworking is possible. Evidence from sectors with pre-COVID-19 established patterns of homeworking, such as in information technology, suggests that home workers balance amenity factors with (for families) local education provision, property costs and accessibility (many home workers still need to travel periodically) in determining their locational choices. There may be a higher proportion of some age groups to home work than others, although there is limited evidence on this at present.

The Labour Market

The short-term impact of COVID-19 on the labour market is severe. Even allowing for gigantic expenditure on mitigation, national unemployment will remain high throughout the epidemic. Employment will recover, and unemployment will fall, as the crisis passes. Both our scenarios suggest, however, that the equilibrium level of unemployment will be higher than before, in part because of skills mismatches as serious shortages in industries such as health, adult social care, and logistics, and new opportunities in the green economy, contrast with surplus skills in industries such as catering.

Carlisle seems certain to experience a rise in unemployment as redundant workers from severely affected industries find it hard to obtain work in expanding sectors. The City Council and its partners may wish to review the likely overall pattern and what lessons can be learned from past periods, such as the early 1980s, when (for different reasons) similar challenges occurred, and to maximise the opportunities for workers to move from contracting to expanding sectors of the economy.

¹¹ See for instance <https://www.thetimes.co.uk/article/coronavirus-rishi-sunak-wants-green-new-jobs-for-laid-off-workers-8520zlsnx>

¹² ONS Business Register and Employee Survey, 2018

DRAFT Carlisle Recovery Action Plan for Public Places - APPENDIX 2

Consideration	Interventions	Action	Lead Officer	Date completed	RAG rating
1. Common plan for public space					
Bring together all of those responsible for the management of publicly accessible space to work on a common plan for managing social distancing and movement through the area following government guidance. This will include the local authority, shopping centre management, commercial area management, park management, and public transport operators. This will be vital for the safety of those using the town and avoid conflicting advice.	1.1. Coordinated approach to development of a Carlisle District Recovery Action Plan	a. Convene a multi-sectoral group of private and public sector representatives to advise on needs / actions on a regular basis.	Jane Meek	Continual Activity	
		b. Work with parish councils to determine needs for Longtown and Brampton.	Jane Meek		
		c. Produce and update visual representation of Action Plan/ City Centre Plan or Map.	Jane Meek	Continual Activity	
		d. Monitor and review of Action Plan.	Jane Meek	Continual Activity	
		e. Add the Lanes Covid related management actions to the Action Plan and the City Centre Plan.	David Jackson / Paul Walker		
	1.2 Develop the support /resource to local resilience group and local economy stakeholders	a. Produce a support / resource pack with updates from key agencies, guidance and advice cascaded through SMAC.	Sarah Irving / Cumbria County Council / CLEP		
	1.3 Draw down on the 'Reopening the High Street Safely' Fund	a. Identify a scope of works	Zoe Sutton		
b. Set baseline monitoring and evaluation data including footfall in line with guidance.		Zoe Sutton			
2. Enhanced cleaning and sanitising					
Plan for enhanced cleaning and sanitising to ensure the risks of the virus spreading are reduced. This may include the provision of hand sanitiser stations, accessible for all.	2.1. Neighbourhood team deployed implement actions	a. Allocate a supervisor to be 'on site' to ensure efficient response to any emerging issues in terms of street cleanliness.	Colin Bowley	Key contact list provided	
		b. Provide Team with distinctive branded tabard and brief on public facing role.	Colin Bowley	Items ordered awaiting delivery -	
	2.2. Enhanced cleaning at hotspots (linked to item 4)	a. Identify places / touch points that need more frequent cleaning, incorporate into the cleaning programme.	Colin Bowley	Completed	
		b. Review and update cleaning routine for car parking ticket machines.	Colin Bowley	Completed	
	2.3. Set up sanitisation stations / hand wash facilities	a. Resource suitable sanitisation stations / hand wash facility products and suppliers.	Colin Bowley	05/06/2020	
		b. Identify the need, locations and delivery of public hand sanitiser station(s).	Colin Bowley	x4 dispensers fitted 15 June. Additional to be fitted from 19 June	

