Allerdale Recovery & Growth Strategy

Final Report

Originator: NH; Checker: JB; Approver: OS

27th April 2021

Contents

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1. Executive Summary

Executive Summary (1)

Summary of the Allerdale Recovery and Growth Strategy

In April 2020, Mott MacDonald and partners – SQW, Savills, Buttress Architects and The Leisure Consultancy – were commissioned by Allerdale Borough Council (ABC) to develop the Allerdale Recovery and Growth Plan and Workington Town Investment Plan. There have been three main elements to the commission: a Baseline Report; Workington Town Investment Plan; and the Allerdale Recovery and Growth Strategy (the 'Strategy').

This Strategy has been developed against the rapidly changing Covid-19 pandemic context. The study team were asked by ABC to answer the question: 'what should the Council focus on to respond to the Covid-19 pandemic in the short term and, over the longer-term deliver sustainable, inclusive economic growth across the district?'

The Vision & Objectives for the Strategy were developed, from which a series of strategic intervention themes have been distilled to guide the recovery and the longer-term development (2021 – 2031).

The six themes are:

1. Clean Growth and the Low Carbon Economy.
2. Growing and future-proofing Allerdale's manufacturing base.
3. Support agriculture to grow and prosper post-EU exit.
4. Harnessing changing lifestyle and working patterns to diversify and grow the economy.
5. Creating thriving visitor destinations, towns, and rural communities.
6. Sharing the proceeds of growth.

The table overleaf summarises the Strategy, detailing the sub-themes and the priority actions identified, their alignment to the most relevant foundations of productivity set out in the UK Industrial Strategy, the policy levers that can be utilised (the Intervention Framework), and the timeframe for when the actions should be undertaken (Short: 0-3 years; Medium: 3-5 years; Long-term: 5+ years).

Executive Summary (2)

	Sub-themes	Priority Actions	Productivity Driver	Intervention Framework	Timeframe
Theme 1	Offshore Wind Energy	1) Support developers through CFD round 4 2) Develop Oldside site to attract offshore wind O&M employment 3) Develop strategy for capturing offshore wind opportunities 4) Monitor floating wind progress	Infrastructure/ Ideas	Business support and investment promotion	1) ST-MT 2) ST 3) MT 4) LT
	Nuclear Sector	1) Explore opportunities for employment hubs for Sellafield 2) Support SMEs bidding for NDA contracts 3) Explore opportunity for providing serviced land at Oldside site	Business Environment/ Infrastructure	Business support and investment promotion	1) ST-MT 2) ST-LT 3) MT-LT
Theme 2	Promoting and De-risking inward investment	1) Develop a high quality inward investment showcase prospectus to attract innovative manufacturing firms 2) Attract a new generation of advanced manufacturing companies to West Cumbria 3) Consult with manufacturers about potential supply chain on-shoring opportunities 4) Work with partners across West Cumbria to market the quality of life and work opportunities on offer	Business Environment	Business support and investment promotion/ Land assembly / Land use planning	1) ST 2) ST 3) ST 4) MT-LT
	Manufacturing and the wider digitalisation agenda	1) Build Innovation Centre and Digital Accelerator infrastructure to accelerate the take-up of Industrial Digitalisation Technologies and to embed a more pervasive innovation culture 2) Engagement with businesses to support digitalisation journeys	Business Environment	Business support / Land assembly	1) ST-MT 2) ST-LT
	Upskilling local residents	1) Promote take up of T-Levels 2) Work with employers to diversify careers education 3) Develop and promote online learning with providers 4) Consider creative options for skills access	People/ Ideas	Business support and investment promotion	1) ST-MT 2) ST-MT 3) MT 4) MT

Executive Summary (3)

	Sub-themes	Priority Actions	Productivity Driver	Intervention Framework	Timeframe
Theme 3	Farming and Land management	1) Convene working group with key stakeholders/authorities 2) Support farmers with grant funding applications 3) Support diversification incl. for tourism and infrastructure	Business Environment/ Places	Business support and investment promotion / Convening powers	1) ST 2) ST-LT 3) ST-LT
	Fishing Industry	1) Support fisherman with bidding for funding 2) Utilise heritage fishing in tourism offer	Business Environment/ Places	Business support and investment promotion	1) ST-MT 2) ST
Theme 4	Flexible Working	1) Explore opportunities for incubator space 2) Encourage employers to utilise flexible working 3) Support investment in digital connectivity	Business Environment/ People/ Infrastructure	Land assembly/ Business support and investment promotion	1) ST 2) ST-MT 3) MT-LT
	Start ups and Scale-ups	1) Identify SME businesses facing financial distress and review regional business support 2) Undertake assessment of potential subsectors to support 3) Explore potential for Workington Innovation Centre to expand to Cockermouth/Keswick 4) Active promotion of business assistance available	Business Environment/ Infrastructure	Business support and investment promotion/ Land assembly	1) ST 2) ST 3) MT 4) ST-LT
	Digital Infrastructure	1) Audit ABC assets for opportunities to reduce telecoms supplier costs 2) Work with CLEP and CCC to secure funding	Infrastructure	Leveraging public estate/ Public sector direct investment	1) ST 2) ST-MT
	Strategic Transport Infrastructure	1) Support growth in passenger and freight rail (e.g. CCC Cumbria Coast Line OBC) 2) Work with CCC to address key network pinch points 3) Develop Local Cycling and Walking Infrastructure Plan with CCC	Infrastructure	Convening powers	1) ST 2) ST-LT 3) MT
	Last Mile Logistics	1) Improve access to/from key sites 2) Market sites based on labour market catchment and travel times	Business Environment/ Infrastructure	Business support and investment promotion	1) ST-MT 2) ST

Executive Summary (4)

	Sub-themes	Priority Actions	Productivity Driver	Intervention Framework	Timeframe
Theme 5	Town Centre	1) Identify plans of property owners for redevelopment 2) Establish exemplar development project in each town 3) Identify leisure and cultural investments for each town	Places	Land assembly/ parks leisure and the public realm	1) ST-MT 2) MT 3) ST-MT
	Public Realm and Green Infrastructure	1) Identify new activities that showcase natural assets outside of National Park 2) Identify public realm investments for regeneration	Ideas/ Places	Parks, Leisure and the public realm	1) ST-MT 2) ST-MT
	Visitor Economy	1) Establish a Coastal Way working group with stakeholders/authorities 2) Strengthen events programme and examine potential to initiate hospitality training initiative 3) Consider establishing an Active Allerdale Group	People/ Ideas/ Places	Parks, leisure and the public realm / Convening powers	1) ST–MT 2) ST 3) ST-MT
	Infrastructure Resilience	1) Support grant funding applications to Environment Agency 2) Develop strategy for new land management policy 3) Review assets to mitigate risk of Covid-19 in public spaces	Infrastructure/ Places	Business support and investment promotion	1) ST-MT 2) ST-MT 3) ST
Theme 6	Developing the skills of older residents	1) Sign post residents to retraining opportunities 2) Promote opportunities/need to be retrained	People	Wider public services	1) ST-MT 2) ST-MT
	Supporting excluded residents into work	1) Collaborate with providers to improve access to training 2) EqIA baseline equality, diversity and inclusion position 3) Support funding applications by community groups looking to improve social inclusion	People	Wider public Services	1) ST 2) ST 3) ST-LT
	Providing outstanding local services	1) Consider "one stop shop"/ community hubs offering integrated public service provision 2) Develop new public service delivery models cutting across silos 3) Identify initiatives to upskill digitally excluded residents	People	Wider public services	1) ST 2) MT-LT 3) ST

1. Introduction

Introduction

Purpose of this study and how it fits within the wider commission (1)

In April 2020, Mott MacDonald and partners – SQW, Savills, Buttress Architects and The Leisure Consultancy – were commissioned by Allerdale Borough Council (ABC) to develop the Allerdale Recovery and Growth Plan and Workington Town Investment Plan.

The commission has involved three main elements:

- Allerdale Socio-economic Baseline Report – completed August 2020
- Workington Town Investment Plan – submitted October 2020
- Allerdale Recovery and Growth Strategy – this document.

The development of the Recovery and Growth Strategy (the 'Strategy') has been against the context of the Covid-19 pandemic. This has presented a rapidly changing environment for this study, and the impacts of the pandemic for Allerdale, particularly in the longer term, are unclear at the time of writing.

For the purposes of this Strategy, the study team were asked by ABC to answer the question: *'what should the Council focus on to respond to the Covid-19 pandemic in the short term and, over the longer-term deliver sustainable, inclusive economic growth across the district?'*

Emphasis is therefore placed in the Strategy on the levers that ABC – as a non-metropolitan district council with a two tier local authority structure – possesses to meet this goal. Inevitably, consideration is also given to wider measures where critical to economic development, including those possessed by Cumbria County Council (CCC), Cumbria Local Enterprise Partnership (CLEP) and national government bodies, as well as the private and third sectors.

As set out on following pages, the Strategy builds upon the findings of the Socio-economic Baseline Report, in particular its identification of Allerdale's strengths, issues, assets and opportunities.

Introduction

Purpose of this study and how it fits within the wider commission (2)

Following this introduction (Section 1), the Strategy is split into the following sections:

- Section 2: *Summary of Baseline Analysis* – summarises key findings from the Socio-Economic Baseline Report that has informed the development of the Strategy, as well as key findings, at the time of writing (February 2021) of the immediate impacts of Covid-19.
- Section 3: *Intervention Framework* – a guide to the levers available to each tier of government to deliver economic growth, which informed the priority actions identified in the strategy.
- Section 4: *Vision & Strategic Objectives* – a vision statement for ABC and a series of detailed objectives that underpin the vision.
- Section 5: *Strategic Themes* – a series of intervention themes and priority actions designed to help achieve ABC's Vision & Strategic Objectives.
- Section 6: *Theory of Change* – identifying how the inputs associated with the priority actions lead to the outputs, outcomes and impacts associated with the Vision & Strategic Objectives.
- Section 7: *From Strategy to Delivery* – what is needed to progress the high-level priority actions of the Strategy towards the more detailed Implementation Plan.

The final part of Element 2 of the overall commission will be the development of the Implementation Plan.

The structure of the overall commission and this element is depicted in the following pages.

Recovery and Growth Strategy

How this Strategy fits within the wider commission

Element 1: Socio-economic Baseline (Completed August 2020)

- Study objective: Set out the overall evidence base to underpin the development of Allerdale's Recovery and Growth Plan
- Study tasks:
  - Review of Allerdale's Economy
  - Strategic Assessment of economic activities
  - Business and stakeholder consultation

Element 3: Workington Investment Plan (Completed October 2020)

- Study objective: set out a long-term strategy for change to drive sustainable and inclusive long-term economic growth in the town up to 2030. The Plan forms the basis of negotiating the Workington Town Deal with the Ministry of Housing, Communities and Local Government
- Study tasks:
  - Background and evidence
  - Vision for Workington
  - Priority Areas

Element 2: Recovery and Growth Plan (This Report is part of this element)

- Study objective: update and expand the Council's approach to economic development and growth to provide a co-ordinated response to the negative economic impacts of COVID-19 and the longer-term growth priorities for the Borough, as well as the actions required to support recovery and growth
- Study tasks:
  - Vision and objectives
  - Recovery and Growth Strategy
  - Implementation Plan

Recovery and Growth Strategy

Approach to development of the Strategy

Stage 1: Vision and objectives (See Section 4 of this report)

- Establishing intervention framework to ensure Strategy meets key requirements (Section 3)
- Overall Recovery and Growth Strategy Vision.
- Identifying key strategic themes and objectives.
- Assessment of COVID impacts by sector

Stage 2: Recovery and Growth Strategy (This report)

- Development of intervention themes including context and opportunities
- Priority actions by theme
- Theory of change and impact assessment

Stage 3: Allerdale Investment Plan (Planned to complete May 2021)

- Particularly focused on place-based regeneration options
- 5 x town spatial development frameworks (Aspatria, Silloth, Keswick, Cockermouth, Wigton)
- 3 x site development assessments

2. Summary of baseline analysis

Baseline summary

Contextual analysis to inform the Recovery and Growth Strategy

The economic baseline assessment was completed in August 2020. The analysis set out Allerdale's key economic characteristics, strengths, challenges, assets and opportunities.

The economic baseline report was prepared through the following steps:

- Data analysis of Allerdale's economy and key settlements.
- Review of Allerdale's pre-Covid-19 economic outlook and aspirations.
- Review of the growth opportunities and constraints based on examining exogenous policy, industry and technological changes.
- Business and stakeholder consultation to understand more closely the opportunities and constraints on growth.
- Bringing this research together, analysis of the key opportunities and constraints on economic development under the UK government's five foundations of productivity - Place, Infrastructure, Ideas, People and Skills and Business Environment.

The baseline assessment also provided an early assessment of how resilient the economy is likely to be in the Covid-19 aftermath and how it will be influenced by other policy and exogenous factors/trends.

This Strategy has revisited the key socioeconomic indicators relating to Covid-19 as at December 2020 (the most recent data available at the time of writing).

The following pages present the key findings from the economic baseline exercise and the updated Covid-19 assessment. A summary of key changes since ABC's most recent economic strategy ('Allerdale Business Growth Strategy')was published in 2016 is also set out.

Allerdale population structure

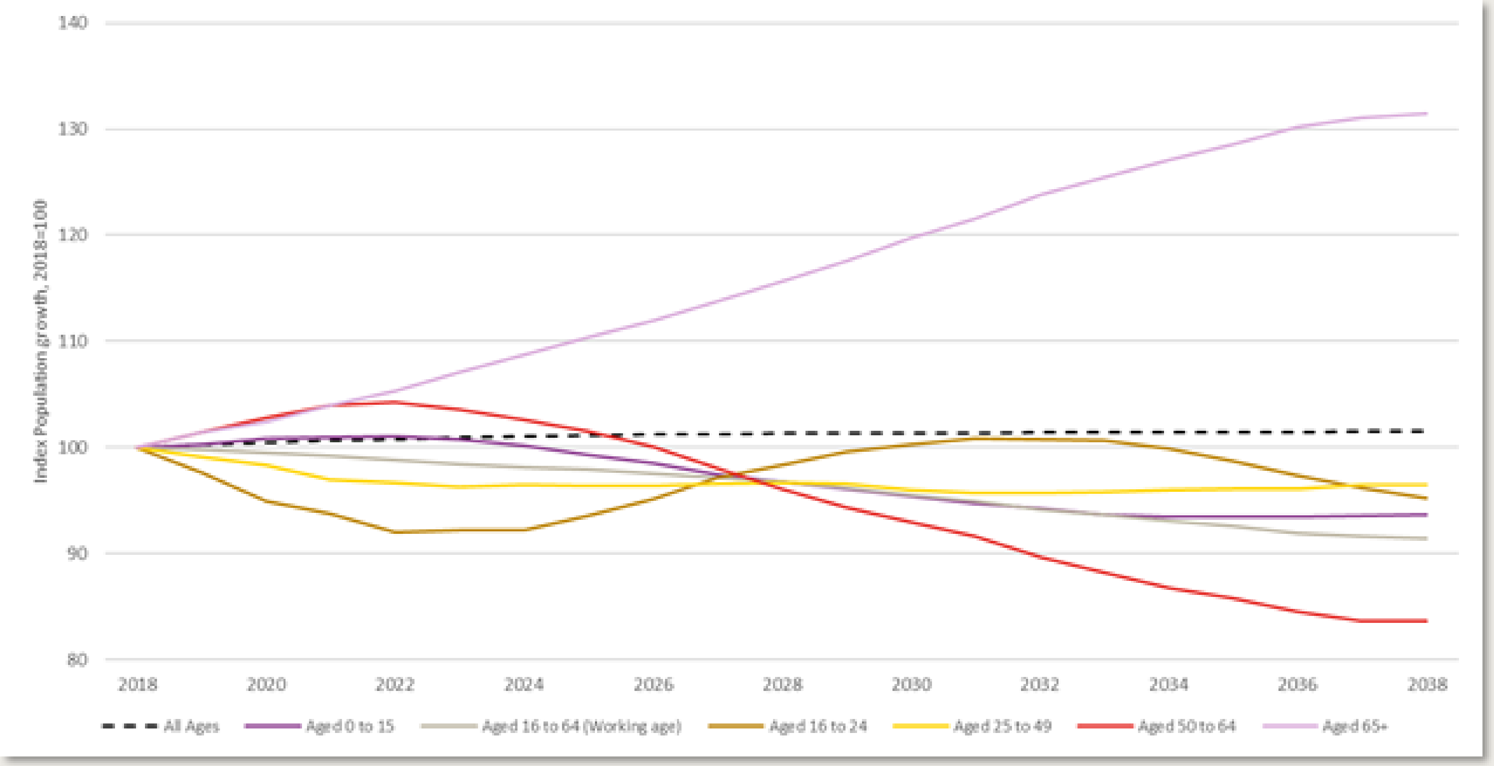
Ageing resident population presents a longer-term challenge for the district

Population projections, 2018-2038

	Annual average change (CAGR), %
Allerdale	0.1%
Cumbria	0.0%
North West	0.3%
England	0.4%

Sources: 2018 National Population Projections, ONS

Population projections by age group, Allerdale, 2018-2038



Sources: 2018 National Population Projections, ONS

Allerdale population structure

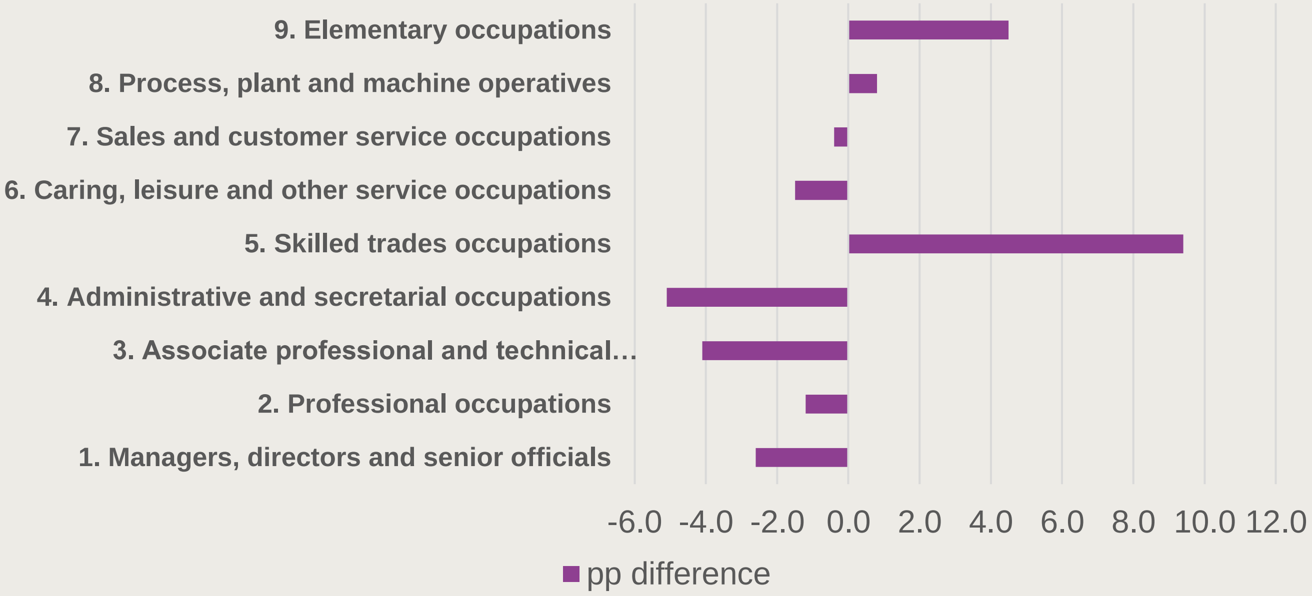
Relatively unskilled workforce, but high proportion of vocational occupations, reflecting manufacturing base

Highest qualification, as % of residents employed, Allerdale vs UK, % difference, 2019

Highest qualification	Pp difference
% with NVQ4+	-10.5
% with NVQ3 only	5.1
% with Trade Apprenticeships	5.0
% with NVQ2 only	3.2
% with NVQ1 only	3.7
% with other qualifications (NVQ)	-2.6
% with no qualifications (NVQ)	-4.0

Source: APS, ONS, 2019.

