

Peck, Frank ORCID: <https://orcid.org/0000-0003-1976-154X> (2021) Emerging from the national lockdown in Cumbria. In Cumbria Magazine, 2021 (April). p. 25.

Downloaded from: <http://insight.cumbria.ac.uk/id/eprint/7404/>

Usage of any items from the University of Cumbria's institutional repository 'Insight' must conform to the following fair usage guidelines.

Any item and its associated metadata held in the University of Cumbria's institutional repository Insight (unless stated otherwise on the metadata record) may be copied, displayed or performed, and stored in line with the JISC fair dealing guidelines (available [here](#)) for educational and not-for-profit activities

provided that

- the authors, title and full bibliographic details of the item are cited clearly when any part of the work is referred to verbally or in the written form
 - a hyperlink/URL to the original Insight record of that item is included in any citations of the work
- the content is not changed in any way
- all files required for usage of the item are kept together with the main item file.

You may not

- sell any part of an item
- refer to any part of an item without citation
- amend any item or contextualise it in a way that will impugn the creator's reputation
- remove or alter the copyright statement on an item.

The full policy can be found [here](#).

Alternatively contact the University of Cumbria Repository Editor by emailing insight@cumbria.ac.uk.



Professor Frank Peck is research director of the Centre for Regional Economic Development (CREDE) at the University of Cumbria's Institute of Business, Industry & Leadership

Emerging from the national lockdown in Cumbria

Professor Frank Peck discusses the importance of the furlough scheme in keeping the Cumbrian economy on the road against the effect of Covid-19

As we emerge from a third national lockdown, we can look back at the data on business impacts and speculate about the new normal for the economy.

The prevalence of use of the furlough scheme gives us some indication of the impacts that the pandemic has had on businesses across the country. Latest data available for local Authority areas shows that at the end of January 2021, 41,400 “employments” in Cumbria were in furlough which represents around 18 per cent of the eligible total. Significantly, this was the highest rate of furlough in all the counties of England, suggesting that the need for support for businesses has been more widespread in Cumbria than in other areas.

The reasons for this are self-evident; Cumbria's economy depends to a greater extent on the type of sectors and businesses that have been most badly affected by Covid restrictions, in particular accommodation, hospitality and food services activities that depend on the visitor economy. Furlough data at county level is currently not broken down by sector, but it is significant to note that the Local Authority Districts within Cumbria that depend most upon tourism display take-up rates well in excess of the County average (South Lakeland 26 per cent; Eden 23 per cent).

In addition to furlough, government support is provided for the self-employed via the Self Employment Income Support Scheme (SEISS). At the end of round 3 (covering the period November 2020 to end of January 2021), there were 14,400 claimants in Cumbria, 58 per cent of all those eligible to apply. From the evidence of these two schemes alone, it is quite clear that government support has been critical to ensure the survival of many businesses across the county.



Businesses may have needed support, but the pandemic has also tested the ingenuity of business-owners across the county as they seek continuity of activities. Anecdotal evidence, as reflected in the pages of *In-Cumbria* magazine, illustrate some of the mechanisms that have been deployed to keep service businesses alive – click and collect, online sales, home delivery, takeaway, mobile premises, direct mail...

It is becoming clear that increased proficiency in the use of web-based systems for marketing and sales is one positive aspect of learning from lockdown.

Looking ahead, subject to planned emergence from lockdown, prospects for “staycation” seem good for summer 2021 though alongside the quality of accommodation, competition may also be driven by a heightened need to reassure visitors on Covid safety measures.

In other sectors, much speculation surrounds the extent to which workers will return to workplaces. For some employees perhaps, “working from home” may have lost much of its appeal, while employers may be anxious to restore work patterns that facilitate the spread of ideas and good practice that tend to be associated with face-to-face interaction. The outcome may be a partial return to work with emergence of hybrid forms of work organisation.

And for others, of course, the pandemic has not led to furlough nor working from home, but significantly modified patterns of existing work to meet heightened demand – in healthcare, emergency services, food retailing, courier services, security services, waste collection...

As we emerge from the latest lockdown, the implications of the pandemic for local economies across the UK is only just beginning to be understood. There are likely to be, for instance, profound effects on consumer preferences and consumer behaviour which, in turn, will generate new competitive processes in many sectors.

“EMPLOYMENTS” FURLOUGHED AND SEISS CLAIMS AT END OF JANUARY 2021

Area	Furloughed employees	Rate	Self-employment income support	Rate
Cumbria	41,400	18%	14,400	58%
Allerdale	8,200	19%	2,700	57%
Barrow	3,500	11%	1,200	62%
Carlisle	8,900	17%	3,100	61%
Copeland	3,700	12%	1,100	55%
Eden	5,400	23%	2,400	53%
S. Lakeland	11,800	26%	3,900	59%
UK	4,703,600	16%	2,191,000	65%

Source: Data abstracted from Cumbria Intelligence Observatory “Labour Market Briefing,” February 2021