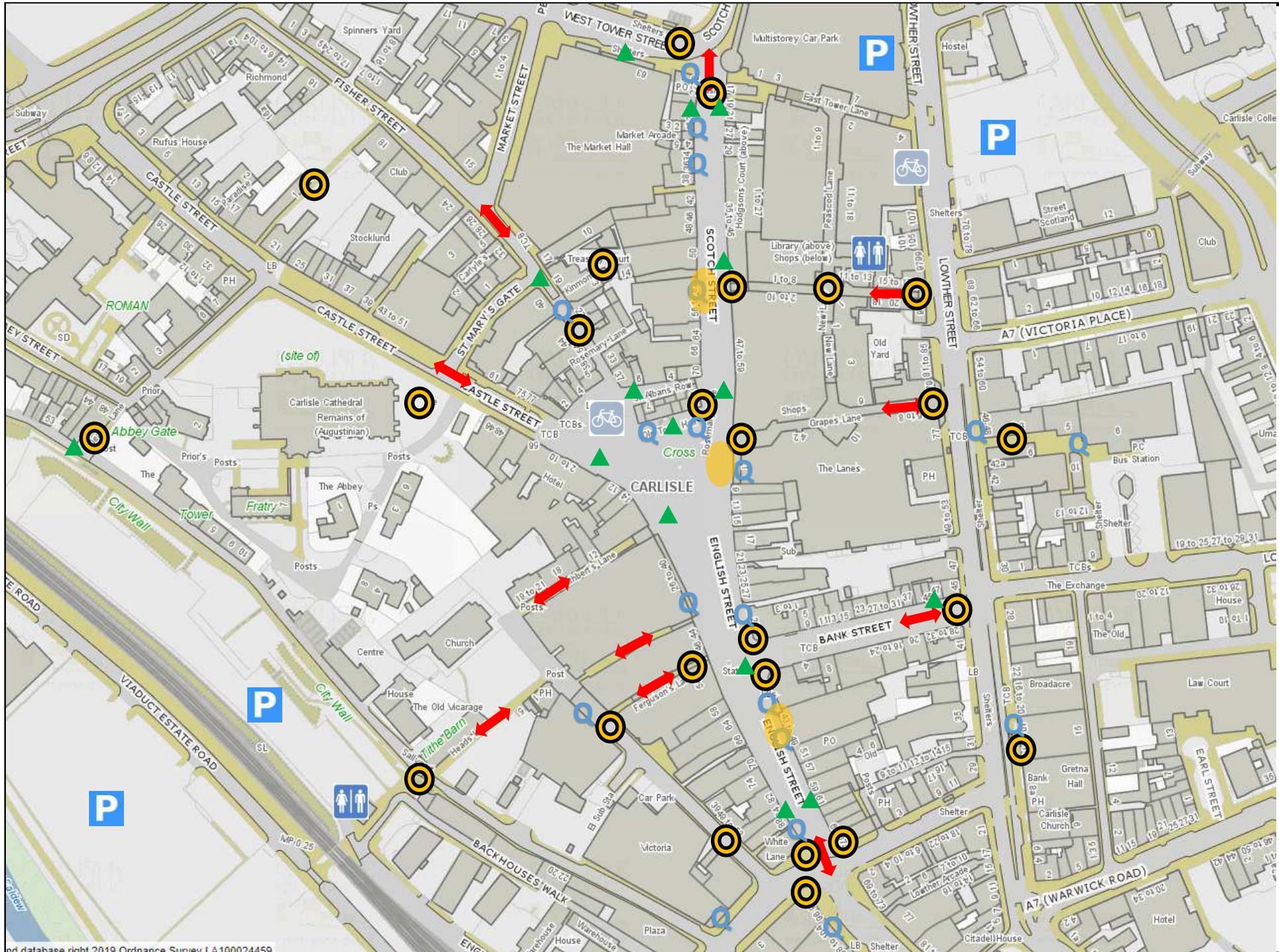
		c. Provide advice to businesses on sanitisers at entrances to business premises, toilet / sink access.	Scott Burns	Continual Activity	
	2.4. Increase the use of contactless payments	a. Encourage car park users to make payment using cashless payment methods.	Helen Graham	Completed	
	2.5. Ensure adequate public toilet provision	a. Asses need for public toilet provision and update the cleaning rotas and procedures	Mark Walshe		
		b. Assess options for temporary toilet facilities	Zoe Sutton	Completed	
		c. Audit businesses that have toilet facilities to identify those that are open.	Zoe Sutton	05/06/2020	
		d. Provide disabled toilet facility in the Lanes.	David Jackson	Completed	
		e. Signpost people to public toilet facilities available	Sarah Irving		
	2.6. Cathedral Ground / Precinct enhanced cleaning	a. Identify places / touch points that need more frequent cleaning, incorporate into the cleaning programme as necessary.	Cathedral / Colin Bowley		
	2.7. Bus and Railway Stations enhanced cleaning	a. Identify places / touch points that need more frequent cleaning, incorporate into the cleaning programme.	Rob Jones / Colin Bowley/ Railway Station Management - contact TBC		
3. Signage					
As is already required for supermarkets, it is likely that government guidance on public areas will require signage to remind people with symptoms not to enter areas, to maintain social distancing, to offer opportunities for hand washing or sanitising. Consistency of messaging on this will be important.	3.1. Work with County officers to create consistent signage strategy	a. Feed issues and possible mitigation to Comms and Resilience Group (CuCC led).	CuCC - Comms/Resilience Gp	On-going	
		b. Explore options for electronic signage and messages to be relayed.	Gareth Scott	Under review	
	3.2. Consider pop-up information points on routes into city centre	a. Determine need and deliverability of information points	Paul Walker	Not considered necessary	
	3.3. Car park - improved signage	a. Display social distancing signs and guidance in car parks.	Helen Graham	Completed	
	3.4. 'Plan Your Journey' Key Message for City Centre users	a. Disseminate information through various media to be identified.	Sarah Irving/ Paul Walker	On-going	
		b. Explore potential for city centre webcam so public can assess how busy the centre is prior to visiting.	Zoe Sutton / Paul Walker / Police / David Jackson		
		c. Explore need for provision information on business opening times - outside the norm.	Paul Walker / David Jackson	On-going	
		d. Provide information about bus travel and quiet times	Rob Jones		
		e. Provide information about train travel quiet	Station Manager		