Occupation as % of residents employed, Allerdale vs UK, % difference, 2019



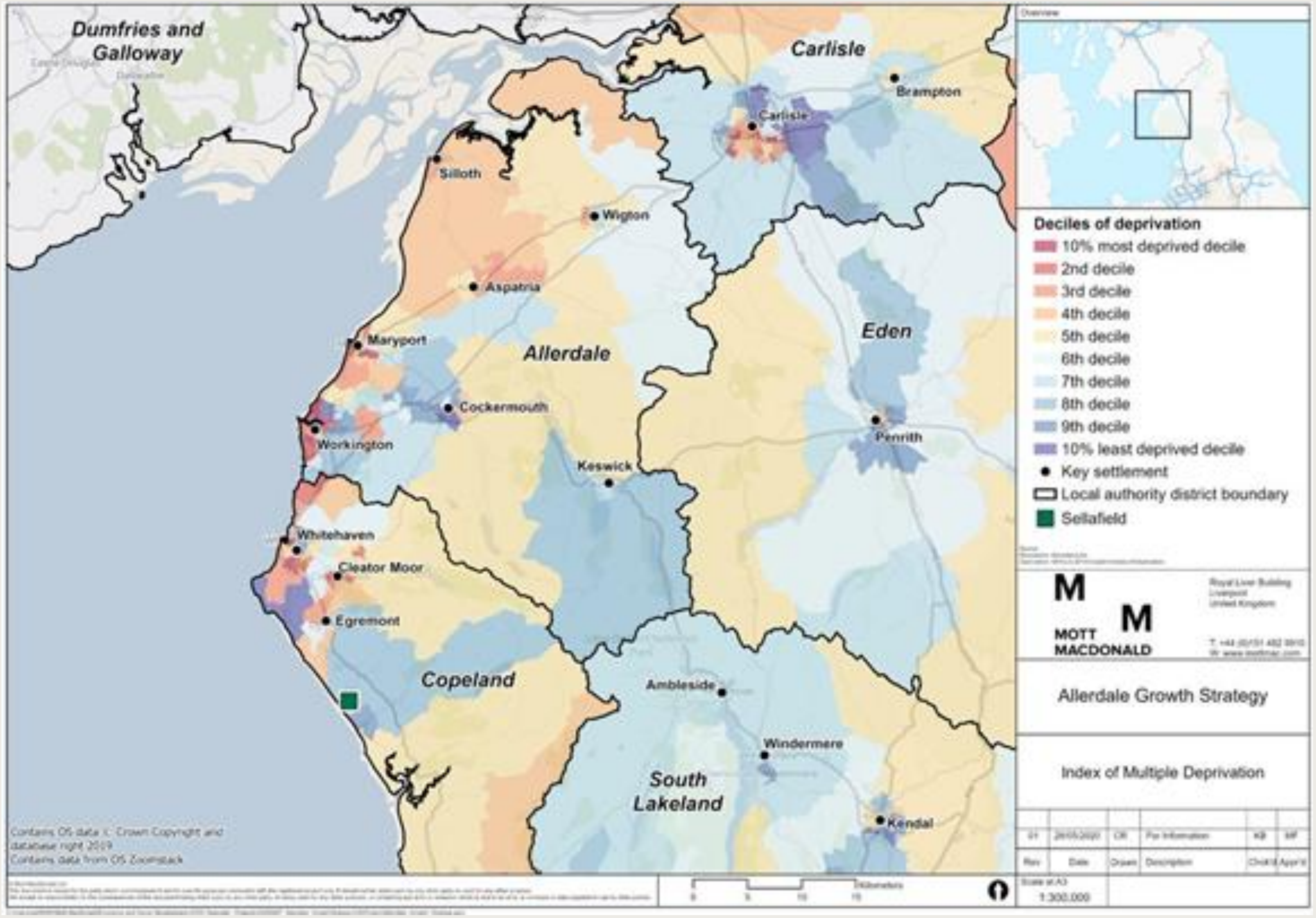
Source: APS, ONS, 2019.

Note Workington qualifications and occupation data from 2011 Census provides similar picture if not exacerbated. Allerdale used as proxy here.

Allerdale population structure

Legacy of industrial change has left significant levels of deprivation across the district

Deprivation, 2019



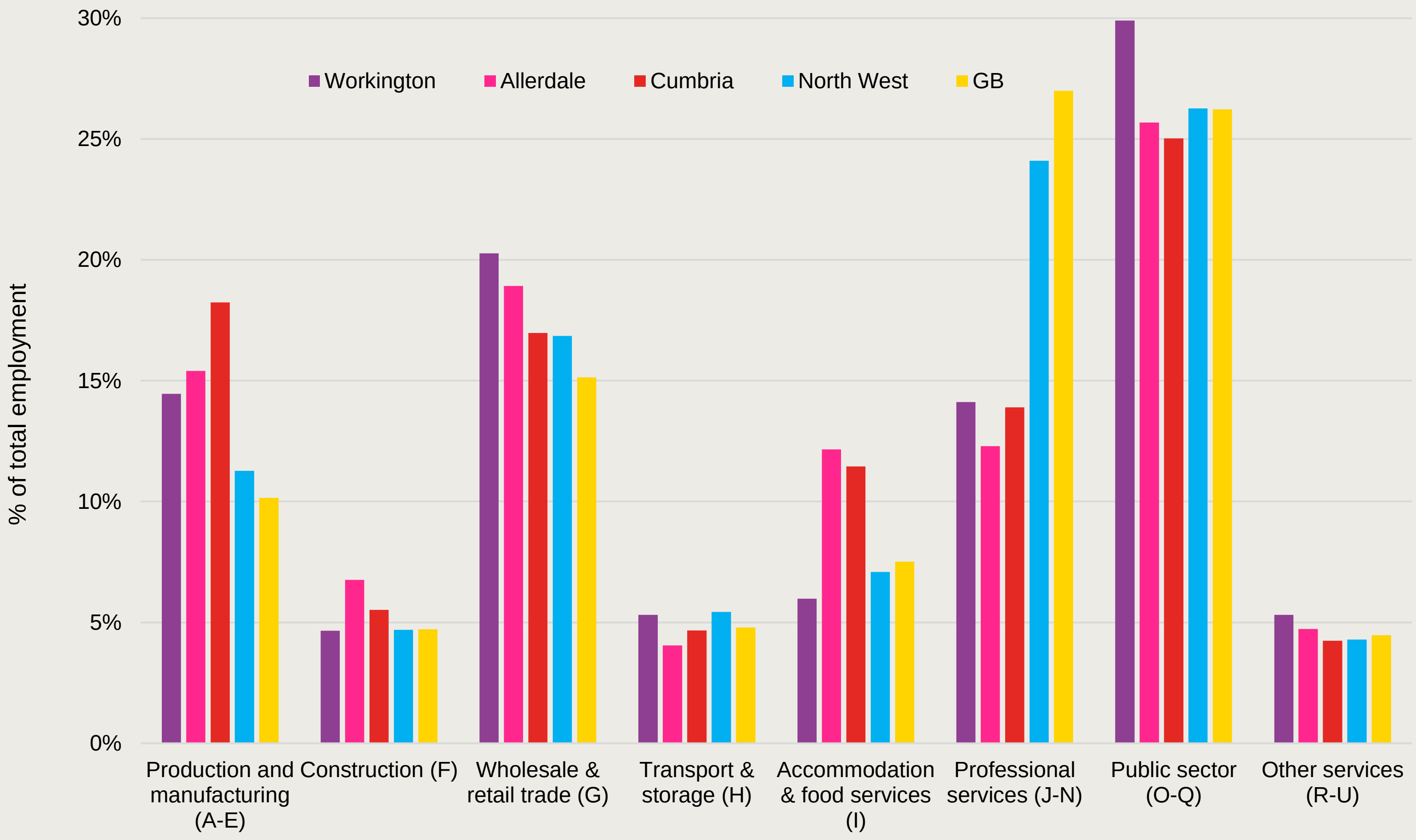
- High concentrations of worklessness:
  - 4 (out of 13) LSOAs fall within the most deprived 10% of neighbourhoods nationally.
  - Mossbay neighbourhood – within top 2% (Ranked 620th out of 32,844 neighbourhoods).

Sources: MHCLG, 2019

Allerdale economic structure

Analysis of headline employment sectors to understand where economic value is created in Allerdale

Employment by broad category (workplace based), 2018

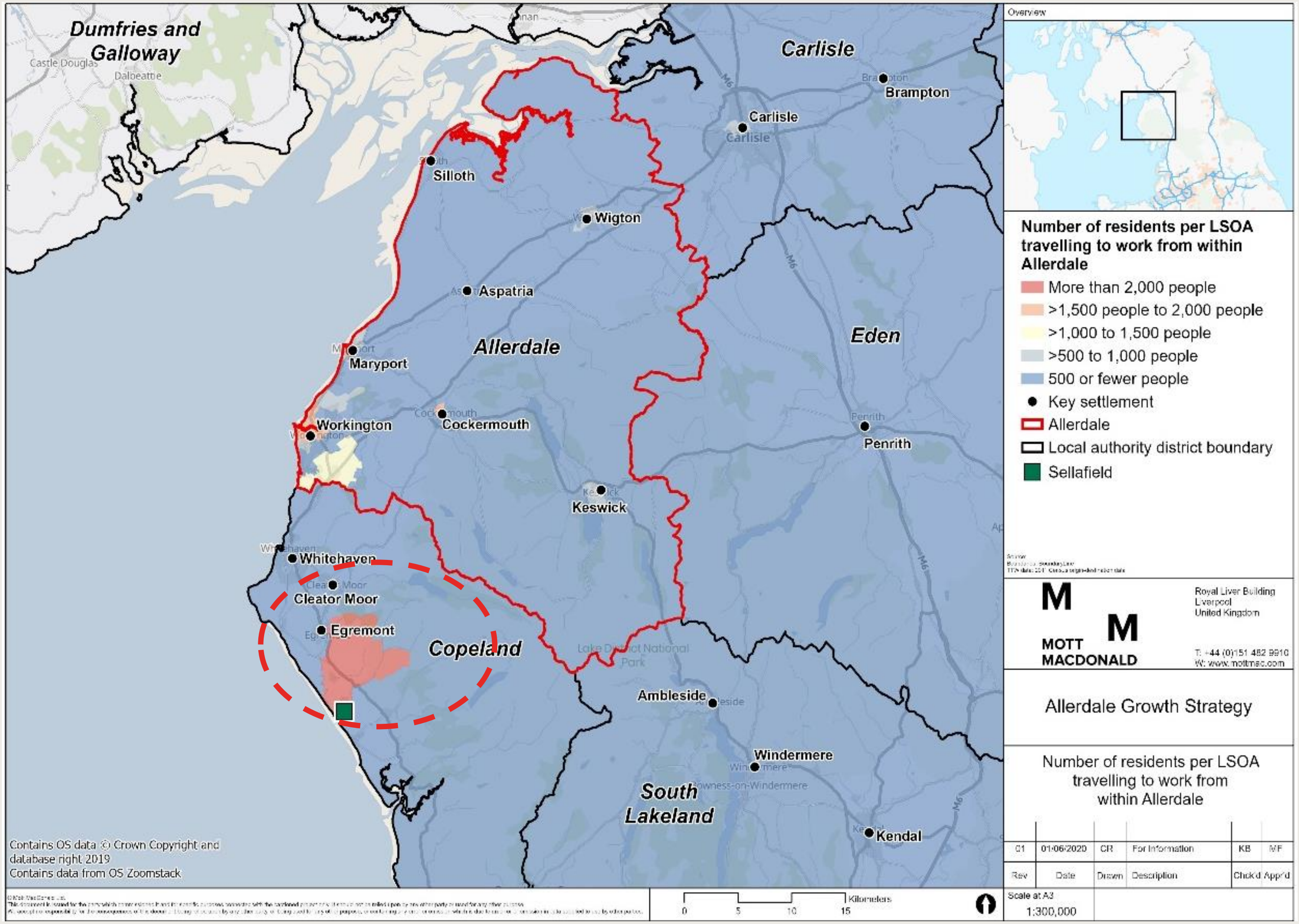


Sources: BRES, ONS, 2018.

- Largest sectors (in employment terms) – public sector, wholesale & retail trade, production & manufacturing, tourism and professional services.
- Manufacturing sector (which will include much of energy supply chain) significantly higher than NW and GV average.
- Accommodation & food services driven by 'visitor economy' of Lake District and Solway Coast – notably lower in Workington.
- Agriculture (not captured) employs around 2,500 people, particularly in north of district.
- Professional services significantly underrepresented in Allerdale and across Cumbria.
- Workington is West Cumbrian service centre.

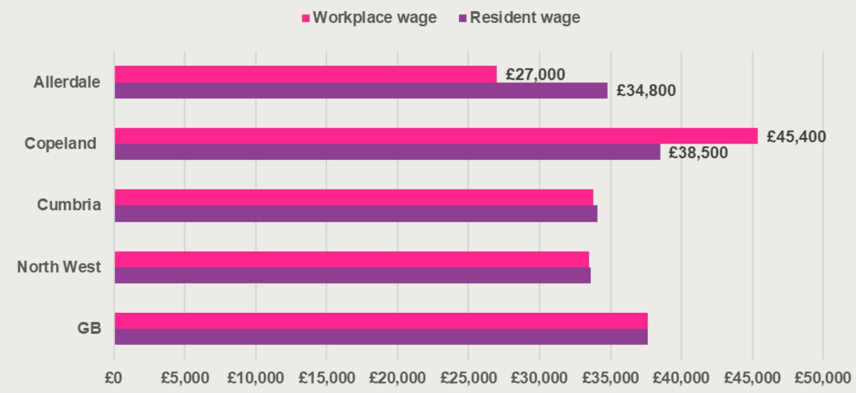
Functional economic geography – critical role of Sellafield

Travel to work journeys – from Allerdale



Source: 2011 Census, ONS, (by LSOAs)

Workplace vs. resident wages in Allerdale



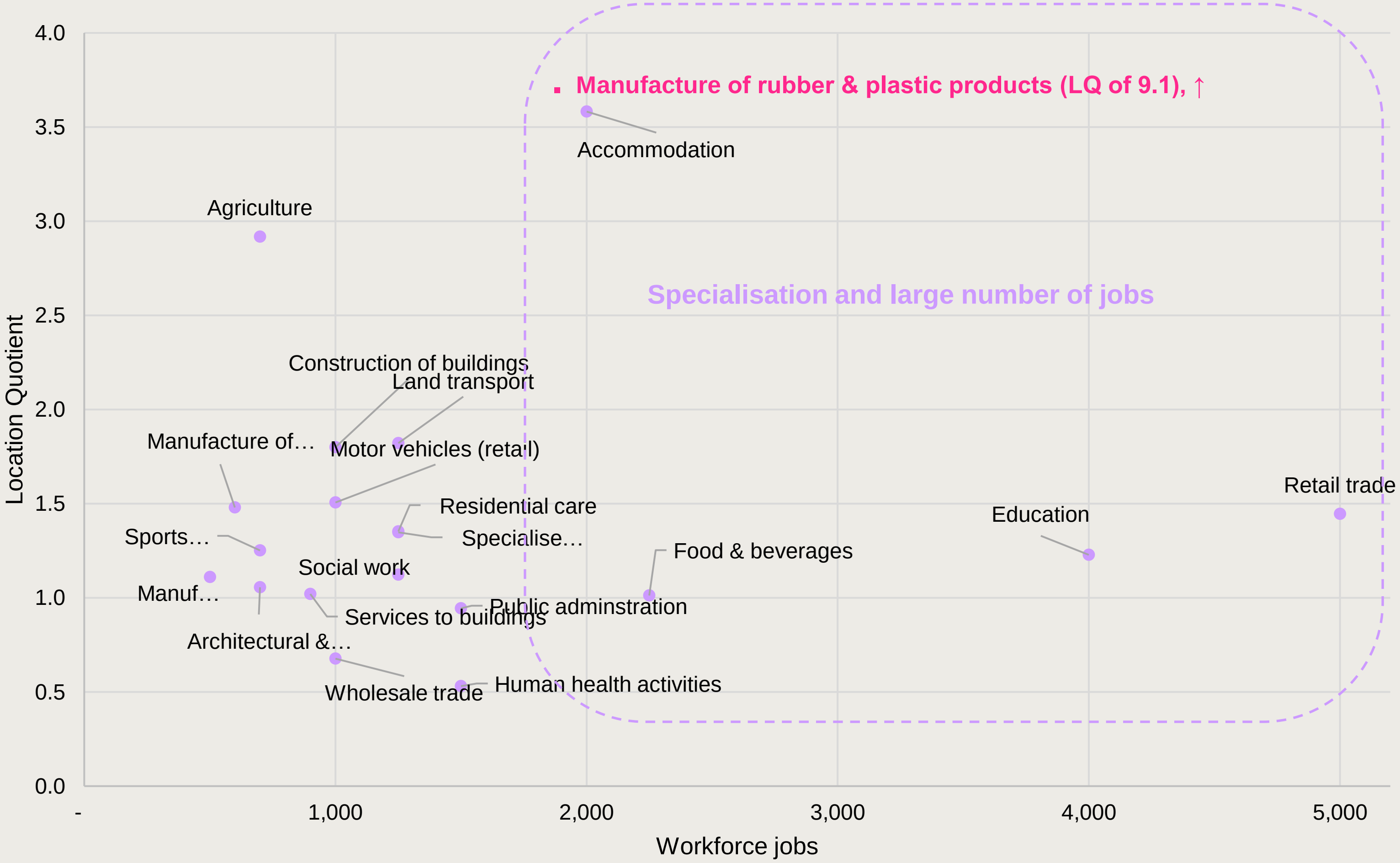
Sources: ASHE, ONS, 2019. Full time mean wages.

- c. 2,000 residents commute from Allerdale to Sellafield site.
- Nuclear decommissioning sector further underpins economy through supply chain opportunities.
- Dichotomy of high wages in nuclear sector (and some related manufacturing) vs. lower wage, lower value service employment.