4. Identify hotspots						
Audit the centre to identify activity 'hotspots' – these may have changed since lockdown. Look at the popular routes people take through the town and identify potential problem areas. Many towns will need to introduce restrictions in movement through their centres to maintain social distancing, or have to close roads to traffic to widen pavements, or introduce one way walking routes as in supermarkets. These restrictions will have to be introduced quickly so check whether they are covered by the General Permitted Development Orders or require approval before installation	4.1. Identify hot spots	a. Identify and keep under review actions relating to hot spots.	Andrew Allison / Heather Graham / ALL	Continual Activity		
		b. Audit the hotspots to identify necessary actions.	Andrew Allison / Helen Graham / Colin Bowley	Completed		
		c. Communicate the actions to the relevant lead officer.	Andrew Allison / Helen Graham	Continual Activity		
	4.2. Queuing management	a. Provide businesses advice on queue management.	Gareth Scott / Andrew Allison	Continual Activity		
		b. Identify areas of concern and potential mitigation measures and inform Highways	Gareth Scott / ALL	Continual Activity		
		d. County Highways to implement mitigation and prepare Traffic Orders where deemed	Gareth Scott	Continual Activity		
		e. Plan, implement and review as necessary a queuing system for the city centre.	Gareth Scott / Andrew Allison	Continual Activity		
	5. Inclusive social distancing					
	In designing new walking routes and managing social distancing pay attention to the challenges this may present for people with disabilities.	5.1. Identify actions with the Carlisle Access Group / Shopmobility	a. Reopen Shop Mobility	Karen Scrivener		
5.2. Actions identified must consider impact of any interventions on people with disability		a. Consider access to all when implementing measures.	ALL			
5.3. Shop Mobility Access		a. Consider temporarily moving Shop Mobility to ground floor of the Lanes	David Jackson / Karen Scrivener / Rob Doran	Location to remain as normal		
6. Walking and cycling						
Plan for more people to access your town by walking and cycling.	6.1. Temporary Highways and public realm modifications	a. Identify highways measures to mitigate	Gareth Scott	Completed		
		b. Implement measures	Gareth Scott	Awaiting funding outcome		
	6.2. Additional facilities for bike parking	a. Approach being adopted in districts is being reviewed by County.	Mark Brierley	Completed		
		b. Provide additional bike parking facilities where need identified.	Andy Allison / Mark Briery			
7. Access and egress						
Access and egress from a town/city centre and to parts of it will be a critical challenge for social distancing. Make sure you consider all arrival points, how will you make people safe in waiting for or using public transport? Are there narrow	7.1. Arrival / departure point: car parks / station/ bus station in city centre and key service centres	a. Indicate on the plan for city centre.	Andrew Allison / Paul Walker	Completed		
		b. Work with parish councils to determine needs for Longtown and Brampton.	Zoe Sutton			
	7.2. Identify key access routes and hot spots to city centre and key service centres	a. Indicate on the plan for city centre.	Andrew Allison / Paul Walker			