Allerdale sector specialisms

Analysis of where Allerdale is over-represented compared to GB employment levels

Allerdale – sector size and specialisation (Top 20 sectors only), 2018



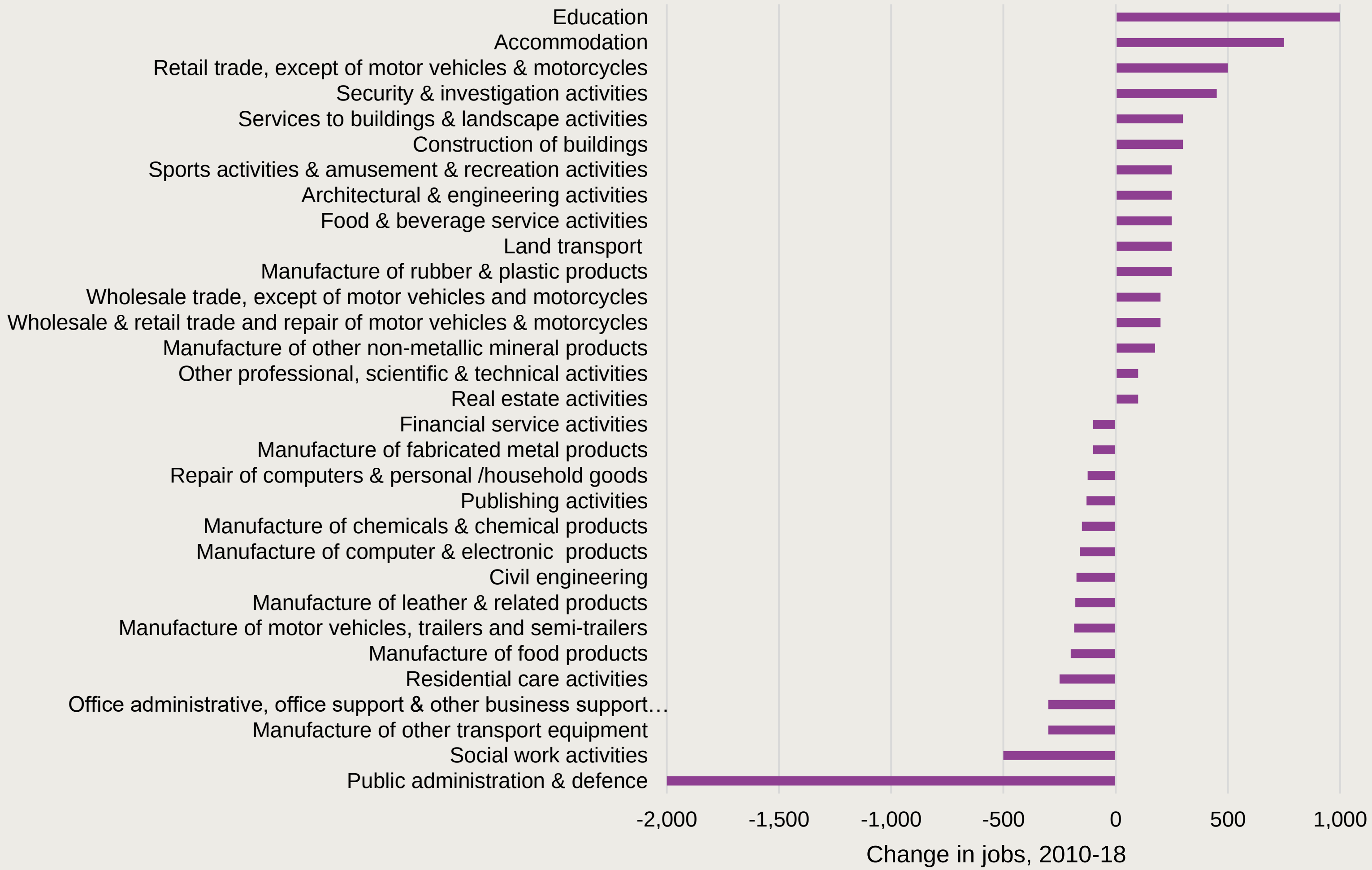
Sources: BRES, ONS, 2018. Location quotient is the employment concentration relative to GB, with an LQ above 1 representing a degree of specialisation.

- Economy underpinned by four key sectors: retail trade, tourism, education and manufacturing, particularly rubber & plastic products.
- These sub-sectors collectively comprise 40% total workplace employment.
- Rubber & Plastic products alone is 5% of employment, driven by Innovia Films in Wigton and Amcor Packaging in Workington, and James Walker & Co in Cockermouth.
- Education significantly higher than GB average, likely driven by education cluster at Lillyhall
- Also specialised construction and engineering services (including fabrication, drilling, testing) is an important sector – related to nuclear supply chain.

Employment growth

Analysis of employment change over time in Allerdale economy

Change in jobs, 2010-18

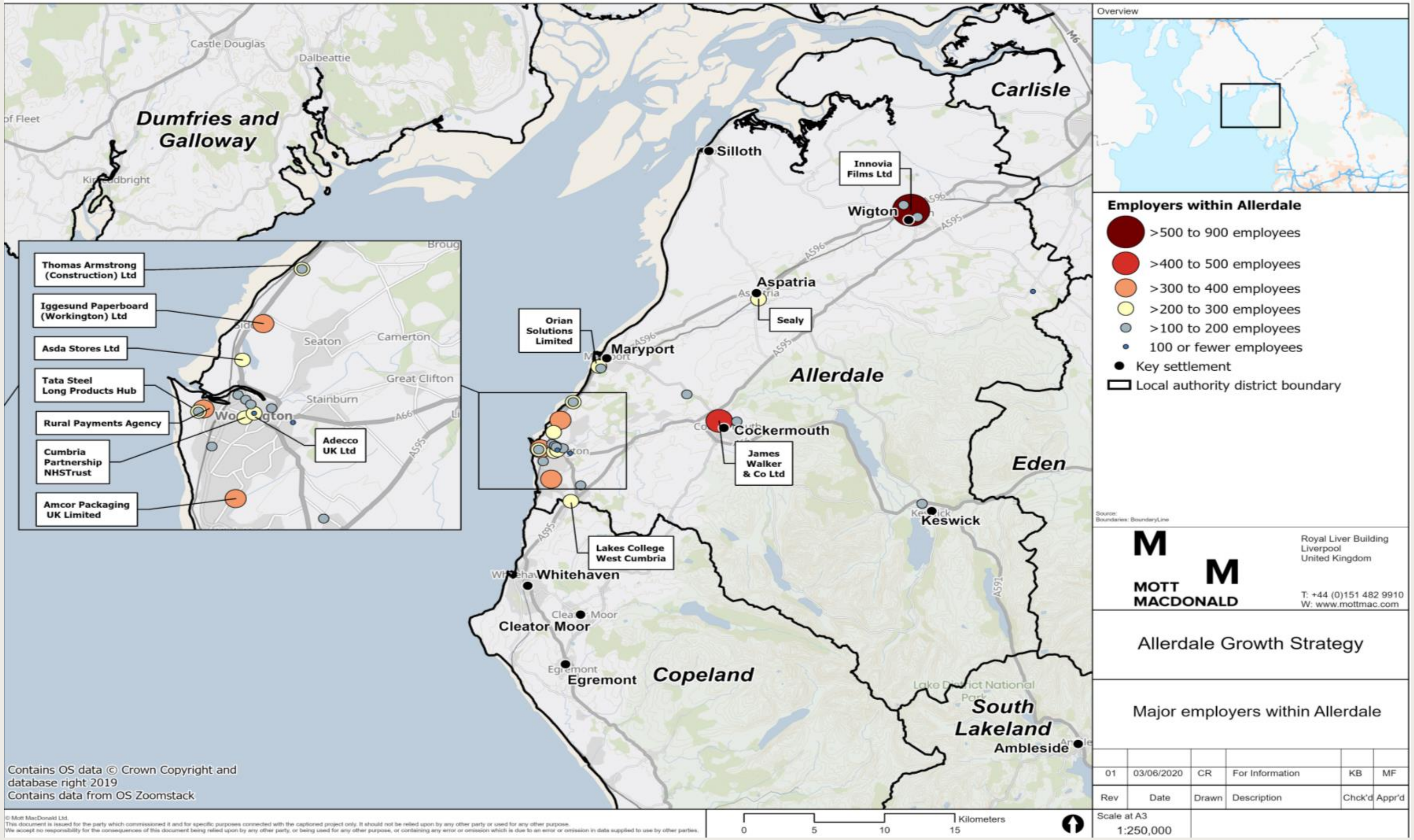


Source: BRES, ONS, 2010-18

- Overall, employee analysis implies fairly sluggish economy over 2010-18.
- Growth largely driven by education (Lillyhall), tourism, retail and areas of construction.
- Plus manufacturing niches (manufacture of rubber & plastics) and engineering services (linked to nuclear).
- Growth in transport/logistics – but from a low baseline
- Major decline in public administration, driven by national ‘austerity’ agenda.
- Nationally, economic growth has been underpinned by professional services.

Major employers in Allerdale

Top 20 employers comprise ~20% of employment



Source: BRES, ONS, 2010-18

- Major employers concentrated in manufacturing and public sector (including education)
- Major employers are focused in Workington / Maryport area, but single firms dominate employment in Wigton and Aspatria.

Key assets and strengths

Allerdale strengths within each of the 5 foundations of productivity

5 Foundations of Productivity

1

Infrastructure

- Port of Workington – untapped potential for supporting clean growth sector.
- Workington – relatively well connected via railway line, A66 and Port.
- Workington as a key service and commercial hub for West Cumbria.

2

Ideas

- World-class concentration of assets related to the nuclear sector (decommissioning, safety and environmental clean-up) in Cumbria, which Allerdale benefits from.
- Energy sector strengths more generally– nuclear, wind, tidal, other clean technologies.
- Manufacturing / automation capabilities.
- Excellent assets in environmental sustainability and land management.

3

Business environment

- Sellafield – relatively untapped supply chain and accommodation strategy which could lead to decentralisation of operations.
- Remote working / lasting impact from COVID-19 – potentially provide residents with a greater choice of highly skilled/paid employment opportunities.

4

Places

- Quality of place and lifestyle offer, including coastal location and close proximity to the Lake District.
- Competitive cost base (labour and land).
- Climate, terrain and location of key towns on the coast (low carbon energy generation).
- Public sector ownership of key sites in towns which can help with re-purposing.

5

People

- Concentration of education provision at Lilyhall and nuclear college expertise.
- Strong and well-functioning vocational educational system – especially apprenticeships.

Key challenges and issues

Allerdale challenges within each of the 5 foundations of productivity

5 Foundations of Productivity

1

Infrastructure
- Issues in connectivity in a physical sense given the dispersed population, labour force and economy.
- Poor connectivity by rail, pinch points and lack of resilience on the road network.
- Relatively poor digital connectivity, especially 4G and mobile coverage.

2

Ideas
- Very limited HE base in the borough (and limited HE based R&D across Cumbria).
- Innovation 'gap' and weak ecosystem: innovation 'deficit' across the wider Cumbria economy.

3

Business environment
- Limited employment base / sector diversity across the borough and within the key towns.
- Over-dependent parts of the economy – nuclear, manufacturing and retail – and key anchor companies.
- Low rates of business start-ups and enterprise levels.
- Lack of local supply chain integration within the nuclear sector.

4

Places
- Significant concentrations of deprivation – especially along the coast.
- Need to re-purpose and change role of town centres (accelerated by COVID-19).
- Need to address housing offer gaps (smaller housing, affordable and rental properties)
- Need to improve public realm and placemaking measures in key towns.

5

People
- Need to attract and retain those of working age given the ageing population.
- Relatively low skills base, particularly higher level skills (NVQ4+), which will broadly drive future skills requirements.
- Stubborn pockets of worklessness and lower skills in certain areas – especially Workington and Maryport.

Covid-19 (long term) and exogenous trends

Understanding key influences on Allerdale's economy

Impact of decarbonisation and the need for greater resource efficiency / clean growth strategy (nuclear sector deal and offshore wind sector deal).

Potential manufacturing onshoring (or reshoring) production from low cost economies.

- Importance of diverse sourcing and digitalisation.
- Likely to benefit renewables potentially onshore more production.

EU Exit

- Impact on Allerdale's key sectors (particularly tourism, agriculture and manufacturing).
- Potential impacts on inward investment, particularly by overseas firms
- Tourism – costs (recruitment, border controls for visitors and import tariffs) versus opportunities (broaden markets)
- Potential opportunity to build on specific strengths and engage with markets outside the EU.

Impact of digitisation and 'data revolution'

- Across entire business models
- Need for manufacturing businesses to seek increasingly digitised and data driven future.

Trends accelerated by COVID-19 :

Retail & town centres

- Acceleration of retail trends (decline of high street, movement towards local and ethical shopping).
- Demand for experiential leisure, and modern offer.
- Acceleration of re-purposing and changing role of town centres (reduce retail/leisure space, improving draw of the town centre).

Workplace patterns:

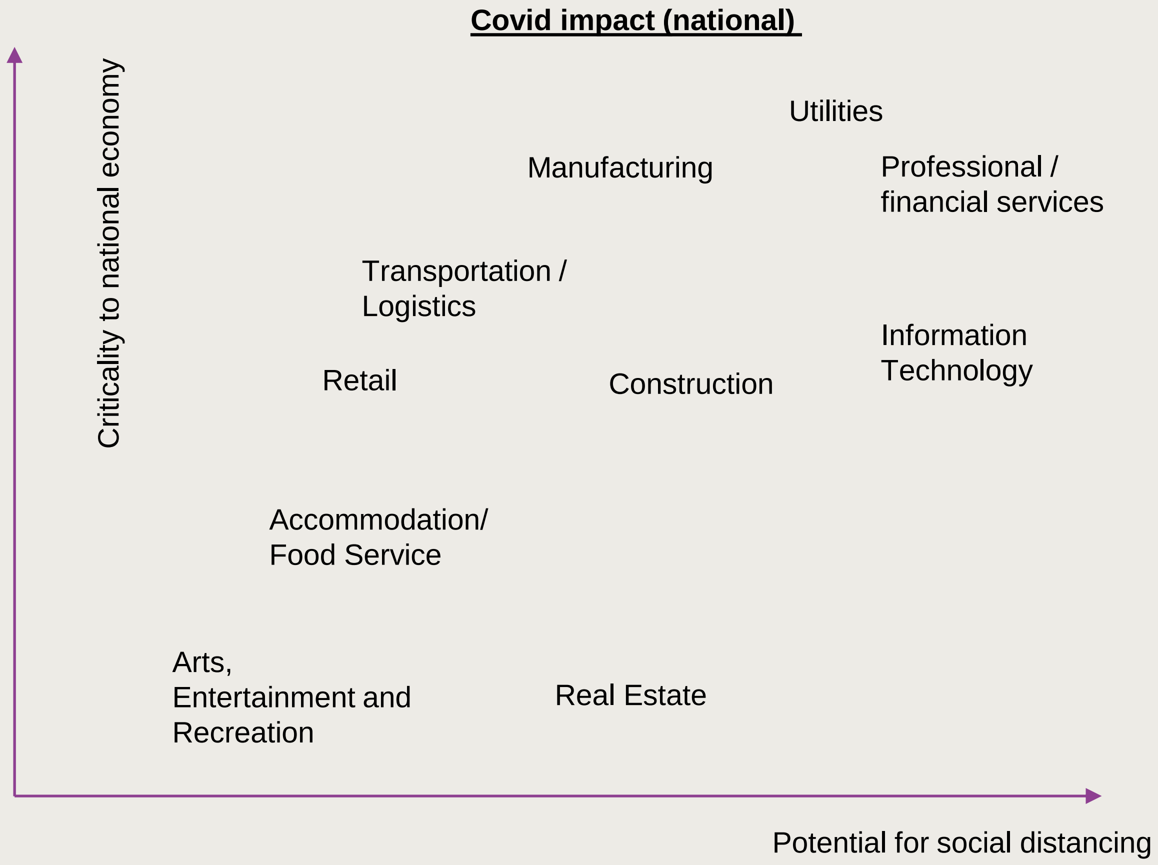
- Trend towards home working and potential localising of employment.
- Strategic connectivity potentially less important and remote locations become more competitive.
- Importance of digital infrastructure – help relocalise work.
- Digital skills will become ever more important

Other:

- Shift towards different industries (care, logistics, ICT and the green economy).
- Impacts from unemployment (young people, females and lower occupations / lower paid.)
- Stimulate a digital revolution in FE and HE.

Allerdale: Covid-19 vulnerability

Allerdale economy more exposed to Covid-19 impacts than NW and GB average



Sectors with high exposure to Covid-19 impacts, % of employment

	Allerdale	Cumbria	North West	GB
Accommodation & food services	12%	11%	7%	8%
Transport & storage	4%	5%	5%	5%
Arts, entertainment, recreation & other services (R-U)	5%	4%	4%	4%
Property	1%	1%	1%	2%
Construction	7%	6%	5%	5%
Production and manufacturing (A-E)	15%	18%	11%	10%
Wholesale & retail trade (G)	19%	17%	17%	15%

Source: BRES, ONS, 2018. Pink shading denotes where employment levels significantly above GB rate.

Covid-19 Assessment – Demand side

Updated assessment of key immediate impacts of Covid-19 in Allerdale

Sector vulnerability

Allerdale is over-represented in vulnerable sectors (particularly retail, accommodation and food services) and under-represented in sectors with good prospects (limited warehousing, professional services or ICT).

Key Stats:

12% of all workers are employed in Accommodation and Food services compared to 8% in GB.

19% are employed in Wholesale & retail trade compared to 15% in GB.

Labour demand

Job postings in Allerdale initially fell drastically as a result of the COVID-19 pandemic but briefly surpassed pre-COVID levels prior to 2nd national lockdown.

Job postings decreased in Allerdale going into the second lockdown. However, the decrease was less than the first lockdown.

Key Stats:

Allerdale job postings fell 42% from Nov to Dec 2020, yet were still 143% higher than the Apr 2020 low.

Business dynamism

Allerdale's business start up rates are lower than national rates.

Business stock fell during lockdown whereas nationally business stock grew by >10%.

Key Stats:

Allerdale business start ups fell from 32 per month in Nov 2020 to 23 in Dec 2020 as result of the second lockdown.

Visitor Economy

Key concerns for tourism businesses are demand-led: cancellations, fall in demand, lack of forward bookings and low consumer confidence were the top concerns of almost all tourism businesses during the pandemic.

Key Stats:

Cumbria tourism businesses on average lost almost half of their usual income (46%).

Covid-19 Assessment – Supply side

Updated assessment of key immediate impacts of Covid-19 in Allerdale

Furlough scheme

Ratio of furloughed jobs to claimants suggests that Allerdale is vulnerable to a change in the furlough scheme.

Key Stats:

5,800 jobs in Allerdale furloughed as at Dec 2020.

13% of eligible jobs in Allerdale are receiving furlough payments, in line with Cumbrian and UK rates.

A fast end to the scheme has the capacity to increase unemployment by approximately 220% in Allerdale.

Allerdale furlough numbers leapt 148% Oct to Nov 2020, but remain below July peak.

Labour supply

Claimants per job post ratio, already higher in Allerdale, rose substantially higher during COVID (April peak of 30 claimants per posting vs 10 per posting in Cumbria) suggesting an oversupply of labour. Ratio returned to pre-COVID imbalance before 2^{nd} lockdown.

Key Stats:

Allerdale claimants per job postings increased from November to December by c.75% to reach 12 claimants per posting. UK (3) and Cumbria (12) had a much smaller increase.

Self-employed

The SEISS scheme has shown a high uptake, owing to the vulnerability of the self-employed to shocks. Uncertainty from changing tiers made grant scheme more complicated for businesses and ABC.

Some self-employed businesses are not eligible for support (e.g. trading less than two years).

Key Stats:

Allerdale December SEISS claim rate (48%) was lower than UK (57%) and Cumbria (49%) levels.

Visitor Economy

70% tourism businesses plan to reduce staff. Businesses are worried about their future.

Over half of businesses re-opened fully during summer 2020, only c.4% did not open at all.

Tourism businesses generally not worried about labour supply given low skilled nature of work. Issues with supply chain planning created by changing tiers.

Key Stats:

70% of Cumbria tourism businesses say they still need financial assistance in the form of grants.