walkways from car parks? What action might you have to take to close certain routes to maintain safety or at peak capacity? Do bus stops need to move to locations where queues can be better accommodated?		b. Work with parish councils to determine needs for Longtown and Brampton.	Zoe Sutton		
	7.3. Pedestrian / cycle access, cycle parks	a. Indicate on the plan.	Andrew Allison / Paul Walker		
	7.4. Undertake an audit to identify actions for temporary modifications in the highway and public realm	a. Implement mitigation measure - coordinated by Highways / Local Area Committee.	Gareth Scott		
8. Communication					
Communicate with all town/city centre businesses. The re-opening of many businesses is likely to be delayed by government. Place leaders should work to keep in touch with these businesses to understand their plans and challenges.	8.1. Identify appropriate means of communications with the business community of Carlisle District	a. Video interviews with retailers - 'Open for Business'	Paul Walker / Debbie Kavanagh / Sarah Irving		
	8.2. Disseminate the support /resource to local resilience group and local economy	a. Actions to be identified.	Sarah Irving / CuCC	Continual Activity	
	8.3. Trade waste collection	a. Actions to be identified.	Colin Bowley		
	8.4. Assist business in getting ready to open for business	a. Signpost businesses to the Regulations in place governing opening on request.	Scott Burns	Continual Activity	
		b. Assist business in understanding the risk assessment requirements on request.	Scott Burns	Continual Activity	
	8.5. Information sharing - two way communication	a. Promote two way communication between businesses and Group to ensure rapid response	David Jackson / Sarah Irving / Paul Walker		
		b. Businesses to share information with each other	Private sector members.		
	8.6. Pro-active dissemination of key messages to business	a. Message: Take away only from food outlets / cafes / restaurants - use of outdoor tables not allowed at present	Scott Burns	Continual Activity	
		b. Survey Monkey quesitonnaire to determine retail business need for information	Zoe Sutton	Completed	
	8.7. Preparation for hospitality business open	a. Survey Monkey quesitonnaire to determine hopitality business need for information	Paul Walker / Debbie Kavanagh		
	8.8. Communicaitons with the public	a. City Centre map - facities available / Lanes one way system etc	Paul Walker / Janet Waiwright		
b. Develop a proposal that can be funded by the RHSS Grant		TBC			
c. Cycling and parking messages		TBC			
9. Stewarding					
To ensure public places are safe to visit may require a greater physical presence on the streets for cleaning and stewarding. Coordinate between existing management organisations to identify how this best can be done.	9.1. Events Stewards	a. Need for stewards to be confirmed and resourced.	Paul Walker / Colin Bowley		
		b. Review of Regulations to ensure markets operate within the law	Scott Burns / Paul Walker		
		c. Provide branded tabards to stewards.	Paul Walker / Colin Bowley		
		d. Open TIC to assist in the coordination of events and stewarding.	Paul Walker	Completed	

	9.2. Proactive response to issues relating to congregating	a. Deal with breaches in Covid related legislation in public areas through Police operational order - scalable operation.	Diane Bradbury	Continual Activity	
		b. PCSO's to assist Lanes staff and other businesses in awareness of increased level of retail theft that is predicted.	Diane Bradbury	Continual Activity	
		c. Include Police actions to this Action Plan	Diane Bradbury / Zoe Sutton		
10. Markets					
Well-planned markets support footfall in towns and should be considered anchors. The market location and operating hours may also be revised where new footfall patterns have developed during crisis stage. Markets will also need to conform with social distancing, and there is more	10.1. City centre market in Carlisle	a. Work with market managers to identify measures that need to be put in place.	Paul Walker		
		b. Promote a welcome back message to market and customers.	Paul Walker		
	10.2. Consideration of how to deal with street traders / buskers etc	a. Agree and disseminate guiding principles.	Paul Walker / Andrew Allison	Continual Activity	