2021 vs. 2016

Key changes since Allerdale’s 2016 Business Growth Strategy

Changing policy context

National Policy
- EU Exit: New UK-EU trade deal
- HM Treasury Green Book guidance: increased focus on place based analysis and strategic alignment to local policy for projects.
- Levelling up agenda: Future High Streets Fund for Maryport, Town Deal for Workington, more funding expected through ‘Levelling Up’ Fund
- Agriculture Act 2020: provides new direction of travel for the industry.
- UK committed to achieving ‘net zero’ carbon emissions by 2050.

Regional and Local Policy
- New Allerdale Council Strategy has been published for 2020-30, and Local Plan Part 2 adopted in 2020.
- Borderlands cross-border partnership (combining Cumbria; Carlisle; Dumfries and Galloway, Northumberland Scottish borders councils for economic growth).
- Local Government restructuring: 7 local authorities within Cumbria (including the County Council) may become 1 or 2 unitary authorities.

Opportunities Lost

Moorside/NuGen
- NuGeneration (subsidiary of Toshiba) proposed plans to develop a nuclear plant at Moorside near Sellafield which would support 1,000 jobs
- A commercially viable option wasn’t discovered and it was announced NuGen would be wound up in 2018.

Tidal Power
- Plans for a new £12bn tidal barrage on the Solway Firth have not progressed
- Limited national political support, environmental risks and tidal power project costs (c.£1,000 / MWh per annum compared to new offshore wind projects costs c.£388 / MWh) are unviable vs. clean energy alternatives.

Opportunities gained

Offshore wind energy
- Investment in offshore wind energy has caused the cost of offshore wind projects to fall from c.£120 per MWh to c.£40 per MWh (annual price).
- Walney extension is now in operation from the Port of Barrow. Largest wind farm in the UK.
- UK offshore capacity to quadruple by 2030.

West Cumbria Mining Company
- Subject to project proceeding, has potential to support 500 jobs, including for residents of Allerdale.
- First new deep coal mine in the UK for 30 years.

Future High Streets Fund and Towns Fund
- £15m investment programme for Maryport.
- £25m investment programme for Workington under consideration by UK government.

Baselining summary: Key findings

Allerdale is one of the least densely populated and most remote authorities in England, with an ageing population, and a relatively low skilled resident population. Employment is focused on Workington, which acts as West Cumbria's main service centre. There are a number of smaller towns – including Maryport, Cockermouth, Aspatria, Wigton and Silloth – and a significant rural population. Concentrations of deprivation – notably worklessness – are present, particularly in Workington.

The district has a focus on manufacturing, the visitor economy and public services. The nuclear sector focused on Copeland generates a substantial number of high paid opportunities for residents, however much employment in Allerdale is in low paid services jobs. Professional services – as in the rest of Cumbria – are underrepresented relative to the NW and GB averages.

Growth in the last decade has been relatively sluggish, and the economic outlook, outside of some key sectors, is challenging, driven by the district's relatively limited sectoral offering, weak innovation and entrepreneurial 'ecosystem', and demographic, skills and connectivity challenges.

Allerdale has key assets in its focus on clean energy (nuclear and offshore wind) in the context of the "Net Zero" agenda, its manufacturing strengths at a time of renewed onshoring and the potential of its manufacturing businesses to capture a growing share of the nuclear supply chain. Its quality of place – home to the Lake District and Solway Coast – also presents opportunity for existing residents and to attract younger people at a time of changing working patterns.

Allerdale's economy is particularly exposed to the short-term impacts of Covid-19. Successfully managing the exit from the UK government support schemes during 2021 will be critical to preventing company failure and rising unemployment in the key visitor economy sectors, with wider implications for social inequality.

3. Intervention Framework

Intervention Framework (1)

Recovering from the impacts of Covid-19 and delivering longer-term economic development

In preparing the Allerdale Recovery and Growth Strategy, we have applied an "intervention framework" to structure our analysis and recommendations. This considers the roles of different tiers of government in England in supporting local economic development. The Intervention Framework has been used to help clarify which authority (district, county, local enterprise partnership or UK government) is best placed to lead each measure, and which should have a supporting role.

The Intervention Framework is based on the Department for Business, Enterprise and Industrial Strategy's (BEIS) guidance on the role of local government in economic development. This recognises that local government is uniquely placed, via politically accountable leadership, to bring stakeholders together from all sectors to deliver local growth.

BEIS summarises local government's roles as:

- leadership and coordination using their community leadership role and planning powers to set out a framework for local development, helping to provide certainty for business and investment, overcome coordination failures and manage externalities.
- supporting growth and development through ensuring a responsive supply of land that supports business growth and increases housing supply.
- using their significant land assets to leverage private funding to support growth. In many places, opportunities to include other parts of the public estate in asset-based vehicles exist.
- directly and indirectly influencing investment decisions via the use of statutory powers, particularly via the planning system, which are key determinants of businesses' ability and confidence to invest.

Intervention Framework (2)

Recovering from the impacts of Covid-19 and delivering longer-term economic development

- supporting local infrastructure - transport investment, in particular, is a key enabler of growth.
- support for local people and businesses, including regeneration, business support and employment programmes, working with nationally led schemes.
- providing high quality services, e.g. schools and transport, that support businesses' investment confidence and individuals' life chances.
- keeping markets fair by maintaining trading standards and provide services and investment that increase the attractiveness of an area.
- leading efforts to support and improve the health and well-being of the local population, promoting independence and rehabilitation to ensure that all individuals have the maximum opportunity to benefit from work, and to contribute to the local economy.

Based on this guidance, the **table** set out overleaf summarises:

- The types of **measures** open to local government.
- the **tier(s) of government** with the powers to undertake these measures.
- the **'transmission mechanism'** by which these measures can influence local economic development.
- The **timeframes** over which these activities can take effect change
    - ST = short term, 0-3 years
    - MT = medium term, 3-5 years
    - LT = long term, 5+ years
- **Examples** of these activities

The alignment of the identified intervention priorities in Section 6 ("Strategic Themes") is summarised in Section 7 ("Theory of Change").

Activity	Tier of local government	Transmission mechanism	Timeframes	Example
Land use planning	Lower	Provides framework for development and certainty for investors	MT – LT	Local plan, development control
Land assembly	Any	Addressing coordination failures via fallback compulsory purchase powers	ST – MT	Inner urban regeneration
Leveraging public estate	Any	Public sector long-term investment horizons can help de-risk investments	ST – MT	LABFI-type structures
Public sector direct investment	Any	Lower cost of capital allows public sector to de-risk investments for private sector	ST – MT	Prudential borrowing backed projects
Convening powers	Any	Providing leadership and helping address coordination failures among investors.	ST	Local Industrial Strategies and National Sector Deals, Lobbying/ funding applications for HMG/LEPs
Business support and investment promotion	Lower / LEP	Address market failures, e.g. information asymmetries, factor immobility and access to finance	ST	Start-up and scale-up advice and training; grant administration; trade and investment promotion
Infrastructure	Generally upper	Provision of public goods that enable investment, employment and trade	MT – LT	Highways/public transport, support for digital infrastructure
Parks, leisure and the public realm	Any	Provision of public goods that make a place more attractive to investment	ST- MT	Investment in high street public realm or parkland
Skills/employment support	Upper / LEP	Human capital formation	ST – MT	School and FE provision; HE provision and HE/business partnerships
Housing services	Lower	Supports individual life choices by de-risking decision-making	ST – MT	Investment in social housing
Wider public services	Any	improve health and well-being, ensuring all can contribute to the local economy	ST – MT	Provision of public health services

Intervention Framework (3)

Five foundations of productivity

The Strategy has also taken into account the ‘five foundations of productivity’, a UK Government economic development framework originally set out in the 2018 *Industrial Strategy*, in identifying the types of measures to include. These 'foundations' have been identified as the types of interventions most likely to drive local productivity growth which, in the long-term, is the largest determinant of increased economic output and incomes per capita.

The benefit of using this approach is that it will help with subsequent discissions around UK government support (funding and powers) for the intervention set described in the Strategy.

The five foundations of productivity are summarised below:

- *Ideas:* Investment in science and innovation, and its industrial application by both government and business.
- *People:* Investment in skills, both in academic and technical education.
- *Infrastructure:* Investment in physical and digital infrastructure
- *Business environment:* Supporting the start-up and scale-up of businesses, and encouraging inward investment.
- *Place:* Investment in physical regeneration within communities, and ensuring the proceeds of growth are shared.

Intervention Framework (4)

Recovering from the impacts of Covid-19 and delivering longer-term economic development

In addition to the Intervention Framework, we have also applied a consistent framework to assessing measures targeting the recovery of the Allerdale economy from the impacts of the Covid-19 pandemic. This has been derived from Cumbria LEP's strategy, *"Restart, Reboot, Rethink: Planning for Cumbria's Economic Recovery."*

Our approach recognises that:

- The immediate impacts of Covid-19 on local economic output have not been uniform across sectors and places.
- Sectors that rely on human proximity have been disproportionately affected. This includes sectors where Allerdale has a high degree of specialisation (accommodation, retail, food and beverage services – but less obviously education also).
- The provision of this sectoral activity is not uniform across Allerdale, for example impacts on Keswick, with its visitor economy focus, are more significant than those on Aspatria.
- In addition to the immediate impacts of Covid-19, the pandemic is likely to lead to long-term societal behavioural change.
- While the precise nature of this is uncertain, this change presents challenges and opportunities for local communities to respond to.

Bringing this together, our framework for Covid-19 recovery seeks to:

- ***Restart*** – getting those businesses that can, to return to work, building upon experience of how the borough opened up May-July 2020.
- ***Reboot*** – developing a flight path back to those Local Industrial Strategy ambitions that remain feasible and deliverable.
- ***Rethink*** – renewing partnerships and developing a new common approach to ensure we "build back better" post-pandemic.

4. Vision & Strategic Objectives

Vision & Strategic Objectives

Guiding the development of the Allerdale Recovery and Growth Strategy

This section sets out a vision for the Allerdale Recovery and Growth Strategy, defining Allerdale Borough Council ambition for what the district can look like ten years hence in 2031.

This vision was developed from the findings of the baseline analysis set out in Section 3, building upon this review of Allerdale's specific assets, strengths, challenges and opportunities.

The vision was also based upon existing development strategies and plans of the Council, including:

- *Allerdale Local Plan*
- *Council Strategy 2020-2030*

Sitting below the vision are a series of strategic objectives. Achieving these underlying strategic objectives will allow the 2031 vision to be realised.

Both the vision and strategic objectives take account of the current and projected impacts of the Covid-19 pandemic on Allerdale's society and economy.

They also take account of significant recent policy developments, particularly the UK's exit from the European Union, and the UK government's commitments around 'levelling up' the UK economy and achieving 'net zero' carbon emissions by 2050.

Finally, a set of positive expected outcomes from implementation of the Recovery and Growth Strategy are set out, taking a triple bottom line approach.

Economic Recovery & Growth Strategy Vision

Allerdale as the first choice to earn a living and raise a family

“By 2031, **Allerdale’s economy will be strong, diversified and well connected, with a growing and highly skilled population**. Employment levels will be high with skills attainment well matched to local employment needs.

Allerdale’s businesses and residents will benefit from growing opportunities in clean energy, especially the **nuclear sector** and **offshore wind,** and a manufacturing renaissance. The local **visitor economy** will have fully recovered from Covid-19, and a greater number of tourists will be attracted beyond the National Park boundaries. **New and established businesses** will have seized the opportunities offered by technological and behavioural change, and a refreshed policy and regulatory environment.

Allerdale’s economic growth will be **sustainable**, **inclusive**, and offer **opportunities for all**. The heart of the district will be its network of **prosperous, resilient towns** and **flourishing rural communities**. High quality of life will be underpinned by outstanding **public services**, affordable, well-designed and well-located **housing**, and development that is sensitive to the area’s **heritage and natural environment**, the district will offer an **attractive quality of life** for all existing and new residents. Allerdale will be a great place to earn a living and raise a family.”

Economic Recovery & Growth Strategy: Strategic Objectives

How Allerdale will achieve its vision for 2031

Strategic Objective 1
Clean Growth and the low carbon economy

Allerdale encourages and facilitates clean economic growth by facilitating renewable and nuclear energy investment, and capturing a larger share of supply chain value.

Strategic Objective 2
Growing and future-proofing Allerdale's manufacturing base

Allerdale grows its manufacturing base via supporting local businesses to harness technological and regulatory change, attracting inward investment, and offering a skilled workforce.

Strategic objective 3
Support agriculture to grow and prosper post-EU exit

Allerdale supports local farmers and fisheries to adapt and thrive within the new policy regime.

Strategic Objective 4
Harnessing changing lifestyle and working patterns to diversify and grow the economy

Allerdale attracts new and growing businesses through a competitive cost base and skilled workforce, good connectivity and an enterprise culture, support for flexible working and responsiveness to the wider digital economy.

Strategic Objective 5
Creating thriving visitor destinations, towns, rural communities

Allerdale renews its towns and rural communities through diversifying existing uses, supporting the visitor economy to recover from Covid-19, and attracting investment.

Strategic objective 6
Sharing the proceeds of growth

Allerdale offers opportunities for all its residents and provides a high quality of life through outstanding public services.

5. Strategic Themes

Recovery and Growth Strategy: Strategic Themes

Overarching themes that tie priority measures to the Growth Strategy vision & objectives

The Vision & Objectives for Allerdale's Recovery and Growth Strategy were developed from the baseline analysis undertaken of the performance of the borough's economy, both pre- and during Covid-19. From these Vision & Objectives, a series of strategic intervention themes have been distilled to guide the recovery of the local economy from the pandemic and its longer-term development (2021 – 2031).

These themes focus on the key tradable sectors within Allerdale's economy (including energy services and manufacturing) which are subject to international competitive pressures and which are likely to have the greatest potential for growth in productivity and output. These sectors also have particular relevance to the UK achieving its longer-term 'Net Zero' goals.

Other themes cover sectors – such as agriculture and fishing – that are experiencing significant uncertainty and change as a result of national and international policy decisions, and that locally tailored support may be able assist the transition to a longer-term platform for stability.

Focus is also placed on opportunities for Allerdale to harness changing working patterns, a longer-term trend advanced by Covid-19, recognising the area's high quality-of-life offering, but also its historic challenges from relatively poor connectivity and an underdeveloped enterprise culture.

Consideration is also given to those areas of society and the economy that help ensure Allerdale is an attractive and sustainable place to live and visit – via the quality and vibrancy of its town centres, visitor attractions and green and blue infrastructure, and the resilience of its wider infrastructure networks. This analysis recognises that these are parts of the economy have been particularly impacted by Covid-19.

Finally, the Strategy sets out a cross-cutting theme aimed at ensuring growth is inclusive across all parts of society.

Recovery and Growth Strategy: Strategic Themes

The highlighted themes cover areas most impacted by the Covid-19 pandemic

Theme 1:

Clean Growth and the Low Carbon Economy

- a) Offshore Wind Energy
- b) Nuclear Sector

Theme 2:

Growing and future-proofing Allerdale's manufacturing base

- a) Promoting and de-risking inward investment
- b) Manufacturing and the wider digitalisation agenda
- c) Upskilling Local Residents

Theme 3:

Support agriculture to grow and prosper post-EU exit

- a) Farming and Land management
- b) Fishing Industry

Theme 4:

Harnessing changing lifestyle and working patterns to diversify and grow the economy

- a) Flexible Working
- b) Start-ups and Scale-ups
- c) Digital Infrastructure
- d) Strategic Transport Infrastructure
- e) Last Mile Logistics

Theme 5:

Creating thriving visitor destinations, towns, rural communities

- a) Town Centres
- b) Public Realm and Green Infrastructure
- c) Visitor Economy
- d) Infrastructure Resilience

Theme 6:

Sharing the proceeds of growth

- a) Developing the Skill of older residents
- b) Supporting excluded residents into work
- c) Providing outstanding local services

Theme 1 - Clean growth and the low carbon economy

Offshore Wind Energy (1)

Growing the offshore wind energy sector by moving up the value chain

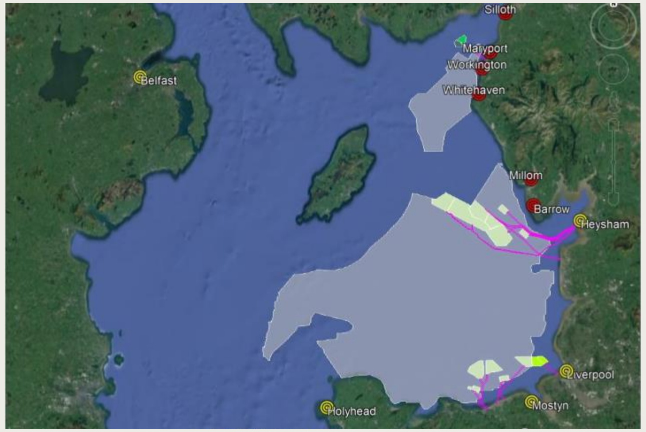
Context

Wider growth in Wind Sector

- The UK has more offshore wind energy than any other country at around 10GW capacity in 2019. Up from 1GW capacity in 2010.
- Substantial investment has caused offshore wind costs to fall c.80% (£120/MWh for in 2015 to around £40/MWh in 2020).
- UK Government has recently increased the target to have capacity for 40GW of offshore wind energy by 2030, sufficient to power every home in the UK (2). Of the 40GW target outlined in the Energy White Paper, UK Gov has specified that at least 1GW will be produced by floating wind energy.
- Walney Extension, (shown on the **map**), is the largest wind farm in the UK with capacity to power the 590,000 homes.

Manufacturing / Fabrication

- CLEP submitted a bid in late 2020 for investment support for a turbine manufacturing plant in West Cumbria to the BEIS Offshore Wind Manufacturing Investment Scheme.
- Currently, the only large-scale turbine manufacturing plant in the UK is the Siemens facility in Hull. This secured £25.7m from the Regional Growth Fund and £5 million from Hull City Council.
- At least one west coast tower fabrication plant is expected, driven by access to Irish Sea wind farm locations, and ability to harness relevant local skills base and supply chain.



Map of Irish Sea wind farms off North West of GB

Offshore Wind Energy (2)

Growing the offshore wind energy sector by moving up the value chain

Operation and Maintenance (O&M)

- In 2017, direct employment by the energy sector (excluding nuclear) in Cumbria was around 650 people and generated £125m in GVA (pre-Walney extension O&M).
- O&M activity for Walney Extension and Irish Sea wind farms currently managed primarily out of Barrow. O&M typically requires the management teams to be on site including the director, technicians, vessel coordinators and general admin staff.
- The space required for O&M is for operations / control facility, stores for smaller spare components / consumables, a terminal for offshore technicians (briefing and meeting rooms, welfare facilities, etc), and river / sea access for O&M vessels.
- Geographic proximity is an important determinant of location for maintenance depots as access to a windfarm quickly to avoid prolonged periods of downtime is important.
- Due to the existing expertise (E.g. Orsted), infrastructure and sites, the Port of Barrow has advantages for an expansion of O&M jobs within Cumbria. However, Barrow has limited land available for expansion relative to the Port of Workington at Oldside.
- The Lease Holder contracts by Crown Estate are in the 3rd out of 5 stages. It typically at the Contract for Difference (CfD) stage, where developers bid for support to build and run a wind farm, that developers and local authorities collaborate to develop detailed proposals. This is expected during 2022.
- Government is seeking to increase value of Supply Chain Plans as part of future CfD Round 4, including via driving regional growth.

Decommissioning

- Wind turbine decommissioning comes at the end of the turbine’s life cycle (usually around 20/25 years). Decommissioning consists of three phases: Project management and planning; removal of structures; and post-decommissioning process (e.g. recycling used elements and monitoring of the site).
- By 2034 it is expected that c.1,000 turbines in England will come to the end of their life cycle and will need to be removed with an estimated cost of £10bn.

Offshore Wind Energy (3)

Case Study 1: East of England offshore wind cluster

Great Yarmouth & Lowestoft Enterprise Zone (EZ) is at the centre of £50bn of planned investment in clean energy for the East of England. The EZ supports offshore wind farm operations including Greater Gabbard (504 MW) and Sherringham Shoald (315 MW).

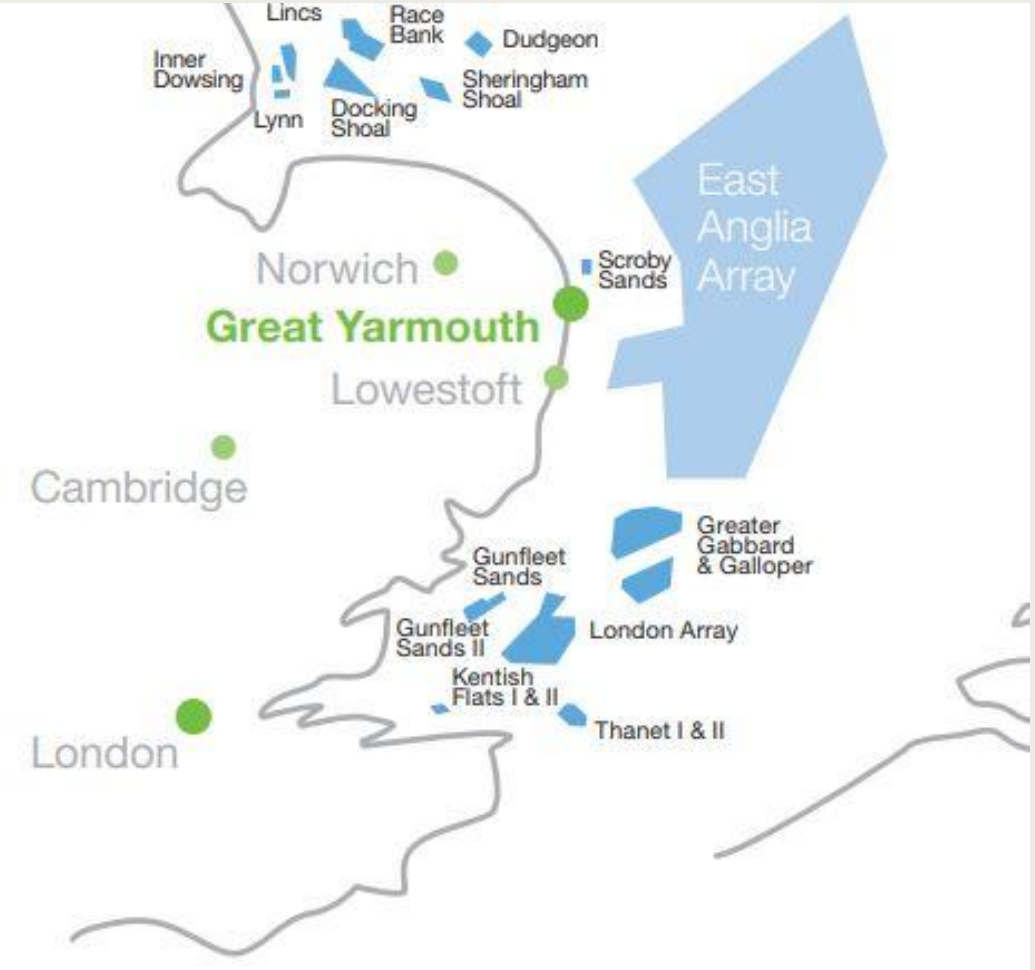
The EZ has four sites in Suffolk (46.2ha) and two sites in Norfolk (75.5ha) totaling over 120 Ha of land designated to energy businesses, offshore engineering, and ports and logistics.

The sector employs 7,700 people directly, and plans are to increase this to 9,000 direct jobs and 4,500 supply chain jobs by 2025.

The key success factors for developing a thriving and growing offshore wind energy cluster have included:

- Strong and geographically focused existing cluster to build on.
- Proximity to offshore wind power assets.
- Two innovation centres at OrbisEnergy and Beacon Park.
- Government regulatory and funding support through the EZ.

As a result, the EZ provides c.£994m GVA pa to the East Anglia economy with a GVA per worker of £129k.



Source: ENERGY FOR NEW ANGLIA - Enterprise Zone summary

Offshore Wind Energy (4)

Growing the wind energy sector by moving up the value chain

Opportunities

1. Potential offshore wind energy growth through CfD Round 4 and beyond
- Operation & Maintenance likely largest opportunity for Allerdale to move up the value chain in the Offshore Wind sector.
- This is due to the small existing O&M facilities at the Port of Workington; its close proximity to Irish Sea wind farms, the availability of land, the existing employment base present, and it is an easier market to enter (compared to manufacturing).

2. Develop offshore wind/port offer at Oldside site
- Focus on wider clean energy sector (including nuclear) and wind decommissioning and/or fabrication potential (building on nuclear decommissioning and precision engineering experience).
- Other potential sites in West Cumbria lack large brownfield land sites, meaning Oldside well placed for scale activity.
- Important to foster links with education provider(s) (e.g. at Lillyhall).

3. Fabrication opportunities may be more credible than turbine manufacturing
- Fabrication plant may be a realistic option for Allerdale due to precision engineering cluster, location on the Irish Sea and availability of land. Turbine manufacturing is more challenging due to scale of investment requirement.
- Allerdale would face strong competition from larger urban/ better connected settlements such as Belfast and Glasgow for Irish Sea focused fabrication plant.
- Government support likely to be required to establish viable fabrication facility, but significantly less than for turbine manufacturing.

4. Floating offshore wind may be a longer term opportunity but the technology is not understood to be ready for roll-out.

Actions

1. ABC to coordinate and collaborate with offshore wind developers seeking CfD contracts to deliver offshore wind energy e.g. planning consents, land availability, collaborate on developing supply chain plans and improving skills development.
2. ABC to progress the development of Oldside as a key site for offshore wind O&M and fabrication, including through delivery of enabling infrastructure project in Workington Town Investment Plan.
3. If fabrication is to be pursued, ABC to work with CLEP and CCC to develop detailed strategy/ proposal, working with large offshore wind energy players, including securing significant Government funding (c.£25m).
4. ABC to monitor progress in floating wind turbines as innovative technology progresses. No immediate action as implementation likely earliest around 2030.

Nuclear Sector (1)

Strengthening Allerdale's participation in the supply chain

Context

- National area of focus for nuclear decommissioning in West Cumbria – not just Sellafield Ltd, but also Headquarters of Nuclear Decommissioning Authority (NDA) at Westlakes Science Park, Low Level Waste Repository (LLWR) at Drigg, and Magnox Ltd.
- 30% of UK nuclear workforce in Cumbria overall. 2,000 Allerdale residents work at Sellafield in Copeland, demonstrating interdependence between local authorities for nuclear supply chain.
- Education cluster at Lillyhall supplying nuclear sector (e.g. National College for Nuclear); playing a role strengthening the sector across West Cumbria by upskilling the local labour force.
- Allerdale nuclear expertise focused on engineering, fabrication and inspection, and support services. Key firms: TSP (Workington); and Createc (Cockermouth), and SMEs, especially in Workington.
- Only 3% of Sellafield £1.2bn annual procurement spent in Allerdale (although recent £30m TSP contract). A number of factors cited for this by stakeholders:
- UK's largest established nuclear cluster is in Warrington, around Birchwood Park business park. The NDA and Sellafield Ltd (Design Engineering Centre) are based there (see **case study**).
    - This established NW cluster has made it harder to establish an engineering supply chain in West Cumbria, particularly given public-sector procurement rules.
    - In addition, nuclear sector requirements (in relation to quality, security and safety) for suppliers may have discouraged local SMEs, unless already specialist, from tendering for projects.
    - There has also been criticism of the level of collaboration between suppliers in West Cumbria, and comment the supply chain would perform better through greater collaboration.
- HMG focus on enabling new nuclear investment via i) large-scale projects; ii) advanced nuclear research and development (£525m for small modular reactors and advanced modular reactors, £220m for nuclear fusion); iii) market reform (RAB model).
- *Cumbria Nuclear Prospectus* (2020) includes proposals for i) Cumbria Clean Energy Park at Moorside; ii) Nuclear Technology Park; iii) Robotics Cluster; and iv) long term waste management.

Nuclear Sector (2)

Case Study 2: Warrington Nuclear Cluster

Birchwood Park. In 1956, the site was identified as a key location for the expanding the United Kingdom Atomic Energy Authority (UKAEA) and the organisation bought part of the site. Later, the site was home to the first University Research Reactor, a joint venture between the University of Liverpool and University of Manchester.

Today, 165 companies are based on the site, 40% nuclear focused. Including: National Nuclear Laboratory, Roll Royce, and Areva.

Key success factors for the nuclear sector at the park include:

- Public investment to foster a cluster of academic, public and private organisations specialising in nuclear activities.
- Access to a highly skilled labour market (including universities and technical colleges in Liverpool, Manchester and Chester).
- Strategic location – close proximity to M6, M56, M62, major rail line between Liverpool and Manchester and 2 airports.

The business park is now a member of the Cheshire Science Corridor Enterprise Zone.

Nuclear Sector (3)

Strengthening Allerdale's participation in the supply chain

Opportunities

1. <u>Potential for procurement rules (post-EU exit) to enable NDA to support local suppliers:</u>
- Changes to Cabinet Office procurement guidance announced Dec 2020 (Action Note PPN 11/20), noting public-sector entities can reserve procurement for suppliers from a particular location or for SMEs only for goods procurements up to ~£5m in value.
- NDA / Sellafield Ltd putting greater focus on SME supply chain, e.g. £3.9 million Sort and Segregate Nuclear Waste competition.
- Also, nature of decommissioning activity at Sellafield and LLWR moving away from requiring adherence to highest levels of nuclear-sector safety/security standards. This reduces barriers to entry for supplier not traditionally active in nuclear sector.

2. <u>Potential for assembly and export of Advanced Modular Reactors at Port of Workington</u>:
- Supply chain in West Cumbria (e.g. TSP engineering) has capabilities (e.g. fabrication) that could be useful to emergent AMR product.
- These are small (£900k) reactors that are pre-fabricated on the factory floor and can then be transported to their required location. AMR technology is expected to be submitted to the Office for Nuclear Regulation for approval in near future.
- Oldside site offers scale for a manufacturing/fabrication facility for AMRs, and is adjacent to the Port of Workington, supporting potential exports.
- Potential for AMRs to comprise part of solution at Clean Energy Park at Moorside.

3. <u>Proposed relocation of 2,000 Sellafield personnel offsite</u>
- Sellafield Ltd. has a strategy to move its employees off its site to towns across West Cumbria where possible. This will reduce traffic impacts and help share prosperity.
- Announced plans include offices in Whitehaven and Millom.

Actions

1. Ongoing engagement with Sellafield Ltd. to ensure Allerdale, as a major supplier of labour, is home to one or more offsite employment hubs.
2. Help provide support for local SMEs and Tier 3 / 4 suppliers to access contracts with NDA entities, e.g. via convening local events, and providing bid writing services.
3. Through Workington Town Investment Plan and further funding applications, assess the opportunity to provide serviced lands at Oldside suitable for AMR construction.

Theme 2 – Growing and future-proofing Allerdale’s manufacturing base

Promoting and De-risking inward investment (1)

Attracting a new generation of innovative manufacturing firms to West Cumbria

Context

- In Allerdale, manufacturing is an essential part of the local economy. It represents c.5k jobs, >200 firms, and £387m of annual GVA (14% of jobs, 5% of firms, and 21% of total GVA). Manufacturing firms 6/13 Allerdale businesses identified as 'high growth potential'.
- Concentration in the sector - top 10 manufacturing businesses account for c.50% of employment in the sector, creating a potential vulnerability to economic shocks and an over reliance on a small number of firms.
- Local manufacturers producing rubber and plastics products (the largest local manufacturing sector) may risk a decrease in demand due to the national focus on a green recovery.
- The sector as a whole needs to innovate and adopt new industrial digitalisation technologies to boost its long-term competitiveness. Attracting high quality in-movers can assist transition.
- The largest employment sub-sectors are rubber & plastic, fabricated metal and food.
- Concentrations of employment in Aspatria, Silloth and Wigton, but other towns (except Keswick) in terms of manufacturing jobs.
- Large availability of employment land in Allerdale (relative to rest of West Cumbria) at Lillyhall Business Park, Oldside, Moorclose, Glasson Park, which could be attractive to in-movers.
- Inward investment to Allerdale from outside the energy sector has been low for many years.

Settlement	Employment , as % of Allerdale total	Manufacturing as % of local employment
Workington	40.5%	11.7%
Maryport	8.1%	11.7%
Cockermouth	13.5%	12.0%
Wigton	8.1%	33.3%
Keswick	9.5%	3.6%
Aspatria	2.4%	40.0%
Silloth	2.4%	25.0%
Allerdale total	37,000	12.2%

Source: Population Estimates, Business Register and Employment Survey (BRES), ONS, 2018.

Promoting and De-risking inward investment (2)

Attracting a new generation of innovative manufacturing firms to West Cumbria

Opportunities

1. FDI can boost R&D as well as employment, skill levels and economic resilience.

- Bank of England research shows that - controlling for size, export profile, age, and sector - foreign owned firms are more productive than their domestic counterparts.
- Also more likely to engage in R&D activities and invest more money in doing so.

2. Facilitating onshoring (or 'reshoring') production from low-cost economies.

- Expected to become increasingly prevalent in the context of the ongoing COVID-19 and in response to a variety of factors including changing labour costs, higher transport costs, a need to be closer to the market, and advantages of co-locating R&D and production.

3. Improve image of ageing industrial estates.

- Many estates look run down which hurts the perception of the district as a place to invest. Public investment could improve the perceptions, encouraging private inward investment.
- Opportunities exist for heat networks and other innovative energy solutions to help contribute to national net zero objectives and change perceptions of Allerdale industrial estates.

4. Promoting West Cumbria as a place to live and work

- Quality of life for families and breadth of high skilled jobs on offer in West Cumbria not fully understood by prospective residents considering to move to the area.

Actions

1. Develop clear and compelling inward investment prospectus to showcase Allerdale's key manufacturing strengths, growth opportunities and available sites.
2. Identify, in consultation with local manufacturers, opportunities for supply-chain onshoring within their sub-sectors.
3. Explore the feasibility of establishing a Business Improvement District focused on Allerdale's industrial estates to enhance the quality of the offer to occupiers. Innovative clean energy solutions could be part of changing perceptions.
4. Work with partners across West Cumbria to market the quality of life and work opportunities on offer.

Manufacturing and the wider digitalisation agenda (1)

Accelerating the adoption of Industrial Digitalisation Technologies

Context (overview)

- Digital tools, techniques and innovation are transforming the UK's manufacturing landscape. Automation and increasingly data-driven processes can deliver significant cost efficiencies and quality/performance improvements, enabling investment to flow back to the UK from lower cost economies.
- Digitalisation is transforming how the manufacturing industry operates. The UK's Industrial Strategy identifies artificial intelligence as a 'Grand Challenge'.
- Some firms are adapting more quickly to these 'disruptors' than others. Large and mature advanced manufacturing clusters have inherent advantages in terms of agglomeration benefits, networking, co-location and proximity to key innovation assets.
- 'Made Smarter' is a new pilot scheme introduced by BEIS to promote digitalisation of the UK's manufacturing sector. Support opportunities through this programme should be widely promoted and maximised for Allerdale's manufacturing base.
- Businesses also need to embed a more pervasive innovation culture and increase innovation capacity (and capability) so local manufacturing businesses invest more in R&D. This should cover both product and process innovation.
- Allerdale needs the necessary mechanisms and ambitions to exploit new technologies, particularly in collaboration with the wider supply chains that the sector serves.
- Effective digitalisation has the potential to deliver significant efficiencies, productivity gains and customer service benefits for manufacturing businesses and the wider economy in Allerdale.

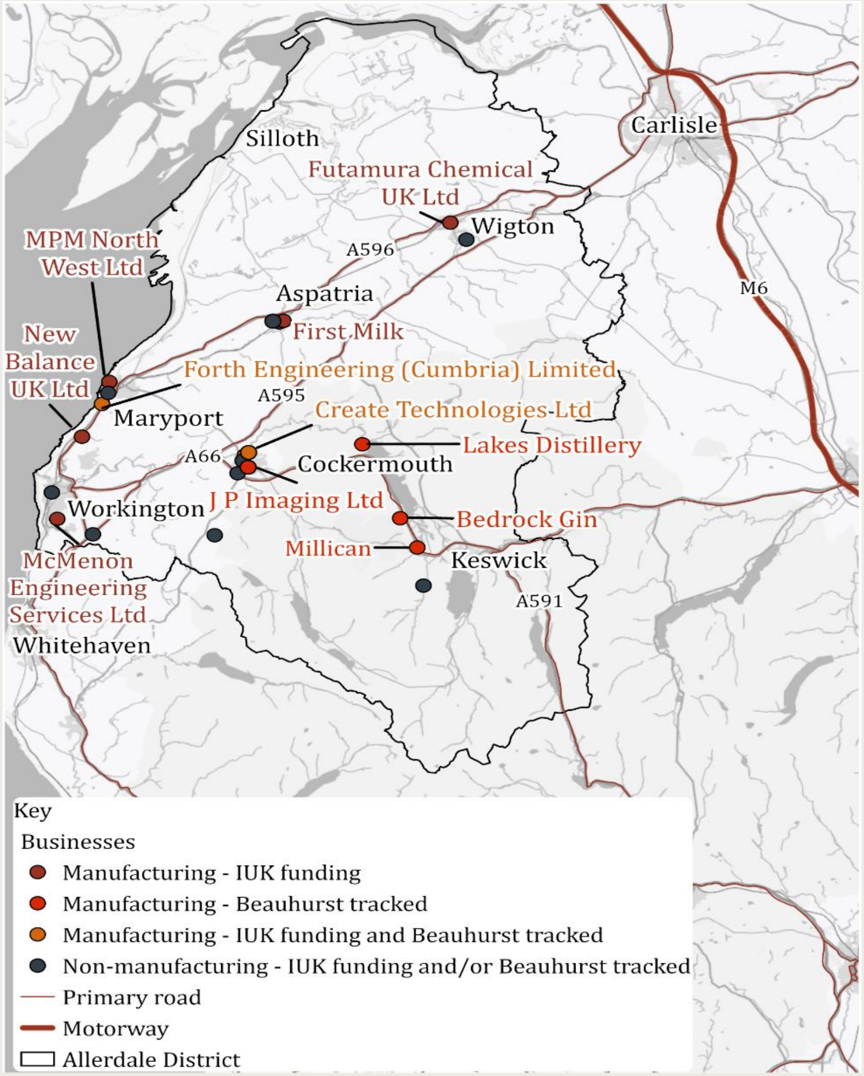
Manufacturing and the wider digitalisation agenda (2)

Accelerating the adoption of Industrial Digitalisation Technologies

Context (local)

- *Allerdale's manufacturing sector has low rates of R&D:*
    - Only 8 firms in Allerdale have attracted Innovate UK funding for manufacturing/ engineering/ data related projects since 2015.
    - Of the c.£4.3m grant funding offered by Innovate UK, c.95% of this went to Create Technologies and Forth Engineering.