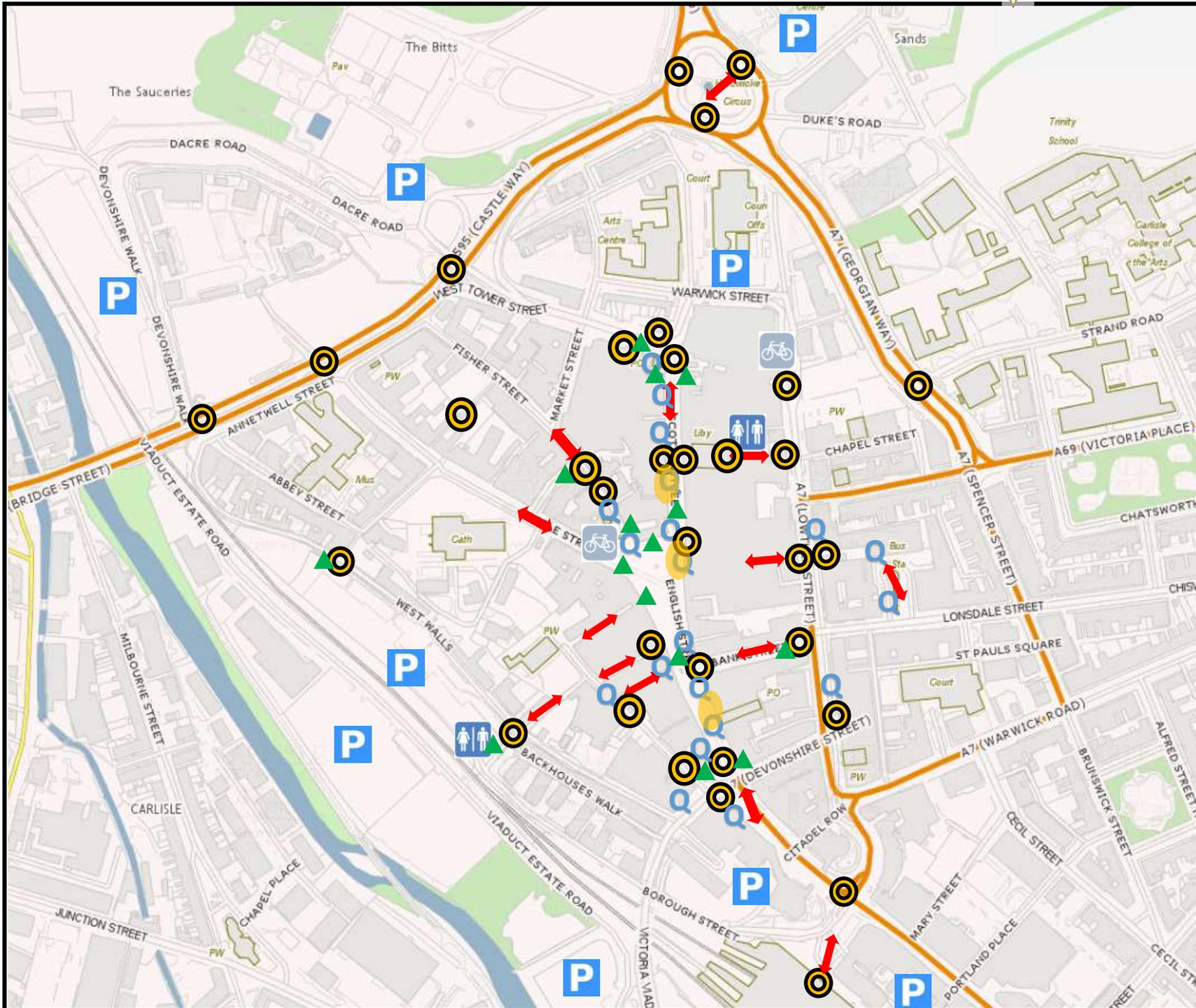
Last Updated 19/06/20



-  Queue likely
-  Pinch point
-  Access and Egress
-  Public toilet
-  Car parks
-  Cycle parking
-  Hand sanitiser station
-  Critical queue point



Carlisle city centre high traffic 'pinch points', access and egress and areas liable to queuing.



- Queue likely
- Pinch point
- Access and Egress
- Public toilet
- Car parking
- Cycle parking
- Hand sanitiser station
- Critical queue point