- *The local sector also underperforms in terms of accessing growth finance:*
    - Beauhurst tracks (potential high growth) companies.
    - 13 businesses monitored in Allerdale, of which 6 are manufacturing firms.
    - 4 of these attracted private sector investment, including £25m to Lakes Distillery.
    - There is an opportunity to support local manufacturing firms to secure growth finance from the British Business Bank's Northern Powerhouse Investment Fund.



Manufacturing and the wider digitalisation agenda (3)

Accelerating the adoption of Industrial Digitalisation Technologies

Opportunities

1. <u>Workington Innovation Centre and Digital Accelerator in Town Investment Plan</u>

- Use the planned new Innovation Centre to encourage more of Allerdale's manufacturing SMEs to participate in the NW 'Made Smarter' support programme in partnership with the CLEP, Chamber of Commerce, Cumbria Manufacturing Service etc.
- Showcase new technology areas (robotics platforms, additive manufacturing, artificial intelligence, Internet of Things, sensors etc. to local SMEs). Additive manufacturing (3D printing) is particularly important for energy generation equipment and consumer goods.
- Encourage access to relevant emerging national innovation funding opportunities from Innovate UK and support links to the High Value Manufacturing Catapult.

2. <u>Strengthen knowledge of and engagement with Allerdale manufacturing business issues/opportunities</u>

- Strengthen the evidence base on the local manufacturing sector so that policy-makers can better understand key growth opportunities and local barriers to innovation.
- Use the engagement process to foster links and networking amongst Allerdale's manufacturing SMEs and larger employers with the Innovation Centre as a focal point.

Actions

1. As per the Workington TIP, build a new high quality Innovation Centre and complementary Digital Accelerator infrastructure at Lillyhall. Create an integrated hub for IDT adoption and networking across Allerdale's manufacturing base. Use the Innovation Centre to support more IDT start-ups and to act as a visible focal point for advanced manufacturing cluster development (including facilitating access to the British Business Bank).
2. Working with CLEP and other authorities, strengthen the evidence base in relation to West Cumbria's manufacturing sector's digitisation journey, and establish forums to foster collaboration and local supply chain integration.

Upskilling Local Residents

Vocational education and apprenticeship provision

Context

- Relatively low skilled population compared to GB. Future jobs forecast to require significantly more higher-level skills (>40% expected to be NVQ 4+).
- Occupation and qualification profiles patterns currently broadly reflect industrial structure.
- Educational cluster at Lillyhall site (Lakes College, Energy Coast UTC, National Nuclear College). Careers education nuclear focused, excluding wide range of local employers.
- Issue of retention in Allerdale as less attractive for young people to stay. Number of apprenticeship starts in Cumbria below the number before the new funding system introduced in 2017. Challenge for some accessing training/employment because of rurality.
- Self-employment has increased in recent years as individuals seek flexibility and an increasing number of employers operate ‘gig economy’ models. This increases need for enterprise skills.

Opportunities

1. T-Levels offer new qualification equivalent to A level with 20% based on industry placement. Degree apprenticeships provide a route to develop high-level technical skills locally.
2. Careers education engaging wider employer base would help to showcase exciting opportunities beyond nuclear.
3. Digital revolution in HE/FE provision provides opportunity for skills acquisition without leaving.
4. Consider access to employment and training in relation to investment in public transport.

	Allerdale	Cumbria	Great Britain
% with NVQ4+	30%	33%	40%
% with NVQ3 only	22%	21%	17%
% with Trade Apprenticeships	8%	4%	3%
% with NVQ2 only	19%	17%	16%
% with NVQ1 only	14%	15%	10%
% with other qualifications (NVQ)	4%	5%	7%
% with no qualifications (NVQ)	4%	5%	8%

Source: APS, 2019. Residents employed of working age

Actions

1. Promote/support expansion of T-Levels at all relevant potential suppliers (i.e Lakes College expansion, commencement at Lilyhall). Support linkages with employers and education providers to create the work component of the T-Levels.
2. Work with key local Allerdale employers and skills providers to diversify careers education. Particularly employers in growth sectors like offshore wind.
3. Work with local skills providers to develop and promote appropriate online learning opportunities.
4. Consider creative options for improving access to skills provision (e.g. electric bike schemes).

Growing Allerdale’s Manufacturing strengths

Case Study 3: Local employers investing in upskilling Allerdale residents

Allerdale has a number of local manufacutirng companies committed to investing in local skills training. **TSP Engineering** is one of only ten companies selected to taken part in the Civil Nuclear Sharing in Growth programme, investing £4.2 million in training its employees.

The training has been procured from a range of suppliers including the National Skills Academy, National Physical Laboratory, Inspire Training and many more. The courses range from nuclear safety, project management and winning nuclear tenders. Skills investments include local training courses, university degrees and secondments.

Each year, TSP recruit apprentices that then play an important role in the business. Many TSP employees began their journey as apprentices, continuing their career development at the company, leading to them securing management roles.

This approach has allowed TSP Engineering to replace contractors and not to rely on skills being imported from outside Cumbria.

Key points for the Recovery and Growth Strategy include:

- Many local employers are already investing in cultivating local talent.

- Collaborating with and targeted support for such local employers may speed up skills acquisition across the borough further.

- Communicating financial/commercial value of such employer-led training programmes may encourage other local businesses to replicate.

Theme 3 – Support agriculture to grow and prosper post EU-exit

Farming and Land Management (1)

Ensuring local farmers can prosper under the new subsidy and regulatory regime

Context

Farming in Allerdale

- 24% businesses in Allerdale in agricultural, forestry and fishing sector (5% GB and 20.5% in Cumbria).
- 99% businesses micro businesses (<10 employees) compared to 97% in GB. 2,500 in employment (6% Allerdale total), only 700 employees (c.2% Allerdale employees).
- Allerdale predominant farm type is grazing livestock (sheep and cattle) & dairy farming. Flatland farming on Solway Coast primarily cattle and sheep livestock also.
- Arable farming less prevalent in Allerdale.
- Existing processing capacity includes First Milk's Cheese factory (Aspatria), Blackbrow abattoir (Wigton), Carrs Group Ltd (Silloth).
- Impending skills issue due to expected 2021 Newton Rigg College closure in Penrith (provides courses in agriculture, gamekeeping, animal and equine management, etc).

Policy change

- Agriculture Act 2020 biggest farming policy reform since the 1940s. A lot at stake – 65% total English farm income from Common Agricultural Policy payments. Currently, with Direct Payments, 16% English farms make a loss. Without, 42% would make a loss.
- Lowland and Less Favoured Area Grazing Livestock Farming exposed to Direct Payments removal (21% and 15% of revenue from direct payments). Dairy farmers less exposed (5% revenues). UK Government to reduce direct payments (68% total subsidy 2021/22, to 34% 2024/25). Increase public goods payments (23% to 57%).
- Large range of public goods: Clean air & water; thriving plants, wildlife and biosecurity; reduced environmental hazards (flood & drought); sustainable resource use; enhanced beauty, heritage and engagement with natural environment; climate change mitigation & adaptation; minimising waste; managing chemical exposure.

Farming and Land Management (2)

Ensuring local farmers can prosper under the new subsidy and regulatory regime

- Payment mechanisms and subsidy payment values to be determined through trials. 'Cumbria Pioneer' trial scheme gives opportunity for farmers/local policy-makers to understand changes and communicate challenges/opportunities to government. Findings to be published soon.
- Future Government support includes to protected landscapes via National Park Authorities and AONB bodies.
- Defra farm resilience scheme to support most affected by Direct Payments removal (expert advice from charities and businesses).

Productivity/Diversification

- Farming productivity a national issue (18% Total Factor Productivity Growth since 1991 productivity growth in UK, France (82%), US (54%), Netherlands (52%)).
- Due to the dominance of dairy farming, West Cumbrian agriculture low productivity (total Income from Farming per hectare farmed).
- Application of technology changing nature of farming – e.g. Controlled Environment Agriculture, GPS, sensors, unmanned aerial vehicles. 'Internet of Food & Farm' trial projects show benefits like reduced fuel consumption; increased soil fertility; increased milk yields; reduced disease. Unclear current commercial viability.
- Small-scale Allerdale farming businesses suggests technological adoption may be slow (i.e. Contractors renting equipment to farmers as operations too small to warrant purchase and ownership)
- Automation a key arable farming topic (demand for farm robotics for harvesting grown during pandemic; Seasonal workers pilot extended).
- Lillyhall Vertical Farm an opportunity to diversify and increase productivity of Allerdale/Cumbrian agriculture as a demonstrator.
- 65% of farms in England have already diversified (See case study on following page).

Farming and Land Management (3)

Case Study 4: Agricultural diversification to secure future of the industry

Diversifying streams of revenue can offer farmers security and ensure they are maximizing the potential of their assets. £740m income for farmers in England is drawn from diversified sources, growing 6% per annum. 48% of farmers are planning to set up or expand diversification enterprises.

An example of successful diversification would be **Inwood Farm** in Somerset. The farm has extended their arable and dairy farming model to an events and wedding business. Diversificaiton has allowed one family member to manage this arm of the farm's activities, whilst one member manages the farm maintenance, and another oversees the caravan site.

Other diversification examples include:

- North Cotswold Dairy Company converted their old tank room into a creamery and started selling milk directly to the public.
- Kefir Ice cream: Fossfield farm diversified by producing a healthy fermented milk product. A third of their overall sales come from this.
- Leisure and Accommodation: one farmer situated on Loch Lomond diversified by providing speedboat tours, kayak hire, paddleboard hire and converted old farmhouses into high quality accommodation.

The key points for the Recovery and Growth Strategy include:

- Diversification of farm income sources is an important and growing trend which will help ensure the long-term viability of local farmers.
- The Council can help farmers by providing a supportive planning framework and facilitating collaboration with the tourism sector.

Source: https://www.quantocklakes.com/

Farming and Land Management (4)

Ensuring local farmers can prosper under the new subsidy and regulatory regime

Opportunities

1. Ensuring local farmers prosper within new subsidy regime

- The Defra Agriculture Transition Plan offers opportunities for farmers to unlock grant funding by protecting heritage assets, National Parks & AONBs, local environmental priorities.
- Need for flood resilience from farm land should be studied (mapping/ modelling/ interpretation) and shared with Environment Agency /DEFRA to inform subsidy design.
- DEFRA looking to local strategy alignment when considering grant funding.

2. Facilitating technological adoption/diffusion to boost local productivity

- Government grants will be available towards equipment costs, technology, and infrastructure to improve productivity while benefiting the environment (applications open autumn 2021).
- Market failure as new technology's commercial value (productivity gain vs cost) unclear given innovative nature of technologies. Need for co-operation/knowledge exchange.

3. Supporting diversification for farmers to broaden revenue sources

- ABC's Local Plan is integral to facilitating diversification by allowing changes of use, newer buildings, energy and digital infrastructure. Arable farming also has low representation.

Actions:

1. ABC work with CCC, LDNPA, Solway AONB, other Cumbrian LAs and industry bodies to convene working group to gather evidence of subsidy transition issues and articulate local farming and environmental priorities, and needs for funding.

2. Support grant funding application support by farmers. Develop knowledge exchange network to share local best practice and allow networking to facilitate collaboration. Network to provide business planning support, mentoring (1-to-1, peer-to-peer, commercial data benchmarks, etc). Leverage Lillyhall Vertical Farm once built

3. Provide demand-side support for diversification by boosting profile of farming heritage as part of tourism offer (e.g. working with Cumbria Tourism to highlight historical farming assets). Facilitative planning policy approach to farmer attempts to diversify (i.e. open to change of use to accommodation, renewable energy infrastructure (solar), & digital infrastructure (masts, cables).

Fishing Industry

Supporting the fishing industry in Allerdale

Context

- Catch in English Solway predominantly Shellfish. Total catch tonnage dropped in all Allerdale ports. Decrease in value smaller due to increased shellfish price.
- Sea fisheries; shipping and transports; and fish processing total 175 jobs across English Solway. Down 60% since 2011. Sports, Recreation and Tourism employment linked to the English Solway coast is 4,245 employees, contributing £53m in GVA.
- Haaf fishing heritage industry with 1,000 year history dating back to Viking times.

EU Exit

- UK exports 80% of the fish it catches and 66% of these exports are to EU markets.
- Increase in quotas balanced against non-tariff barriers in the EU increasing costs to export (eg. plastic crates vs polystyrene boxes).

Opportunities

1. Supporting local fishing industry – UK Prime Minister has committed to providing £100m fund to help modernise fishing fleets and processing industry.
2. Support heritage fishing offer - Studies show heritage fishing value to attract tourists to coast – e.g. Southend fishing industry attracts large numbers of London day trippers.

Actions

1. ABC to collaborate with local fishermen and representative bodies to offer ad-hoc bidding support (e.g. letters of support, bid draft reviews) to local fisheries to secure a portion of the £100m funding provided by UK government to help local fisheries to scale up current operations to meet new quotas since EU exit.
2. Work with Cumbria Tourism and other partners to utilise heritage fishing more as part of tourism offer to encourage trips to the coast (eg. Haaf Fisherman and Maryport harbour). Attract day trippers or longer from LDNP.

Theme 4 – Harnessing changing lifestyle and working patterns to diversify and grow the economy

Flexible Working

Supporting flexible working arrangements

Context

- Pre-COVID-19, homeworking only 5.3% of workers in Great Britain. During COVID-19, 41% of adults in employment were working from home during the first lockdown period. This comprised sectors used to home working (e.g. business and administration services, financial services) but also other sectors (e.g. public administration).
- Local Plan objective to support delivery of flexible office and 'touch down space' through new development or repurposing empty premises. LDNP Local Plan also supportive of this.
- Pre-pandemic growth of flexible office space, e.g. the Vicky in Cockermouth is an incubator-style facility (19 companies currently using the facility).
- Increased home working allows companies to access a wider labour market beyond Cumbria, a benefit for companies while increasing competition for the local labour force. Threat of some high-skilled work opportunities (such as in nuclear) being potentially taken up residents elsewhere in UK or overseas.

Opportunities

1. <u>Learn from examples of success in places with similar characteristics.</u>

- A shift to flexible working patterns, accelerated by the pandemic, is likely to prove attractive to knowledge workers. Evidence that towns attract residents seeking this lifestyle where they offer some of: good amenities, schooling, accessibility and outdoor/heritage lifestyle.

Workington Innovation Centre and mixed use development on Central Car Park site (Workington Town Investment Plan)

Actions

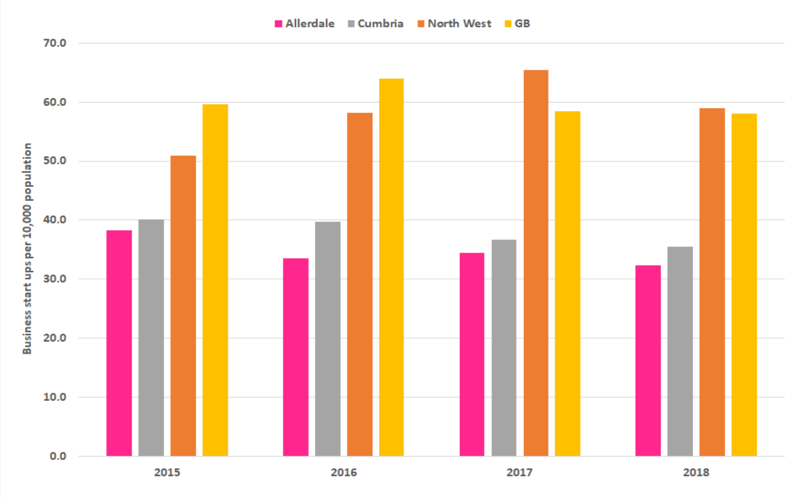
1. ABC to explore opportunities for complementary / incubator office space in the district, focusing on Keswick/ Cockermouth (assuming Workington Innovation Centre is funded via TIP).
2. ABC to encourage local employers (including itself) to take advantage of flexible working opportunities where possible that improve employee wellbeing, increase labour force participation, and deliver greater resilience.
3. Support / facilitate investment in improved digital connectivity to facilitate flexible / home working to ensure jobs stay within the area (See digital connectivity sub-theme).

Start-ups and Scale-ups (1)

Building an innovation and enterprise culture

Context

- Allerdale rates of start-up formation around half national average, although this is a Cumbria-wide (and rural UK) challenge.
- Conversely, local business survival rates are about 20% above national average, although few fast growing businesses in Allerdale in recent years (albeit with some good exceptions in niche areas).
- Perception locally that high nuclear sector wages discourage start-ups, despite opportunities (e.g. in Sellafield supply chain).
- Other factors cited in stakeholder engagement include generally lower skills levels, limited commercial office space, and lack of local “entrepreneurial” ecosystem supporting start-up and scale-up firms.
- This perception is backed-up by the data. GNVQ4+ skills attainment of Allerdale residents is only 75% of the national average. There is only around 25,000 sq ft of available commercial office space in Allerdale. Accepted features of a modern “entrepreneurial” ecosystem are generally lacking across the district, such i) availability of early stage financing; ii) higher education knowledge transfer; and iii) start-up and scale-up incubation support.



Rate of business start-ups in Allerdale vs. comparators

- Sectors most exposed to Covid-19 impacts (e.g. accommodation, retail and food services), are highly represented in Allerdale. These sectors are characterised by a high number of SMEs. In addition, business stock fell during lockdown in Allerdale whereas nationally business stock grew by >10%.
- These facts suggest a significant number of Allerdale SMEs may be facing financial distress from ongoing lockdown, despite UK government support schemes.
- Conditions for start-ups are very complex meaning it is important to adopt a wide range of measures that create a positive environment for businesses to start and thrive.

Start-ups and Scale-ups (2)

Building an innovation and enterprise culture

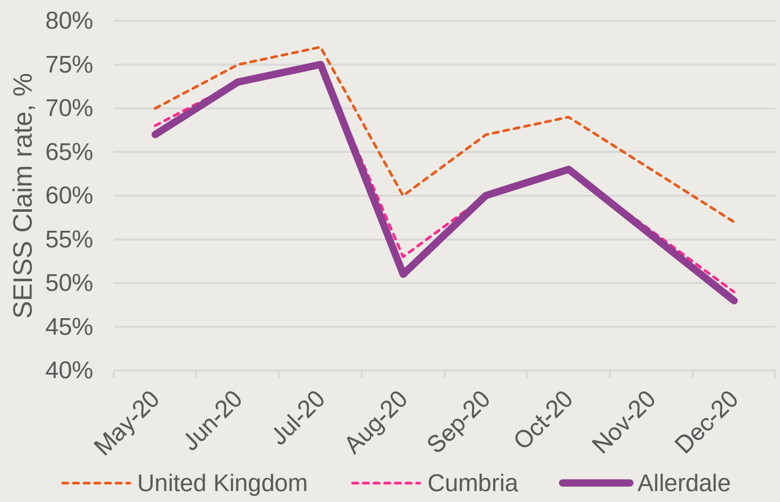
Opportunities

1. Address immediate challenges presented for SMEs from Covid-19 pandemic
- SMEs in pandemic-exposed sectors likely to be highly indebted, and may have lost staff. Some will need recapitalising to continue to operate.
- The self-employed may face particular challenges. The SEISS scheme has shown a high uptake, owing to the vulnerability of the self-employed to shocks.
- Avoiding 'hysteresis' – permanent scarring of the local economy and labour market – needs to be the priority of policy makers at all tiers of government.

2. Learn from examples of success in places with similar characteristics.
- Examples of success in increasing business formation and growth in other rural areas show it can be done, but challenging to achieve, likely to be realised over longer term, and need to recognise inherent limitations of rural areas vs. cities.

3. Post-pandemic, identify opportunities for business in Allerdale from the 'mega trends'
- For example, potential for changes to public sector procurement and business support regimes from EU exit, desire for re/onshoring to improve supply chain resilience, or funding related to 'levelling up' and 'net zero' agendas.
- Focus should reset on developing local institutions (such as he Chamber of Commerce and Cumbria Busines Growth Hub/Rural Growth Network) as well as identifying which sectors Allerdale where has an advantage, rather than 'picking winners'.
- Potential sectors of focus include: clean energy supply-chain; sustainable tourism; health and care; and some applications of agro-tech.
- Clarity on opportunities across Allerdale will help ensure applications for government support can be successful, building on a consistent, credible platform.

SEISS Claim Rate



Source: SEISS claims, ONS, May-December 2020.

Actions

1. With Cumbria data observatory and CLEP, identify mid-size businesses facing significant financial distress from Covid-19. Review regional business support and finance position to ensure meets the needs of West Cumbria.
2. Building on Cumbria Local Industrial Strategy, undertake detailed assessment of potential focal sub-sectors for the district within West Cumbria.
3. Explore potential for Workington Innovation Centre to expand over medium term to cover Cockermouth/Keswick area.
4. Ensure Allerdale businesses understand support available through active promotion and assistance, adjusted as new options become available post EU-exit and Covid-19 pandemic.

Digital Infrastructure (1)

Providing world-class digital Infrastructure

Context

- Allerdale is behind national and regional averages for all forms of broadband connectivity (see **table**). Digital infrastructure essential for all economic sectors.

Fixed Line

- Connecting Cumbria has achieved significant success as 92% of properties in Allerdale are now accessing superfast broadband. However, only 3% of premises in Allerdale have access to ultra fast broadband.
- Government view superfast broadband as fast enough for most current individual/household needs. Demand for data intensive services, e.g. video calls, is increasing, leading to a need to expand access to high-capacity internet connections that support fast download speeds, large amounts of data and many users at one time.
- Only 3% of premises have access to full-fibre services within Allerdale.

Mobile

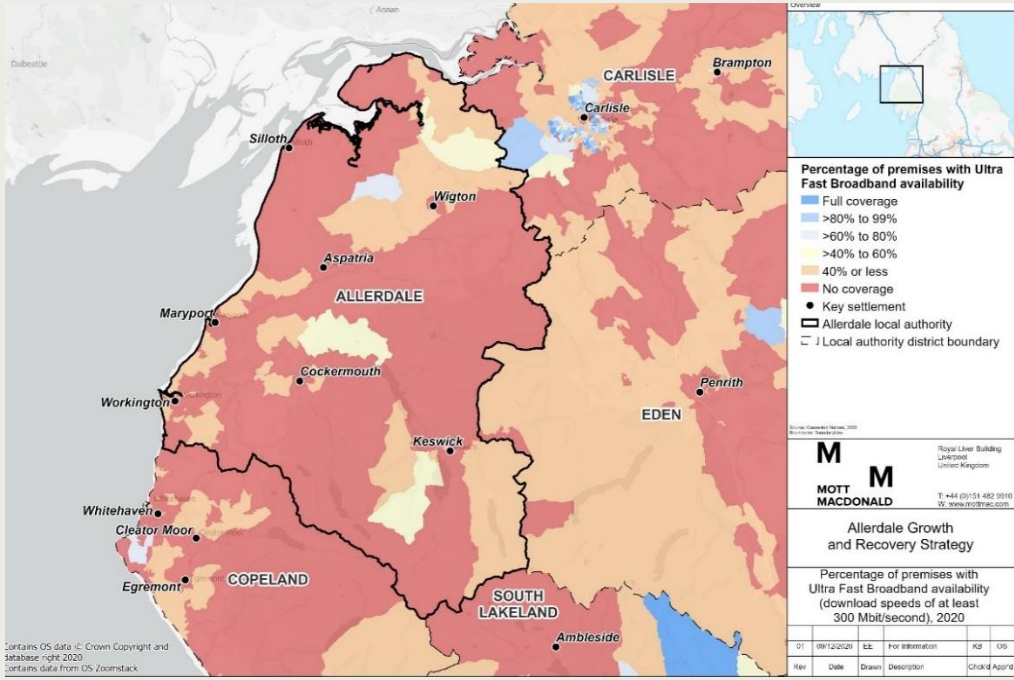
- Allerdale (61%) and Cumbria (61%) are behind the North West and UK in the percent of premises covered by all 4G operators.

Urban

- Workington is anticipated to receive gigabit speeds in near future as part of a £12bn investment by Openreach.
- Work is expected to begin in 2021 with the scheme being completed by 2024.

Rural

- Limited rural mobile internet provision (4G/5G), impacting on potential to exploit “Internet of Food & Farm” opportunities.



Percentage of premises with Ultra Fast Broadband availability

	Allerdale	Cumbria	North West	UK
Unable to access a download speed of 10Mbit/s	4%	4%	1%	2%
Access to a download speed of 30Mbit/s +	92%	93%	96%	95%
Access to a download speed of 300Mbit/s+	3%	14%	59%	56%
Access to full fibre services	3%	4%	12%	14%
% of premises (indoor covered by all 4G operators)	61%	61%	78%	81%

Digital connectivity in Allerdale vs. comparators

Digital Infrastructure (2)

Case Study 5: Local authorities leveraging asset base to support digital infrastructure provision

Colchester Borough Council decided to commercialise their town centre CCTV infrastructure to accelerate delivery of broadband services. The council identified an investment gap by the major telecoms firms to deploy fibre in medium-size town centre locations. The infrastructure consisted of 5km of ducting and 126 cameras.

An initial investment of £340,000 was funded by South East LEP and developer contributions. This allowed for a repurposing of the CCTV infrastructure and avoided a sunk cost in the region of £1m for a completely new network.

Through a competitive tender, a broadband provider won the contract to provide full fibre services to businesses and residents of Colchester. The council does not provide the broadband services but receives rental income from the service provider and a revenue share on the income they receive from customers.
Key measures of success are:

- 850 SMEs and 1,100 residents can access gigabit broadband
- Businesses in the town centre now experience speeds higher than 99% of the UK.
- Project cost was <10% of installing full-fibre from scratch.

Digital Infrastructure (3)

Providing world-class digital Infrastructure

Opportunities

1. <u>Utilise Council assets to facilitate rollout of digital infrastructure</u>

- An audit of Council assets may reveal that ABC have underutilised assets to rent out to speed rollout of digital infrastructure and potentially generate new income streams (e.g. ducts, CCTV poles and building roofs). **Case study** on previous page provides an example.
- As part of audit, engage with larger and smaller service providers to understand rollout challenges and opportunities in Allerdale better. Example of success is B4RN, a small non-profit organization, rolling out low-cost Lancashire fibre optic broadband network (1gb/s).

2. <u>Work with CLEP/CCC to secure faster rollout of full-fibre broadband through grant funding</u>

- UK Government *National Infrastructure Strategy* detailed an ambitious target of providing full-fibre services to a minimum 85% of premises by 2025 (announced December 2020).
- £5bn will be made available to support. Next steps is to issue smaller contracts to small, medium-sized and rural specialist telecoms providers to connect around 1,000-8,000 premises per contract. Allerdale (excl. Workington) is one of the small procurement areas, so will be a key target of the 'Outside-In' element of the scheme which focuses on hard-to-reach areas first.

Roll-out plan for National Infrastructure Strategy. Blue = within 'Outside-In' programme. Grey = provision for full fibre already planned

Actions:

1. Undertake audit of ABC assets as part of assessing options for leveraging asset base to reducing telecoms supplier costs and increasing ease of deployment (can ABC rent their duct, pole and building assets for this?)
2. Work with CLEP and CCC to secure grant funding (e.g. 'Outside-In' element of National Infrastructure Strategy (timeline to be determined in 2021)

Strategic Transport Infrastructure

Improving network performance and journeys by non-car modes

Context

- Established strategic highway connectivity for most of Allerdale population with limited network performance issues outside of a few hotspots (e.g. A596/A595, A66 Ramsay Brow in Workington).
- Most towns connected to rail network except Cockermouth, Keswick and Silloth.
- However remoteness of area remains a challenge (around 1 hour journey time to motorway or mainline rail networks).
- Journeys to work predominantly by car (72%), higher than England average (63%).
- Public transport has very modal low share (4.8%) of JtW, although walking (14%) is above England average, and very high shares in some Allerdale towns (e.g. Maryport). Cycle usage remains substantially below national average.
- Cumbria Coast Line has very low patronage despite direct access to Sellafield and other major centres.
- Overall, transport infrastructure judged a relatively lower priority for the Growth Strategy due to scale of investment required and limited evidence this will be the single factor that unlocks economic development, given the area's inherent geographic remoteness.

Opportunities

1. Potential upgrade to the Cumbria Coast Line that will support major programmes in the energy sector and support up to 18,000 jobs.
2. Recent investments to Port of Workington offer direct rail access, offering opportunity to improve freight rail share.

£5m A595 road improvements funding, see: https://highways-news.com/cumbria-county-council-gets-5m-funding-for-a595-improvements/

Actions:

1. Support growth in passenger and freight rail (e.g. support OBC for Cumbria Coast Line).
2. Work with CCC to identify and address key pinchpoints via targeted investment.
3. Work with CCC on the development of its Local Cycling and Walking Infrastructure Plan to bring forward active travel investments (e.g. improve pathways around popular residential and employment areas and improvements to cycle infrastructure and cycle lanes).

Last mile logistics

Harnessing consumer trends to bring employment to Allerdale

Context

- UK internet sales as a percentage of total retail sales grew from 7.1% in Jan 2010 to 20.2% in Jan 2020. During Covid-19 the share has jumped to 36.6% as of Jan 2021.
- As a share of total employment, warehousing & support activities and postal & courier activities both under-represented in Allerdale (combined, 0.9% of employment in 2018 compared to GB share of 2.6%).
- Analysis by Savills suggests factors shaping where last mile logistics firms locate are:
    - Access to strategic road network and sufficient road capacity.
    - Sufficient space for vehicle movement and turning.
    - Large regular shaped sites of 100,000 sqft or more are in significant demand.
    - Access to flexible workforce and sufficient market catchment.
- Record low North West warehousing vacancy and take up rates end of 2020 suggests firms changing/accelerating long term supply chain strategies.
- Increasing demand for same/next day delivery for online retail requires need for local fulfilment centres across country close to population centres.

Opportunities

1. Facilitating growth in last mile logistics investing in access to/from key sites will support location of warehousing within Allerdale.
2. Marketing sites based on catchment area and travel times will help locate development to where most desired.

Image credit: News and Star, 2019

Actions:

1. Access funding for local access infrastructure to/from key sites, improving capacity.
2. Market selected sites for last mile logistics based on based on the catchment area and travel times (demographics, households, employees, growth etc).

Theme 5 - Creating thriving visitor destinations, towns, and rural communities

Town Centres (1)

Repurposing and revitalising town centres

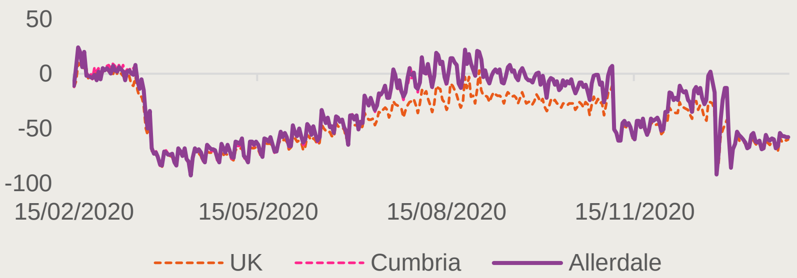
Context

- Town centres in Allerdale have generally been resilient in recent years given captive local retail markets (particularly Workington) and/or strong visitor economy effects (particularly Keswick). Workington retail market strong pre-pandemic (average rents £40/sqft).
- The major exception to this resilience is Maryport, where town centre retail and leisure vacancy rates are at 20%, significantly above the national average (12%) and rents very low (£7/sqft).
- In general, town centres have been performing better than city centres during the Covid-19 pandemic, due to ‘work from home’ requirements. This is seen in the rapid rebound in Washington Square footfall (in Workington) from July onwards (until recent lockdowns).
- Google Mobility Data on Allerdale activity during Covid-19 **overleaf**.
- However, particularly smaller settlements without a substantial visitor economy, will not be immune to wider high street trends accelerated by Covid-19. Analysis by Savills identifies no requirement for retail investment to expand stock. It is likely that all towns (except Keswick) are over-retailed and need vacant stock repurposed. Strategic new retail sites may offer value if overall stock not increased.
- Consumers are becoming increasingly environmentally conscious (e.g. 73% global customers state they would change purchasing habits to reduce environmental impact). Clean energy solutions, such as heat networks, could improve town centre perceptions.
- Community perception that town leisure and cultural/night-time offering could be improved, although investment has been made in recent years (e.g. Workington leisure centre), and some towns (e.g. Keswick, Cockermouth) have notable night-time offering. Need to balance alongside strong family friendly town centre offer.
- Limited town centre residential or office development, with these markets generally having proven unviable outside of specialist purposes (e.g. aged care, holiday lets), although demand may be there (e.g. high-quality temporary worker housing).
- Businesses have raised issues with the planning framework as not promoting a better business environment facilitating adaptation.

COVID-19 and Allerdale Mobility

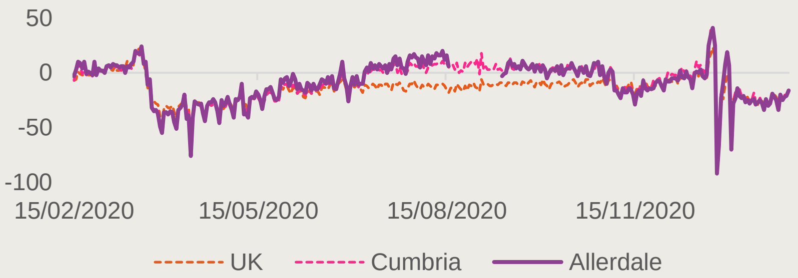
Understanding how COVID-19 has impacted trips to/from key types of destinations in Allerdale

Retail and Recreation



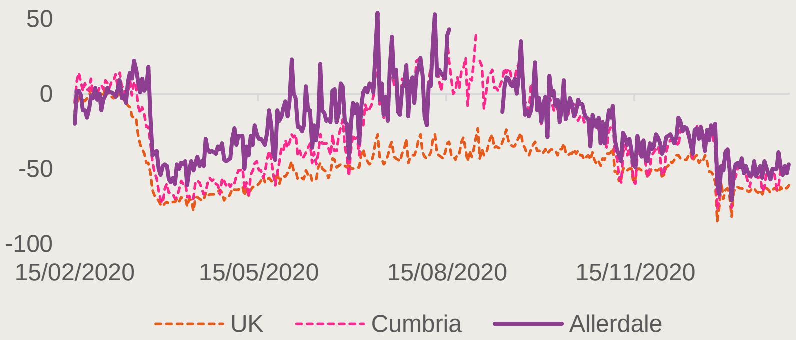
Initial collapse of retail trips. Recovered in summer and fell again for 2nd lockdown by a lesser amount.

Supermarket and Pharmacy



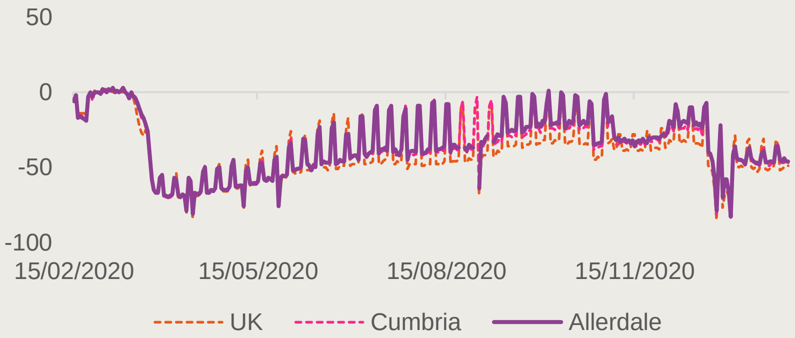
Rapid decline retail trips. Recovered in summer for all comparators, Allerdale and Cumbria retail trips were above UK level.

Public Transport



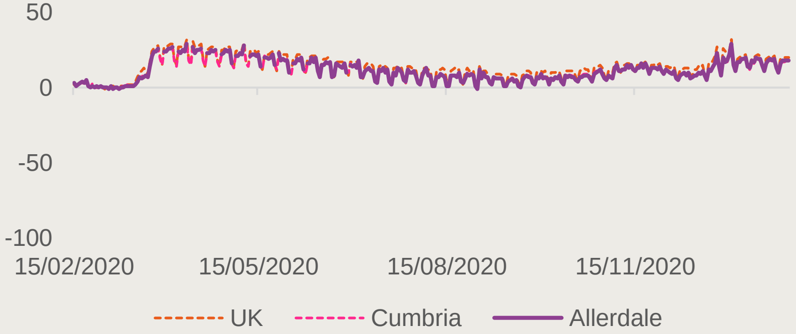
Collapse of public transport usage, recovered in summer and fell again for 2nd lockdown. Public transport usage in Allerdale and Cumbria recovered faster than in than UK.

Workplaces



Sharp decline in first lockdown with a gradual recovery in the summer.

Residential



Trips to residential properties increased rapidly and have remained consistently above baseline for all comparators since the first lockdown.

Town Centres (2)

Repurposing and revitalising town centres

Opportunities

1. <u>Identify high-level development frameworks for each town centre.</u>

- These should highlight the settlement's heritage and distinct personality, and be tailored to an understanding of their social, economic and cultural role within West Cumbria.
- This has been largely completed for Workington (in its Town Investment Plan) and Maryport (Future High Street Fund business case), but Silloth, Aspatria, Wigton and Cockermouth would benefit from this process. The benefits for Keswick, as a thriving and heavily developed tourist town are likely to be more focused on the town's sustainability.

2. <u>Leverage council-owned property in towns to 'kick start' development</u>

- ABC is a significant land owner in a number of towns in the district. These council sites could be developed first as they avoid the need for land assembly or third-party participation to progress.
- Uses could include residential, office and leisure development.

3. <u>Identify broader opportunities for repurposing vacant buildings and land within town centres across Allerdale.</u>

- Beyond the "low hanging fruit" of Council-owned sites, other vacant sites could be redeveloped towards alternative uses and to support independent SMEs.
- There are clear benefits from this – for example residential development can revitalise a town centre and improve demand for night-time activities. This development needs to be sustainable however and avoid engendering longer-term problems (e.g. ad hoc residential conversion in retail areas, localised crime).
- Most non-retail development is unlikely to come forward if left solely to the market; some council co-funding is likely to be required. Focus for public-sector funding should be on 'exemplar' projects that demonstrate what is possible to private developers.

Actions:

1. Undertake an audit of derelict and empty properties in each town centre, and liaise with property owners to identify plans and appetite for redevelopment.
2. Establish potential exemplar development projects in each settlement aimed at repurposing existing town centre.
3. Identify potential leisure and cultural activities and investments for each town (including for the night time economy and family friendly activities) as part of a wider strategy for the Borough.

Public Realm and Green Infrastructure

Making the most of Allerdale's natural and built environment assets

Context

- Proximity of Allerdale's settlements to the Lake District National Park and Solway Coast offer them an arguably unrivalled setting in England, and a competitive advantage to attract new residents and families to the area.
- Allerdale's towns feature a variety of natural features within them, such as river frontages (e.g. Derwent, Cocker) and coastal access (Harrington, Silloth).
- The district's parks provision complements the natural environment (e.g. Vulcan Park, Memorial Gardens, Silloth Green).
- A number of regionally and nationally popular outdoors initiatives across Allerdale such as Coast to Coast cycle ride.
- Quality of built environment does not always complement the natural setting effectively. Areas of degraded public realm across the district (e.g. Workington), although also good examples (e.g. Keswick, Silloth, Cockermouth).
- Council ownership of some major sites – e.g. Harington Marina – simplifies regeneration investment.

Opportunities

1. <u>Leverage Allerdale's natural and built environment to attract and retain residents.</u>

- Evidence that public realm investments are highly favoured by residents, if complementing wider regeneration of town centres.
- Successful outdoor environment initiatives can similarly promote a place by selling its 'lifestyle' offering to attract skilled workers with families.

Actions:

1. Identify potential new activities, in connection with visitor economy theme, that can help better showcase Allerdale's natural assets, particularly outside of the National Park.
2. Through town centre development frameworks, identify targeted public realm investments that would enable wider regeneration and resident well-being.

Streetscape and Place-making

Case Study 6: Implementing traffic calming measures to increase footfall

In March 2012, a major streetscape and place-making project was completed in **Poynton Town Centre**, Cheshire. The masterplan objective was to regenerate the centre by redesigning Fountain Place, the high street, and making Park Lane a pedestrian friendly environment.

The town centre was previously an intersection for London Road and Chester Road which attracted a large volume of traffic including a significant number of HGVs. The congestion was thought to be a key reason why the town centre was in decline, with around 16 empty units in 2010 and falling investment.

The project followed basic place-making principles to narrow carriageways, widen footways, install bold courtesy crossings, remove traffic lights and barriers to create low-speed integrated streetscape and a safer shared-space for pedestrians, cyclists and vehicles.

Initial signs show good progress for the town as:

- Only one minor injury in three years, compared to 4-7 serious incidents in each of the three leading up to the project.
- Average speeds have reduced to c.20mph, despite lack of any changes in local speed limit.
- Journey times and pedestrian delays have dropped.
- Reached only 1 empty trading unit on Park Lane.
- 80% of retailers have reported an increase in footfall and turnover.

Visitor Economy (1)

Expanding Allerdale's visitor economy offer

Context

Local visitor economy

- Prior to the Covid-19 pandemic, Cumbria tourism estimated to be worth £3bn p.a. In 2018, 19.4m tourists visited the Lake District.
- Allerdale estimated to capture 16% of Cumbrian visitor spend. Of the county's top 20 visitor attractions, none were located west of the National Park.
- 20% of tourism visitors to Cumbria include somebody with a disability.
- Cumbria tourism exhibits higher rates of seasonality than UK (UK October to March overnight visits = 41% total; Cumbria = 29% total).
- A shortage of quality accommodation has been identified outside of the National Park, particularly in north Allerdale.
- 2020 Allerdale Local Plan states tourism attractions and accommodation to be first considered in Workington, Maryport, Cockermouth, Wigton, Silloth, Aspatria and local service centres.
- Key cultural assets ABC have a direct stake in: Keswick Museum; Art Gallery; Maryport Maritime Museum; Helena Thompson Museum.
- Existing local events include the Taste Food Festival, Cockermouth, which attracted 25,000 visitors. There are also established events programmes in Cockermouth, Silloth and Keswick.
- Two UNESCO Heritage sites are located in the district : Lake District National Park and Hadrian's Wall.
- Supply side issues include low productivity due to seasonality, low wages meaning hospitality not seen as a viable career, and EU Exit making labour more scarce.
- Lack of infrastructure (e.g. toilets for the disabled and mothers) an issue for attracting broadest range of clientele possible.

Covid-19

- As result of Covid-19, Cumbrian visitor economy businesses reported a loss in income of 46% on average in 2020. Demand-side issues greater immediate term concern (cancellations, fall in demand, lack of forward bookings and low consumer confidence).

Visitor Economy (2)

Expanding Allerdale’s visitor economy offer

- Supply-side issues created by repeated/short notice changes to UK Government guidance making forward planning orders and staffing for businesses challenging.
- CLEP Creative and Cultural Sector panel collaborating across the county to identify and co-ordinate pre-start, restart, reboot, and rethink proposals. Proposals are focused around: Mitigation of impact; Access to/from locations; Communication; Measures protecting employees & customers; Attitude (restoring public confidence); and Policy.
- Key Allerdale grant funding received from Arts Council England Culture Recovery Fund to date include: Theatre By The Lake in Keswick & Solfest music festival.
- During the pandemic, ABC began negotiating changes in rental terms to support cultural institutions that the Council have a stake in. No significant additional support needed to date as other solutions found.

Reboot/Rethink

- 2019 UK Government Sector Deals – Tourism Sector Deal seeks to: support investment in both natural and built heritage, museums and arts; deliver 30,000 apprenticeships p.a.; deliver new T Level courses; increase tourism accessibility; and reduce seasonality and increase productivity. Covid-19 has delayed implementation.
- CLEP Cumbria Rural and Visitor Economy Growth Plan identified opportunities as “adventure capital” with cultural and heritage offer.
- Borderlands Growth Deal gives opportunity to bid for funding as part of Destination Borderlands Programme (e.g. Hadrian’s Wall).
- Motorhomes / Touring Caravans made up 12% of accommodation stays. Cumbria Tourism see opportunity to expand this offer.
- Long list of potential destination focused ideas (e.g. Resident's week; Coastal festivals (e.g Taste of the Sea Maryport); Mile Marker project; promotion as an E-bikes destination; “Coast Alive” Cumbria; and Solway Coast Development Plan.

Visitor Economy (3)

Case Study 7: Attract and Disperse in West Coast Ireland

The Wild Atlantic Way was conceived to address the challenges facing the West of Ireland resulting from a decline in visitor numbers over the period 2007-2010.

The Solution:, The Wild Atlantic Way was developed in 2010/11 as the first long distance touring route following the Atlantic coast from Donegal to West Cork (c. 2,500 kms). Investment was made into the supporting infrastructure and "experiential" product development through the support of the Irish government, regional agency and local authorities with limited financial support from the EU.

The Wild Atlantic Way features as the overall brand which destinations and operators could "piggyback" on.

The Delivery: The Wild Atlantic Way brand was delivered by identifying a coastal touring route made up of a number of existing roads and routes and then linking in a range of settlements, attractions and activities. An ambitious project combining travel, destinations, attractions, interpretation mechanisms and wayfinding, the initial infrastructure cost was €12m Euros together with an investment of €1.5m euros for the events and festivals with an on-going annual financial commitment.

Measures of Success: Domestic staying visitors forecast to rise from 7,970 (proxy 2014) to 8,930 (+16% 2013-2020). Overseas staying visitors forecast to rise from 4,510 to 5460 (+26% 2013-2020).188 Discovery Points established. 15 Signature Discovery Points.

Wild Atlantic Way - Ireland's spectacular coastal route (thewildatlanticway.com)

Visitor Economy (4)

Expanding Allerdale's visitor economy offer

Opportunities

1. Highlight attractiveness of Solway coastal offer, delivering "attract & disperse"

- Develop cycling, walking and road routes along the coast, linking the England Coastal Path and relevant sections of Hadrian's Wall Cycleway and the C2C.
- Optimising the natural and built heritage, providing signage, waymarking, information and interpretation along the route (physical and digital) pointing to key attractors (e.g. Hadrian's Wall, Watchtree Nature Reserve, Senhouse Museum).
- Possible funding sources: National Lottery Heritage Fund, Culture Recovery Fund, Borderland Growth deal, Visit England/Discover England.

2. Develop the Events & Festivals programme to re-invigorate the visitor economy attracting new & encouraging previous visitors as well as the resident community

- Optimise value of the events market. Food & drink market forecast to decline 3% in 2019 yet still valued at £18.8bn.
- Initial focus on the well-established centres (Cockermouth, Silloth & Keswick).

3. Build on growing interest and participation in adventure sport (climbing, mountain biking, paragliding and other sporting activities such as cycling, walking and golf

Actions

1. Establish a Coastal Way working group encompassing representatives from ABC, Cumbria Tourism & industry operators/businesses. Define & confirm existing roads & coastal pathway/cycleway routes that could combine to make up route, branding and wayfinding (e.g. Geotourist apps).

2. Working with CLEP, Copeland BC, CCC, establish events group linking ABC, Keswick Tourism & existing operators to prepare and cost events programme to commence in 2022. Examine the potential to initiate a Hospitality Training Initiative linking the Lakes College, hoteliers & other leisure operators to provide "on the job" skills training to raise productivity. Link with Cumbria Tourism & engage with their Recovery Marketing Campaign.

3. Consider potential to establish an Active Allerdale Group with representatives from ABC, activity operators (including golf courses) & outdoor equipment providers.

Infrastructure Resilience

Ensuring the robustness of Allerdale’s critical networks

Context

- In 2015, Storm Desmond estimated to have cost Cumbria between £400m-£500m of damage, on top of £275m damages from 2009 flooding. £72m funding through EA provided to Cumbria 2016-2021 (including in Maryport, Keswick and Derwent).
- Climate Change leading to more intense and frequent rainfall, increasing stress on sewer, drainage and watercourse networks causing flooding in Cumbria.
- Visitor economy and Allerdale town centres hard hit during the COVID-19 crisis. Allerdale towns centres have high share of employment in industries at high risk during periods of physical distancing (retail, leisure and hospitality).

Opportunities

1. DEFRA investing £5.2bn towards flood defences across the UK between 2021 – 2027 to protect around 336,000 homes. More funding pots will be announced in 2021.
2. New Environmental Land Management proposals in Agriculture Act 2020 offer opportunities to ensure farming land supports flood resilience.
3. Safer spaces ensuring town centre assets are more pandemic resilient moving forward will help investors to invest with confidence.

Actions:

1. Grant funding applications - Engage with DEFRA and Environment Agency to understand £5.2bn funding opportunity better. Plan for funding submissions to unlock grant funding support.
2. Work with CCC and partners to develop strategy to maximise potential of new environmental land management policy to address key flooding issues - e.g. increased woodland, floodplains, peat restoration.
3. Pandemic resilience – review assets to identify, quantify and mitigate the risk of COVID-19 exposure in public spaces, entertainment venues and transport hubs.

Theme 6 - Sharing the proceeds of growth

Life-long learning

Developing the skills of older residents

Context

Ageing population

- Cumbria has a ‘super-ageing population’ as people come to the county to retire.
- In Allerdale, 24% of the population is over 65 and 47% were over the age of 50.
- Need to adapt to changing technology will become greater as people work longer.

Skills Shortage and Automation

- CLEP Skills Investment Plan (2016-2021) estimated that by 2021, 66,500 jobs will need to be filled in the county (due to retirements, occupational mobility and outward migration).
- Including other employment, 80,300 jobs needing to be occupied. Only 24,000 young people are due to enter the jobs market during this time period leaving a shortfall of 56,300.
- 41% of the vacancies to be created by 2021 will be for skilled workers at Level 4 or above.
- 35% of jobs could be at risk as a result of automation in the next 10-20 years (DfE).

Opportunities

1. National Retraining Scheme 2017 integrated in Oct 2020 with the UK Governments new £2.5bn National Skills Funds.
2. Promote opportunities and the need to be upskilled/reskilled - soft transferable skills, high demand technical skills through existing communication avenues.

Actions:

1. ABC to sign-post local residents and businesses to national level retraining opportunities (e.g. Courses within newly launched National Skills Fund).
2. Amongst local resident population, promote opportunities and the need to be upskilled/reskilled (soft transferable skills, high demand technical skills).

Supporting excluded residents into work

Supporting young people, mothers, BAME people and other excluded groups

Context

- Cumbria has one of the lowest proportions of BAME population in England - approximately 3% (2011 Census, up from 1.8% in 2001). Limited data on needs/views of BAME residents.
- Allerdale deprivation concentrated in/around Workington and Maryport.
- Barriers to employment include transport to work (public and private), digital exclusion, childcare and challenges of flexible contracts.
- Young people, especially young women, are highly represented in sectors worst hit by the Covid-19 crisis (retail, hospitality and tourism). Supporting young women into STEM subjects would help ensure greater female representation in less vulnerable types of employment.

Opportunities

1. Work with partners to ensure a network of support for young people to enhance their employability including young women into STEM. Promoting paying national living wage would help support family sustaining employment.
2. More data required to assess need for Black and Minority Ethnic residents.
3. Government funding provided for communities based approaches during Covid-19 supporting social enterprises / charities that support marginalised groups into work.

Actions:

1. ABC to work with local schools, colleges, and employers to ensure young people can access entry level employment and training opportunities and promote the implementation of national living wage to employers. Including supporting/ encouraging young women to take up STEM opportunities.
2. An Equality Impact Assessment (EqIA) could be commissioned to identify actions to support greater equality across Allerdale, including helping ABC meet its legal requirements to deliver equality, diversity and inclusion.
3. ABC to provide targeted support with grant funding to community groups working to improve social inclusion (e.g. National Lottery Community Fund, COVID Community Champions).

Public services

Providing high-quality public services and community leadership

Context

- As elsewhere, public services in Allerdale provided by range of providers including ABC, CCC, Cumbria Police, the NHS, Ministry of Justice, and Department for Work and Pensions.
- Allerdale Council Strategy presents Service Objectives, including community leadership.
- High quality public services are a ‘hygiene’ factor that can allow an area to attract new residents and families, and retain existing residents and businesses.
- ABC Resident’s Survey 2018 identified health services, crime and clean streets as priorities.
- Residents least satisfied with voluntary advice services (35% respondents highlighted as issue) and job advice services (21%). Maryport and Workington least satisfied. Litter and refuse on public land; parks and open spaces; public car parking key issues in the towns.
- Older and rural residents more likely to be digitally excluded, hindering public service access.

Opportunities

1. Community Hubs becoming increasingly popular – both during Covid-19 crisis (e.g. Nottingham Community Hub) and long term (Community Hubs in West Sussex).
2. Increased digitisation of services is allowing councils to save on resources while need to support access for digitally excluded.

Actions:

1. Consider "one stop shop"/ community hubs offering integrated public service provision (both ABC and other providers). Review of public sector estate to identify opportunities to rationalise/ relocate, for efficiency and to unlock sites for development.
2. Develop new public service delivery models that are outcome-focused, cut across traditional local and national government silos, and provide better, more efficient, services to residents.
3. Identify initiatives to upskill digitally excluded residents in Allerdale to increase online take-up of services.

Theory of Change

Theory of change

Assessing the causal relationship through which actions meet objectives

	Objectives	Context	Inputs	Outputs	Short Term Outcomes	Long Term Outcomes	Impacts
Theme 1	**Clean Growth and the Low Carbon Economy**	Net Zero 2050 raises need. Increased demand for offshore wind. Local nuclear supply chain opportunities not maximised.	Capital / Revenue investment Public/political stakeholder engagement Private Sector Engagement Leadership from Allerdale BC Project management Business Case development including technical and feasibility work (where needed) Legal and commercial advice and support Coordination with other emerging policies and strategies (Local/regional/ national) Project operators, private sector tenants, skills providers	Commercial and hybrid industrial floorspace delivered. Businesses engaged and supported. Local supply chain better integrated.	New businesses locating to area. Jobs and economic growth delivered.	New and indigenous businesses grow and adapt commercial offer to support each other's needs.	Local industrial, services, and O&M low carbon cluster formed.
Theme 2	**Growing and future-proofing Allerdale's manufacturing base**	Towns highly dependent on existing manufacturing firms. Low skills base suited to existing needs, not future needs. Digitalisation threat/opportunity.		ABC engaged with manufacturing businesses. Targeted business support. Collaboration between FE/HE providers and private sector.	Increased awareness of digitalisation opportunities/threat. New training courses provided by local businesses.	Existing businesses adopt new technologies. Residents upskilled to meet future business needs.	More stable and competitive manufacturing base.
Theme 3	**Support agriculture to grow and prosper post-EU exit**	EU Exit and new trade deals. Significant regulatory/subsidy reform in agriculture sector. Allerdale farms mainly micro businesses struggling to adapt.		Local policy better articulates farmer needs. Businesses supported & engaged through networks and grant funding application support.	Farmers better equipped to meet industry challenges and opportunities. National subsidy regime implemented to meet local needs. Flexible and 'can do' planning regime.	Farms diversify income sources. Farms innovate and adopt new technologies and business practices. Through land stewardship, farmers deliver public goods and are compensated fairly.	Higher productivity, higher income earning farms managing Allerdale's environmental assets to best meet local priorities.
Theme 4	**Harnessing changing lifestyle and working patterns to diversify and grow the economy**	Covid-19 changed working patterns. Low business dynamism. Weak digital and physical connectivity.		Businesses provided with necessary support and aware of benefits to remote working. Full fibre digital infrastructure delivered.	Increased internet download/upload speeds for homes/businesses. Increase in business stock/ business creation in Allerdale, incl. logistics.	Residents embrace new flexible working patterns. New start ups offer innovative solutions and bring new sectors. Allerdale has diversified its economy.	More diversified and growing economy with a business environment that meets the needs of a modern economy.
Theme 5	**Creating thriving visitor destinations, towns, and rural communities**	Underinvestment in town centre assets. Covid-19 accelerated high street trends. Visitor economy focused on LDNP. Infrastructure vulnerable to floods and pandemic.		Revitalised/repurposed town centres with renewed public and green spaces. New visitor attractions outside the national park.	Increase in footfall & reduction in vacancy rates to town centres. Increase in utilisation of public space. Increase in visitors to the coast.	Vacancy rates remain low. Units are occupied by innovative businesses. Attract and disperse successful including improved accommodation, events and festival offer along the coast.	Town centres and rural settlements serve residents/visitors needs and support a more vibrant economy.
Theme 6	**Sharing the proceeds of growth**	Need for a better educated, older workforce and improved public services. Significant barriers to youth and female participation.		Older residents upskilled through education/training courses. Excluded society members supported into work.	Older residents able to adapt to changing work patterns. Increase in employment for excluded residents (eg mothers and BAME groups).	Older residents stay in work longer. Lifelong learning becomes the norm in Allerdale. Formerly excluded members view district as an enjoyable, safe and pleasant place to work and live.	All members in society experience growth and an increase in well-being. Allerdale is an equal and inclusive society with opportunities for all residents.

From strategy to delivery

Where to go next

From strategy to implementation

In the final stage of this commission, Mott MacDonald and partners are currently developing an Implementation Plan focused on key places within Allerdale borough.

This will take the strategic actions identified in this document and develop options tailored to the needs of particular settlements.

High-level development frameworks will be developed for the towns of Keswick, Wigton, Aspatria, Silloth, and Cockermouth.

These will complement plans developed for Maryport and Workington in their successful 2020 Future High Streets Fund and Towns Fund submissions to the UK Government.

The development frameworks will present proposals for interventions to help the towns to achieve their vision / objectives as set out in the Local Plan and to contribute to vision, strategic objectives and priorities for Allerdale this Strategy.

Alongside the town development frameworks, the study team is also developing initial site plans for three key strategic sites: Lillyhall, Moorclose and Harrington. This complements the Oldside Site Prospectus already developed as part of this commission.

More detailed technical feasibility work such as design work, business plans, and business case development will be required for each proposal to be ready for partnership funding. However, combined, the Strategy and the Implementation Plan will place Allerdale in a more advantageous position for securing funding from the Levelling Up Fund, the UK Community Renewal Fund, Homes England, the Environment Agency, and private sector investors.

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